



6 July 2023

[REDACTED]

Tēnā koe [REDACTED]

Official Information Act request

Thank you for your Official Information Act 1982 (OIA) request of 23 May 2023 to the Government Communications Security Bureau (GCSB) asking the following questions:

1. *What is the reason for the very substantial budget rise?*
2. *Does the rise include one-off items such as capital items after which the budget will drop again?*
3. *Does the rise include the costs of the new Whenuapai data centre and, if so, how much of GCSB's vote will go to that in 2023-24 and each following year?*
4. *Are there any other major capital items in this year's budget rise?*

Financial Information

Before I answer your questions, I thought it might be helpful to explain the legislative provisions that influence the standard public disclosure of the GCSB's financial information.

The Intelligence and Security Act 2017 (ISA) and the Public Finance Act 1989 (PFA) provide for the GCSB and the New Zealand Security Intelligence Service to publicly provide much less financial information than other government departments, in order to allow the agencies to discharge their responsibilities effectively. In particular, section 45E of the PFA and section 221 of the ISA provide for the protection of detailed financial information from public release, because that information would reveal information regarding the capabilities or activities of the agencies.

The Budget 2023 Estimates of Appropriations for the GCSB (Vote Communications Security and Intelligence) can be found online at www.budget.govt.nz/budget/2023/by/vote/comsec. As this document shows, the vote contains a single appropriation that covers all of the operating expenses and capital expenditure of the GCSB. Table 1.2 shows the trends in the vote through time. Key information from that table is included below.

\$ millions	2022/23	2023/24	2024/25	2025/26	2026/27
Vote Communications Security and Intelligence	319.707	401.946	247.782	241.594	250.928

What is the reason for the very substantial budget rise? Does the rise include one-off items such as capital items after which the budget will drop again?

In this case, I can confirm that one of the drivers of the increase in appropriation from 2022/23 to 2023/24 is the Whenuapai Data Centre. As the table above shows, the GCSB's appropriation then decreases in 2024/25.

I am refusing to provide any further detail under section 6(a), as the making available of the information would be likely to prejudice the security or defence of New Zealand. The information could be used by adversaries to prejudice the GCSB's capabilities or activities.

Does the rise include the costs of the new Whenuapai data centre and, if so, how much of GCSB's vote will go to that in 2023-24 and each following year?

As indicated above, the rise in appropriation in 2023/24 is in part due to the Data Centre. We have previously confirmed the Data Centre will cost around \$300 million. I am refusing to provide the exact costs under section 6(a), and also under section 9(2)(j) (the release of information would likely prejudice or disadvantage the GCSB in commercial negotiations).

I do not consider that the need to withhold this information is outweighed by other considerations that render it desirable, in the public interest, to make that information available.

Are there any other major capital items in this year's budget rise?

Pursuant to section 6(a), I am refusing to release further detail on the GCSB's budget.

Review

If you wish to discuss this response with us, please feel free to contact information@gcsb.govt.nz. You have the right to seek an investigation and review by the Ombudsman of this decision. Information about how to make a complaint is available at www.ombudsman.parliament.nz or freephone 0800 802 602.

Please note that the GCSB proactively publishes OIA responses in accordance with the expectations of Te Kawa Mataaho/the Public Service Commission. We intend to publish this letter (with your personal information removed) on the GCSB website. Publication of such responses is done on a quarterly basis.

Ngā mihi



Bridget White

Te Tumu Whakarae Rangitahi mō Te Tira Tiaki
Acting Director-General, GCSB