



National Security & Counter Terrorism

Capability Review

September 2015

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Acknowledgements

Reviewer: **s.9(2)(a) OIA**

This review was made possible by the contributions of many people who gave of their time and provided open commentary of their observations in regards the current state of Police National Security capabilities and vulnerabilities. They provided valuable assistance in identifying possible solutions and opportunities for improvement.

To those external partners who gave of their time I extend my thanks.

The review has used many extracts from the work of others, in particular the 'National Security Systems' and the 'Perry review'. I acknowledge that that work could not have been better written and I thank all for allowing me to use it without individual references.

I would like to extend my appreciation and thanks to:

- Police Executive members
- PNHQ Senior Management
- District Commanders
- External partners

National Security & Counter-Terrorism

Capability Assessment

Overview of Environment

National security policies were traditionally focused on protecting the State against military threats or political violence. While responding to any such threats remains a fundamental responsibility of government, modern concepts of national security manage civil contingencies and societal risks alongside these traditional priorities.

National Security is the condition which permits the citizens of a state to go about their daily business confidently, free from fear and able to make the most of opportunities to advance their way of life. It encompasses the preparedness, protection and preservation of people, and information, both tangible and intangible.

Seven key objectives underpin a comprehensive concept of national security:

1. Preserving sovereignty and territorial integrity - *Protecting the physical security of citizens, and exercising control over territory consistent with national sovereignty.*
2. Protecting lines of communication - *These are both physical and virtual and allow New Zealand to communicate, trade and engage globally.*
3. Strengthening international order to promote security - *Contributing to the development of a rules-based international system, and engaging in targeted interventions offshore to protect New Zealand's interests.*
4. Sustaining economic prosperity - *Maintaining and advancing the economic well-being of individuals, families, businesses and communities.*
5. Maintaining democratic institutions and national values - *Preventing activities aimed at undermining or overturning government institutions, principles and values that underpin New Zealand society.*
6. Ensuring public safety - *Providing for, and mitigating risks to, the safety of citizens and communities (all hazards and threats, whether natural or man-made).*
7. Protecting the natural environment- *Contributing to the preservation and stewardship of New Zealand's natural and physical environment.*

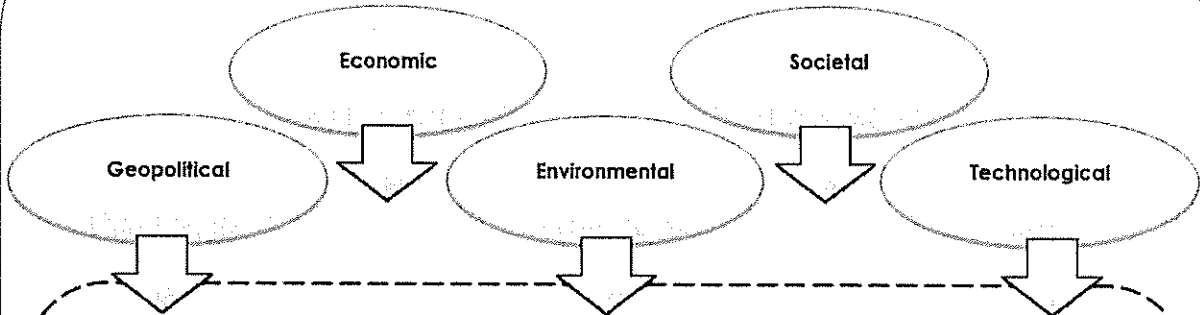
This broadening of the concept of national security in recent years has been driven by a number of factors. Globalisation and trans-boundary challenges such as pandemics, climate change, cyber-attack, terrorism and proliferation of weapons of mass destruction, mean that the risks faced by modern societies extend well beyond national borders.

The integrated and networked character of national and international infrastructures, such as electricity, gas and water grids, telecommunications networks, air, rail and shipping services, and the extent to which daily life depends on their efficient functioning, has created new points of vulnerability.

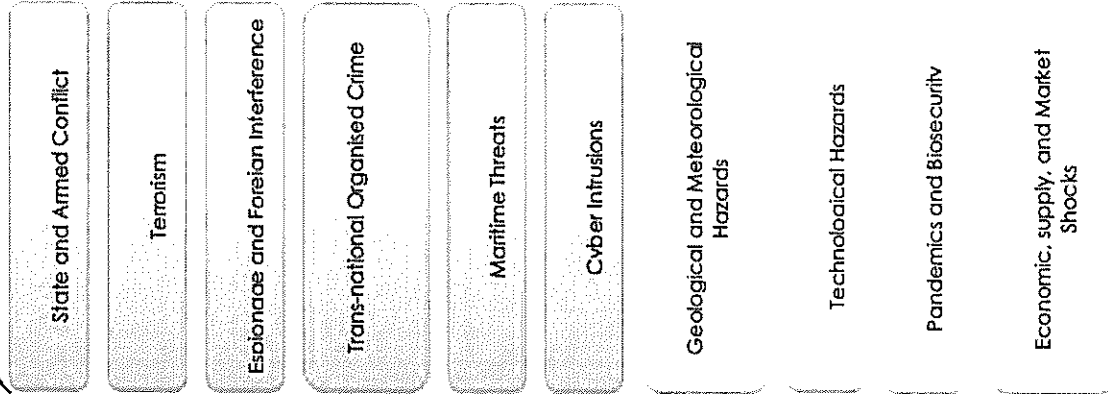
New Zealand identifies national security risks on an "all-hazards" basis meaning that all risks to national security whether internal or external, human or natural, are included within the ambit of the national security system. The following diagram represents the New Zealand Security Environment, risk profile areas and focus areas for sector development.

Objective: A New Zealand where New Zealanders can go about their daily business confidently free from fear and able to make the most of opportunities to advance their way of life.

New Zealand's Strategic Security Environment



New Zealand's Risk Profile



Focus Areas for Sector Capability Development

- The National Security System
- Management of Hazard Risk
- Security Partnerships
- Intelligence
- South Pacific
- Asia
- Cyber Security

New Zealand's Security Environment and Sector Focus Areas

Our response to national security risks has also evolved, shifting from threat-based assessments to the more active management of risk over time. Greater emphasis is now put on building local preparedness and encouraging resilience in communities, organisations, networks, and critical infrastructure. For a snapshot of National Resilience see Appendix A

Most security incidents and emergencies affecting individuals are dealt with by first-line responders such as police, using standard operating procedures. Larger events, such as a natural disaster affecting communities, are managed using CIMS protocols, but are likely to have a layer of regional coordination as well. National security issues and major or complex situations are likely to require involvement by central government through a lead department or a group of government agencies. For an overview of the Strategic operational interface see Appendix B

This means that a range of agencies are involved in monitoring emerging risks; identifying those that could become nationally important; gathering data or collecting intelligence where appropriate; interpreting risks and analysing possible control options; developing national policies and strategies; examining alternatives for mitigation or treatment of the risks; assessing costs and benefits against residual risks; fostering enhanced resilience both at community and at government level; and taking actions in response and recovery for unanticipated events.

The National Security System is supported by the New Zealand Intelligence community who provide advice to the Officials Committee on Domestic and External Security- Governance (ODESC-G) and then to the Government National Security Committee chaired by the Prime Minister. For an overview of the structure and membership see Appendix C.

New Zealand Police is one of several government agencies which directly contribute to New Zealand's national security capabilities.

National security is one of Police's statutory functions set out in s9 of the Policing Act 2008, and Police has the lead for the operational response to terrorist events in New Zealand. Police's functions relating to national security are defined as preventing and responding to threats to New Zealand's interests, or events at home or abroad that are:

- crimes, preparation for crime and the result of criminal activity; and
- where the malicious activity threatens New Zealand's continued ability to pursue its internal life without serious interference, and threatens the citizens of New Zealand, or causes serious reputational damage to New Zealand

The current New Zealand Police '*Prevention First: National Security Operating Strategy 2013-2015*' sets out how Police aims to ensure we are best placed to meet our obligations under the NZ "*National Security System*" (NSS). The strategy identifies the '4R' framework- Reduction, Readiness, Response, and Recovery as the means by which the strategy should be delivered.

With that background setting, the Police Commissioner directed that Police undertake a review of our current national Security Capabilities.

Review Terms of Reference

The review was designed to consider the current NZ Police National Security & Counter Terrorism capability and to provide the Police Executive with a set of options and recommendations about future structure and capability to best discharge NZ Police obligations under the NZ National Security System. In particular the review was tasked to:

- Identify and provide an overview of our framework to support national security and counter terrorism reduction activities.
- Identify and provide an overview of our national security and counter terrorism readiness capabilities.

- Identify and provide an overview of our Command and Control framework to respond to a national security or counter terrorism incident.
- Identify and provide an overview of our national security and counter terrorism recovery capabilities to support other agencies.
- Identify interoperability options for NZ Police to deliver national security and counter terrorism obligations, both domestically and internationally
- Identify and consider the opportunities and obligations for NZ Police and how best to meet them as part of ANZCTC.
- Identify and provide an overview of any capability gaps or vulnerabilities to support our statutory function and obligations for national security and counter terrorism.
- Consult with relevant internal business units and external agencies (e.g. DPMC, NZSIS, GCSB, Customs, Immigration etc)
- Gather and analyse all relevant, available information.
- Identify options on what capability and structural changes are required (if any) to ensure Police meet our National Security obligations.
- Document and report on your review, including clear conclusions, options and recommendations.

Methodology

The New Zealand definition of "national security" events is wide, including natural hazards, pandemics, major technology failures, threats to critical national infrastructure, acts of terrorism and other such events. This review has therefore divided national security into two clear and distinct component parts:

1. Emergency Management
2. Counter-terrorism

A comprehensive questionnaire was sent to all members of the Police Executive, District Commanders, National Managers and key internal contributors to national Security.

Face to face interviews were conducted with the Police Executive at PNHQ and key internal members, as well as key external stakeholders. The purpose was to seek their observations on the current police capabilities, gaps and vulnerabilities and to discuss possible opportunities for improvement. The combined observations are summarised below with recommendations where applicable.

General Observations

In a 2011 report on National Security, Assistant Commissioner § 9(2)(a) OIA made a number of key conclusions which are listed below. This review considers that very little if any real progress has been made in most areas effecting national security and that the Perry conclusions remain valid today. The review makes similar observations and now adopts those conclusions in whole:

- Overall Police lacks a formal, planned and integrated approach to national security. There is no clear and consolidated view of national security within Police. While there are pockets of excellence these tend to operate in a make-shift and semi-autonomous manner.
- Current capabilities are at a rudimentary level and largely dependent on the ad hoc response activities of specific groups and/or individuals. The requirement for a more joined up and coordinated organisational approach to national security is apparent and requires attention. Current organisational processes tend to concentrate on response and recovery, with reduced emphasis on readiness and reduction activities such as raising awareness.
- In the twelve Police districts, relevant processes are at varying levels of maturity, and are again primarily reliant on individual effort and initiative within the districts. As such, there is much duplication of effort in developing individual plans and acceptable methodologies within district headquarters. Considerable potential exists to rationalise and coordinate planning across the organisation thereby optimising the use of various resources dedicated to the planning role.

- Tested, fundamental capability exists within Police to successfully meet the challenges posed within the national security arena. Contingency planning and experience in addressing natural hazards, community policing initiatives, criminal investigations and critical incidents do provide a sound foundation for dealing with national security incidents. However a considerable degree of refinement in these areas will be required to position Police to successfully meet the challenges posed in meeting its national security responsibilities.
- A copy of the s.9(2) review is at Appendix I

In addition to the s.9(2) conclusions this review makes the following additional observations:

- Key individuals have stepped in and taken action in some areas in an attempt to fill the void created by the absence of a clear organisational operating model.
- In recent times there has been an obvious shift in the CT environment to implement prevention based policing options and undertake community resilience building engagement. Good work has been undertaken by the Security Intelligence & Threats Group in conjunction with MPES in this area. However, there is no coordinated 'whole of police' approach to managing these issues.

Review Findings and Recommendations

Organisational Governance

Executive Governance

Overall, the organisation lacks a formal, planned and integrated approach to national security with no clear and consolidated view of the national security governance arrangements within Police. Many of those interviewed were unsure of the governance structures when describing who in the Executive had responsibility for National Security (NatSec). Where different National Managers owned a part of NatSec service delivery some were unsure of the governance arrangements above them and how their business unit fitted into the overall operating model.

A key requirement for clarity of governance is a clear structure with defined lines of accountability and responsibility. This was endorsed by the overwhelming majority of people interviewed as part of the review, many of whom expressed some confusion at the existing model. They agreed that the Deputy Commissioner National Operations was responsible to the Commissioner for NatSec. They further agreed that the Assistant Commissioner Investigations, NatSec & International should be the Executive lead for Natsec and where an equivalent Assistant Commissioner also has dual NatSec responsibilities, e.g. Response & Operations, then that secondary member would have service delivery assurance obligations to the AC: I&N&I as lead.

The day to day leadership of the CT environment will be discussed below.

Currently the Emergency Management environment within Police has mature national Response & Operations Leadership, structure and operating model and no changes were deemed necessary in respect of these governance aspects.

Providing a clear structure coupled with the proposed changes recommended below will result in better Governance, coordination, and alignment. This will provide the Commissioner with the necessary assurances that police is positioned to deliver on his statutory obligations.

A copy of the proposed NatSec Governance framework is attached at Appendix D.

National Command Team

The role and responsibilities of the current National Command Team (NCT) are unclear and it was considered that many of the discussions centred on business as usual issues which would be better managed by a National Manager. Most people spoken to regarding the NCT were unsure of what the NCT should be doing and what was the right membership composition.

Day to day business issues should be managed by the respective National Managers and progressed through their Assistant Commissioners. Only significant issues that would benefit from cross organisational thought by the NCT members or those potentially involving a change in strategic direction should be considered by the NCT.

This review therefore suggests that the NCT should be meeting to discuss strategic issues that arise in respect of the two main functional areas within NatSec rather than BAU. These issues would include:

- Counter-terrorism coordination- intelligence, investigations and prevention
- Readiness & Response capabilities- planning, exercising, operational capabilities

In the CT area, the NCT should be provided high level briefings on national issues arising from intelligence, vulnerabilities, investigation or community engagement activities and discuss opportunities for improvement. They should not be making operational investigative decisions; this should be the responsibility of the National Manager CT as part of an established operating model (discussed below).

With a clear strategic focus, membership makeup and agenda the NCT would provide better strategic oversight of NatSec and provide a cadre of key advisors in the advent of a national emergency or CT event.

Wider Governance role for Supporting functions

The review established the need to provide clear direction and governance to those internal police business units that provide assistance and capabilities to any proposed national CT unit. For example, the Security Intelligence & Threat Group (part of the national Intelligence Centre) needs to be provided with clear objectives of what is required in regards a collection plan, analytical capabilities, assessment tools and product delivery.

The proposed National Manager CT would work in partnership with their respective counterparts in the NIC and with agreement, would work closely with the SITG to ensure that the NatSec objectives were being met. This relationship approach would strengthen the business and improve outputs across the board.

Likewise the National Manager CT would work closely with relevant National Managers when required to develop or influence police support capabilities such as Policy, specialist response & covert capabilities; with the objective of ensuring that Police National Security needs were being met. This would reduce the risk of adhoc decisions being made by Districts or business units that degrade national capabilities without considering the national good.

For example, the CT unit would work with the NM: Response and Ops to ensure that units such as the Special Tactics Group had the required counter-terrorist and counter-siege capabilities to deliver a resolution when requested by the operation commander.

RECOMMENDATIONS

1. The Deputy Commissioner National Operations is ultimately responsible, on behalf of the Commissioner, for developing the Police National Security strategy and response.
2. The Assistant Commissioner: Investigations, NatSec & International remains and is the Executive lead responsible for the delivery of Police National Security and reports through to the DC: National Ops.
3. The Assistant Commissioner: Response & Operations remains responsible for emergency event 'readiness & response' & related aspects of Police National Security and provides assurance to the Executive Lead on these aspects of National Security.
4. The National Command Team is retained, but undertakes a short review of its operating mandate, membership and direction and aligns with any approved changes arising from this review.

5. The proposed National Manager CT to be provided the necessary authority to work with and influence business units across police to manage and deliver National Security outcomes falling under readiness, response, reduction and recovery.

Operational Leadership

The day to day leadership for NatSec is largely split between the Assistant Commissioner I&N&I (by default) for the CT investigation capability functions, and the National Manager Response & Operations in regards readiness and response to an event. Other parts of police deliver capabilities in support of Natsec, for example MPES provide a level of community engagement and the National Intelligence Centre provide strategic Intelligence capabilities.

It is argued that the Assistant Commissioner I&N&I should operate at the governance level and be supported by a national manager to take responsibility for CT related business. The breadth of responsibilities currently held by the Assistant Commissioner is considered too wide and that the position should not shoulder the operational leadership role.

This review suggests the lack of a national manager for CT has resulted in confusion of roles and a lack of clear direction and leadership. There is concern about the layers of tasking from multiple sources, which is creating confusion as to who is in charge; an issue that could lead to operational failure. It is important that the hierarchical decision making is made clear to all involved to reduce duplication and confusion.

To address that lack of clarity a National Manager CT should be appointed to manage and lead the day to day responsibilities for CT. This position should be the 'go to' position for all CT issues, investigations and strategic advice. The position holder should report directly to the AC: I&N&I

Establishing the position of National Manager CT (with supporting structure) will ensure coordination and alignment of police resources to deliver to the Police strategic plan. Providing a clear strategy and direction to staff across police will result in better intelligence collection, joined up policy advice for the Executive, strengthened investigative capabilities particularly with partner agencies, enhanced community engagement and disruption of criminal behaviour. This will deliver a safer environment and provide Government with the assurance that Police resources are well focussed.

The current emergency management functions of police are well lead by the National Manager Response & Operations within an established structure and operating model and no changes were deemed necessary in respect of these aspects. The proposed National Manager CT would work alongside the NM: Response & Ops to ensure effective coverage of both functional areas of NatSec; emergency management and CT.

A copy of the proposed NatSec Command framework is attached at Appendix D.

RECOMMENDATIONS

6. Police establish the new position of National Manager Counter Terrorism (NM: CT) to be responsible for and lead Police CT capabilities.
7. The NM:CT will be responsible for the development of the CT criminal investigations, strategy, policies and capabilities at a national level
8. Transfer identified police resources to the command and control of the NM: CT as identified in the discussion below.

Operating Environment

Emergency Management

The National Response & Operations group is currently structured to integrate and align national and district capability to manage operational activities to lead or support the management of NatSec events. Specifically, Response and Operations are required to deliver on the reduction, readiness and response aspects of the National 4R framework. There is ongoing internal work to develop a systems approach to NatSec which aims to increase national and district awareness, understanding, preparedness and participation in respect of NatSec.

The NM: Response & Ops is currently considering the responses obtained during this review to identify opportunities to improve the district and national readiness and response capabilities. Work has now commenced in the following areas:

- Undertaking an audit of the level of CIMS training certification, national Security clearance requirements and other capability gaps for district leadership teams and their staff
- Identification and management of critical infrastructure or sensitive sites where target hardening may assist in reducing the NatSec risks
- Auditing Business Continuity and emergency plans, taking proactive steps to prevent, or minimise the risk or magnitude of an event occurring.

This work will dovetail into the current Command exercise programme being delivered to all districts to test and prepare local commanders to control NatSec type events within their districts. Ongoing opportunities exist to build on existing NatSec workshops provided to the Police Executive members. Providing cross-training for senior leaders will ensure that police command capabilities are not affected by extractions.

The review found that the level of knowledge and understanding of those interviewed in respect of our NatSec operating environment, CT strategy and preparedness levels was variable. A number of respondents clearly had no understanding of this environment and on occasions some were confused in regards key operating strategies. [REDACTED] s.6(a) OIA

[REDACTED] An opportunity exists for the NM: Response & Ops to undertake a more detailed study of district understanding and readiness and to examine their capability to respond in the event of a crisis.

[REDACTED] s.6(a) OIA

[REDACTED] Relying on local Councils or MCDM is not an adequate response because should those organisations be the subject of the event then their capabilities will be significantly diminished and Police will be required to assume more responsibilities. An opportunity exists for the NM: Response & Ops to draw together a Police database of critical national infrastructure by district with accompanying response plans. Much of this could be obtained from other agencies and from within some districts, but at present there is no centralised police repository for this critical information. Police National Communications already have a rich source of information that would form the basis of any centralised resource library.

RECOMMENDATIONS

9. Direct the NM: Response & Ops to undertake a detailed review of district and national readiness status, particularly around the standardisation of National & District Response & Business Continuity plans, CIMS training levels, Security clearance holdings and readiness assurance testing in regards emergency management.
10. Direct the NM: Response & Ops to identify opportunities to enhance the National Command exercise programme being delivered to all districts to ensure we adequately exercise, test and prepare local commanders to control NatSec emergency events within their districts and to support national events.
11. The NM: Response & Ops to identify opportunities to further enhance National Command exercise training to Police Executive members on their roles within a NatSec emergency event or when relieving

in another position, to provide cross-training for senior leaders to reduce risks to police command capabilities are not affected by extractions

12. Direct the NM: Response & Ops to undertake a detailed review of district and nationally held critical infrastructure information and to ensure our response plans have been updated.

Counter Terrorism

Sharing and collaboration by intelligence and security services with law enforcement agencies can often be problematic with varying expectations, attitudes and cultures inhibiting collaboration.

An operating model is crucial in establishing a clearly defined framework in which the agencies share information, commence investigations into 'leads', undertake risk and threat assessments and prioritise their resources to investigate high end national security cases, either jointly or individually.

The review found that the existing processes were largely adhoc and did not address these potentially problematic issues, although it is pleasing to see recent work to resolve some of these issues. It was clear that the current operating model had little structure, was poorly coordinated and lacked a proper risk assessment framework. Further, there was no established prioritisation model to support decisions.

The absence of a national manager for CT exacerbated this problem. s9(2)(g)(ii) OIA

The reviewer visited Sydney and interviewed members of the NSW Joint Counter terrorism Team (JCTT), which comprises of members from NSW Police, Australian Federal Police and the Australian Security Intelligence Organisation. The JCTT have well established processes to receive, assess, and prioritise information. The JCTT framework was adapted from the UK experience and modified as a result of recent operational examples in Australia. The model works well but needs on-going oversight and relationship building to make it work.

The JCTT model has been used as the basis of the proposed New Zealand Operating Model (also known as the 'Leads Process'). See Appendix E.

The proposed model provides for a more formalised process which contains key decision points:

- Information received from various internal & external sources
- Risk & threat assessments
- Joint enquiries to progress 'Leads'
- Priority setting
- Management of Serious NatSec investigations
- Governance
- Strategy

The model is a joint decision making framework where both Police and NZSIS work up information and jointly decide on the response options; for example they may undertake an intelligence operation, a police investigation or a prevention/disruption programme. Where disputes arise they are escalated to the coordinating group of senior managers for resolution. The more formalised processes result in better intelligence assessments and risk management, better prioritisation and use of resources, and clear allocation of responsibilities between agencies. This process will assist in strengthening the current strained operational working relationship, reduce risk to both agencies and assist the strategic executive engagement and relationships.

Due to the classified and sensitive nature of most CT investigations much of the work will not feature within our established National Tasking & Coordination (NTCG) processes, but will instead be governed by the National Command team with direct reporting through to the Assistant Commissioner. Where opportunities do arise to undertake preventative policing activities, these will be tasked via NTCG and RIOD for district ownership and delivery where possible.

RECOMMENDATIONS

13. Approve in principle the proposed CT Operating Model summarised above, subject to any detailed negotiation between the parties to refine the details.
14. The NM: Response & Ops to undertake a more detailed review of district and national readiness status, particularly around the standardisation of National & District Response plans, CIMS training levels and readiness assurance testing in regards Counter Terrorism.
15. The NM: Response & Ops to identify opportunities to enhance the National Command exercise programme being delivered to all districts to ensure we adequately exercise, test and prepare local commanders to control NatSec CT type events within their districts and to support national events.
16. The NM: Response & Ops to identify opportunities to enhance National Command exercise training to Police Executive members on their roles within a NatSec CT event or when relieving in another position, to provide cross-training for senior leaders to reduce risks to police command capabilities are not affected by extractions.
17. Note that once approval is given to proceed, further joint Police & NZSIS work will commence to refine and implement the agreed 'Leads Process', risk assessment framework and prioritisation model.

Intelligence

Currently the majority of police CT intelligence functions are performed by the Security Intelligence & Threats Group (SITG) which is part of the National Intelligence Centre based at PNHQ. The SITG have strong links to members of the NZ Intelligence Community and overseas agencies, and they work across police to provide intelligence assessments for major events, VIP visits and protests. They also manage TOPAZ matters and undertake the crucial role of a JAG in a national security event.

There is almost no awareness outside of the work of the Security Intelligence & Threats Group (SITG), of its collection requirements or its products.

Police have no clear assessment of the local CT environment, what international influences are or may affect NZ, what threats and risks we face, therefore need to develop a CT Assessment. Work underway on the intelligence priorities for SIB will inform any police CT assessment (should one be considered necessary) or collection plan.

Further, Police have no established CT intelligence collection plan. This means that our districts, national units and overseas liaison officers have no clear understanding of what is important to Police or NZ Inc.

s9(2)(g)(i) OIA

Because there is no plan in place we have no proactive and targeted intelligence gathering and therefore little targeting to risk. Much of the police activity is in response to unsolicited intelligence we have received, is often one-offs and may not be relevant to current intelligence priorities or risk areas.

At one level, the districts thought that SITG and/or NIC managed CT intelligence but they did not really understand how that occurred or what processes were in place to pass national security information from a district to the NIC. Districts reported little visibility of national security intelligence and for the most part did not receive CT products from the NIC.

The Special Investigation Groups, located in Upper North, Wellington and Canterbury, were originally provided with an analyst to manage the collection and analysis of intelligence, and the creation of CT products because experience has shown the benefit of having adequate analytical capability. Over time, both Wellington and Canterbury SIG have lost 50% of their analytical capability and regularly struggle to access a security cleared analyst to undertake their work. The impact of this change has seen a reduction in the output of each SIG; with the National SITG observing a decrease in Intelligence Reports submitted

except for Upper North. Both Wellington and Canterbury have observed that investigators are spending time preparing intelligence profiles and products previously managed by the analyst.

To improve the output and focus of the respective SIG's it is suggested that the analyst resources in Wellington and Canterbury should be reinstated. This will result in improved capacity and output.

It is recommended that the SITG remain part of the NIC but with strong direction and governance over their activities by the proposed National Manager CT. This oversight would be in partnership with the National manager for Intelligence.

RECOMMENDATIONS

18. That drawing on the National CT assessment the National Intelligence Centre is tasked to research and complete a Counter Terrorism Assessment for Police.
19. That the National Intelligence Centre is tasked to develop and implement a Counter Terrorism intelligence collection plan for use by Districts, National Units and Police Overseas Liaison Officers.
20. That the National Intelligence Centre and the National Manager CT be tasked to explore opportunities on how to better inform District Commanders of CT Intelligence, threats and risks.
21. Acknowledge the need for additional intelligence support for the SIGs in both Wellington and Canterbury.
22. Agree that the Security Intelligence & Threat Group remain part of the National Intelligence Centre.
23. Support the National Manager CT exercising greater oversight and direction of the SITG in partnership with the National Manager: Intelligence.

Investigations

Currently police CT investigations are undertaken by one of the three Special Investigation Groups; these are located in Upper North, Wellington and Canterbury. The Wellington and Canterbury units report through to their respective District Commanders, and the Upper North to the Commander Investigations Support Upper North.

The Upper North SIG has been adequately resourced to undertake the current level of CT investigations, although with a move to better intelligence collection, a more formalised management of the 'Leads Process' and a developing CT prevention programme of work, it is envisaged that greater workload demands will be placed on all three SIG units and in particular the Upper North.

s.6(a) OIA

Their low numbers are supplemented by local CIB staff; however, the under-valued role of those units means that they can not engage with those groups within their communities that pose a potential threat. This lack of basic investigative resource coupled with the reduction in intelligence analysts support results in both units being significantly degraded from an investigation capability viewpoint. The review notes that the staff on both units are experienced, motivated and driven to deliver but feel seriously constrained because of resource decisions taken locally.

In general, Districts and National Managers reported that they had a lack of knowledge of the work undertaken by the SIGs, were not sure of how they were tasked and most were unsure who the SIGs reported too. The general understanding by Districts in regards the current CT investigation process, practices, and command and control during an investigation were poor to average.

All districts are resourced to provide support to CT investigations but other than the districts with a SIG, no other district had any specialist or CT trained investigators.

This review concludes that the three SIGs should be moved under the command and control of a National Manager CT. This would vastly improve the coordination, allocation of scarce resources to priority investigations and provide a clear national investigation capability and structure.

Training

Currently Police do not have any in-house training to prepare investigators or Senior Investigating Officers (SIO) to manage CT investigations. Police have a small cadre of senior detectives who have completed the Australia New Zealand Counter Terrorism Committee (ANZCTC) SIO course. There is clear support from the National Crime Manager and senior CIB managers that Police should continue to send senior detectives to the ANZCTC course. To replicate the ANZCTC course may be cost prohibitive for the small numbers we need trained.

It is also proposed that as police capabilities expand, that we identify CT training opportunities, for example the development of a short 1-2 day in-house refresher course to maintain SIO currency.

Opportunities will present for the new CT unit to develop instructional material for front-line, surveillance and specialist staff to better understand the CT environment, what to look for and how to engage with suspects. Considerable material has been developed by the NSW Police JCTT education unit and will be obtained as a reference point.

Further training opportunities are provided by attendance of senior police member at the NZ Security Sector Professional Development Programme and the ODESC Forum. The establishment of an ODESC Forum was part of the revised ODESC arrangements approved by Cabinet in late 2013, and is intended as a vehicle to maintain the tradition of network building and information sharing across the wider national security and resilience sector that has been such a mainstay of ODESC over many years

RECOMMENDATIONS

24. Approve nationalising the three district based Special Investigations Groups under the command and control of the new proposed National Manager CT.
25. Approve establishing a CT Investigations Manager position within the CT Unit to coordinate and manage the day to day investigations across New Zealand.
26. Note above the need for additional SIG Intelligence analyst resource in Wellington and Canterbury.
27. Agree that NZPol will continue to support and attend the ANZCTC Senior Investigating Officers course.
28. Agree in principle to the development of an in-house SIO refresher course to ensure that our SIO cadre remains current.
29. Agree in principle to the development of in-house instructional material for front-line staff to better understand the CT environment.

Policy

Currently policy advice on National Security topics is provided by a range of policy advisors in the National Policy Group, and by other police members with specialist knowledge, for example staff in the NIC and within the Response & Operations Group. Much of this advice is to support the Commissioner (or his delegates) in his role on ODESC-G and its two sub-committees (the Security Intelligence Board and the Hazard Risk Board. Policy Group also provides policy advice for the Minister of Police and to government agencies particularly around agency strategy and legislation development.

It was noted during this review (and was supported by interview comments) that this policy advice is not as coordinated as it should be. Often key advisors were not aware that other business units had previously prepared advice on a topic because there was no central reference source of work under development or

previously prepared. Further, it was clear from district responses that they had little if any visibility of or input into NatSec policy development.

Policy advisors are regularly working at a high tempo with very little time to fully prepare relevant advice. Issues arise when policy development involves classified material and having a sufficient number of suitably cleared advisors.

One issue in this area is the amount of policy papers arriving into police from external agencies seeking a Police comment. Often these papers go straight to a national business unit without passing through the national policy group. This creates a risk that the advice provided may be business unit centric and not representative of police.

Policy advisors noted that they rarely received information back from meeting attendees on what was discussed or decided. The advisors believed that such feedback was important for future development in this area. Attached is a list of key committees and meetings attended by Police - See Appendix F

It was clear from those involved in NatSec that the policy advice needs to be coordinated centrally by the National Policy group, and that advisors with specialist knowledge of the Natsec environment were crucial to maintain consistency of advice for police.

It is proposed that the National CT unit contain a Principal Advisor to coordinate work across a range of areas, from CT strategy, legislative opportunities, business plans, engagement models and service delivery. The Principal Advisor would work closely with Policy group specialist NatSec advisors to ensure a coordinated and consistent level of advice to the Minister, Commissioner and the Executive.

One area that will require further consideration in the New Zealand context is the lack of international empirical research on CT and de-radicalisation which would be helpful to inform the development of our prevention programmes. The proposed CT unit may need an in-house research capability to support the strategic advisor.

RECOMMENDATIONS

30. Agree that the delivery of police policy advice for National Security resides with the National Policy Group.
31. Agree that the National Policy Group should identify and maintain a small number of advisors with specialist knowledge of National Security matters
32. Approve establishing a CT Strategic Advisor position within the proposed CT Unit, to manage the strategic direction, business and engagement.
33. Note that there may be a requirement for in-house research capabilities to research and develop CT focussed prevention programmes.

Partnerships

Domestic

Although police liaison officers are now operating within our key intelligence agencies (GCSB and SIS), the relationships are still developing as the levels of trust grow. The extent of information sharing largely rests on the judgement of various individuals within those agencies. As a consequence the appropriateness of what may or may not be disclosed between agencies is subject to the influence of individual perceptions and interpretations. It has been noted that individuals can either enhance or under-mine good business relationships and timely information sharing.

Progress in this area will depend on the level of executive support from partner agencies and their willingness to put in place measures to improve and foster interagency collaboration. Reinstatement of the

Executive Relationship Group meetings will make a significant difference to the ongoing relationship between our organisations. It should be noted that there is a strong desire by all agency executives to work together. An opportunity exists to expand the relationship group to include the GCSB and Defence Intelligence both of whom have specific capabilities that could support CT investigations and intelligence collection.

It is proposed that the current partnership resources based in the NIC be moved into the proposed CT Unit. It is important that the partnership team broaden the reach of police to more proactively include international partners, external agencies and internal business units. Improving the linkages between our international partners, our overseas liaison officers and the CT Unit will ensure a better flow of intelligence, training opportunities and relationship building. Strengthening working relationships with agencies such as NZ Customs, Immigration NZ and Corrections will also result in enhanced information sharing, joined up investigations and more effective multi-agency preventative programmes.

Currently the Combined Law Enforcement Agency Group (CLAG) meetings at national and district level are well supported and working very well. The working level members willingly share intelligence and work on shared problems. Further opportunities exist to enhance the national strategic level engagement with these agencies.

International

NZ Police as members of the ANZCTC currently attend the ANZCTC Investigation Forum and the Intelligence Forum. [REDACTED] s.6(a) OIA

[REDACTED] These groups have contributed to the development of standardised operating models for use across Australia, and they ensure that the CT & intelligence communities are aligned in policy, practice and operational coordination. A number of the recommendations arising from this review have been identified from attendance at the Investigation Forum meeting and ANZCTC developed standards and operating model documentation. It should be noted that much of the ANZCTC practices have been modelled on the UK experiences.

The use of ANZCTC material to develop the NZ Police CT operating model will ultimately provide NZ Police with a wider range of interoperability options should investigations cross trans-Tasman borders. Further, using the ANZCTC model domestically in NZ will enhance our operational relationship with NZSIS because their staff are familiar with working within the Australian environment.

The 5 Eyes Law Enforcement Group (FELEG) [REDACTED] s.6(b) OIA

[REDACTED] NZ Police members who attend those working groups report that our continued attendance is crucial because it allows access to high level operational knowledge, practice and policies. NZPol can contribute to those groups and must do so if we want to share in the FELEG members' knowledge and expertise. [REDACTED] s.6(b) OIA

RECOMMENDATIONS

34. Approve the transfer of the partnership resources from NIC to the proposed CT Unit.
35. Note that work is underway to resume the Executive Relationship Group consisting of Police, NZSIS and GCSB.
36. Agree to the Partnership team broadening their outreach and relationship building.
37. Agree to the continued attendance at the relevant ANZCTC forums (Investigations, Intelligence and Technical)
38. Agree to the continued attendance at the relevant FELEG working groups [REDACTED] s.6(b) OIA and other CT related groups on a case by case basis.

Community Engagement

Community engagement and resilience building is central to the success of the police 'Prevention First: National Security Operating Strategy 2013-2015' and is particularly important when developing solutions to counter radical extremism. The strategy will require review and updating following on from this review.

The following segment regarding Community Engagement has been adopted from a draft SIB paper prepared by DPMC:

The broad principles underpinning this work include building awareness and understanding about the drivers of radicalisation by promoting local research and information sharing. Community engagement and support for community led interventions involves proactive partnerships between government and community, the empowerment of youth and women, interfaith dialogue, and local efforts to disrupt the radicalisation messaging.

The Office of Ethnic Communities (OEC), and a core group of agencies are leading work to develop a New Zealand 'Community strengthening' (or 'CVE') framework. The OEC, Police (Maori, Pacific and Ethnic Services), MSD, and INZ, have been active in community strengthening for some time, along with a range of other agencies. Recent initiatives and activities include:

- *Ethnic women and youth leadership programmes;*
- *Small grants and capability building projects to support the successful settlement and integration of new migrants and refugees (the "Settling In" fund);*
- *Building Bridges initiative, in partnership with the Federation of Islamic Associations in New Zealand (FIANZ) and other members of the Muslim community, this initiative includes building organisational capability and the opportunity to connect with other communities, government and the media;*
- *Interfaith activities – The OEC/MFAT work with the Asia-Pacific Regional Interfaith Dialogue to promote tolerance and understanding among diverse faith communities.*
- *MSD – Work with Muslim groups in Auckland and Hamilton, with a focus on women, youth, and refugees; supporting community leaders concerned about at risk youth;*
- *MSD – Work with the Maori Muslim community in the Hawkes Bay;*
- *MBIE, INZ – The all of Government 'migrant settlement and integration strategy' and the 'refugee resettlement strategy' – both aiming at improving self-sufficiency and social cohesion;*
- *MBIE, INZ – Funding for the strengthening refugee voices initiative.*

The engagement that OEC, Police and other agencies have with communities to build leadership, resilience and inclusiveness has obvious value in and of themselves. The outcome is well-connected, inclusive and resilient communities. A secondary outcome is that this will reduce the underlying drivers for individuals at risk of radicalising to violent extremism.

Caution however is needed to ensure overriding social cohesion outcomes are maintained and government agencies proceed with sensitivity. Linking community strengthening efforts already underway in an explicit manner to CT efforts can be counter-productive, as seen in the experience of s.b(a) OIA where there has been a backlash at perceived 'broad brush' targeting of Muslims. Community strengthening work needs to remain firmly in the pre-criminal space and connected but outside the security framework to avoid the 'securitisation' of community relationships.

The recommended approach to community strengthening also needs to be inclusive and not adopt a mono-cultural focus. An ideal approach for New Zealand would be one that addresses all forms of extremism rather than a specific identified threat from one section of society.

A more coordinated approach to community strengthening is required across agencies to ensure consistency and information sharing. This approach would ensure that we undertake this work in the most 'at risk' localities, develop common anti-violent extremism messages, a coordinated schedule of meetings, and regular fora for longer term planning and discussions around best practice.

The review found that NZ Police do not have a coordinated and joined up community engagement strategy for countering radicalisation. Currently police MPES has taken a lead in this area predominantly focussed on ethnic communities. However if not managed carefully, this approach could be seen by those communities as the police targeting them because of their religion rather than genuine community and resilience building.

Further, the review found that MPES were not joined up with the Police Prevention Group, which has responsibility for Police Community Services, School Community Officers, Youth Services, Neighbourhood policing and links into Community Patrols NZ and Neighbourhood support.

No formal coordination process exists within New Zealand to provide the requisite 'joined up' approach between the Police (Intelligence, investigations and prevention) and other community groups and government agencies. The *Prevent* workstream of the UK counter terrorism CONTEST strategy emphasised the critical importance of Police, intelligence and community groups combining to identify and support individuals/groups vulnerable to radicalisation.

It is proposed to establish a CT Prevention Coordinator within the CT Unit with a small number of prevention focussed support staff. This small unit would be responsible for coordinating district and cross agency resources to deliver programmes to 'wrap around' those individuals who have been radicalised. The unit would work with Districts, the police Prevention Group and MPES to further build on our current level of community engagement in those communities vulnerable to radicalisation. A diagram outlining the interconnections is at Appendix G.

It is important to note that not all radicalised individuals are necessarily Muslim and the risk of focussing our resources on one group means that we do not work with other groups who hold radical views, for example white supremacist who may be anti-Muslim or anti- Māori. We need programme flexibility to respond to the issue or individual at hand.

RECOMMENDATIONS

39. Review and update the police *Prevention First: National Security Operating Strategy 2013-2015* to ensure that Police is best placed to meet its obligations under the National Security System in reducing the incidence of, and responding to, national security events.
40. Police continue to contribute to the Office of Ethnic Communities work: 'Community strengthening' (or 'CVE') framework.
41. Establish a CT Prevention coordinator within the CT unit, who will be responsible for coordinate police prevention and community resources and working with Districts and across multi-agencies to reduce radicalisation.

Support Services

Specialist units

Police require specialist capabilities such as the Special Tactics Group, Specialist Search, Technical Support, Interception and Surveillance units to undertake a wide range of activities in support of the Police readiness and response functions in a CT event. These groups should be classed as strategic assets that should be maintained and resourced to meet the national capability requirements to deliver on our statutory NatSec functions and to support district investigations & crime prevention.

The review identified that specialist units are generally well positioned to respond to events and do not require any immediate structure or reporting line changes. [REDACTED]

s.6(c) OIA

s.6(c) OIA Further detailed work will be required to confirm earlier estimates as part of PEtF that extra resources would be required to meet the anticipated demands arising from the capacity expansion of other agencies.

Work to complete the review of the National Criminal Investigation Group (NCIG) to better align covert units in the Upper North with NCIG, for example HSMU/DSU, surveillance and Undercover should provide an assurance that police capabilities are well coordinated and ready to respond.

Currently specialist covert units are under mixed ownership; some under district control and some PNHQ. District based units face the risk of degradation of capabilities because of budget pressures and districts working to different priorities. Maintaining specialist capacity and capabilities is crucial to police national security and it is recommended that districts should not make resource decisions that degrade the national capabilities without consultation with PNHQ.

RECOMMENDATIONS

42. That District should consider police national security specialist capabilities and consult with PNHQ before making resource decisions that could affect those capabilities.

Legal Services

Police has a well established and experienced Legal Service which provides specialist advice during national Emergency or CT events.

Policy work has been proposed within DPMC to undertake a review of the existing legal and regulatory frameworks to improve New Zealand's ability to reduce and counter internet based violent extremist propaganda and radicalisation, and to look at relevant criminal law to ensure it can address challenges posed by violent extremist. This would include a review of the Terrorism Suppression Act.

Police have not identified any significant issues with current criminal law but would support and assist any such review.

Technology

Current CT investigations across all three Special Investigations Groups do not use a common investigation platform. The pending implementation of the SCIIP Investigator platform will provide for a better coordinated and joined up investigation environment.

RIOD is not considered suitable for managing investigations of any sort and is best suited as a tasking platform to task members and monitor tasking activity.

s.6(a) OIA
All three SIGs have the need to access and handle classified information during an investigation.

At this stage there is little evidence to suggest that each district would require a SCIF, however as police capabilities develop this issue should be revisited.

s.6(a) OIA

Accommodation

Canterbury SIG currently sits within an open plan office containing a wide range of police disciplines and they report an inability to discuss investigation issues amongst themselves without leaving the area and they can not leave sensitive material on their desk whilst others are walking around the area. At this stage it is not proposed to provide the SIG with a secure working environment and they will return to an open plan working area.

Wellington SIG works within the Covert Operations area where although staff has been vetted for organised crime investigations, they may not be sufficiently cleared to be briefed on sensitive investigations. Upper North SIG works with a secure environment and has access to a SCIF.

Any national CT unit would be required have access to a SCIF due to the frequency that they would access and handle classified information.

Further work will be needed to identify a suitable work location for a CT Unit.

Conclusion

The National Security & Counter Terrorism Assessment has identified that significant work needs to be undertaken to provide the Commissioner with an assurance that the police National Emergency Management readiness & response capabilities are sufficiently organised and prepared. An opportunity arises for the Response & Operations Group to develop and implement a strong and cohesive framework to standardise our readiness and response capabilities across every district and PNHQ. Improving our plans, training and exercising will result in a more robust organisation, with an experienced cadre of commanders ready to respond to a national emergency.

In regards our Counter-Terrorism capabilities, we lack a formal, planned and integrated approach to managing investigations, intelligence and prevention programmes. The recommendations in this report will provide stronger governance and leadership across the CT environment and will ensure that investigations are well managed, police members are trained and that programmes to reduce and prevent radicalisation make a difference.

The recommendations reflect a set of minimum steps required to ensure we can properly discharge our organisational responsibilities in a low threat environment. The list of recommendations is at Appendix H.

s.9(2)(a) OIA