

Special Interest Group; ‘Security in Complex Environments Group’
TERMS OF REFERENCE

1. Aims

1.1 The Security in Complex Environments Group (SCEG) is a group for UK-based Private Security Companies working both in complex environments on land and in high risk areas at sea. The Group has been established by the ADS Group Ltd to partner with the UK Government to promote professional standards across the UK private security industry, and to provide for their enforcement through effective monitoring and sanctions. The SCEG will not routinely promote individual SCEG Members or their commercial interests; this will be undertaken by ADS Group Ltd, as a service to the Members of its special interest group. The purpose of the SCEG is to act as a focal point to promote high standards and a certification framework, to monitor the activities of its Members, and to represent their interests externally to UK Government Departments, and wider stakeholders, and internally to deliver the objectives of introducing standards and to share best practice. The SCEG will in parallel support the collective competitiveness of the industry globally through representation and promotion of the PSC sector

1.2 In particular, the SCEG is to provide:

- a. Support to the UK Government in the regulation of companies who operate in this sector, and a level of confidence that these companies operate at a high professional and ethical standard. This will be undertaken through encouraging adherence to voluntary codes and association coupled with independent third party accredited certification against approved international standards and to monitor Members’ compliance. The SCEG Executive Committee is committed to the success of the International Code of Conduct Association.
- b. An authoritative focal point to which UK Government departments can refer when seeking an industry view, when formulating requirements and policy in the field of the provision of private security services.
- c. A focal point the Industry can use to represent its views to UK Government and which the Government can use in order to take the views of industry in developing policy
- d. A group in which Members and observers can discuss, in confidence, technical issues of mutual interest.
- e. Opportunities for informed speakers to address Members on current and appropriate issues concerned within the field of the provision of such services.
- f. A focal point for considering and taking forward ways of supporting the commercial interests of SCEG members –albeit not individually.

2. Membership Criteria

2.1 There are 3 categories of membership for SCEG. They are: Full, Associate and Affiliate

Full Members

- 2.1.1 Any company, both ADS Members and Non-Members, which is active in this sector, has the right to apply for membership of SCEG, provided that they:
- Have read and agreed to abide by the principles in the International Code of Conduct for Private Security Providers (ICoC)

- Have read the ICoC Articles of Association and if appropriate may wish to give further effect to their commitment to the code by becoming members of the Association
- Agree to read and where relevant to reflect the UN Guiding Principles on Business and Human Rights in their processes and operations
- Have auditable processes in place to demonstrate adherence to the voluntary Codes of Conduct or other principles and Associations to which they may adhere
- Are prepared to play a constructive role which adds value to the group Membership and the objectives of the Group inter alia by taking on appropriate tasks for the SCEG.
- Can provide evidence that they are registered and based in the UK, and are providing in or from the UK – either directly or indirectly or potentially – a service provision in the private security sector, or a product or service, again in or from the UK, to assist such UK-based private security service providers to undertake their role (including material development, manufacturing, training, service provision or consultancy capability).
- Can demonstrate, if appropriate an intent to be certified against PSC1 and or ISO 28007

Associate Members

2.1.2 Associate Membership is open to those companies and individuals who have a professional interest in the work of SCEG and wish to be kept informed of developments and contribute on relevant issues. Associate Members may include those firms who wish to network with full Members, as they may be existing or potential suppliers to these members, but are not directly involved in the types of services provided by full Members. Associate Members do not have any voting rights within SCEG. Associate Members will include companies in the legal and insurance sector, academics and Certification Bodies

Affiliate Members

2.1.3 Appropriate UK Government departments and other stakeholders including non-governmental organisations may be granted 'Affiliate' status, at the discretion of the Executive Committee. Affiliates may be included or excluded from sensitive Industry-only discussions, at the discretion of the Chairman. Affiliates do not have voting rights within SCEG.

Organisation

3.1 Status

SCEG is a Special Interest Group of ADS Group Ltd, the AeroSpace, Defence and Security trade organisation, and operates under the auspices of ADS. ADS will provide administrative and secretarial support, handle all Membership matters and finances, will organise group meetings and disseminate information, as requested by the Executive Committee. ADS will provide information and reports on the activities of the SCEG to the ADS Security Sector Board, as necessary to enable the latter to be kept aware of the Group's activities.

3.2 Executive Committee (EC)

3.2.1 SCEG is to be run by an Executive Committee (EC) comprising a minimum of 7 industry members, elected by SCEG Members and representing both the land and maritime sectors. The Director of Security at ADS has a standing right to be a member of the EC. The Foreign & Commonwealth Office (FCO) and the Department for Transport both have standing rights to be a member of the EC by virtue of their partnership in this regulatory field. It will be for the EC's Members to determine if there should be a maximum number of EC Members. They will act impartially in any decision-making process that they undertake.

3.2.2 The EC shall appoint a Chairman, whose name and company address are to be notified to all Members. The EC may also co-opt additional industry and/or government and/or civil society experts, where appropriate, in an advisory capacity. The Chairman may designate an Acting Chairman in his/her absence. The Chairman may appoint a Vice Chairman after consultation with the EC.

- 3.2.3 The EC shall meet four times a year or more frequently, if deemed necessary to perform its function. These meetings will routinely be held in advance of the SCEG meetings.
- 3.2.4 ADS will nominate a person who will act as Secretary to SCEG, and provide administrative services.
- 3.2.5 In consultation with the FCO, the SCEG can be dissolved with a majority vote by the EC or the withdrawal of the support by ADS, as decided by the CEO of ADS.
- 3.2.6 Voting rights will be equal across the elected members of the EC. The Chair or acting chairman shall hold a casting vote. Votes may also be cast in absentia or by proxy.

3.3 Executive Committee Rotation

- 3.3.1 The Chairman and EC Members will serve for a period of two years. At the end of this period they may stand for re-election for a further period of one year. If re-elected as a Member of the EC, the Chairman may stand for re-selection by the EC as Chairman and if successful will be permitted to serve for a second consecutive term of one year as Chairman. A third consecutive term will not be permitted.
- 3.3.2 The period of EC Membership will start from the 1st January. If elected during the year then the two year period will start from the closest 1st January to their start date.
- 3.3.3 There will be a minimum quorum requirement for EC meetings of three industry representatives and one non-industry representative.
- 3.3.4 Vacancies on the EC will be filled as and when they arise by calling for nominations from Members and, if necessary, a postal/email ballot will be held to determine the successful candidate(s) who will then serve for the periods prescribed in 3.3.1.
- 3.3.5 For future elections, notification of new EC Members and appointments of Chairmen will be delivered at the Main Meeting next occurring after the election/ballot/appointment. No ratification will be necessary.
- 3.3.6 Whilst facilitating the EC elections the Director should encourage the membership to cast their votes to reflect the land and maritime interests within SCEG.

4. Applications for Membership

- 4.1 All completed applications for Membership of SCEG should be forwarded to the SCEG Administrator, together with evidence of trading in/from the UK such as published annual accounts, a written formal undertaking that they will comply with national and international codes of conduct, related standards and regulatory requirements, evidence that they will add value to the work of the SCEG and delivery of the Group's objectives and an acknowledgement that they will be responsible for any costs that they may incur as a result of such obligations.
- 4.2 All companies' applications for Membership of SCEG will be reviewed by a sub-Committee of the Executive Committee and by ADS to ensure that the applicants meet the agreed Membership criteria included in these Terms of Reference. Copies of the Terms of Reference are forwarded to applicants with the application form.
- 4.3 Once UK and international standards and third-party certification processes have been introduced, companies' work towards independent certification against these standards will be taken into account by the Membership Sub-Committee.
- 4.4 Membership cannot proceed further without:
 - 1) Confirmation by ADS that the due diligence checks set out in 4.1 have been completed satisfactorily.
 - 2) The Membership sub-group of the EC has approved the application.
- 4.5 Existing Members of the SCEG will be advised of new Members joining the group at the meeting next occurring after application.

- 4.6 To maintain Membership, companies must, if required, be able to demonstrate that they have met their obligation to conform to appropriate standards.

5. Potential Sanctions

- 5.1 Members must not act in any way as to bring the name of ADS or SCEG or their respective Members into disrepute. Membership may be terminated immediately should this occur. Examples of such might include but are not limited to:

5.1.1 Acting in a manner which brings ADS and/or SCEG into disrepute, for example, non-adherence to the relevant Code of Conduct, or equivalent, where applicable

5.1.2 Non-payment of the Membership levy

5.1.3 Where the application from the Member is found to be materially false or misleading

- 5.2 In addition to summary termination of an organisation's Membership, as the ultimate sanction, there will be a graduated range of sanctions, depending on the seriousness of the alleged infringements, which is available to SCEG to ensure that its Members are complying with its regulations, and not bringing it into disrepute. This includes:

5.2.1 Mentoring/guidance/direction

5.2.2 Reprimand (oral)

5.2.3 Formal warning (written)

5.2.4 Fine

5.2.5 Dismissal

Depending on the circumstances, the imposition of these sanctions may be publicised.

- 5.3 If Membership is denied, or a Member is subsequently excluded, a Member may make representations in person or in writing to the EC for the matter to be reviewed.

- 5.4 Membership is vested in the organisation, not an individual. A Member company may terminate their Membership at any time by giving written notice. Fees paid will not be refundable. Where there are multiple representatives, a decision to terminate Membership will be taken as covering the company as a whole.

- 5.5 Members who have left of their own volition (not where they have been asked to leave) may re-join using the same process as that for new Membership applications.

- 5.6 Alleged infringements may be brought to the SCEG's attention through a variety of means, including information from any parties, including complainants. Such allegations will then be investigated by the Director, for assessment as to whether there is sufficient substance to them to warrant a detailed, formal investigation.

6. Meetings

- 6.1 SCEG will routinely meet quarterly but more frequently if required. The method of recording, circulating and retaining minutes will be for the EC to decide. The notes will record:

- All appointments of officers;
- All new Members;
- The names of all attendees at each meeting;
- A record of all recommendations and resolutions;
- Forthcoming events;
- The imposition of sanctions on any Member.

- 6.2 Meetings may be divided into sections which are open to 'Affiliates' and those which are not, depending on what is to be discussed.

- 6.3 SCEG meetings will normally take place at the ADS offices in Salamanca Square.

7. Finance

- 7.1 SCEG is a not-for-profit, self-financing group. Membership Subscriptions will be reviewed annually. Subscriptions rates will reflect a company's Global turnover within the relevant sector –

that is the provision of security in complex and high-risk environments. The 2015 membership fees are as follows:

7.2	ADS Members –	
	(Turnover of up to £5m)	£825 + VAT
	(Turnover of £5m - £50m)	£2196 + VAT
	(Turnover of £50m+)	£3293 + VAT
7.3	Non ADS Member	
	(Turnover of up to £5m)	£1097 + VAT
	(Turnover of £5m - £50m)	£2745 + VAT
	(Turnover of £50m+)	£4391 + VAT
7.4	Associate Members	£825 + VAT
7.5	Affiliate Members	No fees applicable

7.6 Subscription Fees

The following is applicable to membership subscription fees:

- Fees should be paid to “ADS Group Ltd”
- Payments will be made in advance.
- Membership will be conditional on payment.
- Payment period will be 1st January to 31st December.
- Part year Membership will attract a pro-rata payment.
- Once made, any payments will be non-refundable.

7.7 Attendance at routine SCEG events including meetings will be deemed to have been covered by the Membership fees. Additional attendance charges will be required for other events such as annual conferences and promotional events. These charges will be agreed by the EC and promulgated to the membership.

7.8 The funds will be managed and accounted for through ADS. All payments should be made payable to “ADS Group Ltd”.

8. General

8.1 Accepting that the Terms of Reference will be amended over time, the application of current Terms of Reference will not be retrospective insofar as eligibility for Membership by existing SCEG Members is concerned. However, if a company lapses its Membership of SCEG and then re-applies to join, the Terms of Reference existing at the time of re-application will be applied.

8.2 The intent of the SCEG is to be as transparent as possible in its activities to all stake-holders, though the level of disclosure on individual Member Company contracts, products, customers, activities or any other commercial or security-related information will in all cases be for that company to determine.