



14 December 2018

Ms Carolyn Tremain
Chief Executive
Ministry of Business, Innovation and Employment
PO Box 1473
Wellington 6140

Dear Carolyn

Thompson & Clark Investigations Limited (TCIL)

I am writing to you in your role of Functional Leader for Government procurement. As you are aware, I have conducted an inquiry into the use of external security consultants by Crown Agencies. The Inquiry has now been completed and you have received a copy of the pre-publication report.

One area the Inquiry focussed on was *“the surrounding circumstances of, and reasons for, any engagement by Crown Agencies of external security consultants including but not limited to Thompson & Clark Investigations Limited (TCIL) and its associated companies and entities.”*

The Inquiry found that a number of Crown Agencies have engaged TCIL to undertake work as an external security consultant. The findings identify behaviour by TCIL that does not meet the professional standard I would expect of a consultant carrying out work on behalf of government.

I am particularly concerned that, while contracted by government agencies, the Inquiry concluded TCIL engaged in inappropriate behaviour including:

- Used an unlicensed private investigator
- Covertly attended public meetings without disclosing their purpose or the identity of their client
- Produced electronic recordings of some meetings, some of which were closed, without the knowledge or consent of attendees
- Approached public servants, who had access to sensitive information, for secondary employment with TCIL
- Accessed the motor vehicle register for potentially improper purposes. TCIL claimed they were accessing the data for the purposes of assisting government agencies, which is categorically denied by those agencies
- Advised a client not to disclose the source of information obtained inappropriately to the Police
- Likely, provided information obtained by surveillance for private sector clients to government agencies without disclosing the source and nature of the information supplied
- Was not consistent in retaining records of information collected.

As a result of above findings in the report I intend to lodge a formal complaint about TCIL with the Private Security Personnel Licensing Authority and will refer matters of concern to the Police for further investigation on Monday.

I request that you review as a matter of utmost urgency the TCIL contract with the All of Government Protective Security Panel and assess whether it is appropriate that TCIL remain on the all of government panel.

Model Standards

In my response to the Inquiry, I will be making clear that all public servants must be vigilant in how they exercise the significant responsibilities and powers entrusted to them by New Zealanders. This is fundamental to public trust in the public service. In short, government agencies must ensure that the way they use their authority to undertake surveillance and associated information gathering activity is not only lawful but maintains public trust.

Accordingly, I intend to issue on Tuesday new Model Standards under the State Sector Act that set out my expectations around how public servants should gather information for regulatory compliance and law enforcement. In particular, these Model Standards will help to improve transparency and strengthen organisational safeguards against inappropriate activity.

I will also write to all Chief Executives requesting assurance that they are fully compliant with these standards by 30 April 2019.

I am also asking that you work with the Protective Security Requirements Team in New Zealand Security and Intelligence Service (NZSIS) to jointly reset the requirements for this panel in light of the Model Standards.

I thank you for your assistance in this matter.

If you have any questions regarding this matter, please contact me.

Yours sincerely,



Peter Hughes
State Services Commissioner