



21st May 2026

Michelle Russell
Chief Executive
Security Industry Authority
10 South Colonnade, Canary Wharf
London
E14 4PE

Dear Michelle,

Re: S12 / Industry Concerns Regarding the ACS Annual Registration Fee Increase

I am writing on behalf of the S12 Security Guarding Industry Leadership Group in response to your communication of 27th April 2026 regarding changes to the Approved Contractor Scheme (ACS) annual registration fee.

We understand that the fee payable per licensable individual deployed will increase from £15 to £25, representing a 66% uplift across ACS organisations.

We recognise that the ACS registration fee is a statutory charge, reviewed in accordance with HM Treasury's Managing Public Money principles, and that fees must recover the full cost of delivering the Security Industry Authority's (SIA) statutory functions. We also acknowledge that this is the first increase since the ACS was introduced in 2006.

However, we understand from your communication that the Statutory Instrument was laid before Parliament on the same day that ACS companies were notified, with implementation set for 1 June 2026. The timing and approach to this announcement has raised significant concerns across the industry.

S12 Position and Industry Role

The S12 Security Guarding Leadership Group fully supports the critical role of the SIA in protecting the public and raising standards across the private security industry. We remain committed to working collaboratively with the SIA and other stakeholders to enhance professionalism and public safety outcomes.

S12 Security Guarding Leadership Group

Silverstream House Fourth Floor, 45 Fitzroy Street, London, England, W1T 6EB

The S12 is a Community Interest Company (CIC), registered in England and Wales under company number 16960059.



Established in October 2025, S12 aims to:

- Support effective engagement between industry and government
- Represent the interests of the UK security guarding sector
- Promote public safety and regulatory compliance
- Ensure representation across businesses of all sizes
- Drive improvements in professional standards
- Enable collaboration across the sector

Industry Concerns

Following your announcement, the S12 launched an industry survey and hosted an online seminar to gather informed feedback before responding formally.

The key themes emerging from this engagement are:

1. Lack of meaningful consultation with ACS companies, trade associations, and wider industry stakeholders prior to the decision
2. Timing of communication, issued on the same day as the Statutory Instrument was laid, limiting opportunity for engagement or adjustment
3. Scale and immediacy of the increase, with a 66% uplift implemented within a short timeframe
4. Concerns regarding value, with many businesses stating that the benefits of ACS are not clearly understood or realised
5. Risk to scheme participation, with some organisations indicating they may reconsider membership, and non-members stating they are less likely to join

Survey insights further indicated:

- Negative sentiment regarding overall value delivered by the ACS scheme
- Concerns about business impact, particularly on margins and growth
- Limited understanding of what current and increased fees fund
- Mixed to negative views on the scheme's contribution to public safety outcomes
- Low awareness and recognition of ACS among security buyers

A selection of verbatim industry responses is included in **Appendix A**.

Key Concerns

While we fully support the principle that the scheme should be self-funded, we have significant concerns regarding:

- The transparency of the decision-making process
- The lack of prior engagement and consultation
- The perceived value and market recognition of ACS
- The potential negative impact on industry confidence, participation, and compliance

We are also concerned that the manner and timing of implementation risks undermining trust between the regulator and the industry at a critical time, particularly given ongoing developments around the Business Approval Scheme (BAS) and discussions relating to Mandatory Business Licensing (MBL).

Recommendations

In the spirit of constructive collaboration, we respectfully request that the SIA considers:

1. Phasing or delaying the fee increase, potentially based on company size or sector
2. Providing clearer justification and transparency on how the increased fees will enhance regulatory outcomes and public protection
3. Strengthening communication to the market, particularly to buyers of security services, to ensure the value of ACS is better understood
4. Reviewing the ACS framework, working in partnership with industry to ensure it delivers measurable quality, credibility, and value
5. Establishing structured engagement mechanisms with S12, industry stakeholders, and trade associations for future policy changes

Conclusion

We hope this letter clearly sets out the S12's & industry's concerns. While the fee increase may ultimately be justified, the process and communication surrounding it have created uncertainty and risk eroding confidence in both the ACS and the wider regulatory framework.



Rest assured the S12 remains committed to working collaboratively with the SIA to address these challenges and strengthen outcomes for the industry and the public. We will also be raising these concerns with the Security Minister and the Home Office at our next quarterly meeting.

We look forward to your response and to continued constructive engagement.

Yours sincerely,

Paul Evans

S12 Chair

Cc:

Rt Hon Dan Jarvis MBE MP – Security Minister
Shaun Hipgrave – Director Homeland Security
Mike Cunningham CBE QPM - SIA Chair



Appendix A: Verbatim Written Industry responses the S12 received:

1. The increase is ridiculously out of step with the challenges felt within the industry. Those who have joined the voluntary scheme carry the can for those who operate in the shade - constantly undercut. At a time when the ACS is hoping to attract more into the scheme, they have increased costs? Not joined up thinking at all. Disappointing.
2. I have been involved in a number of initiatives with the SIA over the past decade and have consistently found that proposed changes are typically consulted on, clearly communicated, and discussed with the industry, with sufficient advance notice provided where there is potential impact to businesses. However, this appears to be the first instance where a change with such significant financial implications has been introduced without prior warning and with a notably short implementation timeframe. A 66% increase in ACS fees represents a material impact for both large and small providers, and I would have expected a similar level of engagement, communication, and notice in line with previous SIA approaches.
3. I was on a Pre-tender engagement Teams last week for a sizeable academic site- the client team had two procurement directors and a security lead on the call; when asked whether ACS accreditation was a prerequisite for the bid, none of them knew what the ACS was...? The BAS can't come soon enough, in my humble opinion.
4. I was an ACS company for three years but felt it didn't have much benefit.
5. The SIA implementing the 66% increase demonstrates the total lack of understanding the SIA as to the current financial situation many SIA companies are facing - regardless of the size of business. What cuts are companies going to make to ensure they can meet the £25 ACS fees?
6. The SIA needs to reduce fees and offer more guidance and advice to businesses interested in joining the ACS scheme to make it more appealing.
7. This is a huge percentage uplift that has come about with little more than a month's notice. It has been issued well after we have already agreed our customer pricing for the year so we will have to absorb 100% of the costs for the rest of the year, which will come from our already tiny margins. Considering how easy it is for informal competitors to operate without costs, such as NICs, pensions, holiday pay, screening and vetting and of course the costs associated with compliance, such as ACS and assessor fees, this is just another nail in the coffins of legitimate security providers like us.
8. I am ACS I pay my employees tax's etc, but it's a kick in the teeth when the security for [REDACTED] was provided by a company that does have all its staff PAYE and it's known, that breaks and broke the CSAS rules, that parades it is an ACS company when it's only for security guarding and that is done on purpose. Yet Licensing and the Council are supposed to be following the rules, is it all worth it?
9. The increase is not proportionate the SIA are a very distant organisation that is almost impossible to communicate with. The increase is not warranted



10. Unsure why the fees increase as the SIA transition to BAS, which may/may not be replaced by MBL. This is a significant increase for industry, there has been no formal consultation with industry, short lead in time, industry is struggling in terms of economic issues/Martyn's Law implementation, the SIA have not been transparent with public money/made the case as to how this will increase quality/standards across the PSI. This will put people off joining the ACS from what I can see. The SIA have a strategic responsibility to engage with the industry they regulate, not introduce stealth tax without discussion, explanation or justification.
11. I feel that the increased fees will serve to support the new Martyn's law responsibilities for the SIA. Essentially, companies that have been complaint with Martyn's law are now going to be paying to support the supervision of non-compliant companies
12. I think ACS should be a requirement for security buyers, especially those within public facing roles as the level of vetting is essential. I appreciate costs increase but when service costs with clients are set for a year it is impossible to recoup the additional expenses, more notice of the increase would have been useful.
13. The regulator cannot (in my opinion) remain unbiased or effectively regulate big ACS businesses at the same time as also receiving large sums of money from those businesses. The incentive to use LP's (who are not ACS and therefore outside of ACS rules and regs) is now greater than ever. An area of our industry where we see labour exploitation and modern slavery.
14. The 66% increase in fees from June 2026 feels disproportionate to the value currently delivered by the ACS Scheme. While technically voluntary, ACS is often a prerequisite for bids. In its current form, the scheme is not consistently driving higher standards—too many accredited companies are still associated with poor practices, which undermines its credibility. The benchmark should be higher, with stronger enforcement, and more effort is needed by the Security Industry Authority to educate buyers, so ACS reflects genuine quality rather than a baseline tick-box. The timing is also problematic introducing this increase after annual budgets and April client uplifts shows a lack of alignment with how the industry operates.