



**An Roinn Dlí agus Cirt
agus Comhionannais**
Department of Justice
and Equality



An tÚdarás Slándála Príobháidí
The Private Security Authority

Oversight Agreement 2020-22

Department of Justice and Equality

Private Security Authority

1. Introduction

1.1 Scope of this Agreement

This Oversight Agreement has been drawn up by the Department of Justice and Equality (“the Department”) in consultation with the Private Security Authority (PSA), in accordance with the 2016 edition of the Code of Practice for the Governance of State Bodies (“Code of Practice”). Together with the separate but related Performance Delivery Agreement (PDA), it succeeds the previous Oversight/Performance Delivery Agreement 2019 between the two parties.

This Oversight Agreement sets out the broad governance and accountability framework within which the PSA operates, and defines the key roles and responsibilities which underpin the relationship between it and the Department. While this Agreement will remain in force until end 2022, the parties will, in accordance with the Code of Practice, review it every 12 months and update it as necessary.

1.2 Background and context

1.2.1 Role of the PSA

The Private Security Authority (PSA), which was established pursuant to the Private Security Services Act 2004 (as amended) (“the Act”), is the regulator for the private security industry. The Authority is an independent body under the aegis of the Department and is administered by a Board with day-to-day management carried out by the Chief Executive and staff of the body. The Authority is, subject to the Act, independent in the performance of its functions.

The PSA is charged with introducing, controlling and managing a comprehensive standards based licensing system for the private security industry. Its key responsibility 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 PSA'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.

Section 8 of the Act sets out the statutory functions of the PSA as follows:

- (a) grant and renew licences,
- (b) issue identity cards to licensees,
- (c) where appropriate, suspend or revoke licences,
- (d) establish and maintain a register of licensees,
- (e) specify standards to be observed in the provision of security services by licensees or particular categories of licensees,
- (f) specify qualifications or any other requirements (including requirements as to training) for the grant of licences,
- (g) undertake or commission, or collaborate or assist in, research projects and activities relating to the provision of security services, including the compilation of statistical information and other records necessary for the proper planning, development and provision of those services,

- (h) investigate any security services being provided by any person,
- (i) establish and administer a system of investigation and adjudication of complaints against licensees,
- (j) monitor the provision of private security services generally,
- (k) liaise with licensees with a view to keeping itself informed of any matters requiring its attention,
- (l) advise the Minister on any matter relating to its functions,
- (m) keep the Minister informed of developments in relation to the provision of security services by licensees or particular categories of licensees and assist him or her in coordinating and developing policy in that regard.

Under Section 8 (3) of the Act the Minister may, with the consent of the Minister for Public Expenditure and Reform, by order confer such additional functions relating to security services and connected with the PSA's statutory functions as the Minister considers appropriate.

The Act mandates the PSA 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

Subcategories of the above industry sectors which are licensed by the PSA include: the installation of CCTV, intruder alarm and access control systems; alarm and CCTV monitoring; and event security.

The PSA is introducing licensing to the industry on a phased basis. To date, it has licensed contractors in the following sectors: Security Guarding, Door Security, Alarm Installation, Alarm and CCTV Monitoring, Access control, CCTV, Cash-in-Transit (CIT), Event Security, Private Investigators and Locksmiths. It licenses individuals working in the security guarding and door supervisor sectors as well as in the CIT and alarm and CCTV monitoring sectors. The PSA is committed to completing the regulation of the security industry during the course of its current Strategic Plan, 2019-2021.

1.2.2 Strategic fit within Justice and Equality sector

One of the six strategic goals of the Department in its Strategy Statement 2016-2019¹ is “A Safe, Secure Ireland: To safeguard the security of the State and to achieve reductions in crime and re-offending and improvements in people’s safety”. Through its regulation of the private security industry, the PSA contributes to this Departmental objective by providing protection and reassurance to the end users of these services.

¹ A successor Strategy Statement is under development.

1.2.3 Department's Transformation Programme

Major structural reform has taken place in the Department with the implementation of its Transformation Programme in 2019. This Programme has moved the Department from a traditional Divisional structure to a streamlined functional model under which the Department's core work has been realigned under two discrete pillars: Criminal Justice and Civil Justice & Equality. Each pillar is subdivided into the four functional areas of Policy, Legislation, Governance, and Operations & Service Delivery. The criminal and civil pillars are supported by a third, central pillar comprising the enabling and co-ordination functions of Corporate Affairs, Transparency and European Affairs.

Transparency is responsible for sourcing, assessing and communicating all information required by the Minister, as well as managing internal and external communications including press queries, representations, complaints from members of the public, parliamentary questions, event management etc. Transparency has direct dealings with the PSA in such matters. **Criminal Justice Policy** liaises directly with the PSA on relevant policy issues.

The establishment of a dedicated **Criminal Justice Governance** function is intended to enable the Department to build and consolidate its capacity in this area, leading to more focused and mutually beneficial relationships with the bodies under its remit and, ultimately, supporting a better service to stakeholders and the wider public. This functional area has primary responsibility for the oversight of all criminal justice agencies under the aegis of the Department. It comprises six Principal Officer-led teams, of which the following four have specific dealings with the PSA as required:

<i>Team</i>	<i>Purpose</i>
Governance Standards	To develop and promote consistent approaches to oversight, put in place effective governance agreements with bodies, and advise on specific governance structures and proposals.
Performance and Compliance	To support, monitor and appraise the overall performance of the PSA and its compliance with its corporate governance obligations, and to manage the governance relationship on an ongoing basis.
Financial and Capital Resources	To oversee financial (current and capital), infrastructure, procurement and IT resource management of bodies and statutory approvals for the accompanying resources.
Human Resources and Appointments	To advise and consult on strategic HR issues and senior appointments.

2. Corporate Governance Arrangements and Obligations

2.1 Roles and Responsibilities

2.1.1 Accounting Officer

The PSA is funded under the Department's Vote (Vote 24), for which the Secretary General is Accounting Officer. The Accounting Officer is responsible for the safeguarding of public funds and property under the Department's control, for the efficiency and economy of administration by the Department and for the propriety of all transactions in the appropriation account. Further external scrutiny and governance is provided through the submission of the Appropriation Accounts to the Comptroller & Auditor General and ultimately to the Oireachtas via the Public Accounts Committee.

2.1.2 The Board

The members of the Board are collectively responsible for leading and directing the Authority's activities as set out in the Act, within a framework of prudent and effective control as set forth in the Code of Practice². Schedule 1 to the Act requires the Board to hold at least one meeting in each quarter of the year.

Under the Act, the Minister appoints a Chairperson and 10 members to the Authority (hereafter "the Board"). The Act further provides that, of the Board members:

- at least one person shall be a practising barrister or practising solicitor of not less than five years standing,
- two persons shall be representatives of private security employers,
- two persons shall 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 shall be an officer of the Minister,
- one member of the staff of the PSA shall be elected by secret ballot by the staff of the Authority, and
- one person shall be a representative of any other Government Minister, who, in the opinion of the Minister [for Justice and Equality] is directly concerned with, or responsible for, activities relevant to the functions of the Authority.

Members of the Board are required to 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 PSA's Code of Business Conduct. In line with the Code of Practice, the Board will (inter alia) conduct an annual self-assessment of its own performance and that of its committees, and will commission an external evaluation at least every three years.

2.1.3 Chairperson

The Chairperson is responsible for leading and guiding the Board in its tasks of setting the PSA's strategic priorities and monitoring their implementation. The Chairperson works with the Chief Executive to manage the PSA's agenda and provides direction to the Board Secretary.

² A copy of the Board's schedule of functions is appended to this document.

2.1.4 Chief Executive

In accordance with the Act, the PSA's Chief Executive is appointed by the Minister on the recommendation of the Public Appointments Service. The Chief Executive is responsible for managing and controlling the staff, administration and business of the PSA and performing such other functions as may be conferred on him/her under the Act or by the Board. The Chief Executive is supported by a team of staff provided by the Department.

The Act provides that the Chief Executive is responsible to the Board for the performance of his/her functions and the implementation of the PSA's functions. The Chief Executive is also accountable to the Committee of Public Accounts (PAC) and other Oireachtas Committees as set out in sections 5 and 6 of Schedule 1 to the Act.

2.2 Adherence to relevant Governance Codes and Standards

The PSA is subject to a range of statutory and other corporate governance obligations including those set out in the Code of Practice and in the Governance Standard for Justice and Equality Sector Bodies. The Board and the Chief Executive will ensure that all relevant obligations are fully complied with.

2.3 Strategy Statement/Strategic Plan

In accordance with section 9 of the Act, the PSA produces a multi-year Strategic Plan which it submits to the Minister for approval with or without amendment. The [current Plan](#) covers the period 2019-2021. The PSA will ensure that a successor Plan is developed in a timely manner. In accordance with section 1.15 of the Code of Practice, the Plan will include appropriate objectives and goals along with relevant indicators and targets against which performance can be clearly measured.

2.4 Auditing and Risk Management

The PSA's Audit and Risk Committee (ARC) consists of four Board members, at least three of which are non-executive Authority members, one with financial expertise and one of whom acts as Chair. A member of the Executive acts as secretary. The ARC's terms of reference clearly outline the committee's authority and duties. The role of the Committee is to support the Board in their responsibilities in the areas of risk, control and governance and to review the comprehensiveness of assurances in meeting the Board's and Accountant Officer's assurance needs.

The ARC advises the Board on:

- the strategic processes for risk, internal control and governance;
- the accounting policies, the financial statements, and the annual report of the organisation, including the process for review of the financial statements prior to submission for audit, levels of error identified, and management's letter of representation to the external auditors;
- the planned activity and results of both internal and external audit;
- adequacy of management response to issues identified by audit activity, including external audit's management letter of representation;

- assurances relating to the management of risk and corporate governance requirements for the State body;
- (where appropriate) proposals for tendering for either internal or external audit services or for purchase of non-audit services from contractors who provide audit services;
- anti-fraud policies, protected disclosure processes, and arrangements for special investigations; and
- Reviewing its own effectiveness and reporting the results of that review.

The PSA has a risk management policy which is continually reviewed by the ARC. The PSA also has a risk register which is regularly reviewed and updated by the PSA executive, considered by the ARC and reviewed at PSA board meetings. Copies of the risk management policy and risk register, and of significant changes thereto, will be provided to the Performance and Compliance team in Criminal Justice Governance (hereafter “Performance & Compliance”) on the recommendation of the Audit and Risk Committee.

The Department’s Internal Audit Unit (IAU) provides internal audit services to the PSA as a body under the Department’s Vote. This includes support in monitoring and reviewing the effectiveness of the PSA’s arrangements for governance, risk management and internal control. While the IAU reports into the Department’s Audit Committee, it provides copies of its reports and other supporting information to the PSA’s ARC and meets with the ARC periodically to discuss its findings and recommendations.

2.5 Other key obligations and arrangements

2.5.1 Procurement

In accordance with section 8.16 of the Code of Practice, the PSA will ensure that competitive tendering is standard procedure in its procurement processes, and that the applicable procurement policies are disseminated to all relevant staff and adhered to.

The Chairperson will affirm adherence (or otherwise) to the relevant procurement policies and procedures in the annual Comprehensive Report to the Minister. However, the Chief Executive will report any significant³ compliance difficulties or breaches to Criminal Justice Governance (Financial and Capital Resources) at the earliest opportunity.

2.5.2 Other expenditure

The PSA will ensure adherence to the applicable levels of delegated sanction for authorising expenditure. In any instance where there does not exist clear authority to incur a given expenditure, the PSA will consult in advance with Criminal Justice Governance (Financial and Capital Resources team) who will confirm the position at the earliest possible stage.

³ e.g. of a recurring nature, or involving substantial contract values, values above EU thresholds and/or a serious divergence from procurement rules and/or the Public Spending Code

2.5.3 Protected Disclosures

In accordance with Section 21(1) of the Protected Disclosures Act 2014, the PSA has established and maintains appropriate procedures for the making of protected disclosures by workers who are or were employed by the PSA, and for dealing with such disclosures, and has communicated same to all staff of the PSA.

As the Chief Executive is a prescribed person under Statutory Instrument No. 339 of 2014 for the receipt of disclosures, the PSA is obliged to ensure that staff treat any correspondence submitted as a protected disclosure with increased awareness of confidentiality.

2.5.4 Customer Charter

The PSA has a customer charter setting out the level of service that its customers can expect. The charter is displayed prominently on the PSA website and is supported by a customer action plan.

2.5.5 Data Protection

The PSA will make every effort, including with the various bodies with whom it exchanges personal data, to ensure full and continued compliance with the General Data Protection Regulation (GDPR) and the Data Protection Acts 1988 and 2018.

The PSA will annually, or more frequently if requested, submit to Performance & Compliance a report indicating the number and nature of data breaches identified and reported to the Data Protection Commissioner (DPC) in the period concerned and any remedial action it has taken to avoid recurrences. However, the PSA will at the earliest opportunity notify Performance & Compliance of any significant⁴ data breach once it has reported same to the DPC.

2.5.6 Public Sector Equality and Human Rights Duty

The PSA will have full regard to its obligations under section 42 of the Irish Human Rights and Equality Commission Act 2014 to:

- Assess and identify human rights and equality issues relevant to its functions, including through its Strategic Plan.
- Identify the policies and practices that are/will be put in place to address those issues.
- Report on related developments in its Annual Report.

2.5.7 Environmental and Energy Issues

The PSA will fulfil its statutory and other obligations in relation to environmental and energy issues as follows:

- (i) In accordance with requirements set out in the *Public Sector Energy Efficiency Strategy 2017*, the PSA has a designated Energy Performance Officer who is responsible for (inter alia) the following actions and targets:

⁴ E.g. involving highly sensitive personal data and/or the personal data of a large number of individuals.

- Striving to achieve the statutory target of a 33% reduction in energy use by 31st December 2020 in accordance with S.I. 426 of 2014 (European Union (Energy Efficiency) Regulations).
 - Accurately reporting energy use, annually, to the Sustainable Energy Authority of Ireland (SEAI), in advance of their deadline.
 - Publishing progress (or lack thereof) achieved on energy reduction in the PSA's annual report.
- (ii) Participating in Justice-sector and wider public sector initiatives in relation to energy and environmental issues.
- (iii) Having due regard to the Department of Public Expenditure and Reform (D/PER) Circular 20/2019 on Promoting Environmental and Social Considerations in Public Procurement.

2.5.8 Provision of information to Members of the Oireachtas

The PSA will ensure compliance with D/PER Circular 25/2016 ('Provision of information to Members of the Oireachtas by State bodies under the aegis of Government Departments/Offices').

2.5.9 Periodic Critical Review

The Code of Practice provides for the carrying out of Periodic Critical Reviews (PCRs) of non-commercial State bodies every five years. Sections 8.14, 8.15 and Appendix F of the Code provide details on how such reviews are to be conducted. Both parties to this Agreement will engage in a timely, constructive and comprehensive manner on the scheduling, planning and conduct of any PCR proposed for the PSA.

2.6 Reporting obligations under statute and the Code of Practice

2.6.1 Annual Report

In accordance with the Act, the PSA will submit to the Minister, by end September each year, a Report on the performance of its functions and activities in the preceding year. The Minister will publish the report as soon as practicable thereafter.

In line with the applicable provisions of Appendix A of the 'Code of Practice for the Governance of State Bodies – Business and Financial Reporting Requirements', the Annual Report will include the following (*inter alia*):

- An explanatory note on any derogations (as agreed between the PSA and the Department) from the applicable provisions of the Code of Practice.
- The names of the Chairperson, the Chief Executive and members of the Board and its committees.
- The number of meetings of the Board and its committees, and the attendance of each Board member at Board meetings.
- A statement of the fees paid to members of the Board and its committees.
- A statement of how the Board operates, including which types of decisions are to be taken by the Board members and which are to be delegated to management.

- A statement of how the performance evaluation of the Board and its committees has been conducted.
- Confirmation that the PSA has carried out an appropriate assessment of its principal risks (including a description of those risks where appropriate and the associated mitigation measures or strategies).
- Confirmation of adherence to all relevant aspects of the Public Spending Code.
- A statement on the system of internal control in the PSA, addressing all applicable items listed in Appendix D of the Code of Practice for the Governance of State Bodies – Business & Financial Reporting Requirements’.

2.6.2 Chairperson’s Comprehensive Report to the Minister

In conjunction with the submission of the PSA’s Annual Report, the Chairperson will furnish a Comprehensive Report to the Minister in accordance with the applicable provisions of section 1.9 and Appendix C of the ‘Code of Practice for the Governance of State Bodies – Business & Financial Reporting Requirements’. The purpose of this Report is to provide assurance that the necessary systems of internal control, risk management and other areas of compliance are operating effectively in the body. In line with the Code of Practice, the aforementioned statement on the system of internal control forms part of the Chairperson’s Comprehensive Report in addition to its inclusion in the PSA’s Annual Report.

2.6.3 Reporting Requirements – Accounts

Section 4 of Schedule 1 to the Act sets out the PSA’s obligations in the preparation and submission of its accounts. In line with the Act and the ‘Code of Practice for the Governance of State Bodies – Business and Financial Reporting’, the PSA will make its draft unaudited annual accounts available for review by the Department’s Internal Audit Unit not later than two months after the end of the relevant financial year.

3. Monitoring arrangements and key interactions

In accordance with the Department’s policy on the monitoring of governance arrangements in relation to the organisations within its remit, Criminal Justice Governance will hold two formal governance meetings with the PSA per year (or more if so required). These meetings will consider, inter alia and as required:

- Delivery of the PSA’s Strategic Plan and its annual business plan(s);
- Progress against the targets and indicators set out in the annual PDA;
- Financial management and budgetary matters;
- Human resource issues including staffing, training and industrial relations matters;
- Risk management;
- Any internal governance-related issue;
- Any matter relating to the PSA that might have been the subject of, or might give rise to, public commentary or scrutiny;
- Any matter that might impact on the reputation of the PSA;
- Any other matter comprehended in, or arising from, this Agreement.

Within six months of the signing of this Agreement, Criminal Justice Governance will attend a meeting of the Board to discuss matters of mutual interest.

Outside of the aforementioned meetings there will continue to be regular, less formal interactions between the PSA and the Department in accordance with the business needs and obligations of each party. In this context, informal and unscheduled contact (whether face-to-face or by email or telephone) forms an integral part of the relationship between the parties.

4. Commitments

4.1 Mutual Commitments

Both parties will:

- Be proactive and timely in (a) informing each other regarding relevant matters including significant public announcements, media engagements and publications and (b) communicating requests and responses that are necessary to meet the Minister's obligations to the Oireachtas or to inform Ministerial responses to representations, media queries etc. This will be underpinned by a 'no surprises' approach to matters of mutual interest or concern.
- Engage or (as applicable) inform each other in a timely manner regarding relevant strategic and policy issues.

4.2 Departmental commitments

The Department will:

- Provide, via its HR Division, services encompassing recruitment, employee relations, workforce development, performance management and liaison with (HR) shared services as required.
- Provide for and resource the annual budget for the PSA.
- Liaise with D/PER with a view to obtaining timely sanctions for expenditure and staffing in line with public financial procedures and with policy on public service numbers.
- Provide any necessary guidance/direction on procurement and expenditure rules, government accounting and governance generally.
- Provide invoice processing and other accounting services through the Department's Financial Shared Services.
- Provide ICT services and supports through the Managed Service.
- Liaise as appropriate with the PSA on public service reform/engagement initiatives.

4.3 PSA commitments:

The PSA will:

- Provide timely, relevant and appropriately detailed information to facilitate the monitoring of this Oversight Agreement and the annual PDA, including in the context of the formal governance meetings; and

- Return relevant and appropriately detailed performance information for inclusion in the Revised Estimates for Public Services volume.

More generally, in keeping with the 'no surprises' principle and in the interests of partnership with the Department, the PSA will ensure that the Department is appropriately informed as follows:


- Significant governance-related issues or concerns are brought formally to the attention of Criminal Justice Governance at the earliest possible opportunity.
- Criminal Justice Governance and/or Criminal Justice Policy, as appropriate, are informed in early course where it is intended to pursue significant new operational initiatives (including joint initiatives with other bodies) or to commission research or consultancy that relates substantively to the governance, management or strategic objectives of the PSA.

5. Comply or Explain


Having regard to the size of the Authority, and the fact that it falls under the Department's Vote, it has been agreed that the Department's Internal Audit Unit will provide support to the PSA in order to satisfy the relevant requirements of the Code of Practice.

6. Duration and signatories to the Agreement

John O'Callaghan, Head of Criminal Justice Governance, Department of Justice and Equality and Paul Scallan, Chief Executive, Private Security Authority, affirm that this Oversight Agreement will apply from the date signed hereunder until 31st December 2022.



John O'Callaghan
Head of Criminal Justice Governance
Department of Justice and Equality



Paul Scallan
Chief Executive
Private Security Authority

Date: 26th May 2020

PSA Board – Schedule of Functions

1. Approval of the Strategic Plan
2. Approval of the Annual Report and Financial Statements
3. Approval of Annual Budget Plan
4. Approval of Annual Business Plan
5. Agree legislative changes for the consideration of the Minister
6. Prescribing of regulations under the Private Security Services Acts
7. Establishing Sub-Committees
8. Schedule of Board and Sub-Committee meetings
9. Approval of licence fees
10. Approval of standards and qualifications to be obtained by licensees
11. The appointment of inspectors
12. Risk Management Policies
13. Approval of terms of major contracts
14. Directing the Chief Executive to inform the Board of the manner in which he proposes to perform any specified executive function
15. Requesting a member of the Executive to present a report on the activities and operation of the area under their management
16. Deciding to meet in committee without the Executive present
17. Approval of PSA Seal
18. Approval of Code of Business Conduct for Members of the Board
19. Approval of Corporate Governance Guidelines
20. Approval of Fit and Proper Guidelines for licensing
21. Approval of Procedures for taking Independent Professional Legal Advice
22. Approval of System for Internal Control and Statement on Internal Control
23. Adoption of the C&AG Management Letter & Recommendations following Annual Audit
24. Approval to undertake Research Projects / Compilation of Statistical Information
25. Adoption of the Requirements under the Code of Practice for the Governance of State Bodies 2016.