



Security Guarding
Leadership Group

The Prevention of Labour Exploitation in the UK Security Industry

UK Security Industry Charter

Sept 2026 – Final

Incorporating enforcement, definitions, procurement accountability, governance, and the Employment Rights Act 2025 / Fair Work Agency legislative landscape

Overview

The UK security industry plays a vital role in protecting people, property, infrastructure, and public spaces. The sector relies upon a diverse workforce whose professionalism, integrity, and commitment are fundamental to maintaining public trust.

We recognise that labour exploitation, modern slavery, unethical recruitment practices, wage abuse, excessive working hours, discrimination, and other forms of worker mistreatment have no place within the security industry.

As signatories to this Charter, we commit to promoting fair, lawful, safe, and ethical employment practices, and to working collaboratively to eradicate labour exploitation throughout the security labour supply chain. This Charter sets out not only the standards we uphold, but how those standards are defined, assured, governed and enforced.

Our Vision

To create a UK security industry where every worker is treated with dignity and respect, receives fair reward for their work, and is protected from exploitation, abuse, and unsafe working practices.

Definitions

To reduce ambiguity and ensure consistent application across signatories, the following terms used throughout this Charter carry the meanings set out below. Where a term is also defined in UK legislation, the statutory definition takes precedence.

Labour Exploitation

Labour exploitation means any practice that takes unfair advantage of a worker for financial or operational gain, including but not limited to:

- Underpayment or non-payment of wages
- Excessive working hours imposed without genuine consent.
- Coercion, threats, or intimidation
- Withholding identity or immigration documents
- Debt bondage or manipulation of debt to control a worker.
- Deliberate misclassification of employment status
- Unlawful or undisclosed deductions from pay.

Labour Abuse is a related but distinct concept and refers to any unlawful, unethical or harmful treatment of workers arising from their employment or engagement.

Labour Abuse and Labour Exploitation may overlap. However, Labour Exploitation is the broader concept within this charter and supported guidance and may include circumstances where workers, their vulnerability or their labour are deliberately or systematically abused for financial or commercial gain.

Wage Abuse

Wage abuse means any practice that reduces a worker's lawful pay below statutory minimums or agreed terms, whether through direct underpayment, disguised deductions, unpaid working time, or manipulation of pay structures to obscure true hourly earnings.

Unsafe Working Practices

Unsafe working practices means rostering, scheduling, or operational practices that expose workers to foreseeable risk of harm, including fatigue-related risk, and that fall short of the standards set out in the Health and Safety at Work etc. Act 1974 and associated guidance.

Ethical Recruitment

Ethical recruitment means recruitment conducted transparently, lawfully, and without cost to the worker, in line with the Employer Pays Principle, with clear pre-employment disclosure of pay, hours, deductions, and working conditions.

Fair Work Agency (FWA)

The Fair Work Agency means the single UK enforcement body for employment rights, established on 7 April 2026 under the Employment Rights Act 2025. Where this Charter refers to the FWA, it means the FWA and, during its 2026–2027 transitional period, the predecessor functions it has absorbed (HMRC National Minimum Wage enforcement, the former Gangmasters and Labour Abuse Authority, and the former Employment Agency Standards Inspectorate).

Umbrella Company

An umbrella company means an intermediary that employs a worker and operates PAYE on their behalf while the worker's services are supplied to an end client, typically via an employment agency. Since 6 April 2026, agencies and, in some cases, end clients can be held jointly and severally liable for an umbrella company's unpaid PAYE and National Insurance.

Trade Union Recognition

Trade union recognition means a formal agreement, reached either voluntarily between an employer and an independent trade union or through the statutory procedure before the Central Arbitration Committee (CAC), under which the employer recognises the union as entitled to conduct collective bargaining on pay, hours, and holidays on behalf of a defined group of workers (a "bargaining unit").

Bogus Subcontracting

Bogus subcontracting occurs where security services are presented as being delivered by one organisation but are actually being delivered by another business without the appropriate knowledge or approval. This can reduce transparency and oversight, undermine contractual arrangements and introduce additional supply-chain and labour exploitation risks.

Additional defined terms specific to the security sector, including bogus subcontracting and umbrella/payroll abuse, are set out in "Security-Specific Exploitation Risks" below.

Legal and Regulatory Framework

This Charter does not replace or reduce any legal obligation. It sits alongside, and reinforces, existing UK law. Signatories confirm their commitment to full compliance with, at minimum:

- **Modern Slavery Act 2015:** including transparency in supply chains obligations under section 54, and the slavery, servitude and forced or compulsory labour offences it creates.
- **Employment Rights Act 1996 (as amended by the Employment Rights Act 2025):** including protection from unlawful deductions and unfair dismissal.
- **National Minimum Wage Act 1998:** and associated National Minimum Wage Regulations, including the rates set out below.
- **Working Time Regulations 1998:** including maximum weekly working time, rest entitlements, and the six-year holiday pay record-keeping duty introduced from 6 April 2026
- **Health and Safety at Work etc. Act 1974:** and HSE guidance on fatigue risk management
- **Equality Act 2010:** protection from discrimination and harassment
- **Worker Protection Act 2023:** the duty to take reasonable steps to prevent sexual harassment at work.
- **Immigration Act 2016:** including right-to-work checks and prevention of illegal working.
- **Income Tax (Earnings and Pensions) Act 2003:** including the new joint and several liability rules for umbrella company PAYE and National Insurance, in force from 6 April 2026.
- **UK GDPR and Data Protection Act 2018:** governing the handling of worker data and reporting systems.
- **Private Security Industry Act 2001:** and Security Industry Authority (SIA) licensing requirements
- **Terrorism (Protection of Premises) Act 2025 (“Martyn’s Law”):** which names the SIA as regulator for premises and event security preparedness.
- **Trade Union and Labour Relations (Consolidation) Act 1992 (as amended by the Employment Rights Act 2025):** including the statutory trade union recognition procedure.

Where this Charter references a threshold, process, or standard, it is intended as a floor, not a ceiling. Signatories are encouraged to exceed statutory minimums.

The Employment Rights Act 2025 and the Fair Work Agency

The Employment Rights Bill received Royal Assent on 18 December 2025, becoming the Employment Rights Act 2025, the most significant reform of UK employment law in a generation. Its provisions are commencing in stages through 2026 and 2027, and this Charter is drafted to reflect that reform rather than the law it replaces.

A central feature of the Act is the creation of the Fair Work Agency (FWA), a single enforcement body which formally launched on 7 April 2026 as an executive agency of the Department for Business and Trade. The FWA brings together the functions previously split between the Gangmasters and Labour Abuse Authority, the Employment Agency Standards Inspectorate, HMRC’s National Minimum Wage enforcement team, and the Director of Labour Market Enforcement. It also now enforces the slavery, servitude and forced or compulsory labour offences under the Modern Slavery Act 2015, across all sectors.

The FWA has substantial powers directly relevant to this Charter’s Compliance & Assurance and Non-Compliance provisions. It can carry out unannounced inspections, require production of payroll, contract, working time and agency worker records, compel interviews, and issue Notices of Underpayment. Penalties on a confirmed Notice of Underpayment can reach 200% of the sum owed (reduced to 100% if paid within 28 days), with a look-back period of up to six years. It can also bring employment tribunal claims on a worker’s behalf. Signatories should treat FWA-standard record-keeping as the baseline for the evidence retained under “Compliance & Assurance” below.

National Minimum Wage enforcement remains with HMRC during the 2026–2027 transitional year, operating under the FWA’s strategic direction, with full operational responsibility expected to transfer to the FWA from April 2027.

A Live Legislative Landscape: 2025–2027

Employment and security-sector regulation is changing faster than at any point in the last decade. The dates below are current as of July 2026 and are provided so that signatories can plan ahead; several remain subject to secondary legislation and may move.

Date	Development
1 Dec 2025	SIA licensing criteria updated: relevant offences for licence refusal expanded to include human trafficking, modern slavery, immigration offences and tax evasion.
18 Dec 2025	Employment Rights Bill receives Royal Assent, becoming the Employment Rights Act 2025.
1 Apr 2026	National Living Wage rises to £12.71 (age 21+); National Minimum Wage rises to £10.85 (18–20) and £8.00 (16–17 and apprentices); accommodation offset rises to £11.10/day.
6 Apr 2026	Joint and several liability for umbrella company PAYE/NIC takes effect (new ITEPA 2003 Chapter 11); day-one Statutory Sick Pay; sexual harassment becomes a qualifying whistleblowing disclosure; collective redundancy protective award doubles to 180 days’ pay; six-year holiday pay record-keeping duty begins; statutory trade union recognition process simplified: the ‘likely majority support’ test is removed and recognition ballots now succeed on a simple majority of votes cast, replacing the previous 40% threshold.
7 Apr 2026	Fair Work Agency formally established, consolidating GLAA, EASI and HMRC NMW enforcement, and taking on Modern Slavery Act 2015 enforcement for slavery, servitude and forced labour offences.
15 Apr 2026	Section 27 statutory guidance published for the Terrorism (Protection of Premises) Act 2025 (“Martyn’s Law”); SIA consults on its draft regulatory guidance as the Act’s regulator.
Aug 2026	Electronic and workplace balloting expected for statutory trade union ballots, including recognition and derecognition votes, where employer and union agree (subject to consultation).
30 Jun 2026	Immigration and Asylum Bill introduced to Parliament, proposing mandatory modern slavery statements with penalties of up to £1m (Bill, not yet law).
Oct 2026	Fire-and-rehire and fire-and-replace restrictions take effect; sexual harassment prevention duty strengthens to “all reasonable steps”, with third-party harassment liability reintroduced; employment tribunal time limit extends from 3 to 6 months; unfair-practice protections during trade union recognition and derecognition ballots extend to apply from the point the CAC accepts an application.
1 Jan 2027	Unfair dismissal qualifying period reduces from 2 years to 6 months; the statutory cap on unfair dismissal compensation is removed.
2027	Direct regulation of the umbrella company sector begins; NMW enforcement transfers fully from HMRC to the FWA; mandatory ethnicity and disability pay gap reporting for employers with 250+ staff; guaranteed-hours regime for zero and low-hours workers takes effect.

A related development, outside the Employment Rights Act 2025, is the Immigration and Asylum Bill, introduced to Parliament on 30 June 2026. As introduced, the Bill would substantially tighten the modern slavery reporting regime under section 54 of the Modern Slavery Act 2015: making modern slavery statements mandatory, prescribing their content, requiring submission to the government registry, and introducing financial penalties of up to £1 million for non-compliance. This is a Bill, not yet law, and its provisions may change as it proceeds through Parliament; The S12 will update this Charter's guidance once its final form and commencement dates are settled.

Currency of This Charter

Given the pace of change set out above, this Charter is treated by the S12 as a living document. It will be formally reviewed at least annually, and additionally whenever a material legislative change affecting the security industry takes effect, with updates coordinated through the Labour Exploitation Prevention Steering Group described under "Governance".

Our principles

Principle 1: Human Dignity and Respect

We will treat all workers fairly and with respect regardless of nationality, race, ethnicity, religion, gender, age, disability, sexual orientation, or employment status.

Principle 2: Zero Tolerance of Exploitation

We will not tolerate:

- Modern slavery
- Human trafficking
- Forced labour.
- Debt bondage
- Coercion or intimidation
- Wage theft
- Unlawful deductions
- Retention of personal identity documents
- Retaliation against workers who raise concerns.

Principle 3: Fair Work

We will promote employment practices that provide:

- Fair wages
- Safe working conditions
- Reasonable working hours
- Transparent employment terms
- Access to training and development
- Equal opportunities for progression

Principle 4: Accountability

We accept responsibility for identifying, preventing, and addressing labour exploitation risks within our organisations and throughout our supply chains, and we accept that this responsibility is subject to assurance and verification as set out in this Charter.

Security-Specific Exploitation Risks

The security sector faces exploitation risks that go beyond generic labour standards. Signatories specifically commit to identifying, preventing, and eliminating the following practices within their organisations and supply chains:

- Forced self-employment or bogus subcontracting used to avoid employment rights and obligations.
- Umbrella company or payroll intermediary abuse, including hidden fees and non-transparent deductions.
- Unpaid handover time between shifts
- Unpaid travel time between assignments where travel is a requirement of the role.
- Unlawful or unreasonable deductions for uniforms, equipment, or SIA licensing costs
- Rostering that routinely requires 60–90 hour working weeks
- Payment below the National Minimum Wage achieved through disguised or non-transparent deductions.
- Non-payment for mandatory training days
- Charging operatives for mandatory equipment required to perform their duties.
- Charge rates quoted below the Minimum Employment Cost set out in “Charge Rates, Sub-Contractor and Labour Provision” below, at any tier of the supply chain.

From 6 April 2026, new HMRC rules make agencies, and end clients where no agency sits in the chain, jointly and severally liable for an umbrella company’s unpaid PAYE and National Insurance. This closes one route through which unpaid tax was previously absorbed by non-compliant umbrellas. However, tax compliance alone does not guarantee fair treatment of workers. Signatories commit to due diligence on umbrella and payroll intermediaries that goes beyond tax compliance to cover the full range of risks listed above.

Signatories will review contracts, payroll structures, and rostering practices against this list as part of their annual self-assessment (see “Compliance & Assurance”).

Our Commitments

Ethical Recruitment

We will:

- Ensure recruitment processes are lawful, transparent, and fair.
- Prohibit the charging of recruitment fees to workers.
- Conduct due diligence on recruitment agencies and labour providers.
- Provide employment contracts that workers can understand before work begins.
- Clearly communicate rates of pay, working hours, duties, and employment conditions

Fair Pay and Conditions

We will:

- Pay workers accurately and on time.
- Comply with all statutory wage requirements.
- Provide itemised payslips.

- Ensure overtime is voluntary wherever practicable and paid appropriately.
- Investigate concerns regarding underpayment promptly and fairly.

From 1 April 2026, this means paying no less than £12.71 per hour for workers aged 21 and over (National Living Wage), £10.85 for workers aged 18–20, and £8.00 for workers aged 16–17 and apprentices, with any accommodation offset applied at no more than £11.10 per day. These rates are reviewed annually by the Low Pay Commission; signatories commit to updating pay in line with each annual revision, not merely the rate in force when they signed this, Charter.

Leadership and Culture

We will:

- Promote a culture of ethical employment and respect.
- Ensure senior leaders are accountable for labour standards.
- Provide regular training on labour exploitation and modern slavery risks.
- Encourage managers and supervisors to identify and address concerns proactively.

We will take robust action against those individuals who actively facilitate or enable for themselves or others, any activity which may be reasonably perceived as labour exploitation or abuse which undermines the purpose of this charter, i.e. cash in hand/acting under duress.

Safe Working Hours

We recognise that excessive working hours create risks to worker welfare, public safety, and service quality. Soft aspiration is not sufficient in safety-critical roles. In line with Health and Safety Executive fatigue guidance and the Working Time Regulations 1998, we will:

- Not roster excessive consecutive shifts and will define and monitor a maximum consecutive-shift threshold.
- Guarantee minimum daily and weekly rest periods in line with statutory entitlements.
- Actively monitor high-risk overtime patterns and intervene where thresholds are exceeded.
- Adopt a recommended maximum average weekly working threshold, with any exception requiring documented, informed worker consent.
- Treat rostering as a safety-critical function, subject to the same scrutiny as other operational risk controls

Protection of Vulnerable Workers

We will provide additional safeguards for workers who may be vulnerable to exploitation, including:

- Migrant workers
- Temporary workers
- Agency workers
- Young workers
- Workers facing financial hardship.

We will ensure all workers understand their rights and know how to access support.

Worker Voice, Reporting and Whistleblowing

Reporting a concern must be safe, confidential, and effective. We will:

- Provide confidential and anonymous reporting channels, available to all workers regardless of employment status.
- Guarantee non-retaliation for any worker who raises a concern in good faith.
- Set out clearly who investigates reports, and the expected timeframe for response.

- Provide an external escalation route for use where a concern involves senior leadership, or where a worker does not have confidence in an internal process, including:
 - Fair Work Agency (FWA): for labour exploitation, modern slavery, national minimum wage, and agency worker concerns
 - Modern Slavery Helpline
 - Security Industry Authority (SIA): for concerns relating to SIA licence holders or approved contractors.
- Take corrective action where wrongdoing is identified, and support workers who report concerns in good faith.

From 6 April 2026, a disclosure that sexual harassment has occurred, is occurring, or is likely to occur can itself qualify as a protected whistleblowing disclosure under the Employment Rights Act 2025. Signatories will ensure their reporting channels and policies reflect this explicitly, so that workers raising such concerns receive the same non-retaliation guarantee as workers reporting other forms of wrongdoing under this Charter.

Supply Chain Responsibility

We acknowledge that exploitation risks may exist beyond direct employment relationships. We will:

- Assess labour exploitation risks within our supply chains.
- Include ethical labour standards within procurement and contracting arrangements.
- Monitor compliance through audits, reviews, and worker engagement.
- Work with suppliers to improve standards.
- Take action, including termination of contract, where serious breaches are identified.

Collaboration

We recognise that labour exploitation cannot be addressed by individual organisations acting alone. We therefore commit to working collaboratively with:

- Security businesses
- Clients and buyers of security services
- Industry bodies
- Trade unions and worker representatives
- Law enforcement agencies
- Government bodies
- Civil society organisations

to share knowledge, improve standards, and strengthen protections for workers.

Responsible Procurement: Client and Buyer Accountability

Labour exploitation in the security sector frequently originates upstream of the employer, in commercial pressure created at the point of procurement. Where a client demands security provision at rates that cannot sustainably cover lawful pay, contractors may respond by cutting labour costs. This Charter therefore extends specific commitments to client and buyer signatories.

Client and buyer signatories will:

- Adopt fair pricing models that allow providers to meet, at minimum, statutory pay and working time obligations.
- Avoid procurement processes that incentivise a race to the bottom on price at the expense of labour standards.

- Conduct due diligence on the labour practices of security providers before contract award.
- Give explicit weight to labour standards, not price alone, in tender evaluation criteria.
- Require evidence of Charter compliance, or equivalent standards, as a condition of contract
- Cooperate with investigations into exploitation concerns arising within contracts they hold.

Provider signatories are encouraged to raise pricing pressure that is incompatible with lawful employment directly with clients, and to escalate to the Steering Group (see “Governance”) where this cannot be resolved.

Charge Rates, Sub-Contractor and Labour Provision

A charge rate that cannot lawfully sustain the wage and statutory costs of the workers delivering a contract is one of the clearest early-warning signs of labour exploitation. This section sets out the cost components a lawful charge rate must reflect and extends the transparency commitments set out under “Responsible Procurement” to sub-contracting and labour provision arrangements specifically.

What a Lawful Charge Rate Must Cover

Every charge rate must, at minimum, recover the full cost of lawful PAYE employment before any business overhead or profit margin is added. Based on the National Living Wage from 1 April 2026, the illustrative minimum employment cost is:

Cost Component	Illustrative Rate
Base Wage (National Living Wage, age 21+, from 1 April 2026)	£12.71/hr
Employer National Insurance (15%, from April 2025)	≈ £1.91/hr
Employer Pension Contribution (minimum 3%, auto-enrolment)	≈ £0.38/hr
Holiday Pay (12.07% statutory accrual)	≈ £1.53/hr
Sick Pay accrual (illustrative, ≈ 2%)	≈ £0.25/hr
Minimum Employment Cost (before business costs, sub-contractor margin, or profit)	≈ £16.78/hr

This is an illustrative example based on the National Living Wage (age 21+). Actual figures will differ where a signatory pays above the statutory minimum, including at the Real Living Wage (£13.45/hr, rest of UK) or the London Living Wage (£14.80/hr) set by the Living Wage Foundation for 2025–26, and will vary with each worker's individual pension and National Insurance position. The figures also exclude business overheads, specialist costs, sub-contractor margin, and profit, which must be added separately and transparently, as set out below. Regarding assistance with charge rate calculation, please see [UKSICA - United Kingdom Security Industry Compliance Association](#) for support and guidance.

On top of the Minimum Employment Cost, a complete and transparent charge rate should separately itemise:

- Additional employment costs: uniform, induction and refresher training, Apprenticeship Levy contributions where applicable, SIA licence cost recovery, Approved Contractor Scheme (ACS) compliance costs, and BS7858 vetting and screening.
- Business costs: overheads and operational expenses such as insurance, fleet, IT, compliance, and administration
- Profit margin: a clearly identified, reasonable margin, distinct from employment and business costs.

Signatories will, on request from a client or buyer signatory, provide a breakdown of tiers known to the employer of a quoted charge rate against these categories, sufficient to demonstrate that the quoted rate can lawfully sustain the wage and statutory costs of the workers who would deliver the contract.

Sub-Contracting: Tiered Margin Transparency

Each additional tier in a sub-contracted labour supply chain can add margin without adding value for the worker, compressing what is actually available to pay them lawfully. This is one of the mechanisms behind the bogus subcontracting risk identified under “Security-Specific Exploitation Risks” above. Signatories will:

- Keep sub-contracting chains as short as reasonably possible and apply extra scrutiny to any chain with more than one additional tier below the primary provider.
- Disclose, on request from a client, the number of tiers in a sub-contracted labour supply chain and the cumulative margin taken at each tier.
- Not engage, or continue to engage, a sub-contractor where the cumulative margin taken across the chain would require paying workers below the Minimum Employment Cost set out above.

Labour Provision: Welfare and Ethical Compliance

Where labour is supplied through a labour provider, employment agency, or umbrella company, the charge rate must separately itemise the provider's fee and the cost of the worker welfare and ethical compliance activity that fee is expected to fund. Signatories using labour providers will:

- Itemise the labour provision fee separately from the underlying employment cost set out above.
- Itemise a welfare contribution covering worker support, wellbeing, and ethical compliance activity, separately from the provider's profit.
- Give preference to labour providers who are members of a recognised ethical labour standards body or initiative, such as the Association of Labour Providers or the Stronger Together programme against labour exploitation, or who hold a gangmaster licence issued under the Gangmasters (Licensing) Act 2004 where their sector requires one.
- Apply the same umbrella company due diligence set out under “Security-Specific Exploitation Risks” to any labour provision arrangement.

Specialist and Enhanced Provision

Specialist provision, such as K9 detection and patrol units, carries its own true cost of lawful delivery, and under-quoting it creates the same exploitation risk as under-quoting standard guarding roles, both for the handler and for the welfare of the animal. Charge rates for specialist provision should reflect, in addition to the handler's employment cost set out above:

- Initial and ongoing specialist training for the handler and the dog
- Kennelling and veterinary care
- Specialist insurance
- Equipment appropriate to the specialist role

Client and buyer signatories are encouraged to request the cost breakdown described in this section as part of the due diligence set out under “Responsible Procurement” above, and to treat a quoted charge rate that cannot lawfully cover the Minimum Employment Cost, at any tier of the supply chain, as requiring further scrutiny before contract award.

Governance & non-compliance

The S12 core team (COO) will own governance for the charter. They will own the day-to-day management and regularly review any changes or updates as required.

Without consequences, a Charter cannot be signed for reputational benefit without operational change. Accordingly, confirmed breaches of this Charter's commitments will result in proportionate action, which may include:

- Advice and guidance from the S12 to resolve the issue if appropriate.
- An improvement notice, setting out the breach and required remedial action.
- A time-bound corrective action plan, agreed with and monitored by the S12 Core Team
- Suspension of Charter status pending remediation
- Removal from the signatory register for serious or repeated breaches, or failure to remediate.
- Public disclosure of serious breaches, including notification to relevant regulators such as the SIA, HMRC or FWA where appropriate.

By signing this Charter, we publicly commit to upholding its principles and working towards the elimination of labour exploitation within the UK security industry.

We recognise that protecting workers is not only a legal obligation but a moral responsibility and a foundation of a professional, sustainable, and trusted security sector.

Signed:

Organisation: _____

Representative: _____

Position: _____

Date: _____



Security Guarding Leadership Group

The S12 Security Guarding Leadership Group gratefully acknowledges the contributions that supported the development of this document.



Home Office



Security Industry Authority



Disclaimer: Inclusion in the acknowledgements should not be interpreted as an endorsement of this document or its contents by any individual or organisation.