

Security Institute of Ireland

Corporate Governance Guide Extracts

Legal Status

The Security Institute of Ireland was registered as a company in Dublin, Ireland on the 20th March 1981, registration number 81738, having being granted a licence by the Minister for Industry, Commerce and Tourism.

The Institute is a Designated Activity Company (DAC) under the Companies Act of 2014 (Part 16). It is a company limited by guarantee and not having a share capital. It is owned by its members and has no shareholders or share capital.

Designated activity companies have a memorandum in their constitutions which state the objects for which the company is incorporated. It has a constitution document which includes a memorandum and articles of association

Directors are honorary and have no ownership of, or rights over any Institute assets. They are elected by the members. Members are typically from within the security industry and must satisfy certain qualifying criteria to become a member. Each member has one vote at a general meeting. Membership is subject to an application process and a fee and is renewable annually.

The Institute is exempt by the Minister from the requirements to have Designated Activity Company or DAC at the end of its name.

Identifying Relevant Legislation

The organisation has identified the main regulatory requirements which impact on its activities, as follows:

- Qualifications and Quality Assurance (Education and Training) Act
- Safety, Health and Welfare at Work Act
- Private Security Services Act
- Data Protection
- Insurance Legislation
- Working Time Act
- Relevant aspects of criminal and civil law which may impact on its activities

The organisation's auditors are also compliance experts and advisors. They advise on and handle all tax related matters and company law requirements, including compliance with employment legislation. Private Security Authority approval as a provider requires compliance with all relevant legislation, PSA inspectors carry out audits on the organisation's activity.

Legislative Compliance Statement

Compliance with relevant legislation is central to the organisation's activities. The Security Institute certifies that it is in all material respects compliant with all relevant legislation and regulatory requirements applicable to the provision of education and training in Ireland, in particular (but so as not to derogate from the generality of the foregoing) all employment, health and safety, equality, data protection, and financial and regulatory requirements insofar as same are applicable to our operations.

Office and Administration

The organisation is registered in the Republic of Ireland, a European Member State. The Registered Office and the official office established as the main administration centre for all activities is:

The Security Institute of Ireland
W6D Ladytown Business Park
Ladytown, Naas, Co. Kildare
Ireland
W91 HY36

Telephone 045 409222
Email admin@sii.ie
Website www.sii.ie

Experienced full-time staff administer the affairs of the Institute from its fully equipped suite of offices in Naas, Co. Kildare. This is a 2,000 sq. ft. premises owned by the Institute.

Constitution

The company's constitution addresses quorum, notice requirements and voting requirements at meetings. The constitution contains the publicly required internal rules of the company and binds the company and its members. It also states the organisation is dedicated to improving academic and business knowledge of those working in the security industry. The substantial activity of the Institute since its inception in 1981 has been focused on training, training supports and certification within the security industry in Ireland.

The constitution of the Institute includes the following:

To assist participants to improve their academic and business knowledge in security by provision of categories of participation based upon an examination or code of professional conduct

To encourage persons engaged in the security field to achieve recognised professional academic standards and distinctions and to improve their technical expertise by promoting, organising and managing course, including correspondence courses, seminars, lectures and by other means, and to establish and operate an examination structure
To provide, under the auspices of the Institute full training facilities for students

The Security Institute is the sector body for training and education in the security industry in Ireland and its principal business functions are vocational training related.

Membership

The owners of the Security Institute are its members. These are qualified or experienced security and related services practitioners. The members elect an honorary board, who manage the affairs of the Institute.

An Annual General Meeting of members takes place, where the board reports to members on the affairs of the Institute generally, including its financial affairs. Members must approve the annual accounts and vote on any resolutions to add to or amend the Articles.

Activities

Its main activities include certification, design of vocational training courses, delivery of training courses and publishing training manuals. The Institute has a suite of comprehensive training manuals available for a range of topics at various levels. Advice, guidance, supports and reports are provided to the industry and other stakeholders. The organisation represents the training and education sector of the industry at national and international fora. This operational business activity takes place substantially in the republic of Ireland, a European Union Member State.

Registers

As part of its industry support activity, the Institute manages and publishes registers of professional security practitioners including members, companies, trainers and consultants. The registers cover professional individuals and entities, including:

- Professional Security Companies Corporate Register
- National Register of Approved Trainers
- National Qualifications Register
- Security Consultants Register

Commitment to Quality Statement

The Security Institute commitment to quality is demonstrated by the investment in resources, an appropriate work environment, implementation of systems and the emphasis placed on the reviewing of systems, goals and objectives taking the appropriate action where necessary in order to maintain and improve the continuing suitability of the Quality Management System.

The Institute is committed to monitoring and managing all aspects of its quality management system, the board have established a management committee to assist with the effective management of the organisation and in particular to carry out reviews of its activities to ensure the effective implementation of its quality processes.

Regular, scheduled management review meetings will take place. Management reviews are carried out by members of the management committee, who are senior members of the Institute with knowledge of its processes, ethos and culture. Other competent persons may also be actively involved in this process.

Quality Manual

A quality manual, approved by the board of directors is in place. This manual is applicable to all processes procedures and resources required in the provision of services to learners working in the private security industry within Ireland and other persons external to the private security industry who meet the specific requirements of each Programme Management Specification.

Internal Audit Commitment

The Board of Directors recognise the importance of internal audits and commits to having in place an internal audit program and internal audit procedures. An internal audit program template is used and internal audits will be conducted at intervals prescribed in the audit program. Auditors will conduct internal audits within the scope of the area designated to them. The auditor will identify and document instances of conformity and nonconformity.

All activities of the Security Institute may be subject to internal audit.

Board of Directors

The Board of Directors elected by the Institute members is the most senior board or committee of the Institute and is answerable to the members as ultimate owners of the organisation. The Board is made up of honorary / voluntary directors and has a responsibility to safeguard the interest of the organisation on behalf of its current and future members.

The Board of Directors appoint a Chief Executive and other senior officers. The Board is responsible for maintaining the ethos of the organisation and the allocation of resources. A financial report is a permanent feature of each meeting agenda.

They also establish various committees to assist with the efficient running of the affairs of the Institute on behalf of its members. This includes the establishment of an Academic Board of Governors who advise on all matters of training and education and a Management Committee who assist, advise and support the Chief Executive. Each other board, committee or individual is directed as to their respective levels of decision making and responsibility. Terms of Reference or guidelines are provided to committees as required.

The Board of Directors are responsible for policy making and strategic planning. Chairs of other boards and senior committees are also board members ensuring that this body maintains oversight of, and can participate in and comment on all aspects of the Institute's activity in one overarching senior decision-making forum.

All appointees are given information and advice on their respective roles and their performance is subsequently monitored by the board. Where deemed necessary, matters of concern may be raised with the nominations committee during board member reviews.

Board members hold honorary positions and must retire by rotation every three years. They are elected or re-elected by members of the Institute by a postal ballot having being deemed eligible and approved by a Nominations and Continuation Committee. Directors must be members of the Institute to be eligible for nomination.

President

The President is elected by the Board for a two-year term of office. The President is chair of the Board of Directors and the Security Institute's most senior office holder. The President has oversight of all activities ensuring that meetings take place and are conducted properly, that appropriate appointments are made, compliances are governance processes are in place and adhered to and generally guide the board on the ethos and culture of the organisation.

Deputy President

The Deputy President is elected under the same conditions as the President and mirrors the role of President in the absence of the President.

Secretary

The Secretary is the Board and Institute secretary. The Secretary also has responsibility for managing all internal and external appeals and complaints. The Secretary is appointed by the Board of Directors for a term of two years and may be reappointed at the discretion of the Board. A Deputy Secretary assumes the role when required.

Chief Executive Officer

Reporting to the Board of Directors the Chief Executive is responsible for implementing Board policy and will consult with relevant officers, boards and committees as necessary as part of the decision-making process.

Summary of the Chief Executive Officer duties and responsibilities:

- Advise on strategy and priorities
- Implement organisation policy
- Maintain operation standards
- Report to the board
- Manage risk generally
- Manage information flow
- Respond to issues
- Lead the management team
- Appoint administration staff
- Manage administration staff
- Approve trainers
- Appoint specific duty persons
- Manage day to day resources / finances, including budgets, pricing and charges
- Represent the organisation
- Manage day to day activity, including programme calendar
- Liaise with the President and Deputy President
- Liaise with the National Secretary
- Liaise with the Director of Finance
- Liaise with and disseminate information to boards, committees and officers
- Liaise with and disseminate information to stakeholders

The Chief Executive is an employee and will hold a Board position, it is Institute policy that a serving Chief Executive may not simultaneously hold the position of President / Board Chair or National Secretary.

The management committee and the head of administration assist the Chief Executive carry out these responsibilities. The Chief Executive is the ultimate decision maker and arbiter outside of the Board of Directors and is the designated "Person in Charge" of all day to day Institute activities.

Data Protection Officer

The Chief Executive Officer is the nominated person responsible for managing the requirements of General Data Protection Regulations. The organisation has reviewed and updated its policies and procedures and is satisfied that it complies with the regulations.

Director of Finance

Reporting directly to the board, the Director of Finance monitors all matters related to finance. The director does not make day to day decisions on normal business activities but provides summaries and financial reports at board meetings and works closely with the organisation auditors and assists with the preparation of annual accounts and subsequent presentation to general meetings. Day to day financial decisions are made by the Chief Executive and where delegated, the head of administration. The Director also provides input to the management committee on programme development.

Director of Legal Affairs and Governance

Reporting to the Board of Directors, this director is responsible for oversight and monitoring of applicable legislation and regulations to ensure compliance with same. The director also advises the board on legal and corporate governance issues generally.

Director of Quality, Standards and Compliance

The Director of Quality, Standards and Compliance works closely with the chief executive and other boards and committees and external bodies. The director is responsible for overseeing / implementing quality, standards and compliance requirements. The director will conduct and / or manage internal audits as required.

Learner Affairs

A learner who has engaged recently in a programme is invited to attend meetings of relevant committees to contribute a learner perspective.

Head of Administration

Responsible for certification, maintaining registers, database inputs, office administration, purchasing and customer support. The Head of Administration is responsible for managing debtors, creditors, day to day banking and cash flow generally, preparing all information for the director of finance who reports independently to the board.

The Head of Administration is actively involved in all areas of administration and reports directly to the Chief Executive. The Head of Administration supports the directors of finance and quality.

Director's Disclosures

- Directors should not have conflict of interests and directors have a specific duty of disclosure.
- Under the Companies Act directors have a specific duty to disclose an interest in a contract or proposed contract.
- The purchase of shares in a company or group company (public or private) by a director must be disclosed to the Institute.
- The Institute will adopt a Conflict of Interest policy.

Transactions with Directors

The Institute is restricted from entering into certain transactions with its directors.

Pursuant to Section 239 of the Companies Act 2014 a company shall not –

- (a) Make a loan or a quasi-loan to a director of the company or of its holding company or to a person connected with such a director,
- (b) Enter into a credit transaction as creditor for such a director or a person so connected,
- (c) Enter into a guarantee or provide any security in connection with a loan, quasi-loan or credit transaction made by any other person for such a director or a person so connected.

Pursuant to Section 82 of the Companies Act 2014, the Institute shall not give any financial assistance for the purpose of an acquisition made or to be made by any person of any shares in the Institute, or, where the company is a subsidiary, or holding of the Institute.

Pursuant to Section 238 of the Companies Act 2014, the Institute shall not enter into an arrangement under which –

- (a) A director of the relevant company or of its holding company, or a person connected with such a director, acquires or is to acquire, one or more non-cash assets of the requisite value from the relevant company, or

- (b) The relevant company acquires or is to acquire, one or more non-cash assets of the requisite value from such a director or a person so connected, unless the arrangement is first approved by the Summary Approval Procedure.

Certain information in relation to directors' salaries and remuneration must be disclosed in the company's annual financial statements.

This information must be publicly filed at the Companies Registration Office.

Additionally, directors' service contracts must be made available for inspection at a company's registered office.

Directors' Compliance Statement is included in statutory financial statements. The Statement acknowledges that the directors are responsible for compliance with the following "relevant obligations":

- (a) Preparation of "Compliance Policy"
- (b) Implementation of structures which in the directors' opinion are designed to secure material compliance.
- (c) Review during the relevant financial year of the structures in place.

The directors confirm in the statutory financial statements that the above provisions have been complied with or explain why not.

Beneficial Ownership

The Institute is aware of the requirements to maintain a register of beneficial owners. While the board of directors collectively exercise control and individual directors may exercise influence over the activities of the Institute no director has a shareholding or ownership interest. The Institute is owned by its members. The list of current directors is published annually.

Board Meetings

The Security Institute President / Board Chair in consultation with the National Secretary set dates for each meeting of the Board of Directors, unless the date has been previously agreed. Notice in writing is sent to each eligible director indicating the time, date and venue of each meeting. The agenda is substantially generic in nature, amended when an exceptional item not covered by the generic agenda is to be addressed as a separate item.

Minutes are taken by the Secretary and subsequently signed by the meeting chair. The record includes verbal reports and documents from committees. The names of those present are recorded in the minutes. Voting takes two forms, formal votes called for or required are proposed and seconded, thereafter a show of hands is called for, the meeting chair coordinates this and the secretary records the proposal, names and vote result.

Typically, most business is agreed by consensus, with the decision being called by the meeting chair.

The board establishes committees and agrees the duties and responsibilities of its committees and other officers. Appointments are for a term of two years and officers may put themselves forward for each position without limitation.

The main offices, boards and committees are the:

- National Secretary
- Chief Executive Officer
- National Director of Finance
- National Director of Quality and Compliances
- Academic Board of Governors
- Management Committee
- Membership Committee
- Nominations and Continuation Committee

It is the responsibility of the meeting chair to ensure that the business of the meeting is conducted in a professional and fair fashion and that the agenda items, as a minimum are followed.

Board of Governors

An Academic Board of Governors advise the Board of Directors on all training related issues. This board makes academic decisions in respect of programme development, delivery and assessment without regard to any commercial considerations. Each individual member is appointed by the Board of Directors based on their experience and qualifications, ensuring at all times this Board is independent in its decision making.

Independent members of the board are defined as those who have no vested interest, financial or other gain from any training activity. Board members receive no payment.

Membership Committee

A committee made up of directors to advise on and coordinate the activities associated with both corporate members and individual members.

Management Committee

The Management Committee advises on and actively participates across all areas of the organisation including proposing new validation, maintaining validation, general and strategic planning, staffing and appointments, new programme piloting and rollout and associated benefits and risk. The committee is particularly active in the certification process including, monitoring, internal verification, results approval, internal audits and self-evaluation. Advising and liaising with the Chief Executive and Head of Administration.

Taking on other roles as requested by the Board of Directors, Academic Board of Governors or the Chief Executive. Active across all areas of the organisation, the management committee also conduct all management review meetings. Critical functions of the committee are advising and supporting the Chief Executive.

Management Review Meetings will take place on a quarterly basis on dates as determined by the management committee chair. Advanced notice will be given. The date, time and venue will be documented as well as those present. A detailed agenda will be available, including as a minimum, the following points:

- Minutes from previous meeting
- Reports from function heads
- Results of audits
- Customer feedback
- KPI reports
- Identification of resources, including financial requirements

- Staffing / trainers
- Benefits, risk, problems and effectiveness of programmes offered
- Approve programme information documents
- Reviewing IV, EA and Results Approval reports, action where required
- Status reports, corrective and preventive actions
- Report on follow up actions from previous meetings
- QMS changes
- Improvement recommendations
- Actions required as a result of customer requirements
- Date of next meeting

Notes and / or minutes of decision taken are kept. The main records of Management Committee decisions are captured in the committee reports section at board meetings.

Nominations and Continuation Committee

The Board appoint a nominations and continuation committee to review applicants for board positions and make recommendations to the board on candidates applying to go forward for election. The Secretary will provide the names of the individuals going forward to the committee chair, the committee chair will contact each individual and agreed at a meeting date and time. The board of directors will from time to time identify requirements or specify certain characteristics it considers necessary and communicate this to the committee.

Appeals and Complaints Panel

An Appeals and Complaints panel is assembled as required by the National Secretary to handle appeals and complaints. The panel reports to the National Secretary who determines further action as required. Except in exceptional circumstances, members of the panel are taken from within the Security Institute.

Organisation Viability

The board are satisfied that the Security Institute is a robust and viable organisation. Audited accounts available show that the Institute consistently generates a trading surplus. Financial reports are presented at every board meeting, accounts are audited by registered auditors annually and presented to the board for approval and thereafter to the members at annual general meetings. The Institute owns the building it manages its affairs from and has other substantial assets, including equipment and intellectual property. Business and financial data for the past thirty-five years demonstrates that the Institute is a robust sustainable organisation. Bank statements, audited accounts and monthly financial reports are available as evidence of robust financial situation. Board members receive no payment for board activity and claim expenses only in exceptional circumstances.

Applying Adequate Resources

The Board of Directors ensure the provision of adequate resources, including human resources and the appropriate work environment. The necessary infrastructure, including equipment, workspace, utilities and support services are in place to maintain and improve the effectiveness of service delivery. Information and communications technology are of a high specification, including a server, workstations, photocopier, printer, public and private broadband. Approved suppliers service and maintain all equipment. Quality modern software is installed, including security software. Learner files are maintained in secure searchable databases and reports can be printed in a variety of formats.

Human resources include management and administration staff, registered trainers and appointees charged with specific duties. Costs associated with quality service delivery are a long established and normal feature of the organisation's budgets and resources generally.

The various boards and committees involved in the activities of the Institute including those associated with programme development, validation, governance, finance and quality are largely volunteers, all meetings take place in the Organisations own premises. This activity is supported by a small permanent staff. While the Organisation is large, it is long established and efficiently run financially. The Organisation is well funded and not exposed to any adverse financial risk.

Director of Finance

The Chief Executive is responsible for the management of day to day finances, the chief executive in consultation with the head of administration sets budgetary priorities considering available resources and constraints.

The director of finance monitors all financial transactions, oversees and independently reports on all income and expenditure to the board at regular scheduled board meetings. The director advises the board and chief executive on budgets and financial management generally. The director liaises with the organisation auditors and assists with the preparation of annual accounts, thereafter presenting those accounts to the board and ultimately, the members for discussion and adoption at the annual general meeting.

Audits and Accounts

Accounts are audited annually by external auditors. These is a long-established registered accountancy practice. Draft accounts are provided to the National Director of Finance for discussion and agreement by the board and the members, thereafter signed final accounts are provided and registered with the appropriate authorities. Auditors are invited to general meetings and are subject to appointment or re-appointment by the members for a term of one year.

Financial Control

Regular, projected, creditor payments are made by the head of administration. Irregular or exceptional items are approved by the chief executive taking advice from the director and / or the management committee where required. Major purchases are approved by the board. The organisation auditors are additionally contracted to manage payroll and tax returns. The organisation maintains one bank account in which all its monies received and dispersed go through. Electronic banking is used in the main for all transactions. The organisation uses Worldpay payment processing system.

A financial report is a permanent feature on the agenda for board of directors meeting, hard copies of reports are provided at these meetings also. This information ensures that directors can track income and expenditure movements and variations.

Budget and Report Template

An approved budget and reporting form are in place and used by the Director of Finance and the Head of Administration. This form documents the income and expenditure for the stated period. Due to the size and nature of the organisation both fixed and variable costs are included on the same sheet. Budget estimates are guides and typically use previous periods or year figures as the starting point.