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Private Investigation and Precognition Agent Consultation  
Home Office  
Crime Reduction and Community Safety Group  
Security Industry Section  
Peel Building 4<sup>th</sup> Floor  
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BY EMAIL: [consult.PI-PA@homeoffice.gsi.gov.uk](mailto:consult.PI-PA@homeoffice.gsi.gov.uk)

Dear Sir / Madam

**Response of the Fraud Advisory Panel to the Home Office Consultation Paper “Partial Regulatory Impact Assessment: Regulations to Implement the Private Security Industry Act 2001 in Respect of Private Investigation and Precognition Agents”**

1. The Fraud Advisory Panel (the “Panel”) is an independent body of volunteers drawn from the public and private sectors. The Panel’s role is to raise awareness of the immense social and economic damage that is caused by fraud in the United Kingdom and to help both the public and private sectors, and the public at large, to fight back.
2. Members of the Panel include representatives from the law and accountancy professions, industry associations, financial institutions, government agencies, law enforcement, regulatory authorities and academia. The Panel works to encourage a truly multi-disciplinary perspective on fraud.
3. The Panel was established in 1998 through a public spirited initiative by the Institute of Chartered Accountants in England and Wales. Today, it is a registered charity and company limited by guarantee. The Panel is funded by subscription, donation and sponsorship.
4. The Panel welcomes the opportunity to comment on the Home Office’s consultation on the partial regulatory impact assessment (RIA) on regulations to implement the Private Security Industry Act 2001 in respect of private investigation and precognition agents.

## Licensing of Private Investigators & Precognition Agents

5. Overall, the Panel welcomes the introduction of a licensing regime for private investigation and precognition agents, subject to appropriate safeguards.
6. This approach supports recent research commissioned by the Fraud Advisory Panel which recommended licensing of both private and in-house investigators where they are not already subject to effective professional or regulatory oversight.<sup>1</sup>
7. We believe that any additional compliance costs will be offset by greater public confidence in the sector and an increased assurance to individuals and organisations that licensed investigators and/or agents are competent, professional and reputable.
8. However, the Panel believes that prior to the introduction of any regulatory regime further detailed work is required to ensure that the proposed framework is necessary, appropriate and affords adequate protection to both private investigation and precognition agents and the purchasers of their services.
9. Given the continued low level of public resources given to the investigation and prosecution of many categories of economic crime, including fraud, the victims of many such crimes are either left without recourse or need to consult private investigators. It will be an important function of the SIA to promote the provision of quality investigatory services to victims and others in these areas. In the meantime, no unnecessary regulatory barriers should be set up, which could have the adverse effect of placing the victims of some crimes in an even more difficult situation, with a more restricted market in private sector assistance.

Yours sincerely



Rosalind Wright CB QC  
**Chairman**

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<sup>1</sup> Fraud Advisory Panel. *Perceptions on the Impact of Data Protection Legislation on the Successful Private Sector Investigation of Fraud: A preliminary study*. March 2006.