

**Direction under Section 2(1) of the Private Security Industry Act  
2001 Regarding the Approved Contractor Scheme**

1. The Secretary of State makes the following Direction in exercise of the powers conferred on her by section 2(1) of the Private Security Industry Act 2001 (the 2001 Act). In accordance with section 2(2) of the 2001 Act she has consulted the Security Industry Authority ('the Authority') and the Scottish and Northern Ireland Ministers.

2. This Direction shall have effect from 1st October 2011 and extends to the whole of the United Kingdom. Subject to paragraph 3, it replaces the previous Direction made under section 2(1) of the 2001 Act which took effect from 1<sup>st</sup> April 2010 and which is hereby revoked.

3. Paragraph 4 (c) (ii) of the Direction of 16th October 2009 remains in effect in relation to any application for accreditation which is made on or before 31st March 2010.

4. This Direction applies in relation to a number of the conditions which the Authority has imposed in the United Kingdom under section 15(3) (c) of the 2001 Act by way of requirement on the grant of approval for the Approved Contractor Scheme. The Secretary of State has approved all of these conditions.

5. The Secretary of State and the Authority have agreed, and the Secretary of State directs, that the following conditions may not be amended by the Authority without the approval of the Secretary of State:

- a) The minimum percentage of staff in any body which has been approved under section 15 of the 2001 Act that is in possession of a licence issued under section 8 of the 2001 Act will be 85%.  
Discretion can be exercised by the Authority in exceptional

circumstances, and will be subject to a time-scaled plan to bring the situation into line.

b) Any director of a body corporate, any partner of a firm and any sole trader, which is granted an approval under section 15 of the 2001 Act must, in the view of the Authority, be, and continue to be, a fit and proper person and, in particular—

i) shall hold a licence issued by the Authority under the 2001 Act or, in the view of the Authority, have taken adequate steps to obtain such a licence in the particular circumstances of his case;

ii) shall not be an un-discharged bankrupt, or a person to whom a moratorium period under a debt relief order relates or subject to a bankruptcy restriction order or debt relief restriction order; and

iii) shall not be subject to a disqualification order made under and in accordance with the Company Directors Disqualification Act 1986, or the Company Directors Disqualification (Northern Ireland) Order 2002 (N.I.4), as amended by the Company Directors Disqualification (Amendment) (Northern Ireland) Order 2005 (N.I.9)".

iv) Shall not be a sole trader, director or partner of any business or firm providing security industry services that was placed in liquidation, administration or receivership, as those terms are defined in the Insolvency Act 1986, or the Insolvency (Northern Ireland) Order 1989, within the previous twelve months (unless they have taken adequate steps to satisfy the SIA that they are fit and proper to the circumstances of their case).

c) The scheme has two alternative routes to accreditation, set out in the full Regulatory Impact Assessment issued on 27 February 2006:

i) Self assessment against an SIA-provided workbook followed by verification from an SIA approved assessing body;

ii) Use of an existing SIA approved accreditation, based on existing standards, to meet the same requirement as (i).

**Home Office**

**27 September 2011**

A handwritten signature in blue ink, consisting of a large, stylized initial 'A' followed by a series of loops and a long horizontal stroke extending to the right.

**Parliamentary Under-Secretary of State**