



Te Poutrewa Mātaki
Inspector-General of
Intelligence and Security

Review of NZSIS human source recruitment and management

Public summary

Brendan Horsley

Inspector-General of Intelligence & Security

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INTRODUCTION

1. I have reviewed the approach taken by the New Zealand Security Intelligence Service (NZSIS or the Service) to the recruitment and management of covert human intelligence sources (human sources).¹ A human source is a “person who agrees to help the NZSIS in order to protect the interests of New Zealand and New Zealanders.”²
2. This is an unclassified summary of my classified report. It omits operational details and procedures, to protect NZSIS sources and methods. Given the sensitivity of human source operations most of the content of my classified report cannot be published.

REVIEW SUMMARY

3. As noted in Ministerial policy, human source activities can involve high risks to the sources, NZSIS officers, and the reputation and relationships of the NZSIS and the Government.³ To mitigate the risks, human sources are managed by specially trained staff who operate within strict legal and procedural frameworks. All activities require managerial oversight, internal consultation, and approval.
4. My review furthered my office’s understanding of how NZSIS recruits and manages human intelligence sources. Overall I found the Service has approached the recruitment and management of human sources carefully, applying a detailed range of policy and procedure.
5. I found that in general NZSIS officers manage the risks of human source operations well, through regular assessments, managerial oversight and guidance, with advice from legal staff, an operational advisor, an operational psychologist, and other relevant teams. The operational psychologist role is relatively new and guidance on how psychological expertise is used in human source management is under development.
6. From the operational records examined I concluded that the Service generally acts in compliance with policy and procedure. NZSIS policy and procedure provides the key controls on human source activity, as most of it is lawful without the need for an intelligence warrant.
7. My review covered examples of operations involving “sensitive category individuals”, people whose characteristics or positions require the application of particular restrictions or protections.⁴ I found that in relation to these individuals the Service followed procedure carefully.

¹ This was a review under ss 158(1)(f)(ii) and 158(i) of the Intelligence and Security Act 2017.

² “Human intelligence source” on nzs.govt.nz.

³ Ministerial Policy Statement “Collecting human intelligence” (1 March 2022) at [9].

⁴ Above n 3 at [38]-[40].

8. An intelligence warrant can provide immunity from prosecution for some criminal offences that sources might have become involved in to remain under cover.⁵ In one case examined, I found the Service could have been clearer in its warrant application about the exact scope of the possible offending it anticipated. I advised the Service to ensure in future it is very clear about the nature of any criminal acts it seeks to cover, so that it can be equally clear to its source about the immunity available.
9. The Service's records of human source management were generally reasonable. Most records of human source payments, reimbursements, and associated costs examined for the review met requirements.
10. My review did find some instances where record-keeping did not follow policy and procedure. Some key meetings with human sources had not been documented in a timely manner and managers had not commented on some records, leaving it unclear what precisely had been communicated to a source, or whether necessary approval or supervision had occurred. Updates or assessments on source welfare were not always documented. These shortcomings were only identified when my office requested the documents as part of the review. Gaps were then remedied where possible.
11. In my classified report I noted specific aspects of the human source recruitment and management process that future NZSIS audits could examine.

⁵ Under s 51 of the Intelligence and Security Act 2017 (ISA) the Service may ask any person for assistance to give effect to an authorisation. A person assisting is subject to the control of the agency and has the same immunities (s 111) as an NZSIS employee executing a warrant.