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## INDUSTRY CIRCULAR

**TO: All in-house private security service providers' employers**

**From: Mr Manabela Chauke  
Director (CEO)**

**Date: 30 October 2018**

**Subject: NOTICE TO IMPLEMENT INTEREST AND PENALTIES ON  
OUTSTANDING DEBT**

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1. The Private Security Industry Regulatory Authority hereby gives notice to all in-house security service providers' employers including government departments and entities of the implementation of interest and penalties on all outstanding debt.
2. Employer of in-house security service provider refers to a person, natural or statutory, who is not a security business as ordinarily defined, and uses his or her own employees to protect or safeguard merely his or her own property or other interests, or persons or property on his or her premises or under his or her control.
3. In the past the employers of in-house security service providers were not paying an in-house business fee, but it became evident that the current industry growth continuously places enormous pressure on the Authority to ensure that its services are accessible to the public and all its stakeholders. The increasing demand for effective and efficient industry regulation also required adequate resource allocation.
4. According to Section 4(w) of the Private Security Industry Regulatory Act, 2001 (Act 56 of 2001), the Authority must take steps to achieve its objective with the means at its disposal and may, subject to this Act and any other law, for achieving its objectives, determine, charge and collect fees as provided for in this Act or in respect of any service rendered by the Authority or any object made available by the Authority.

5. Pursuant to the objectives of section 4(w) of the Private Security Industry Regulatory Act, 2001 (Act 56 of 2001), the Authority issues a notice to increase administration fees on an annual basis. The implementation of in-house business fee commenced with effect from the 01 May 2015.
6. The fees applicable to in-house security service provider for 2018/2019 financial year are as follows:
  - a) A business fee of R3 800 payable by 7 May 2018
  - b) An annual fee of R84 per security officer employed payable by 7 May 2018 (if the security officer is employed for the first time during the financial year, this amount is prorated)
7. Section 51(1)(b)(i) of the PFMA states that an accounting authority must take effective and appropriate steps to collect all revenue due to the public entity concerned.
8. Section 80(1)(b) of the PFMA states that the Minister, by notice in the national Government Gazette, must determine a uniform interest rate applicable to all other debts which must be paid into a Revenue Fund.
9. As a public entity, PSiRA is obliged to charge interest on all outstanding debt as required by the PFMA. All in-house security service providers including Government entities are notified that outstanding debt not paid to PSiRA by the stipulated dates above will attract interest charges and penalties

For further enquiries, please contact the Manager: Accounts Receivable, Mduduzi Nhleko or e-mail [Mduduzi.nhleko@psira.co.za](mailto:Mduduzi.nhleko@psira.co.za)

Sincerely,



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**Mr Manabela Chauke**  
**Director (CEO)**  
**PSiRA**