



To: Departmental Security Officers  
HR Directors  
Office of Government Commerce  
Recruitment and Employment Confederation  
Professional Contractors Group

9 May 2007

## **Government Contracts and Sub-Contracts: National Security Vetting Requirements**

It has come to our attention that pre-existing security clearances are being required in order to bid or apply for some sub-contract work with government contractors. In urgent circumstances it may be necessary to engage contractors who have already been granted an appropriate personnel security clearance, but such requirements should be extremely rare. For normal non-priority contract requirements it is contrary to current guidance for this practice to occur at any stage of the procurement process. Whilst this activity has become less prevalent in the advertisements of recruitment agencies, we are still receiving correspondence from MPs and individuals forwarding examples of prime contractors and government departments advertising job opportunities and sub-contract work, often via recruitment agencies, and stipulating such a requirement. Consequently, some individuals and sub-contractors feel that they cannot get a contract without a clearance, but cannot get a clearance without a contract. This in turn is generating requests to departmental vetting units from individuals and sub-contractors requesting clearances in order to bid for these kinds of contracts. However, for legal and policy reasons, individuals should not be subject to vetting unless they have been selected to take up a specific job where a national security clearance is a genuine requirement: vetting cannot be carried out speculatively.

Full guidance on this issue is set out below. All departments, contracting authorities, prime contractors and agencies are requested to ensure that their procurement and recruitment practices adhere to this guidance.

Considerable progress has been made on the time needed to process applications for clearances and work in this area is continuing. Generally when vetting forms are properly completed and submitted in good time, vetting clearances can generally be processed relatively promptly (within 30 days for CTC or SC). Therefore, the circumstances in which a non-cleared contractor cannot be considered due to time constraints should be rare.



Requiring pre-existing clearances potentially excludes many small/medium enterprises (SMEs) from applying or tendering for public sector work and cuts across government policies aimed at supporting greater participation in defence and other public sector contracts. This restricts competition to a relatively small number of bidders and may mean, directly or indirectly, that departments are not getting the best value for money.

This is an undesirable situation which can be avoided by following the guidance below. Where organisations are replicating this guidance in local advice or contracts, please ensure that the text of the guidance is reflected in full.

Should you have any queries concerning this guidance, please contact Adrian Price at the above address.

With kind regards,

Martin Fuller  
Head of Security Policy Division  
Cabinet Office



## **Situations when pre-existing clearance may be required**

### **i) Candidates who have not held clearance before**

Pre-existing clearances should only be required by departments, prime contractors or agencies when there is an urgent priority requirement that includes the following criteria:

- a. Clearance is genuinely necessary and proportionate

And

- b. The work must be completed within 30 days (SC and CTC) or 100 days (DV) of the contract start, or
- c. The role requires immediate and routine unsupervised access:
  - o to sites or persons at risk of terrorist attack (CTC), or
  - o to assets protectively marked SECRET or above (SC).
    - This is likely to apply to technical roles such as systems administration and telecommunications.
    - It is not likely to apply to roles such as commercial programming, analysis or management functions, where supervision pending clearance is straightforward. Pre-clearance should not be required if such supervision is available.

When it will take longer to carry out the work than to secure the clearance, existing practices for escorting and supervising un-cleared personnel should be followed until such time as clearance is confirmed. These will almost invariably be adequate other than in circumstances similar to those outlined in point (c) above. In light of the continuing improvements in turnaround times for clearances, this should represent a minimal burden and should, in any case, have been factored into project costs at the outset.

### **ii) Candidates who have held clearance before**

Where a contractor has held a clearance in the past but has not worked continuously on jobs where the clearance is required, the clearance may be considered current if the following conditions are met:

- The contractor's existing clearance is not more than three years old (non-List X) or five years old (List X)
- The contractor has worked on a job where the clearance was required in the past 12 months
- The contractor has not resided overseas for more than six months since their last cleared post

Contractors do not need to undergo clearance again if these conditions are fulfilled, although the vetting authority taking on the contractor may wish to examine the relevant records relating to the granting of clearance.



Consideration should also be given to whether the contract activity requires a personnel security clearance or whether the access required can be achieved by a successful completion of a Baseline Personnel Security Standard.

Departments are advised to build these conditions into major contracts where sub-contractors are likely to be required, to ensure a level playing field for SMEs competing for this kind of work.

When contractors without existing clearance are not considered for a role, the department, prime contractor or agency concerned should be prepared to offer a full justification for this in line with the above guidance.

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