

Dear [Master Licensee]

I am writing to inform you of changes to the regulatory model for the security industry that have recently been approved by the NSW Government.

The main changes are that:

- The Security Industry Registry (SIR) will assume the role of the main regulatory body.
- To reflect the significant change in the SIR's role, it is now part of the NSW Police Force's State Crime Command and it will be renamed the Security Licensing & Enforcement Directorate (SLED).
- Master licensees will no longer be required to be a member of one of the ten industry associations granted approved status by the Commissioner of Police.

The SIR's role and resources will be expanded so that it can identify and investigate non-compliance with the *Security Industry Act 1997*, both proactively and in response to complaints from industry.

A summary of the changes, and the process to develop these changes, is attached for your information.

Since 2003, the Government has introduced a series of reforms to security industry laws to increase the competence, professionalism and accountability of the security industry. These reforms have increased the obligations of licensees and introduced heavy penalties for non-compliance.

However, the findings and recommendations made in December 2009 by the Independent Commission Against Corruption (ICAC) in its *Report on Corruption in the Provision and Certification of Security Industry Training* (Operation Columba) suggest that without effective enforcement, the intended effect of these reforms has not been fully realised.

The changes being introduced by the Government support the recommendations made by ICAC. The ICAC's full report can be viewed on its website at www.icac.nsw.gov.au.

It will take time to fully implement the changes due to the need to recruit additional staff, however it is expected this process will be completed by the end of the 2010/11 financial year.

The Government's decisions were informed by an independent review of the NSW Police Force's current regulation of the security industry undertaken by Deloitte between February and April 2010.

The Deloitte review recommended that a fully-industry funded model be introduced to pay for the new regulatory functions and estimated that the amount required would be an additional \$4.7m annually. The Government has agreed that the additional resources required for the NSW Police Force's expanded regulatory role will be funded by industry.

The Minister for Police is seeking your views on how the additional \$4.7m annually required to implement the new regulatory model should be levied upon the security industry. Submissions should be provided to SLED@police.nsw.gov.au by 13 August 2010.

The Government will then amend the *Security Industry Regulation 2007* to specify the new licence fees and remove the requirement for Master licensees to be members of industry associations.

I look forward to working with you to implement this new, enhanced regulatory model for the NSW security industry.

Yours sincerely



Cameron Smith
Registrar
Security Industry Registry
15 July 2010