

[REDACTED]

[MI5 Letterhead]

Andrew Parker
Director General, [MI5]

Rt Hon Sajid Javid MP
Home Secretary

24 April 2019

[Dear Home Secretary,]

Following our meeting last week on the MI5 [TE], I wanted to write to you to set out my understanding of the issue, and to reiterate the priority MI5 is attaching to resolving the situation.

2. Professionalism, including high standards of legal compliance, is one of our core values as an organisation. I, my team, and the MI5 Board are treating this work with the very highest priority, and are committed to getting this right. We are reviewing progress on a regular basis, and working intensively with IPCO to support its follow-up assurance work (including last week's follow-up inspection), and with your officials.

3. I very much regret that we had not fully appreciated the significance of the issues in the [TE]. With the understanding we have now developed, off the back of much detailed work, I clearly wish MI5 had moved more quickly to bottom out some of the risks in play, and that we had brought our developing understanding to your attention and that of the Investigatory Powers Commissioner at an earlier stage. I welcome the proposal to strengthen further the independent element in the lessons learned review we were already planning. As you know from all the work we have done since the 2017 attacks, we are an organisation that is committed to learning lessons so that we can continue to improve. I will work with you and your team to shape this, and MI5 will of course provide all necessary support to this work. The review will be the vehicle for establishing the full picture, and so I do not want to rush to conclusions here. Instead I wanted to set out my own understanding of the picture, as Director General and chair of the MI5 Board throughout the relevant period.

4. Like many other organisations we are managing rapidly evolving technology and exponential increases in data volumes. And in MI5 we have had to move at great pace over the last few years to respond to an acute and increasingly complex range of threats to national security, particularly from Islamist terrorism. [REDACTED] But that pace of change has also presented stiff challenges in managing an increasingly complex and inter-connected landscape of systems, policies and processes. These strategic challenges, which feature in our quarterly reports, are inherent to national security intelligence work in our time; our continuing efforts to address these challenges are vital to MI5's future success.

5. In mid-2015 we recognised at Board level that we needed to review our approach to legal compliance, so that we could be confident that we were set up in the right way, and taking the necessary steps, to address key areas of compliance risk. I commissioned a review of legal compliance, conducted by one of our senior lawyers, reporting to the Management Board in January 2016. This identified [a number of] recommendations, including in relation to the review, retention and deletion of warranted material and managing MI5's disclosure obligations. We then took a number of steps, setting up a new MI5 [department] focused specifically on Policy, Information and Compliance and focusing significant investment on addressing key risk areas.

[REDACTED]

Over the period since 2016 we have consistently prioritised investment in MI5's ability to manage its information and comply with the law; as a Board we took tough decisions to maintain the top priority attached successively to our *[information management programme]* and then our *[legal compliance programme]* (implementing the Investigatory Powers Act and recommendations of the compliance review), [REDACTED]. I lay out this context to illustrate the seriousness with which we take our legal obligations. Against that backdrop of genuine commitment, it is a bitter pill now to realise that in the case of the *[TE]*, we have been slow to appreciate properly some of the risks manifesting within that complex environment.

6. On the specifics relating to the *[TE]*, Sir Adrian is indeed right to say that MI5 had by January 2018 identified a number of the aspects of the risk, reflected briefly in an annex to a paper on Compliance discussed at the MI5 Management Board. But this was in the context of a much broader assessment of legal compliance risk across the organisation, and of the significant programme of work under the *[legal compliance programme]* to address key risks. As a Board we had *not* at that point understood the full extent and severity of the issues in *[TE]*, and therefore had not appreciated their full significance from a legal compliance perspective.

7. MI5's focus on the *[TE]* had been threefold:

- [REDACTED]
- **review, retention and deletion:** the fact that while RRD policies existed in some areas, there were a number of key systems where they still needed to be implemented and that we did not have a systematic understanding or approach across this environment. We initiated work to understand and address these areas.
- **disclosure risk:** the risk that because [REDACTED] we could not be confident in our ability to identify relevant material for the purposes of legal proceedings and other inquiries. Again work was initiated to address this risk.

8. This work has been monitored regularly through MI5's Committee on [REDACTED], via the Audit Committee and at Management and Executive Boards during 2018. In those early discussions, we saw this strongly through the lens of *[a risk]* (in retrospect too much so) and focused on ensuring that work was in hand to understand the issues more fully and begin to put in place mitigations for the key risks. We also recognised this would take time, given the complexity of the environment. It was only through that more detailed work that we have developed that much fuller understanding of the issue – including in particular the aspect that has been a key focus of the IPC's concerns [REDACTED]. The 'file shares' issue only became clear at Board level over the second half of 2018, following more in-depth investigation by the team. It was treated seriously. We should also be clear about the context: the analysis and sharing of data forms an increasingly key part of our mission, and is vital in preventing the risk of intelligence failure and therefore of terrorist attacks taking place. And *[data processing and management]* takes place within an environment of high trust, by DV cleared staff, trained to consider necessity and proportionality in all the work that they do. We therefore saw the gap as principally one of putting in place sufficient *[REDACTED controls]* and *[arrangements]* to be able to *demonstrate* compliance, rather than as an issue that fundamentally affected the adequacy of the statutory safeguards and therefore our warrant authorisations. [REDACTED]

9. In October 2018, MI5's Executive Board had two sessions on the *[TE]*, focused on *[risks]*, as well as compliance, and looking at how we would move to a future operating environment. The picture presented to the Board, assembled as a result of the work it had earlier commissioned,

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remained a developing one framed in terms of risk; even at that October point we did not have the understanding we now have of the full significance of the 'file shares' issue, for instance. But it was clear to the Board in October that given the extent of what we *did* then know about the [TE], we should seek proactively to brief both IPCO and your officials. Those briefings were scheduled for February 2019. You know what has flowed since.

10. I and my officials will be working with IPCO to reconcile the differences in understanding between MI5 and the position initially outlined in Sir Adrian's decision document to ensure it fully reflects the wider contextual position, as I briefly mentioned to Sir Adrian when I saw him last week. Given the seriousness of the issues at stake and the professional spirit within which all parties are approaching the matter, I would hope that we can close any gaps between respective understandings.

11. To repeat, I regret that we were not quicker to identify the nature and extent of the issue and therefore to bring it to your and Sir Adrian's attention, and to address it in full. I am personally committed to ensuring, with my leadership team, that we learn all the relevant lessons from this, informed by the review. We will take all the necessary steps in response to the review's findings to ensure that MI5 is as well placed as it can be to address legal compliance risk in the future.

12. Copies of this letter will go to Sir Adrian Fulford, Cabinet Secretary, Deputy National Security Adviser and No 10 ([REDACTED]).

[REDACTED]

Andrew Parker

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