

GCSB Compliance Review – Progress Report 2

(for the period ending 30 September 2013)

This is the second report on the Government Communications Security Bureau's (GCSB) activities and change programme since the Compliance Review conducted by Rebecca Kitteridge was released on 9 April 2013.

The GCSB has a major change programme underway that reflects the recommendations of the Compliance Review. In the past quarter this programme has been extended to include a significant amount of additional activity to respond to the requirements of the GCSB Amendment Act, which came into force on 27 September 2013. This work included drafting new warrants and authorisations, developing revised operational policies, and training.

We have also supported the new Commissioner for Security Warrants and new Inspector General of Intelligence and Security both of whom commenced their work this quarter.

The second tranche of recommendations that we have implemented builds on the foundation laid in the first period by putting in place a number of the elements of the GCSB's new compliance regime, including key enabling policies. A total of 9 additional recommendations have now been completed, bringing the total to 34. The majority of the newly completed recommendations involve staffing and organisational matters and finalising the compliance framework. A further 8 recommendations have been partially completed, and work is underway on more than 15 others.

Given that full implementation with the Kitteridge recommendations requires all elements of GCSB's new compliance regime to be in place and fully functioning, we are targeting completion of all recommendations by 30 June 2014.

The next quarterly progress report on the GCSB's implementation will be published in January 2014.

Ian Fletcher

Director GCSB

GCSB Compliance Review Recommendations – as at 30 September 2013

Newly Completed

#	Recommendation
1	Legislative reform be considered, to clarify the application of the GCSB Act 2003 to GCSB's work.
2	A comprehensive compliance framework be developed for GCSB
39	Responsibility for the quarterly reports be clearly allocated within the compliance team, and reflected in the relevant performance agreements
54	Roles (e.g. legal advisors, compliance advisors) be configured to as to avoid combining functions that conflict, and to encourage internal challenge
56	The place of NCSC and GEOINT within the Bureau be clarified
58	Secretariat support be provided for the Board to assist it to achieve its focus (strategic direction, risk, opportunities, the overall work programme, major projects, the departmental budget, workforce capability, etc)
60	Thought be given to targeted rotations and secondments between the operational and central parts of GCSB (for example, rotating promising analysts through the compliance and policy team as part of their professional development)
61	Thought be given to a structured programme of secondments between GCSB and other public service departments, in order to increase knowledge of the Intelligence Community and to increase the Bureau's connection with mainstream public service thinking and developments.
77	The job descriptions and individual performance agreements of staff employed in the compliance unit be developed to ensure that all aspects of the compliance framework are reflected

Total: 9

Partially completed

#	Recommendation
3	The compliance framework be peer-reviewed (<i>completed</i>) by an external reviewer and implemented (<i>in progress</i>)
25	An active programme be considered, whereby the legal team delivers training and seminars (<i>legal team actively involved in delivering existing training</i>).
35	Strengthening the office of the IGIS in New Zealand (<i>some elements completed, others approved and in the process of implementation</i>)
36	Procedures in the event of non-compliance be developed for all staff for whom compliance is an issue (<i>high-level policies completed, operational policies under development</i>)
37	Procedures in the event of non-compliance be made explicit in writing for staff (<i>high-level policies completed, operational policies under development</i>)
50	Roles that should really be Bureau-wide (compliance, outreach etc) be placed centrally and reconfigured (<i>completed for compliance, communications</i>)
59	A concerted effort be made within GCSB to improve performance management practices, to ensure that all roles are regularly refreshed without losing institutional knowledge, and that persistent non-performers who cannot demonstrate improvement are exited (subject to a proper employment process) to allow for fresh recruitment (<i>new policies and performance management practices in place and being applied</i>)
76	The focus of the compliance team be Bureau-wide (<i>completed</i>), but the unit be physically located near to the teams that are the biggest internal customers of compliance advice (perhaps with some hot-desking around the different parts of the Bureau to ensure that there is a rich two way dialogue about current compliance and operational issues)

Total: 8

Background

The Kitteridge Review made 80 recommendations, including recommendations about changes to external oversight and legislation, which the GCSB is not responsible for, but to which it can contribute.

The recommendations fell into seven broad areas, which are described below:

1. Compliance (29 recommendations)

The GCSB will develop and implement a comprehensive and externally peer reviewed compliance framework. The framework will include regularly convening GCSB's Risk and Audit Committee; regularly reviewing compliance advice regarding operational activity; forming a compliance team; instituting more vigorous compliance training and testing for staff; and formalising procedures for dealing with non-compliance.

2. Oversight (3 recommendations)

While this is an area "owned" principally outside of the GCSB, the GCSB will be prepared for more engagement with the Inspector General of Intelligence and Security (IGIS), and will provide access to all necessary information, team reviews and spot audits. There will be greater clarity about the relationship between the GCSB, IGIS and Crown Law in relation to legal advice.

3. Information Management (9 recommendations)

A new Information Manager will review and rationalise systems and implement a robust information management strategy and guidelines. A centralised system for legal information including precedents will be established, alongside (but separate to) a centralised searchable repository for operational precedents, examples and other authoritative information, which will be frequently updated.

4. Legal Capability and Capacity (9 recommendations)

In-house legal capacity will be increased and consideration given to greater sharing of legal resources among the New Zealand Intelligence Community. In-house legal staff will provide training for staff. Legal developments and all relevant laws will be scanned systematically to ensure that current GCSB practice is consistent with the law.

5. Measurement and Reporting (4 recommendations)

Legal compliance will be reported regularly to the GCSB Risk and Audit Committee. Internal auditing will be reported quarterly to the IGIS, and the IGIS's and GCSB's annual reports will include compliance reporting information. The GCSB will develop specific compliance objectives and will monitor performance against these.

6. Organisation Structure and Culture (20 recommendations)

A standard process will be established for the coordination of all Requests for Information or Assistance (RFI/RFA). Audit responsibilities will be reflected in individual position descriptions and performance documents. Monitoring and risk assessment will be used to prioritise improvement activity and on-going work programmes.

The Compliance Review considered that GCSB's organisational structure is somewhat fragmented. The organisation will contemplate how to reconfigure and centralise roles that should have a more GCSB-wide focus. The role of the National Cyber Security Centre will be clarified. A Board charter will be developed with a strategic focus, and a secretariat will help the Board (i.e. senior management team) to achieve that focus. Staff performance management will be improved, role rotation will be increased, and an internal and external secondment programme will be established.

7. Outreach Capability and Capacity (2 recommendations).

The GCSB will establish a centralised point of contact for day-to-day engagement with external agencies, and will be part of a more strategic stakeholder relations function.