

SIA Update on the Review of the Approved Contractor Scheme

The review of our Approved Contractor Scheme (ACS) is progressing well. The extensive consultation process in phase one has been completed.

We received a fantastic response with over 650 people completing the surveys. We'd like to thank all of you who took the time to take part.

Our delivery partner Pye Tait has summarised the phase one main findings and recommendations from the research and these are available from the [ACS Review Portal](#)

Overall feedback from the consultation shows that the existing ACS is functioning well. Nevertheless, a number of improvements have been identified and we will be working with Pye Tait to deliver these during the next phases of this review. These include:

- Simplifying and improving the language around the standards
- Less focus on processes and documentation
- More focus on measurable outcomes

Our response to Pye Tait's findings and recommendations to date

Phase one of this project has highlighted a number of emerging themes which have influenced our thinking on how we can strengthen and improve the ACS. As a result we have taken some strategic decisions in relation to the future of the Scheme. These are outlined below:

- **Future direction of the ACS** – Discussions during the consultation centred on whether the standard should be raised, possibly setting membership numbers at risk. Or whether it should be a more accessible standard, enabling greater numbers to attain it. Our experience indicates that this is not an 'either/or' question. We have found that standards can be raised and that businesses will respond accordingly. We are clear that we do not want standards to be lowered – this would be contrary to our core statutory purpose of raising standards in the private security industry. We will continue to focus on the level of the standards in phase two.
- **The strategic purpose of the ACS** – The question of whether the ACS is a differentiation scheme that allows businesses to market themselves and gain greater market share was discussed. The issue of differentiation through higher and lower standards, such as gold, silver and bronze, prompted mixed opinions. We have decided not to introduce a system of differentiation.

We believe the primary purpose of the scheme should be to facilitate improvement to security businesses. This will help create a market and a better security product which will in turn help to protect the public. A secondary purpose of the scheme is that it may be used to help drive behaviours in the industry in response to particular government priorities, such as counter terrorism, violence reduction and safeguarding of the vulnerable.

- **Eligibility Criteria** – The findings show there is an appetite for strengthening the eligibility and ‘fit and proper’ criteria. An SIA staff sub-group has been established to consider how these can be made more robust and to make recommendations. This work will continue in parallel with Pye Tait’s development of the new standard and we will consult on this in the coming months.
- **Raising the standard** – We believe that we should concentrate on establishing that the quality standard describes good practice for a well-managed security business delivering a consistent service and this will be a focus for phase two. Current work to review the eligibility criteria and terms and conditions will also continue with a view to producing a reasonable and proportionate ‘fit and proper’ criteria. We will support businesses aspiring to higher standards and make the scheme accessible through such support.
- **The appropriateness of the pass/fail scoring methodology** – The ACS scoring system itself is believed by some to be too complicated and at odds with the intent of the general scheme. This and alternative scoring methodologies will be explored in phases two and three of the review. However we are clear that any standard that facilitates continuous improvement must include a mechanism to track performance over time.
- **Future ownership of the scheme** – The consultation revealed little appetite for anyone other than a government body, such as ourselves, owning and administering the scheme. We will share these findings with the Home Office.
- **Recognition of other accreditation schemes** - We will seek to raise awareness of the differing routes to assessment, including the opportunities that are currently offered for recognition of standards such as the Community Safety and Accreditation Scheme (CSAS).
- **Business licensing** or mandatory ACS was cited as important as a means to drive down criminality and ensure that businesses are working across the same, level playing field. The desire for mandatory ACS amongst some parties was fundamental. They believe that any changes to the ACS other

than this are secondary. There is unlikely to be legislative opportunity for business licensing in the short-term. We will share these findings with the Home Office and consider further what may be done to raise standards amongst non-ACS security businesses.

In Scotland there has been a Public Procurement Directive in place which mandates the use of ACS security providers if the security relates to a public sector contract. During the consultation, some support was given to the idea of seeking an extension of this approach beyond Scotland. We will discuss with the Home Office the benefits of mandatory ACS for public sector security contracts based upon the existing Scottish model.

- **A modular approach** – We considered the potential for security businesses specialising in certain sectors or having certain specialist expertise being given overt credit for this, for potential buyers to see. Due to little support and the difficulties of how it could be incorporated we have decided to discount pursuing a modular approach for now.
- **Raising awareness of the value of the ACS to buyers and non ACS approved businesses** – Pye Tait's research has pointed to a need to help reinforce understanding amongst buyers. SIA approved contractors strongly believe that the SIA should be doing this. Irrespective of any changes to the ACS, we propose to augment our efforts to raise awareness of the value and benefits of the scheme, and the risks of not using SIA approved contractors. In November 2017 we published a [guidance leaflet for buyers](#) and in 2018 we will conduct research into the behaviour patterns and influencers of buyers of security, so that our communications to raise awareness and secure engagement is focused and effective.

We also wish to see awareness raised amongst other stakeholders, for example police forces. Currently police forces are invited to comment on ACS applicant businesses ahead of a decision being made. We will explore opportunities for the development of the police force role further, to keep those with serious criminality associations away from ACS accreditation.

Additional themes for consideration during phase three of the review

- **Improving the training of assessors** – The consultation highlighted a perception that the assessment process is typified by varying standards which should be addressed through some form of standardisation methods. These findings are at odds with our existing metrics and the changes we have made since April 2017 to improve the quality of the assessment. Pye Tait is clear that the views expressed during the consultation reveals this to

be an issue. We will consider these views and the implications of them for the consistent application of the standard.

- **Requiring approved contractors to employ staff on PAYE –** One significant set of criteria which was prominent during the consultation was of that which focused on compliance with HMRC's regime, notably that ACS staff should be on PAYE. The case for doing so was made strongly by the influential Strategy and Standards Group, which comprises trade bodies and representatives from the security industry. However, introducing blanket rules such as this will require care, consideration and further consultation. There are concerns that such an approach has the potential to exclude legitimate employment models. We are in dialogue with HMRC about how its initiative on 'conditionality' may help to address these concerns, including through setting these matters onto the statute.

To find out more about the HMRC initiative on 'conditionality' access the HMRC consultation [here](#).

Next Steps

New Standard

The ACS standard is being reviewed by Pye Tait; they will suggest revisions based upon the evidence from the consultation. There will be further rounds of consultation in phase two and opportunities for you to provide feedback on the proposed standard in January and February 2018. The revised standard will then be implemented this summer. The transition will be managed to enable businesses to prepare for this change. It is likely that businesses will not be assessed against the new standard until late 2018/early 2019.

A number of other aspects are still under consideration and we'll keep you informed of these as the project develops.

We will publish all the latest information on our [website](#) and on Pye Tait's [ACS Review Portal](#)

If you have any comments of feedback on what you have read, email us at stakeholder@sia.gsi.gov.uk