

Office of the Minister Responsible for the  
Government Communications Security  
Bureau

Chair  
Cabinet

**Chief Executive and Director, Government Communications Security Bureau:  
Appointment**

***Proposal***

- 1 I am proposing that Ian Raymond Fletcher be appointed as the Chief Executive and Director of the Government Communications Bureau (GCSB) for a five year term commencing on a date to be agreed in writing between Mr Fletcher and me. I will confirm the date when the New Zealand Security Intelligence Service has confirmed that an interim security clearance can be issued. Indicatively, Mr Fletcher and the State Services Commissioner, who is managing this appointment on my behalf, have agreed an expected starting date of very early in 2012 provided that an interim security clearance is issued by then.
- 2 Mr Fletcher is a New Zealander who has held senior executive positions in Australia and the United Kingdom (UK) since 2002. He has been a successful public sector chief executive in Australia in his current position, as the Director-General and Chief Executive Officer, Department of Employment, Economic Development and Innovation (DEEDI) for almost two years. Prior to this, he was the Chief Executive and Comptroller General, Intellectual Property Office in the UK for two years and the Managing Director, United Kingdom Trade and Investment (UKTI) for three. Mr Fletcher was the Principal Private Secretary to the Cabinet and Secretary and Head of the Home Civil Service for two years. Mr Fletcher has extensive policy and operational experience particularly in relation to economic and trade matters. He has built and maintained effective relationships with Ministers and stakeholders overseas.
- 3 In late 2009 Mr Fletcher was appointed as the inaugural Director-General and Chief Executive Officer of DEEDI which was formed through the merger of nine organisations. DEEDI is responsible for every aspect of economic policy and delivery in Queensland. *section 9(2)(a), section 9(2)(b)(i) and (ii) and section 9(2)(g)(i)*  
He is responsible for approximately 5,600 staff and an operating budget of approximately A\$1.5 billion.
- 4 While Mr Fletcher has not worked in the security sector, the interview panel, which was convened by the State Services Commissioner, agreed unanimously that he demonstrated a good understanding of the challenges he faces as a contributor to the New Zealand Intelligence Community (NZIC) and as the Director, GCSB. I consider that Mr Fletcher has the leadership, strategic, change and relationship management and influencing skills,

intellectual capability and personal qualities to quickly establish credibility with the NZIC and our international intelligence partners. I also consider that he will make a valuable contribution to the NZIC and that he will lead the GCSB through the next stages of its development successfully.

- 5 Mr Fletcher is looking forward to the challenges that contributing to the NZIC and leading the GCSB will present. The State Services Commissioner will ensure that Mr Fletcher has the support he needs to make a successful transition to this role.

### **Background**

- 6 The position of Chief Executive and Director, GCSB became vacant on 1 July 2011 when Lieutenant General Sir Jerry Mateparae's resignation took effect. Sir Jerry commenced in the position on 7 February 2011.
- 7 The Director, GCSB is appointed by the Governor-General under section 9 of the GCSB Act 2003. The Director is the Chief Executive of the GCSB and is responsible to the Minister Responsible for the Bureau, by convention, the Prime Minister for its effective and efficient management. The Director's remuneration is determined by the Remuneration Authority.

### **Selection Process**

- 8 I requested Mr Iain Rennie, the State Services Commissioner, to manage this appointment process on my behalf. The vacancy was advertised in the major daily newspapers in Auckland and Wellington on Wednesday, 11 May and Saturday, 14 May 2011. It was also advertised electronically on the State Services Commission's and the New Zealand Government Jobs Online websites. Applications closed on Monday, 30 May 2011.
- 9 The State Services Commissioner engaged a recruitment and assessment consultant to assist him with the selection process. Eight candidates applied for this position and three candidates were approached by the recruitment consultant. Ms Helene Quilter, Deputy Commissioner, State Services Commission, assisted the State Services Commissioner with long and short listing candidates.
- 10 Following the short listing meeting, the State Services Commissioner reported to me on a potential short list of four candidates. He advised me that he had concerns whether any of the candidates could undertake the role at the level of performance expected. Following subsequent discussions Mr Fletcher was identified as being interested in the position.
- 11 At the time that Mr Fletcher came to New Zealand for an interview, he also met Mr Simon Murdoch, Acting Director GCSB, Dr Warren Tucker, Director, New Zealand Security Intelligence Service and Mr Roy Ferguson, Director Intelligence Coordination Group, Department of the Prime Minister and Cabinet.
- 12 Mr Fletcher completed an assessment process. He was interviewed by a selection panel the State Services Commissioner convened on Tuesday, 26 July 2011. The other members of the panel were Mr Maarten Wevers, Chief Executive, Department of the Prime Minister and Cabinet, Mr John McKinnon, Chief Executive and Secretary of Defence, Ministry of Defence and Ms Quilter.

## ***Requirements of the Position***

- 13 The Chief Executive and Director, GCSB leads and manages the GCSB which contributes to national security policy making and operational activities by providing the foreign intelligence required to protect and advance New Zealand's security or defence, its international relations or its international or economic well-being. The Director, GCSB will be required to contribute to the NZIC to ensure the Government's security and intelligence policy and operational priorities are implemented. The Director, GCSB contributes to the protection of New Zealand's critical infrastructure against cyber threats and supports the Officials Committee for Domestic and External Security Coordination (ODESC). He/she provides advice and assistance to government agencies and the private sector to secure communications and computer systems and protect environments from electronic or technical surveillance.
- 14 The Chief Executive and Director, GCSB must be a proven and competent leader with highly developed strategic, leadership, change and relationship management skills. The appointee must be an able negotiator with the ability to assess potential and known security threats and authoritatively represent New Zealand's communications security interests to our intelligence partners. The appointee will require the ability to work collaboratively with Ministers, the NZIC and our intelligence partners and government agencies. The appointee will also require the ability to quickly establish credibility with these stakeholders.
- 15 I approved the attached position description which was used as a basis for selecting a suitable candidate for appointment to the position. It sets out the functions and critical areas of success for the Chief Executive and Director, GCSB. Over the next two to three years the Director will be required to:
  - ensure the co-location of intelligence functions within Pipitea House leads to a significant improvement in NZIC collaboration
  - develop the National Cyber Security Centre into a centre of technical excellence
  - ensure an uninterrupted and effective NZICNet service to NZIC members
  - achieve internal structural changes with minimum impact on the status of critical functions
  - contribute to changes in the institutional arrangements of the security and intelligence community to ensure they are effective
  - develop a new public profile for the Bureau including a communications strategy
  - demonstrate that the Bureau is delivering value-for-money to the taxpayer, including through the generation of ongoing improvements in efficiency and effectiveness
  - continue a strong leadership role in building and maintain collaborative relationships with other jurisdictions, government agencies and the private sector
  - build the capability of the Bureau with particular focus on developing staff and planning management succession.

**Comment**

- 16 I am proposing the appointment of Ian Raymond Fletcher to the position of Chief Executive and Director, GCSB for a five year term commencing on a date to be agreed in writing between Mr Fletcher and me.
- 17 In late 2009 Mr Fletcher was appointed as the Director-General and Chief Executive Officer, DEEDI in Queensland. Mr Fletcher is the inaugural Chief Executive Officer of the Department which was formed through the merger of nine organisations in 2009. He is responsible for approximately 5,600 staff and an operating budget of approximately A\$1.5 billion. He reports to a Ministerial team of nine which is led by the Treasurer.
- 18 DEEDI is responsible for every aspect of economic policy and delivery in Queensland including economic and regional development in general, as well as, agriculture, mining, tourism, employment and skills and science policy and funding. The Department is also responsible for specialist functions which include biosecurity, agricultural research, mine safety and research and fisheries policy, enforcement and inshore fisheries protection.

section 9(2)(a)  
section 9(2)(ba)(i) and (ii)  
section 9(2)(g)(i)

- 22 From 2007 to late 2009 Mr Fletcher was the Chief Executive and Comptroller-General, Intellectual Property Office in the UK. The Intellectual Property Office is the UK's policy and delivery agency for all intellectual issues. The Office is funded from fees. It is not a monopoly as European Union sponsored patents and trademarks compete with those in the UK.   
section 9(2)(a), section 9(2)(ba)(i) and (ii), section 9(2)(g)(i)  
He was the Chair of the G8/G20 Group on Intellectual Property and Innovation for two years.  
section 9(2)(a), section 9(2)(ba)(i) and (ii), section 9(2)(g)(i)
- 23 Mr Fletcher was the Managing Director, UKTI from 2004 to 2007. UKTI is the United Kingdom's export promotion agency. He was responsible for the overseas network which included approximately 1400 staff located in embassies, High Commissions and consulates in 80 markets. Mr Fletcher sat on Foreign Office Boards for senior appointments.  
section 9(2)(a), section 9(2)(ba)(i) and (ii), section 9(2)(g)(i)
- 24 From 2002 to 2004 he was the Principal Private Secretary to the Cabinet and Secretary and Head of the Home Civil Service. Mr Fletcher managed the office of the Cabinet

Secretary and senior staffing across the Civil Service.

section 9(2)(a) section 9(2)(ba)(i) and (ii),  
section 9(2)(g)(i)

- 25 From 2000 to 2002 he was the Director, Electricity and Gas, Department of Trade and Industry.  
section 9(2)(a), section 9(2)(ba)(i) and (ii)  
section 9(2)(g)(i)
- 26 Mr Fletcher was seconded for six months, in 1999 and 2000, as the Director-General United Nations Customs Service and Head of the Department of Trade and Industry, United Nations' Administration, Kosovo. He commenced working for the Department of Trade and Industry in London in 1998.
- 27 Mr Fletcher was a Trade Negotiator in the European Commission in Brussels from 1996 to 1998. He held various positions in the UK between 1989 and 1996.
- 28 He commenced his career in the Ministry of Foreign Affairs and Trade in 1982 and worked there for six years.
- 29 Mr Fletcher has a Master of Arts (First Class Honours) from the University of Canterbury.
- 30 Mr Fletcher's curriculum vitae is attached.
- 31 Mr Fletcher has held senior executive positions in Australia and the UK since 2002. He has been a successful public sector chief executive in Australia in his current position, as the Director-General and Chief Executive Officer, DEEDI for almost two years. Prior to this, he was the Chief Executive and Comptroller General, Intellectual Property Office in the UK for two years and the Managing Director, UKTI for three. Mr Fletcher was the Principal Private Secretary to the Cabinet and Secretary and Head of the Home Civil Service for two years.

Section 9(2)(a)  
Section 9(2)(ba)(i) and (ii)  
Section 9(2)(g)(i)

- 34 While Mr Fletcher has not worked in the security sector, the interview panel agreed unanimously that he demonstrated a good understanding of the challenges he faces as a contributor to the NZIC and as the Director, GCSB. They also considered that he has the intellectual capability to learn the requirements of the position and that he would adjust to leading a government department in New Zealand quickly.

Section 9(2)(a), section 9(2)(ba)(i) and (ii)

### **Summary**

35 I consider that Mr Fletcher has the leadership, strategic, change and relationship management and influencing skills, intellectual capability and personal qualities to quickly establish credibility with the NZIC and our international intelligence partners. I also consider that he will make a valuable contribution to the NZIC and that he will lead the GCSB through the next stages of its development successfully. His referees were extremely positive about his leadership, relationship management and communication skills, his intellectual ability and analytical skills, his discretion and other personal qualities.

### **Conditions of Appointment**

36 The Remuneration Authority determines the remuneration for the Chief Executive and Director, GCSB. The Chair of the Authority has advised the State Services Commissioner that he has agreed to

Section 9(2)(a), section 9(2)(g)(i)

37 Other conditions of appointment are agreed by the appointee and me. The State Services Commissioner will discuss these conditions, including relocation and other expenses, with Mr Fletcher on my behalf.

38 The Chief Executive and Director, GCSB must be a New Zealand citizen and must obtain and maintain a Top Secret Special security clearance.

### **Consultation**

39 In view of the role of the Leader of the Opposition on the Parliamentary Committee overseeing intelligence matters, I intend to notify him of the proposed appointment.

### **Financial Implications**

40 No financial implications arise.

### **Human Rights**

41 No human rights issues arise.

### **Legislative Implications**

42 No legislative implications arise.

### **Regulatory Impact Analysis**

43 No regulatory impacts arise.

### **Gender Implications**

44 No gender implications arise.

## **Publicity**

45 Once the Governor-General has appointed Mr Fletcher as the Director, GCSB, I intend to announce his appointment.

## **Recommendations**

46 I recommend that the Cabinet:

- 1 **notes** that the position of Chief Executive and Director, Government Communications Security Bureau became vacant on 1 July 2011 when Lieutenant General Sir Jerry Mateparae's resignation took effect
- 2 **notes** that I recommend that the Governor-General appoints Ian Raymond Fletcher as the Director, Government Communications Security Bureau, under section 9 of the of the Government Communications Security Bureau Act 2003, for a five year term commencing on a date to be agreed in writing between Mr Fletcher and me
- 3 **notes** that the Chief Executive and Director, Government Communications Security Bureau must be a New Zealand citizen and must obtain and maintain a Top Secret Special security clearance.
- 4 **notes** that Mr Fletcher and the State Services Commissioner, who is managing this appointment on my behalf, have indicatively agreed an expected starting date of very early in 2012 provided that an interim security clearance is issued by then
- 5 **notes** that the remuneration of the Chief Executive and Director, Government Communications Security Bureau is determined by the Remuneration Authority and that the Chair of the Authority has agreed to *section 9(2)(a)*
- 6 **notes** that other conditions of appointment, including relocation and other expenses, are agreed by the appointee and me and that the State Services Commissioner will discuss these with Mr Fletcher on my behalf
- 7 **submits** this recommendation and the appointment documents to the Governor-General
- 8 **notes** that once the Governor-General has appointed the Director, Government Communications Security Bureau, I intend to announce Mr Fletcher's appointment.

Rt Hon John Key  
Minister Responsible for the Government Communications Security Bureau

Date:        /        /