

# PERFORMANCE AGREEMENT 2016

**BETWEEN**



**An Roinn Dlí agus Cirt agus Comhionannais  
DEPARTMENT OF JUSTICE AND EQUALITY**

**AND**



**An tÚdarás Slándála Príobháidí  
The Private Security Authority**

**April 2016**

## 1. Introduction

The Private Security Authority (PSA), which was established pursuant to the Private Security Services Act 2004 (as amended), is the regulator for the private security industry. The Authority is an independent body under the aegis of the Department of Justice and Equality and is administered by a Board. The Authority is based in Tipperary Town.

The PSA is charged with introducing, controlling and managing a comprehensive standards based licensing system for the private security industry. The key responsibility of the Authority is to licence those providing security services and the main objective is to improve and maintain standards and qualifications in the provision of these services. The Authority's mission is to regulate the activities of those involved in the private security industry to ensure that the interests of consumers are fully protected through the establishment, promotion, monitoring and enforcement of appropriate standards.

The statutory mandate of the Authority, in accordance with Section 8 of the Private Security Services Act 2004, is as follows:

- Controlling and supervising persons providing security services and maintaining and improving standards in the provision of those services,
- Granting and renewing of licences,
- Issuing identity cards to licensees,
- Suspending and revoking licences,
- Establishing and maintaining a register of licensees,
- Specifying standards to be observed in the provision of security services,
- Specifying qualifications or any other requirements for the granting of licences,
- Undertaking or commissioning research projects and activities necessary for the planning, development and provision of security services,
- Investigating any security services being provided by any person,
- Establishing and administering a system of investigation and adjudication of complaints,
- Monitoring the provision of private security services generally,
- Liaising with licensees,
- Advising the Minister on any matters relating to the above functions and keeping the Minister informed of developments in relation to the provision of security services and assist in co-ordinating and developing policy in that regard.

In accordance with Section 8 (3) of the Act the Minister may, with the consent of the Minister for Finance, by order confer such additional functions relating to security services and connected with the Authority's statutory functions as the Minister considers appropriate.

The PSA is mandated, under the Private Security Services Act 2004, to regulate the following industry sectors:

- Door Supervisor
- Installer of Security Equipment

- Security Guard
- Providers of protected forms of transport
- Locksmith
- Supplier or installers of safes
- Private Investigator
- Security Consultant

It should be noted that the installation of CCTV, intruder alarm and access control systems, along with event security, are some of the subcategories of the above industry sectors which are currently licensed by the PSA, as are the alarm and CCTV monitoring sectors.

The PSA is introducing licensing to the industry on a phased basis. To date, the Authority has licensed *contractors* in the following sectors: Security Guarding, Door Security, Alarm Installation, Alarm Monitoring, Access control, CCTV, Cash-in-Transit (CIT), Event Security and Private Investigator. It has licensed *individuals* working in the security guarding and door supervisor sectors, as well as those working in the cash in transit sector.

## 2. Corporate Governance

### Strategic Plan

Section 9 (1) of the Private Security Services Act 2004 provides that the Authority “*shall, as soon as practicable after its establishment and thereafter within 6 months before each third anniversary of its establishment, prepare and submit to the Minister, for approval by the Minister with or without amendment, a strategic plan for the ensuing 3-year period.*”

The Private Security Authority’s Strategic Plan 2014 – 2017 was submitted to the Minister and subsequently approved in September 2014.

### Annual Report

Section 16 (1) of the Private Security Services Act 2004 provides that the Authority “*shall, not later than 30 September in each year, make a report to the Minister on the performance of its functions and on its activities during the preceding year*” and Section 16(2) of the Act provides that the Minister “*shall cause copies of the report to be laid before each House of the Oireachtas.*”

The 2014 Annual Report of the Private Security Authority was submitted to the Minister and copies were laid before the Houses of the Oireachtas.

### Governance Frameworks

Corporate Governance is concerned with the framework of rules and practices to ensure accountability, fairness and transparency across organisational activities. To this end, the PSA will ensure all the necessary frameworks, including those for risk management, internal audit and the Public Spending Code (<http://publicspendingcode.per.gov.ie>) are fully complied with.

The PSA is subject to a range of corporate governance obligations including the 2009<sup>1</sup> Department of Finance *Code of Practice for the Governance of State Bodies*. A *Governance Standard for Justice and Equality Sector Bodies* is also expected to be published shortly<sup>2</sup>. To confirm compliance (or otherwise) with key provisions of the Code of Practice and the proposed Governance Standard, the PSA will complete, on an annual basis, a Compliance Statement in order to provide assurance to the Department that the systems of internal control, risk management and other areas of compliance are operating effectively. Governance obligations will also be reviewed as part of the overall monitoring process of the Performance Agreement itself as set out in Section 10 beneath.

### The Board

The Private Security Services Act 2004 (as amended) makes provision for the appointment of a Chairperson and 10 members to the Board of the Authority. The Chairperson and all members are appointed by the Minister for Justice and Equality. Under Section 7 (2) (a) to (g) of the Act,

- at least one person must be a practising barrister or practising solicitor of not less than five years standing,
- two persons must be representatives of private security employers,
- two persons must be representatives of employees of such employers,
- one person not below the rank of Assistant Commissioner must be nominated by the Commissioner of An Garda Síochána,
- one person must be an officer of the Minister;
- one member of the staff of the Authority must be elected by secret ballot by the staff of the Authority and
- one person must be a representative of any other Government Minister, who, in the opinion of the Minister is directly concerned with, or responsible for, activities relevant to the functions of the Authority.

The Minister's representative on the Board is Ms. Marion Walsh, Executive Director, Crime 4 Division, the Division with responsibility for oversight of the PSA. The current list of all Board members is as outlined below;

<b>Name</b>	<b>Basis for Membership</b>
Assistant Garda Commissioner Derek Byrne	Representative of the Garda Commissioner
Mr. Pdraig Cafferty	Representative of employers in the private security industry
Ms. Helen Curley	Representative of Minister for Jobs, Enterprise and Innovation
Mr. Arthur Hall	Representative of employees in the private security industry
Ms. Geraldine Kelly	Practising Solicitor in accordance with Section 7 2 (g) of the Private Security Services Act 2004 (as amended)
Ms. Mary Rose Kinane	Representative of the staff of the PSA
Mr. Noel Lappin (Chairman)	Discretionary non-defined member

<sup>1</sup> Currently under review by the Department of Public Expenditure and Reform

<sup>2</sup> Expected to be published end April 2016.

Ms. Freda O'Dowd	Representative of employers in the private security industry
Ms. Ann Reid	Discretionary non-defined member
Ms. Marion Walsh	Representative of the Minister for Justice and Equality
Mr. Christy Waters	Representative of employees in the Private Security Industry

In accordance with Part 2 Section 7 (7) of the Act the Minister is required to have regard to the extent to which each sex is represented in the membership of the Board and is required to ensure an appropriate balance is maintained.

Members of the Board act in accordance with the primary legislation, the Ethics in Public Office Acts, the PSA General Governance Guidelines (which are based on the Code of Practice for the Governance of State Bodies) and the Authority's Code of Business Conduct. The Board has also established an Audit Committee to review the processes of the Authority and report back to the Board. In addition, the Authority is subject to annual audit by the Department's Internal Audit Unit and, by the Office of the Comptroller and Auditor General.

Cognisance in particular will be taken of the (draft) Governance Standard for Justice and Equality Bodies to cover the requirements set out in the Standard. This will include the completion of an annual assessment of the effectiveness of the Board and other such requirements.

### **3. Objectives of the Agreement**

The key objectives of this Agreement are:

- to define the Private Security Authority's role in the Justice and Equality sector;
- to define the Department of Justice and Equality's expectations of the Private Security Authority;
- to define the inputs, outputs, and expected outcomes of the Authority's activities;
- to measure performance of those functions through monitoring of agreed targets, output and outcome indicators.
- to enable the Private Security Authority to carry out its functions as detailed in the Private Security Services Act 2004 (as amended) and to assist in areas that may require specific Departmental support, including liaison with the Office of the Attorney General on legal issues including, as necessary, the drafting of primary and secondary legislation and liaising with the Department of Public Expenditure and Reform where sanction for initiatives or expenditure above a certain threshold is required.
- To ensure liaison with HR, IT, Procurement Strategy Group, Internal Audit Unit, Civil Governance Unit and other relevant divisions within the Department in relation to the provision of any other support services that may be required.

#### **4. The Private Security Authority's role in the Justice and Equality Sector**

In developing the objectives of the Agreement, the Department had particular regard to the PSA's organisational priorities. These are to ensure the continuing phased licensing of the remaining sectors prescribed in the Private Security Services Act 2004 (as amended) which are not yet licensed, the monitoring of compliance with regulatory requirements and the improvement of standards within the industry.

Regulation of the private security industry is standards based and this approach provides protection and reassurance to the public who are the end user of these services and also provides structure and protection to those who provide a quality service in accordance with standards which cater for the interests of both employers and employees in the various sectors which make up the private security industry.

The work of the PSA contributes to the Department's goals in relation to:

- Maintaining a safe and secure Ireland
- Working for safer communities
- Establishing appropriate regulatory frameworks to protect individuals and organisations and as a basis for economic recovery and growth.

#### **5. Mutual Commitments**

- Both parties commit to proactive and timely communications, cooperation, and information sharing on service delivery.
- Both parties support the effective achievement of agreed targets, as well as the promotion of partnership, responsiveness and mutual cooperation in their ongoing interactions.
- Both parties support prompt and timely responses to correspondence, information requests and related matters.
- Both parties commit to keeping each other fully apprised and updated on all key issues.
- To ensure that in accordance with the (draft) *Governance Standard for Justice and Equality Bodies*, obligations in respect of Accountability and Performance meetings are fully met.

The annual budgetary provision for the PSA will form part of the estimates for the Justice and Equality Vote (Vote 24) and the requirements of the PSA will be taken into account in that context.

The Department of Justice and Equality will provide the following supports to enable the PSA to fulfil its mandate:

- Liaise with the Department of Public Expenditure and Reform so as to ensure, as far as possible, the necessary financial provision to facilitate pay and non-pay budgets commensurate with the discharge of its mandate in line with Public Financial Procedures and any Public Service Numbers policy in force;
- Provide updates on Public Financial Procedures and Civil Service HR Policy Guidelines;
- Provide a Human Resource Management service including, but not limited to,

recruitment, employee relations, workforce development and performance management;

- Liaise with the PSA (via the Department’s Procurement Strategy Group) at all stages of the procurement cycle to ensure the integrity of the process; this includes assisting with research, gathering market intelligence, drafting and publishing tenders, clarifying queries from bidders, evaluating bids and publishing awards, and will include obtaining input from the Office of Government Procurement and the Chief State Solicitors Office;
- Provide guidance on Government Accounting and Governance;
- Provide assistance by acting as a liaison between the Authority and the Office of the Attorney General on legal issues including, as necessary, the drafting of primary and secondary legislation.
- Provide high availability ICT services via the Shared Service including delivery, on a secure network, of standard desktop productivity applications, the design and development of databases and applications and the provision of helpdesk and deskside support facilities. and
- Liaise with the Board in relation to Public Service Reform initiatives.

## 6. Inputs

### Financial Input

Vote 24

<b>Subhead (Current) (Gross)</b>	<b>Programme – “Work For Safe Communities”</b>	<b>2014 €000</b>	<b>2015 €000</b>	<b>2016 €000</b>
B.6	The Private Security Authority	2,101	2,381	2,447
B.1	Pay	1,607	1,722	1,762
B.2	Non-Pay	494	659	685

\* The 2014 and 2015 figures relate to the outturn for those years. The 2016 figures are the budget estimates for 2016.

(Note that whereas the PSA raises income through licence fees levied on the industry, these monies are lodged directly to the Exchequer and are not available to the Authority. In 2014 and 2015 Exchequer lodgements exceeded the outturn figures)

## Human Resource Input

### Breakdown of Staff

Grade	2014 Head count	2014 FTE	End 2015 Head count	End 2015 FTE	End Jan 2016 Head Count	End Jan 2016 FTE
Chief Executive	1	1	1	1	1	1
Principal Officer	1	1	0	0	0	0
Assistant Principal Officer	2	2	2	2	2	2*
Higher Executive Officer	4	3.6	4	3.8	4	3.8
Inspectors (FTE)	4	4	4	4	4	4
Executive Officer	8	7.2	8	7.4	8	7.4
Staff Officer	0	0	0	0	0	0
Clerical Officer	19	16.3	19	16.7	19	16.7
Service Officer	1	1	1	1	1	1
<b>Total</b>	<b>40</b>	<b>36.1</b>	<b>39</b>	<b>35.9</b>	<b>39</b>	<b>35.9</b>

\*The PSA currently has two substantive Assistant Principal Officers; a third post is being filled in an acting up capacity since November 2015. The Public Appointments Service (PAS) is currently working to identify two Assistant Principal Officers for the Authority from its Assistant Principal panel.

## 7. Service Levels and Performance Measurement 2016 Targets and Impact Indicators

### 2016 Targets

#### (i) *Contractor Licensing and Standards*

- Administer the licensing system in a fair, transparent and efficient manner.
- Conclude work on the licensing of Locksmiths including publication of a general management standard to underpin licensing and the announcement of the critical date for licensing.
- Complete preparatory work on the licensing of Suppliers and Installers of Safe and publish a Regulatory Impact Analysis (RIA).
- Develop a new standard for electronic security sector and commence public consultation on implementation of the standard.
- Extend the on-line application system to first time users.

#### (ii) *Individual Licensing and Training*

- Administer the licensing system in a fair, transparent and efficient manner.
- Commence work on the licensing of Security Guard Supervisors and announce critical date for licensing.
- Commence consultations on the licensing of Event Security staff.



- Publish new training programme for the Cash In Transit sector and set commencement date.
- Publish new training requirements for the Door Supervisor and Security Guarding sectors and set commencement date.
- Commence research into the training requirements for the sectors not yet licensed.
- Continue the deployment of new technology by extending the online application system to first time applicants, automate the licence generation process and develop a customer portal for employers.

**(iii) *Licensing and Standards Enforcement***

- Introduce a risk based inspection system.
- Increase compliance levels in Private Investigator sector to above 90%.
- Enhance integration of PSA staff inspectors and external inspectors.
- Expand framework of Memorandum of Understanding (MoU).

**(iv) *Corporate Support and Communications***

- Provide the support and resources to ensure that the Authority operates in an efficient and effective manner.
- Issue industry questionnaire to gauge perceived success of regulation.
- Maintain and enhance the Authority's website.
- Provide support to the Board and CEO.
- Instigate corporate-wide briefings for staff.
- Coordinate and respond to all Departmental matters.

## **8. Potential Risk Factors**

The licensed private security industry continues to expand and play an important role in our society. Employing over 20,000 people with turnover of €650 million, every day the industry is responsible for the protection of billions of Euros of assets and the security of millions of our citizens. The industry is a diverse one ranging from large multinationals employing thousands of people in the guarding sector to small one man operators in the electronic security sector. The potential risks for a regulator are many and not always predictable. The following potential risks are those which the Authority believes could cause reputational damage to the Authority, the Department and the regulatory environment.

- Major incident in the security industry in a sector not yet regulated or in a regulated sector where regulatory oversight has been insufficient or ineffective.
- Lack of expertise in the technical, financial and investigative areas to support the Authority in its regulatory role.
- Standards and training not been reviewed and enhanced to take account of changing environment in which the industry operates.
- Industry perception that compliance regime is not robust.

The Authority produces a business risk register which is considered at each Board meeting.

## 9. Flexibility and Amendment of Targets

Where amendments become necessary, the Private Security Authority should engage with the Department of Justice and Equality to agree on amended targets.

## 10. Monitoring Arrangements

In accordance with the Department's draft *Governance Standard for Justice and Equality Sector Bodies*, the Chief Executive of the PSA and the Assistant Secretary in his capacity as Senior Responsible Officer for the PSA, will hold at least two Accountability and Performance meetings per year or more frequently if required by the Department, to provide an update on developments and achievement of targets as set out in this Agreement. Such meetings will be held in accordance with required procedures set out in the Governance Standard and relevant outcomes will be communicated to the Department's Governance Unit as required.


The Private Security Authority undertakes to return:


- (a) relevant and appropriately detailed performance information to allow for monitoring of this agreement;
- (b) relevant and appropriately detailed performance information for inclusion in the Revised Estimates for Public Services volume
- (c) performance information in line with the set of such indicators, and in keeping with the timeframe, agreed with the Department of Justice and Equality.

As part of its overall review of governance structures and having specific regard to the draft *Governance Standard for Justice and Equality Bodies*, the Department will further review these proposed arrangements during 2016.

## 11. Duration and Signatories of the Agreement

The Private Security Authority and the Assistant Secretary of the Department of Justice and Equality in his capacity as Senior Responsible Officer for the PSA agree that the arrangements as set out in this Performance Agreement will apply with effect from the date signed hereunder until 31<sup>st</sup> December 2016.

  
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**Paul Scallan**  
**Chief Executive Officer**  
**Private Security Authority**

  
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**Peter Mullan**  
**Assistant Secretary**  
**Department of Justice and Equality**

Date: 13/4/2016

Date: 14/4/16