

17 August 2018

Sarah Baddeley
State Services Commission Inquiry into the Use of External Security Consultants by State
Sector Agencies

By email sarah.baddeley@martinjenkins.co.nz

RE: EXTERNAL SECURITY INQUIRY

Dear Ms Baddeley

I am writing in response to the invitation by Doug Martin to consider our historical use of external security consultants. Following our review, we have not identified any matters that we consider to be of concern.

PHARMAC confirms that it has not secured the services of Thompson and Clark Investigations Limited (TCIL) or any of its associated entities for a period well in excess of the 10 year horizon that you have identified.

PHARMAC has secured the services of two external security consultants in the past 10 years. In both cases, these services related to the review of building security for the PHARMAC premises. To briefly summarise these services:

- PHARMAC is in the process of shifting to two new floors in its existing building, and considered that a review of the physical security arrangements would be appropriate for both the new and existing floors. The scope of this work included consideration of the adequacy of the swipe card system, video monitors, and access controls, as well as elements of organisational culture related to security. The security firm ICARAS performed this work, as it is on the all-of-government security panel, and was chosen following discussions with the SIS Protective Security team. The cost of this work was **Withheld**
- In April 2016, PHARMAC contracted Security Risk Management (NZ) Ltd to conduct a Technical Surveillance Countermeasure (TSCM) search of the PHARMAC premises to identify security weaknesses in our meeting room technologies and physical environment. The cost of this work was **Withheld**

We can confirm that we are not using any platforms like Wordpress or Stack to communicate with these advisors. These projects were properly documented with contracts for service, were for one-off pieces of work and therefore did not require ongoing contract management, and we considered the qualifications of the vendors during vendor selection.

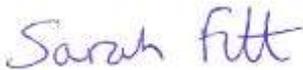
The work that we have identified and described in this letter relates to high level security assessments, which is included within the scope of your request. We have neither any indication in our files nor any knowledge of any work that relates to:

- Private investigation of individuals or groups;
- Engagement of third parties to gather intelligence from open source documents on security related issues;
- Use of surveillance on individuals, groups or meetings;
- Security or threat assessments of individuals or groups; or
- Analysis of any information or intelligence gathered in the manner described above.

As per your request, the scope of this reply excludes a range of security advice we have received over the years, including significant work in information technology (primarily provided by Techtonics and Aura Security), security monitoring (Harbour City Security), security access management (Waterford Security) and security guards when required (Armourguard).

Please feel free to contact me if you require any more information or if you have any further queries.

Yours sincerely



Sarah Fitt
Chief Executive

cc: commission@ssc.govt.nz