



Inquiry into the Treasury's Budget related Information Security Systems

Background

Two days before Budget Day 2019/20, documents were publicly released that contained Budget sensitive information. The information had been accessed from the Treasury's website.

Access to this information appears to have been possible because as part of its preparation for Budget Day, the Treasury developed a clone of its website. Budget sensitive information was added to the clone website as and when each Budget document was finalised. On Budget Day, the Treasury intended to swap the clone website to the live website so that the Budget information was available online. The clone website was not publicly accessible.

However, as part of the search function on the Treasury's website, content is indexed to make searches faster. Search results are presented with the text in the document that surrounds the search phrase. When the clone website was created all the settings for the live website were copied including where the index resides. This led to the index on the live website also containing entries for content that was published only on the clone website. As a result, specifically worded searches were able to surface small amounts of content from the 2019/20 Budget Estimates documents.

Objective of the Inquiry

The Budget process is a core function of the Treasury and is of fundamental significance to the operation of government. Given that the integrity of the Budget process is a matter of high public importance, it is necessary to conduct an inquiry.

The objective of the Inquiry is to address concerns raised by this incident about the security of the Treasury's Budget process, focusing on what happened, why it happened, the lessons learned, and the actions the Treasury needs to take to ensure that a similar incident will not happen again.

Scope of the inquiry

The inquirer is to investigate, make findings on, and report to the State Services Commissioner regarding:

- The circumstances surrounding this incident, including the security measures taken in response.
- The causes of the incident, including whether the Treasury adhered to its own internal policies relevant to the security of Budget sensitive information and to applicable government-wide policies and good practice guidance.
- The appropriateness and effectiveness of the information security systems that the Treasury had in place in relation to the final six-week production phase of the Budget Process. This will include an assessment of the relevant policies, processes, governance, capability and security culture and practice of the Treasury.

- Any linkages or implications for the Treasury's wider information security systems.
- Any other relevant matters necessary to provide a complete report on the above.

Out of scope

The inquiry may refer to, but will not make any findings in relation to, the following actions that were taken by the Secretary of the Treasury in responding to this incident and explaining its causes: the advice given to the Minister of Finance at the time; the Secretary's decision to refer the matter to the Police; and the public statements about the causes of the incident. The State Services Commissioner is assessing the appropriateness of those actions in a separate investigation.

In addition, the inquiry will not make findings on whether there should be further steps taken to initiate disciplinary, civil or criminal proceedings in relation to any individual.

Appointment

The State Services Commissioner appoints Ms Jenn Bestwick to undertake this inquiry.

Functions and Powers

Pursuant to section 23(1) of the State Sector Act 1988 and, for the purposes of the inquiry, the State Services Commissioner delegates his functions and powers under sections 7 to 9, and 10 of the State Sector Act to Ms Bestwick, with effect from 14 November 2019.

Application of provisions of the Inquiries Act 2013

The State Services Commissioner certifies it is reasonably necessary that the provisions of the Inquiries Act 2013, specified in section 9A(2) of the State Sector Act, apply in relation to the inquiry. This is because:

- Ms Bestwick should have powers to regulate the procedures of the Inquiry, including the gathering of additional evidence; and
- Given the nature of the Inquiry, and the need to balance the public interest in disclosure with the privacy interests of potential witnesses, the Inquirer should have the power to restrict access to the information he/she receives.

The previous inquiry

A previous inquiry in relation to this matter commenced on 11 June 2019 and was terminated on 13 November 2019, due to an undeclared conflict of interest within the inquiry team. Evidence gathered by the previous inquiry may be re-used by Ms Bestwick in undertaking this inquiry. Transcripts of interviews, however, may only be considered with the consent of each interviewee.

Reporting

The Inquirer is to report her findings to the State Services Commissioner in writing on or before 28 February 2020.

If Ms Bestwick identifies issues which may impact the delivery of her report by 28 February 2020, she will notify the State Services Commissioner as soon as possible with a view to resolving an appropriate solution, which may include an extension of time.



Peter Hughes
State Services Commissioner

13 November 2019