

**Submission  
No 13**

**EXAMINATION OF THE AUDITOR-GENERAL'S  
PERFORMANCE AUDIT REPORTS DECEMBER 2014  
- JUNE 2015**

**Organisation:** Destination NSW  
**Name:** Ms Sandra Chipchase  
**Position:** Chief Executive Officer  
**Date Received:** 27 June 2016



**Destination  
NSW**

*received  
27.6.16  
Isob*

23 June 2016

The Hon. Bruce Notley-Smith MP  
Chair  
Public Accounts Committee  
Legislative Assembly  
Parliament of New South Wales  
Macquarie Street  
SYDNEY NSW 2000

Dear Mr Notley-Smith,

**Re: Auditor-General's Performance Audit Report - Government Advertising 2015**

Thank you for your letter dated 20 June 2016 regarding the Auditor-General's Performance Audit Report – Government Advertising 2015 and Destination NSW's response to the Public Accounts Committee.

As a result of the recommendations of the Auditor-General's Performance Audit Report – Government Advertising 2015, our agency performed a thorough review of our processes which were the subject of the recommendations.

There were a total of six (6) Recommendations made by the Auditor-General for our agency. Four (4) Recommendations were accepted; one (1) noted and one (1) rejected.

The recommendations have been listed and the steps taken to implement any action as a result of these Recommendations are noted in the template.

Should you require any further information, please do not hesitate to contact Ross Pearson, Chief Operating Officer, Destination NSW on telephone 9331 1320 or email [ross.pearson@dnsw.com.au](mailto:ross.pearson@dnsw.com.au)

Yours sincerely

Sandra Chipchase  
Chief Executive Officer

Template for submissions to the Public Accounts Committee's performance audit examination

**PERFORMANCE AUDIT – GOVERNMENT ADVERTISING – Destination NSW**  
**IMPLEMENTATION OF RECOMMENDATIONS**

	<b>Recommendation</b>	<b>Accepted or Rejected</b>	<b>Actions to be taken</b>	<b>Due Date</b>	<b>Status</b> (completed, on-track, delayed) <b>Comment</b>	<b>Responsibility</b>
1	Immediately ensure that related advertising campaigns are not inappropriately split to avoid the threshold for cost benefit analysis	Rejected	<i>Destination NSW will continue to work collaboratively with DPC to ensure Government advertising requirements are met</i>  The Cabinet Standing Committee on Communication and Government Advertising approved 111 individual campaigns for FY2015/16 in June 2015	As at final report date	Completed	DNSW CEO
2	By December 2015, improve its policies to better demonstrate it achieves value for money in advertising and marketing arrangements	Noted	<i>Destination NSW reports results in the GAA Effectiveness Review and was congratulated on the record results achieved</i>  Destination NSW has reviewed its procurement, partnerships and sponsorship policies and conflict of interest procedures in line with ICAC Guidelines and developed policies in relation to Campaign Management, Digital, and Communications and Publishing activities	December 2015	Completed	DNSW CEO DNSW Post Audit Working Group Chief Operating Officer Director Legal & Procurement General Manager, Marketing
3	By December 2015, report back to DPC on campaign expenditure and outcomes at the completion of each advertising campaign	Accepted	<i>Destination NSW will continue to work collaboratively with DPC to meet the Government Advertising requirements</i>  Destination NSW has provided feedback to DPC regarding the DPC-initiated review of templates for expenditure reporting  Destination NSW has provided half yearly updates to the Cabinet Standing Committee on Communication and Government Advertising on campaign expenditure and outcomes	December 2015	Completed	DNSW CEO DNSW Post Audit Working Group Chief Operating Officer General Manager, Marketing



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4	By December 2015, formalise existing campaign management processes to set out minimum requirements for managing advertising campaigns	Accepted	Destination NSW has reviewed its campaign management processes and has developed a formalised campaign management policy	December 2015	Completed	DNSW Post Audit Working Group General Manager, Marketing
5	By December 2015, include procedures to ensure content complies with government advertising requirements, and internal processes align with the certification statement of government advertising campaigns. This would also facilitate consistent and complete documentation.	Accepted	<p>Destination NSW has reviewed its content approval processes and reissued approval templates to ensure advertising content and creative continues to complies with government advertising requirements and aligns to the certification statement</p> <p>Destination NSW has developed training materials and conducted training sessions for staff involved in content and creative approvals</p> <p>Destination NSW has revised its existing Social Media policy with reference to use of content and government advertising requirements</p> <p>Destination NSW has developed a formalised Digital Policy and Communications and Publishing policy</p>	December 2015	Completed	DNSW CEO DNSW Post Audit Working Group General Manager, Marketing
6	By June 2016, improve its management systems to support efficient and reliable tracking of its marketing programs and advertising campaigns.	Accepted	<p><i>Destination NSW will continue to explore the enhancement of existing management systems with a particular focus on the integrated tracking for marketing and advertising campaigns</i></p> <p>Destination NSW has developed enhanced reporting to track campaign expenditure and efficiency. All government advertising campaigns are allocated a project code in the enterprise resource planning system. This captures specific campaign expenditure, revenue and commitments as well as ensuring appropriate delegations for campaign expenditure to the appropriate campaign manager.</p>	June 2016	Completed	DNSW Post Audit Working Group Chief Operating Officer General Manager, Marketing

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			<p>Destination NSW has implemented a new reporting tool for government advertising campaign monitoring purposes. Transactional data captured in the enterprise planning software is used to plan, budget and forecast as well as providing various analytical and reporting applications</p> <p>Monthly reports are prepared and distributed to the Destination NSW team for review and reconciliation of approved government advertising campaigns</p>			
			<p>Destination NSW is in the early stages of developing a business case for a new integrated campaign management (project management) technology system</p>			