

Procedural guidelines for handling substandard security companies

Definition

A “Substandard company” refers to a licensed security company whose performance or service standards are below requirements, and/or which has been in breach of licence conditions/placed under Police’s close monitoring and fails to show improvements.

General Guidelines

2. (a) Depending on the seriousness and nature of the problems involved, a substandard company will be subject to either verbal or written warning by the Police.
- (b) A verbal warning shall normally be issued to companies with relatively minor contraventions.
- (c) A written warning shall normally be issued to companies with more serious problems or without the sincerity to improve.
- (d) The Commissioner of Police (*the Commissioner*) or his representative shall exercise his discretion to determine whether a verbal or written warning should be issued having regard to the circumstances of each case, the seriousness of the contraventions and to the relevant precedents.
- (e) The first warning letter shall normally be sent to the company by registered mail. The final warning letter shall be served on the company’s representative(s) by the Police in person, drawing the licensee’s particular attention to the consequences of non-compliance.

Procedures

3. In dealing with a substandard company, the following steps will be followed:

(I) Initial Warnings

(A) *Companies with less serious problems*

- (a) Such company shall receive a verbal warning from the Police and be re-inspected within 3 months to see whether the irregularities have been rectified.
- (b) If the company fails to rectify the same on second inspection, the Police shall issue a first warning letter specifying the areas that need to be corrected and that failure to comply may result in an automatic final warning letter or application to the Security and Guarding Services Industry Authority (***Authority***) for revocation of its licence.
- (c) The company under 3(I)(A)(b) above shall be re-inspected within 2 months. Further non-compliance shall be subject to the procedures specified under 3(II) below.
- (d) If the company shows genuine improvement and the sincerity to correct its problems, it shall continue to be closely monitored and re-inspected in due course.

(B) *Companies with serious problems*

- (a) Such company shall be issued a first warning letter by the Police and be re-inspected within 2 months.
- (b) A company which shows genuine improvements and the sincerity to correct its problems shall continue to be closely monitored and re-inspected within 6 months. Otherwise, the company shall be subject to a final warning as described under 3(II) below.

(C) ***Validity Period of First Warning Letter*** – Valid for 2 years from the date of issue.

(II) Final Warning

- (a) If a company having been served a first warning letter, still fails to rectify its problems upon re-inspection, a final warning letter shall be issued by the Police. The licensee will be required to rectify the problems immediately, failing which the Commissioner shall apply to the Authority for revocation of licence without further notice.
- (b) The company under 3(II)(a) shall be re-inspected by the Police within 2 months depending on the severity of the breaches.
- (c) If the company still fails to correct the problems, the Commissioner may apply to the Authority under section 25(1) of the Security and Guarding Services Ordinance (*SGSO*) for a revocation of the licence.
- (d) If the company shows genuine improvement after issue of the final warning, it may continue to be closely monitored and re-inspected within 3 months.
- (e) A final written warning is valid for 2 years from the date of issue.

(III) Applicability

- (a) The company may be served with a first warning letter, a final warning letter and a Notice of application for revocation by the Police simultaneously. Such occasions will depend on the number and severity of transgressions committed by the company.
- (b) In extreme cases where the company has committed several major offences against the *SGSO* or contravened

several major licence conditions or criteria, the Commissioner may apply directly for revocation without going through the warning letter process.

(IV) Revocation of Licence

- (a) Where an application is made under 3(II)(c) above, the Secretary to the Authority shall fix a date for the hearing of the application and give 14 days' notice to the Commissioner and the licensee; and that notice shall call on the licensee to show cause as to why an order for the revocation of his licence ought not to be made (as provided for under s.25(2) of the SGSO).
- (b) The Commissioner and the licensee may appear and be heard and be legally represented at the hearing (as in s.25(3) of the SGSO).
- (c) The Authority may, if satisfied that the licensee is no longer a fit and proper person to hold the licence or has been in breach of any condition of the licence, revoke the licence (as in s.25(4) of the SGSO).

Review and Adjustments

4. The above guidelines and procedures will be subject to review and adjustments as required in the light of experience.

Enquiries

5. For enquiries, please call the Security Companies Inspection Unit of the Hong Kong Police Force at 2860 5111.

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