



2009

PARLIAMENT OF TASMANIA

**AUDITOR-GENERAL
SPECIAL REPORT No. 83**

**Communications by Government and
The Tasmanian Brand project**

October 2009

*Presented to both Houses of Parliament in accordance with the provisions of Audit
Act 2008*

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29 October 2009

President
Legislative Council
HOBART

Speaker
House of Assembly
HOBART

Dear Madam President

Dear Mr Speaker

SPECIAL REPORT NO. 83

**Communication by Government and
The *Tasmanian Brand* project**

These reports, aimed at drawing conclusions on whether government expenditure on communications had been used for party political purposes and assessing whether the *Tasmanian Brand* project complied with Treasurer's Instructions and whether maximum benefits from expenditure incurred to date were achieved, were prepared consequent to examinations conducted under section 23 of the *Audit Act 2008*.

Yours sincerely

H M Blake

AUDITOR-GENERAL

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Foreword

Taxpayer-funded communications by Government take many forms and are needed for legitimate purposes including advertising products, services and programs. Such communications can be delivered using a variety of media some instantaneous. In any event they should not be used for party political purposes.

Judgements about whether communications are for party political purposes can be problematic requiring effective guidelines to ensure compliance at all times particularly during caretaker periods.

Our audit of Communications by Governments examined advertising, use of websites and media releases and of surveys and market research. Findings resulted in seven recommendations including the need for improved and more explicit guidelines for avoiding political advertising and that consideration is given to the appointment of an independent officer to investigate complaints of political advertising.

This Report also outlines the results of our compliance audit of the *Tasmanian Brand* project including its forerunner the *Right Here Right Now* campaign.

While we concluded that payments had been correctly certified, we noted that costs were incurred prior to a budget allocation and we could find no written authority for instances of delegations being exceeded. However, work is needed to ensure the realisation of the full benefits of expenditure incurred on a TV commercial and DVD developed. Three recommendations to address these findings were made.

H M Blake

Auditor-General

29 October 2009

List of acronyms and abbreviations

DEDT	Department of Economic Development and Tourism
DoE	Department of Education
DHHS	Department of Health and Human Services
DPAC	Department of Premier and Cabinet
ELs	Essential Learnings
SECC	Tasmanian State Election Caretaker Conventions
RAF	Request for additional funds
RPDC	Resource Planning and Development Commission
TGWS	<i>Tasmanian Government Website Standards</i> (Version 1.4 April 2008)
WOGCP	<i>Whole-of-Government Communications Policy</i> – Version 9, July 2008 published by the Department of Premier and Cabinet.

Independent auditor's conclusions

Independent auditor's conclusions

These independent conclusions are addressed to the Speaker of the House of Assembly and the President of the Legislative Council.

Communications by Government

This conclusion relates to my audit of expenditure on communications by four government departments. I examined a sample of advertising campaigns, departmental websites, media releases and surveys and market research (collectively referred to in this conclusion as communications) to assess whether they had been used for party political purposes and complied with guidelines in respect of government advertising. These guidelines are issued by the Department of Premier and Cabinet.

My audit was based on the audit objective and audit scope detailed in the Introduction to this Report.

In developing the scope of this audit and completing my work, the parties interviewed provided me with all of the information that I requested. There was no effort by any party to the audit to limit the scope of my work. This Report is a public document and its use is not restricted in any way by me or by any other person or party.

Responsibility of the four Secretaries of the Departments selected for audit

These Secretaries are responsible to manage expenditure in accordance the guidelines which are aimed at ensuring public expenditure is not spent for party political purposes.

Auditor-General's responsibility

In the context of this compliance audit, my responsibility was to express a conclusion on whether or not the expenditure on communications complied with the guidelines and to form a judgement as to whether it was, or was not, for party political purposes.

I conducted my audit in accordance with Australian Auditing Standard ASAE 3100 *Compliance Engagements* which required me to comply with relevant ethical requirements relating to audit engagements. I planned and performed the audit to obtain reasonable assurance of whether there was compliance with the guidelines.

My work involved obtaining evidence of the processes followed by each department to ensure compliance by them with the guidelines. My procedures, based on the objectives and scope outlined in the

Introduction to this Report were established by me without influence. The procedures depended on my judgement, based on the objectives and scope and on my assessment of the risks of material misstatement of the information obtained by me as part of this audit.

I believe that the evidence I have obtained was sufficient and appropriate to provide a basis for my conclusion.

Auditor-General's conclusion

Based on the audit objectives and scope and for reasons outlined in the remainder of this Report, it is my conclusion that, while the guidelines are not explicit enough to prevent the use of government communications for political purposes, in the main expenditure on communications was free from political purposes.

However, I made seven recommendations aimed at improving: the guidelines to more comprehensively ensure the avoidance of political advertising; communication storage procedures; and website archival procedures.

H M Blake

Auditor-General

29 October 2009

The Tasmanian Brand project

This conclusion relates to my audit assessing compliance by the Department of Premier and Cabinet (DPAC) with Treasurer's Instructions and to determine whether maximum benefits from expenditure incurred by both DPAC and the then Department of Economic Development and Tourism (DEDT) on the *Tasmanian Brand* project and its forerunner the *Right Here Right Now* campaign were achieved. My audit was based on the audit objective and audit scope detailed in the Introduction to this Report.

In developing the scope of this audit and completing my work, the parties interviewed provided me with all of the information that I requested. There was no effort by any party to the audit to limit the scope of my work. This Report is a public document and its use is not restricted in any way by me or by any other person or party.

Responsibility of the two Secretaries of the departments selected for audit

These Secretaries are responsible for ensuring expenditure complies with Treasurer's Instructions and to ensure expenditure achieves approved outcomes.

Auditor-General's responsibility

In the context of this compliance audit, my responsibility was to express a conclusion on whether or not the procedures followed when expending public monies were in compliance with Treasurer's Instructions. I also assessed whether maximum benefits had, to date, been achieved from the expenditure incurred.

I conducted my audit in accordance with Australian Auditing Standard ASAE 3100 *Compliance Engagements* which required me to comply with relevant ethical requirements relating to audit engagements. I planned and performed the audit to obtain reasonable assurance of whether the processes followed were reasonable.

My work involved obtaining evidence of the processes followed by DPAC to ensure compliance with Treasurer's Instructions and by DEDT in maximising benefits achieved from expenditure incurred. My procedures, based on the objectives and scope outlined in the Introduction to this Report were established by me without influence. The procedures depended on my judgement, based on the objectives and scope and on my assessment of the risks of material misstatement of the information obtained by me as part of this audit.

I believe that the evidence I have obtained was sufficient and appropriate to provide a basis for my conclusion.

Auditor-General's conclusion

Based on the audit objectives and scope and for reasons outlined in the remainder of this Report, it is my conclusion that while relevant Treasurer's Instructions had been complied with, certain levels of expenditure authority were not in writing and costs were incurred prior to a budget allocation having been provided. I also concluded that to date maximised benefits from the *Right Here Right Now* expenditure has still to be realised.

My findings resulted in three recommendations aimed at improving documentation and exploring ways for the State to benefit from all costs incurred to date.

H M Blake
Auditor-General
29 October 2009

Executive summaries

Executive summary — Communications by Government

Taxpayer-funded government communications are needed for many legitimate purposes including advertising government products, services and programs but should not be used for party political purposes. This audit covered the period 2004–08, while excluding non-campaign advertising such as public notices and tenders. The audit covered four departments, namely:

- Economic Development and Tourism
- Education
- Health and Human Services
- Premier and Cabinet (DPAC).

In planning the audit, we relied on a better practice model — *Guidelines on Campaign Advertising by Australian Government Departments and Agencies* published by the Commonwealth Department of Finance and Deregulation.

Our objective was to draw conclusions on whether government expenditure on communications had been used for party political purposes. In that light, we examined:

- guidelines in respect of government advertising
- a sample of advertising campaigns
- departmental websites and DPAC media releases
- surveys and market research.

Detailed audit conclusions

Guidelines

The existing DPAC *Whole-of-Government Communications Policy* (WOGCP) guidelines are not explicit enough to prevent the use of government communications for political purposes.

Advertising

Government advertising has not been used to explicitly promote political parties or individual politicians.

Two prominent government policies, namely *Essential Learnings* (ELs) and the pulp mill, were the subject of extensive advertising campaigns and inevitably had a political impact. In the case of ELs, there was arguably a non-political justification for the advertising but not so for the bulk of pulp mill advertising. Notwithstanding,

there was little evidence of advertising being used for political purposes.

Websites and media releases

Generally, we found that departmental websites were free from political content. Exceptions included the Pulp Mill Task Force, DPAC's media website and a one-time breach on the DHHS website.

Surveys and market research

Government surveys had not been used for political purposes.

List of recommendations

The following table reproduces the recommendations contained in the body of this Report.

Rec No	Section	Recommendation
1	1.2	We recommend that DPAC develop more specific guidelines for avoiding political advertising using materials such as the <i>Guidelines on Campaign Advertising by Australian Government Departments and Agencies</i> .
2	1.3	We recommend that DPAC amend Section 4.3.3 of <i>Whole-of-Government Communications Policy</i> to: <ul style="list-style-type: none"> ▪ stipulate a time period of 90 days for compliance with the disclosure provisions of the Section ▪ allow confidential information to be excepted from the 'make public' requirements of the Section ▪ give explicit direction that surveys be non-political in nature and have a genuine non-political purpose.
3	1.4	We recommend that DPAC policies give explicit direction that websites not include political content.
4	2.2	We recommend that departments upgrade their communication storage procedures to ensure compliance with DPAC's <i>Whole-of-Government Communications Policy</i> .
5	2.3.2	We recommend that an independent officer (or the recommended Integrity Commission) be appointed to

		investigate complaints of political advertising.
6	2.4	We recommend that departments ensure that future government contracts for advertising include a clause that requires prompt cooperation when there is a need to withdraw advertisements from air.
7	3.2	We recommend that departments upgrade their website archival procedures to ensure compliance with state archival requirements and the various DPAC web-related guidelines.

Executive summary — The *Tasmanian Brand* project

Building on previous *Tasmanian Brand* campaigns, in September 2007, an advertising initiative was allocated a budget of \$18 M over three years. The new campaign aimed to encourage Tasmanians to become positive about their State, and to be strong ambassadors for Tasmania. During 2007–08, spending on the campaign amounted to \$1.6 M. However it was decided to axe the campaign prior to any advertising having occurred.

In early July 2009, the media suggested that public funds had been expended on a ‘feel good advertisement that will never be aired¹’, and an audit was instigated. The audit focused on the *Tasmanian Brand* project including its forerunner the *Right Here Right Now* campaign. It examined both budgeted and actual expenditure for the period September 2007 to 30 June 2009. The audit was conducted in order to assess compliance with Treasurer’s Instructions and to determine whether maximum benefits from expenditure incurred to date were achieved.

Detailed audit conclusions

Compliance with Treasurer’s Instructions

We concluded that payments had been correctly certified and other procurement processes had complied with Treasurer’s Instructions. However, we noted that costs were incurred prior to a budget allocation and we could find no written authority for instances of delegations being exceeded.

Did Government get maximum benefit?

We focused on verifying that the government had maximised benefits from the work commissioned for both projects, *Right Here Right Now* expenditure in 2007-08, and expenditure on *Tasmanian Brand* project 2008-09.

We were not satisfied that either DPAC or DEDT have to date maximised benefits from the *Right Here Right Now* expenditure incurred. As recommended, Government should continue to explore opportunities to use the TV commercial and DVD.

¹ Quote from *The Mercury* newspaper on Wednesday 1 July 2009

List of recommendations

The following table reproduces the recommendations contained in the body of this Report.

Rec No	Section	Recommendation
1	1.2	We recommend that orders for goods and services should only be placed in the knowledge that budgeted funds are available.
2	1.3	We recommend that the Department of Premier and Cabinet revisit its procedures to ensure that: <ul style="list-style-type: none">▪ employees do not exceed delegations without written authority▪ any authority to exceed a delegation be documented.
3	2.1	We recommend that Government should continue to explore opportunities to use the TV commercial and DVD.

Audit Act 2008 section 30 — Submissions and comments received

Audit Act 2008 section 30 — Submissions and comments received

Communications by Government

Introduction

In accordance with section 30(2) of the *Audit Act 2008*, a copy of this report, or relevant extracts of this report, were provided to the government departments and individuals indicated below.

The comments and submissions provided are not subject to audit nor the evidentiary standards required in reaching an audit conclusion. Responsibility for the accuracy, fairness and balance of those comments rests solely with those who provided a response or comment.

Submissions and comments received

Secretary — Department of Education

Thank you for your memorandum seeking comments on the audit.

I note that you tested a number of advertising campaigns from the Department of Education and found that they were not political, although the *Essential Learnings* campaign inevitably had a political impact.

In relation to recommendation 5, I note that in the Executive Summary you state that “There was little evidence of advertising being used for political purposes”. I question then, the necessity for an independent officer being appointed to investigate complaints of political advertising. Rather, I believe that your office is the appropriate place for investigation of issues surrounding the expenditure of public money, of which this audit is one example.

In relation to recommendation 6, I endorse your suggestion that future government contracts for advertising include a clause requiring prompt co-operation when there is a need to withdraw advertising from air. For the record, such a clause would not, of course, negate the need to pay for contracted advertising as such contracts are commercial arrangements, and agencies could not expect a broadcaster to suffer financially from such a withdrawal.

I endorse the other recommendations directly affecting the Department of Education.

Thank you for the opportunity to comment.

Secretary — Department of Economic Development, Tourism and the Arts

The Department of Economic Development, Tourism and the Arts (department) wishes to comment as follows:

Recommendations 4: We recommend that departments upgrade their communication storage procedures to ensure compliance with DPAC's Whole-of-Government Communications Policy.

Recommendation 7: We recommend that departments upgrade their website archival procedures to ensure compliance with state archival requirements and the various DPAC web-related guidelines.

The department has revised its communications protocols during the 2009 calendar year and is continuing to do so. Specific recommendations from the Tasmanian Audit Office have either been addressed already or will be part of this ongoing review. The department has identified improvements in communication storage, especially website archiving, and these improvements are currently being implemented.

Secretary — Department of Health and Human Services

Thank you for providing the Department of Health and Human Services (DHHS) with the opportunity to review and provide comment on the draft report to Parliament in particular section 3.4 – Media Releases.

The development of the revised DHHS website was completed in 2008. A new feature of the website was to use RSS technology to display news from various sources including the minister(s). The intent of the feature was to provide a superior news functions to the use; it was not to facilitate “political propaganda”.

Unfortunately, in October 2008 a media release of a political nature did appear on the website. As soon as it was brought to our attention it was removed immediately. To ensure this did not occur again the RSS feature on the site was removed and we reverted back to linking out to the Ministers, websites guaranteeing no media releases with political content will appear on the DHHS web site.

Secretary — Department of Premier and Cabinet

I am pleased to offer the following comments in relation to the recommendations in the report.

Recommendation 1

This recommendation is accepted.

I note your acknowledgement that government advertising has not been used to explicitly promote political parties or individual politicians, but the Department of Premier and Cabinet (DPAC) acknowledges that there is a need for more explicit guidelines and/or criteria to assist agencies in ensuring that communications material is not inappropriately political.

DPAC has already instigated a review of the Whole-of-Government Communications Policy. This review is part of the normal business cycle of DPAC and follows a review of the Style Guide and Logo Policy that was conducted 2008-09. The review of the Whole-of-Government Communications Policy will involve working groups with representation across government with relevant skills and knowledge in each area. Groups will be convened to examine major aspects of the policy including: advertising; research; sponsorship; corporate identity; web publishing and multimedia; and management and procurement.

In relation to ‘political advertising’ a research paper has already been produced which considers the recommendations of recent reviews in other jurisdictions, including the Commonwealth, New South Wales and New Zealand.

Recommendation 2

This recommendation is accepted, and will be included in the review of the Whole-of-Government Communications Policy.

Recommendation 3

In an organisational and budgetary sense DPAC includes the Premier’s Office, Government Communications Office and ministerial offices. Employees in these offices are not State Servants – they are appointed on Royal Prerogative instruments of appointment or they are State Servants who have been seconded out of the State Service and into a ministerial office. Their employment is not governed by the State Service Act, and their role is not apolitical.

DPAC provides logistical support for these offices (including staff, budget and financial support, facilities, computer and communications infrastructure etc). Specific funding is provided from public funds as part of the Budget, under the Ministerial and Parliament Support outputs. In this legitimate role, DPAC hosts the web sites for the Premier and the Government Communications Office (www.media.tas.gov.au). It is clear that these web sites are not the web sites of the departmental business units.

DPAC also notes that in other jurisdictions it is usual for government entities to host, or at least fund, similar web sites for the incumbent Government. In all jurisdictions, they are a primary source of Government policy announcements, and as such a valuable resource and information tool for public servants as well as the general community.

In relation to general departmental sites DPAC will, in addition to updating the Whole-of-Government Communications Policy, also review the Tasmanian Government Web Publishing Framework to ensure any relevant guidelines or policies refer to the Whole-of-Government Communications Policy for clarity on appropriateness of content.

Recommendation 4

DPAC supports your assertion that agencies should have in place procedures to meet the requirements of the Whole-of-Government Communications Policy. DPAC's own communications procurement and project management processes, which were formalised in 2006 following the establishment of its Marketing Services Panel, ensure that these requirements are met.

Recommendation 5

Parliament is yet to consider the legislation to establish the Integrity Commission, and the final scope and coverage of the Commission is not yet known. Consideration of this recommendation is best left until after the Integrity Commission is established, though DPAC notes that there are existing mechanisms such as the audit of the Right Here Right Now campaign that can already deal with complaints about the content of, and use of public funds for, advertising if necessary.

Recommendation 6

DPAC supports the intent of this recommendation, ie that agencies should plan to ensure advertising can be withdrawn if necessary upon calling of an election of the House of Assembly. However, this responsibility is not best met by assigning responsibility to a third-party, via a contract, but by improving agency planning. Discussion with advertising agencies, who are normally intermediaries between Government agencies and broadcasters and publishers, confirms that withdrawal timeframes vary depending on the medium (television, billboards, press, magazines etc) and agencies will need to consider this variable when designing media schedules in the lead up to an election, particularly as withdrawal of material can incur a cancellation fee. DPAC also notes the Government's intention to fix the terms of the House of Assembly,

making the timing of elections more predictable in future and will reduce the likelihood of 'short-notice' early elections.

To meet the objective of this recommendation, DPAC will provide guidelines for agencies in preparing communications programs, particularly media schedules, in the lead up to elections and cancelling programs when required.

Recommendation 7

DPAC is currently reviewing its own web archiving capabilities in relation to the requirements of the Archives Act 1983 and the Tasmanian Government Web Publishing Framework. A process is required that meets the requirements of the Act as they apply to the business of the Department and is compatible with the electronic document management system and website content management system used by this Department. The outcomes of this review will be shared with other Government agencies who are also seeking solutions to this archiving issue.

The Tasmanian Brand project

Introduction

In accordance with section 30(2) of the *Audit Act 2008*, a copy of this report, or relevant extracts of this report, were provided to the government departments and individuals indicated below.

The comments and submissions provided are not subject to audit nor the evidentiary standards required in reaching an audit conclusion. Responsibility for the accuracy, fairness and balance of those comments rests solely with those who provided a response or comment.

Submissions and comments received

Secretary — Department of Economic Development, Tourism and the Arts

Recommendation 3: We recommend that Government should continue to explore opportunities to use the TV commercial and DVD.

The scope of the then Tasmania Brand (project) was to improve the Tasmanian Brand by promoting Tasmania as a great place to live and work, study, visit, invest and trade (The five themes of the project).

The former Tasmania Brand Project was renamed 'Project Tasmania' in July 2009. The scope of the project has changed and a revised strategic plan for the project has been developed.

The objectives of the project are:

1. Australians have a an improve contemporary perception of Tasmania
2. Tasmanians are able and likely to act as ambassadors for the State.

These objectives will be achieved through the following strategies:

- a funding program named 'This is Tasmania', which focuses on the 'Live and Work' and 'Study' themes
- the implementation of a digital communications strategy
- the conduct of a benchmark study to measure perceptions of Tasmania (nationally and in Tasmania).

The digital communications strategy will include using the 'This is Tasmania' website portal, linked with innovative use of social media and digital distribution channels to engage target audiences.

The full strategy is yet to be developed and the department will explore opportunities to use the television commercial and DVD as part of this strategy.

Conclusion: We were not satisfied that either DPAC or DEDT have to date maximised benefits from the Right Here Right Now expenditure incurred. As recommended, Government should continue to explore opportunities to use the TV commercial and DVD.

The revised Tasmania Brand project is now delivering on the planned projects, and as noted above, the department will continue to explore opportunities to use the television commercial and DVD.

Thank you again for providing the department with the opportunity to comment.

Secretary — Department of Premier and Cabinet

Recommendation 1

This recommendation is accepted on the basis that orders for goods and services can be placed in the knowledge that an appropriate authority (Cabinet, the Treasurer or the responsible Minister as they case may be) has indicated that funds will be available.

DPAC also notes that Departments are allocated global budgets and can divert funds to meet changing priorities as they conduct their business (within the confines of the budget management guidelines, eg Treasurer's approval required to transfer funding greater than 20% of the Output budget from an Output).

As you are aware there is also the formal Request for Additional Funds (RAF) process. Under the current process it is often not until late June when Departments receive confirmation of additional funds being available – usually well after the expenditure has been incurred.

Recommendation 2

DPAC's existing procedures are that "employees do not exceed their delegations". Authority to exceed a delegation is not validly given, a person with a higher level of delegation needs to authorise expenditure. If required for a legitimate reason, a new delegation to an agreed level would be issued to the employee concerned. The audit has identified a non-compliance with our current approved procedures, but those procedures do not require alteration. I also note your comment that that "three sources independently confirmed that the Director Communications had the appropriate authority to place the Official Order and to authorise associated invoices."

Communications by Government — Introduction

Communications by Government — Introduction

Background

Government communications include advertising in the media, use of websites, distribution of printed materials and the seeking of public feedback. Annually, the government, via its public service departments, expends significant public funds on communications (\$22.1 M was budgeted for advertising in 2008–09).

Such communications are needed for many legitimate purposes, for example:

- informing the public of their obligations under the law, especially in the case of new or amended legislation
- promoting public awareness of rights, responsibilities, duties or entitlements
- advertising government products, services and programs
- encouraging targeted business activities such as tourism
- promoting information about social issues such as anti-smoking campaigns, dangers of drink driving, etc.
- seeking information from the public about service delivery.

By contrast, taxpayer-funded government communications should not be conducted for party political purposes and the audit was concerned with whether that had occurred and what mechanisms existed to prevent this from occurring.

We sought a model of best practice guidelines in planning the audit. The example that we selected came from the Australian Government, namely the Department of Finance and Deregulation: *Guidelines on Campaign Advertising by Australian Government Departments and Agencies* published in June 2008.

Guidance

The principle that public funds should not be used for political purposes is enshrined in the following:

- The *State Service Act 2000* requires that, ‘the State Service is apolitical, performing its functions in an impartial, ethical and professional manner’².

² Section 7 *State Service Act 2000*.

- The *Tasmanian Government Members Handbook* indicates that the public service may not assist with political activities or engage in activities designed to further the interests of the governing party³.
- The *Code of Conduct: Government Members of Parliament* specifies that it is improper to encourage a public servant to act unethically or engage in political activity during work time or using public resources⁴.

Department of Premier and Cabinet (DPAC) has developed the *Whole-of-Government Communications Policy* (WOGCP) to provide guidance on acceptable content and preparation of government communications.

Audit objective

The objectives of the audit were to draw conclusions on whether:

- government expenditure on communications has been used for party political purposes
- guidelines were sufficient to prevent the use of government communications, advertising and community surveys for political purposes
- there was compliance with existing caretaker conventions in Tasmania.

Audit scope

Based on expenditure data, we selected four departments for detailed examination of communications, advertising campaigns and surveys for the period 2004–2008. Those departments were:

- Economic Development and Tourism
- Education
- Health and Human Services
- Premier and Cabinet.

The audit excluded non-campaign advertising such as job advertisements, public notices and tenders. We did not examine the benefits or otherwise of advertising.

³ The *Tasmanian Government Members Handbook* Version 3, p8.

⁴ *Code of Conduct: Government Members of Parliament, 2006*, p4.

Audit criteria

We applied the following audit criteria:

- Has government expenditure on advertising been used for political purposes?
- Have departmental websites been used for political purposes?
- Are current guidelines sufficient to prevent the use of government advertising and surveys for political purposes?
- Have communications campaigns and websites complied with caretaker conventions?
- Have community surveys been used for political purposes?

Audit approach

Conduct of the audit entailed the following activities:

- analysis of expenditure on advertising, communications and surveys from departments
- collation and examination of advertising materials and examples of communications
- review of the content of data supplied against the audit criteria.

Timing

Planning for this compliance audit began in December 2008. Fieldwork was completed in July 2009 and the report finalised in September 2009.

Resources

The total cost of the combined audit (including the *Tasmania Brand* project but excluding production costs) was \$149 900.

1 Guidelines

1 Guidelines

1.1 *Background*

We wanted to know whether there were adequate guidelines to discourage the use of taxpayer-funded advertisements, websites and surveys for political purposes. We also tested compliance with the requirements of caretaker conventions.

1.2 *Advertising guidelines*

DPAC's *Whole-of-Government Communications Policy* (WOGCP) was created to help all departments regarding content and preparation of government communications. With respect to advertising, WOGCP requires the following:

Public funds must not be used to purchase advertising in support of a political party, and Tasmanian Government advertisements in any electronic medium must be clearly distinguishable from party-political messages.⁵

Our concern with this requirement is that it provides insufficient direction as to what constitutes 'support of a political party'. In Chapter 2, we argue that in some circumstances advertising can be political where it promotes a prominent government policy or program.

To effectively deter political advertising, we believe that more specific guidelines are needed, for example:

- Advertising should have a genuine non-political purpose such as providing information on government services.
- The information presented in a campaign should not include party-political slogans or images.
- Additionally, information presented as factual, should be based on accurate, verifiable facts, and expressed in conformity with those facts.

Recommendation 1

We recommend that DPAC develop more specific guidelines for avoiding political advertising using materials such as the *Guidelines on Campaign Advertising by Australian Government Departments and Agencies*.

⁵ Section 4.1.7 *Whole-of-Government Communications Policy*

1.3 *Survey guidelines*

Social market research [i.e. a survey] is used to gain a better understanding of Tasmanian society and to identify the needs, expectations or emerging concerns of members of the community.

WOGCP requires that copies of final survey reports should be deposited with the State and national Libraries; made available to other government agencies where relevant and released to the public on request.

While the requirements are reasonably clear, we had some concerns:

- no time stipulation for compliance
- does not cover the situation where survey materials contain confidential matters
- lack of direction regarding political content.

Recommendation 2

We recommend that DPAC amend Section 4.3.3 of *Whole-of-Government Communications Policy* to:

- **stipulate a time period of 90 days for compliance with the disclosure provisions of the Section**
- **allow confidential information to be excepted from the ‘make public’ requirements of the Section**
- **give explicit direction that surveys be non-political in nature and have a genuine non-political purpose.**

1.4 *Websites*

DPAC has published *Tasmanian Government Web Publishing Framework Web Content Management Guidelines*. The guidelines discuss a number of management matters such as roles, responsibilities, update processes and legal implications. However, as with WOGCP, there is no direction regarding political content with respect to websites.

Recommendation 3

We recommend that DPAC policies give explicit direction that websites not include political content.

1.5 *State election caretaker conventions*

The caretaker period begins at the time the House of Assembly is dissolved and continues until the election result is clear or until the new government is appointed.

DPAC's *Tasmanian State Election Caretaker Conventions* (SECC) aim to protect the apolitical nature of the state service during an election campaign by avoiding the use of State Government resources in a manner to advantage a particular party. SECC includes the following requirements:

- Generally, campaigns which address issues that are controversial between the major political parties would normally be discontinued.
- Agencies should avoid active distribution of material if it promotes Government policies.

In addition, WOGCP requires agencies to carefully consider any campaign advertising conducted by them during State Government elections to ensure that it does not have political content.

We were satisfied that SECC and WOGPC adequately outline conventions of the caretaker period.

1.6 *Conclusion*

Existing DPAC guidelines are not explicit enough to prevent the use of government communications for political purposes.

2 Advertising

2 Advertising

2.1 *Background*

The Tasmanian government, via public service agencies, expends significant public funds on advertising annually. In the 2008–09 Budget Papers, \$22.1 M was set aside for advertising and promotion. Our concern is that this expenditure benefits Tasmanians and does not promote political interests, influence voter behaviour or present biased or unsubstantiated information.

The question we sought to answer was whether government expenditure on advertising had been used for political purposes? Detailed criteria that we used to make this assessment were:

- Are the objectives of the campaign non-political and relevant to the issuing authority?
- Is the content free of references to the party in government, political content, party political logos and slogans, and free of the derisive opinions of the activities of the opposition or others?
- Is the material free of content designed to influence public support for a political party, a candidate for an election, a Minister or a Member of Parliament?
- Does the campaign provide information about services and programs and are there non-political actions that the advertisements attempt to instigate or encourage?
- Does the message compromise normal government decision-making processes? Is it accurate and objective?

2.2 *Data collection*

We obtained records of expenditure on advertising from departments, for the period 2004 to 2008, and selected major campaigns from those records. We then requested invoices, contracts, creative briefs, strategy documents, advertising materials and information about when the advertisements were circulated.

Data collection for this audit was impeded by poor record keeping. Despite the existence of a whole-of-government policy which requires maintenance of a register or record of all publications, contact officers found the task of providing data to be onerous and time consuming. In some instances, records were only available from advertising agencies.

Retrieval of electronic data was a particular difficulty, with some departments overly reliant on public-domain internet services instead of in-house record keeping mechanisms.

Recommendation 4

We recommend that departments upgrade their communication storage procedures to ensure compliance with DPAC’s *Whole-of-Government Communications Policy*.

2.3 *Findings*

We tested the following advertising campaigns from the four departments, mostly on the basis of expenditure exceeding \$100 000 and the possibility of political content:

- Department of Education (DoE): *Essential Learnings, Training ... Tasmania’s Future, Tasmanian Skills Campaign, Premier’s Reading Challenge and Tasmania Tomorrow*
- Department of Premier and Cabinet (DPAC): *Tasmanian Brand, Pulp mill, Companion Card Program, Seniors Week 2008, Earn Your Stars-Climate Change, Service Tasmania, Seniors Card*
- Department of Economic Development and Tourism (DEDT): *Brand Tasmania, Tasmanian Brand, Get Moving, Pulp Mill Task Force, Antarctic Tasmania, Screen Tasmania* and various export and development campaigns
- Department of Health and Human Services (DHHS): *Community Care, Recruitment — Do Something Different, Home Folio, Future Health and Retention.*

We found that the majority complied with all our sub criteria and were clearly not political. However, the following campaigns came in for closer scrutiny and are discussed below:

- *Training ... Tasmania’s Future*
- *Essential Learnings*
- *Right Here Right Now*
- Pulp mill proposal.

2.3.1 *Training ... Tasmania's Future (Department of Education)*

The *Training ... Tasmania's Future* campaign was designed to address skill shortages and provide more options in education and training, and more support for young people leaving school.

The advertising expenditure was fast-tracked, with the approval of Treasury, based on the argument that there was an urgent need to provide training information for potential students.

On the other hand, we found that the advertisement provided valuable information to potential students and was free of political content. On balance, we considered that the advertisement was not party political.

2.3.2 *Essential Learnings (Department of Education)*

Essential Learnings (ELs) stemmed from a government initiative in December 2000 that sought to develop a new school curriculum for the 21st century. After years of development and considerable investment, full-scale implementation of ELs commenced at the beginning of 2005.

However, there was significant community scepticism. Public controversy erupted over criticisms raised by parents concerning 'convoluted' language in brochures disseminated in August 2005. In an attempt to promote the new curriculum and assessments to parents, the government subsequently launched a six-week television campaign, supported by a widely distributed CD. Following the 2006 state election, the decision was taken to abandon the ELs program.

We found that the campaign had no overtly political content such as references to a party or to a Minister. Instead, it was intended to promote ELs, address negative perceptions and affirm government's commitment to the program. In our view, it is not unreasonable that governments use advertising to promote a service to potential users (e.g. students) or to seek credibility with users (e.g. potential employers).

In the case of ELs, the timing was reasonable to achieve the above goals. So, although the advertisements inevitably had a political impact, it is hard to argue that there was no genuine purpose.

That situation highlights the difficulty of developing guidelines that will prevent political advertising. Perhaps for that reason, the Commonwealth has introduced a requirement for the Auditor-General to vet proposed government advertising. This approach —

using an independent party — is one way to deal with the high degree of subjectivity in such decisions.

Recommendation 5

We recommend that an independent officer (or the recommended Integrity Commission) be appointed to investigate complaints of political advertising.

2.3.3 Right Here Right Now (DPAC)

As part of a program commenced in 2004, the proposed *Right Here Right Now* campaign was championed by the former Premier and was intended to encourage:

- Tasmanians to become strong ambassadors for the state
- Australians to visit, invest in, or move to Tasmania by increasing brand awareness.

The campaign was subsequently axed by the new Premier.

A lack of detailed formal records such as strategy documents, design briefs and details to support invoices was particularly evident for this campaign. Nonetheless, *Right Here Right Now* campaign was not political in content. This campaign is discussed further in a separate section of this Report titled *The Tasmanian Brand project*.

2.3.4 Pulp mill proposal (DPAC and DEDT)

In 2003, a private forestry firm, Gunns Ltd, applied for a licence to construct and operate a pulp mill in northeast Tasmania. The proposal was referred to the Resource Planning and Development Commission, (RPDC) in November 2004 for assessment.

During the RPDC assessment period, the government commissioned a series of cross-media advertisements. A Pulp Mill Taskforce was also established (to facilitate the development of a pulp mill) and its actions included a bus that travelled around Tasmania ostensibly distributing information such as various bumper stickers and promotional CDs. The RPDC expressed concern that its independence would be compromised in the eyes of the public and the assessment process would be seen to be contaminated by the Taskforce's activities.

In March 2007, Gunns Ltd withdrew from the RPDC process and a controversial substitute assessment took its place. Both houses of Parliament subsequently approved the pulp mill.

It was suggested that possible motivations included provision of factual information and advice on the approval process.

Nonetheless, the only objective that we could see to the bulk of

advertising and bus content was to ‘win hearts and minds’ in favour of a prominent government policy. We could not identify any intended action or improved understanding for the public.

It should also be noted that the majority of advertising expenditure was committed during the RPDC process and ran the risk of compromising normal government decision-making processes. Many of the advertisements and bus materials were distributed approximately 12 months prior to the state election. We also noted that they contained images of and statements from the Premier and the Minister for Economic Development.

While the campaign advertising was not overtly political in that the governing party was not named, it heavily promoted a flagship project supported by the government and inevitably had political impact.

We re-state Recommendation 5:

We recommend that an independent officer (or the recommended Integrity Commission) be appointed to investigate complaints of political advertising.

2.4 *Caretaker conventions — compliance problems*

In 2006, the caretaker period ran from 23 February–3 April. Normally, government advertising with potentially political content should be curtailed for the duration of the caretaker period as stipulated by SECC.

On the day that the election was declared, three departments acted correctly to withdraw some advertisements from distribution and airplay. We investigated particular difficulties encountered by DoE and DHHS when commercial broadcasters in Tasmania did not comply with agency requests for immediate withdrawal. Consequently, advertisements judged by departments to be non-compliant continued to be aired for several days.

We were satisfied that agencies had acted promptly to comply with the caretaker convention.

Recommendation 6

We recommend that departments ensure that future government contracts for advertising include a clause that requires prompt cooperation when there is a need to withdraw advertisements from air.

2.5 Conclusion

Government advertising has not been used to explicitly promote political parties or individual politicians.

Two prominent government policies, namely ELs and the pulp mill, were the subject of extensive advertising campaigns and inevitably had a political impact. In the case of ELs, there was arguably a non-political justification for the advertising but not so for the bulk of pulp mill advertising.

Notwithstanding, there was little evidence of advertising being used for political purposes.

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3 Websites

3 Websites

3.1 *Background*

Government maintains websites as gateways to information about departmental services, products and industries. Homepages allow the user to browse pages and download information, forms and brochures. Our objective was to investigate whether departments used websites for political purposes. In particular we wanted to know:

- If the content was derisive of the opinions or activities of the Opposition or others?
- Was the content accurate and objective?
- If the party in government was referred to by name in the webpage material?
- If the material was designed to influence public support for a Minister, Member of Parliament, political party or election candidate?

3.2 *Data collection*

DPAC and Archives Office guidelines require web content to be effectively managed and archived. We asked departments to email links to their electronically stored web communications or to provide copies in other formats, such as CD/DVDs and portable hard drives.

In general, departments were unable to fully comply with our requests because they had not effectively archived web pages. The four departments reviewed were fortunate that, by default, we were able to recover additional web content using Internet retrieval facilities.

Recommendation 7

We recommend that departments upgrade their website archival procedures to ensure compliance with state archival requirements and the various DPAC web-related guidelines.

3.3 *Findings*

We reviewed the content of agency homepages and other relevant pages from 2004 to 2008. We also looked at the homepages of selected advertising campaigns, and reviewed the web pages of downloadable publications and communications. Web content that we reviewed included information distributed via the Internet during

and adjacent to the caretaker period, and during the conduct of significant government decision-making processes.

We found few examples of political content on websites. An exception was the presence on the pulp mill website of numerous pro-mill materials similar to those on the Pulp Mill Task Force bus that we mentioned in Section 2.3.4. The other exception that we noted was DPAC's media website that is further discussed in Section 3.4.

3.4 *Media releases*

In October 2008, there were complaints that the Minister for Health was using the department's website to 'disseminate political propaganda' through links to media releases of a political nature. Those links were subsequently removed.

We also looked at media releases by government departments and Ministers that are posted to the government's central website <www.media.tas.gov.au> maintained by DPAC. Our testing encompassed 500 media releases, issued daily over a four-month period from late 2008 into early 2009. In total, 15% had derisive comments, examples included:

False claims from the Luddite Green Senator ... Mrs Milne has not yet emerged from the 1980's debates. She is demonstrating to the world that she doesn't have a clue about modern technology ... Senator Milne has her head in the sand⁶.

Mr Hodgman's lazy and populist approach to politics results in his continued ill informed and superficial contribution to public debate in Tasmania⁷.

Greens are irresponsible and don't care ... They are completely irresponsible, unaccountable and just don't care about Tasmania. They are driven by their desire to pull stunts and to damage Tasmanian businesses, the Tasmanian economy and Tasmanian jobs in any way they can⁸.

Difficult economic and financial times require a capacity to provide a considered, informed, prudent and strong response, an approach which Mr Gutwein seems completely incapable of taking⁹.

⁶ Extracts from a media release, 18 August 2005 from the Minister for Economic Development (then Lara Giddings MP).

⁷ Extracts from a media release, 23 January 2009, Graeme Sturges, MP, Minister for Infrastructure.

⁸ Extracts from a media release, 20 November 2008, Michael Aird, MLC, Treasurer.

⁹ Extracts from a media release, 7 December 2008, Michael Aird, MLC, Treasurer

At this point, we restate Recommendation No 3:

We recommend that DPAC policies give explicit direction that websites not include political content.

3.5 *Conclusion*

Generally, we found that departmental websites were free from political content. Exceptions included the Pulp Mill task Force, DPAC's media website and a one-time breach on the DHHS website.

4 Surveys and market research

4 Surveys and market research

4.1 Background

Government surveys are a form of market research and provide valuable feedback on quality and potential problems with service delivery to the public. The WOGCP guidelines state that:

social market research ... may be used to assess the public's response to proposals or to possible changes ... to assess the effectiveness of policies, programs and services; to measure progress in service improvement.¹⁰

We looked at survey and market research documents from three departments in order to ascertain whether surveys had been used for party political purposes. In particular:

- Did surveys assess effectiveness of policies and programs or the progress in improving services?
- Had results been made available to the public (and have the results been stored in the State library)?
- Did surveys meet the WOGCP guidelines (including sharing information with relevant agencies)?¹¹

4.2 Royal Hobart Hospital — DHHS

We were provided with an example from DHHS that showed how market research can proceed, in compliance with guidelines. In this case, DHHS had obtained feedback about health care. The information gathered was applied to service design, and later made available publicly.

In September 2006, DHHS commissioned *The Royal Hobart Development Plan Study* (Gargett report). It cost the government \$393 000, and investigated future health needs of the Tasmanian community. Whilst there was no large-scale survey using a questionnaire, the consultative phase of research for the Gargett report had included:

gaining an understanding of visions for the future from user group representatives and senior DHHS management. Specific issues ... have been explored with Local Authorities, Service providers and suppliers¹².

¹⁰ Section 4.3.3 *Whole-of-Government Communications Policy* – Version 9, July 2008

¹¹ Refer to Section 1.3 for our assessment of DPAC guidelines on surveys and market research.

¹² *The Royal Hobart Hospital Development Planning Study* Conrad Gargett Architecture, Brisbane, 2006

Ultimately, the full report was not widely circulated on the grounds that it was vital to preserve business confidentiality following stakeholder disclosures. We found that explanation to be satisfactory and noted that the department posted a copy of the executive summary from the Gargett report on its website.

Three months later, in December 2006, the Minister for Health launched a discussion paper and 500 hard copies were made available at information sessions around the state¹³. Submissions received provided input to the *Primary Health Services Plan*.

Two months after that, DHHS publicly released a *Clinical Services Plan Issues Paper* that posed six targeted questions. The 168 responses received from state-wide groups, provided information for the *Clinical Services Plan May 2007*. All these papers and plans were made available on the Internet.

We were satisfied that DHHS complied with WOGCP and TGWS guidelines (see also Section 1.1 and 1.2 of this Report).

4.3 *Biotechnology Report — DEDT*

We examined the background to the *Biotechnology Report 2007 - BioVision Tasmania 2007–2015 Strategy*¹⁴. This report was made available publicly online and met government web publishing standards. The process of information gathering was similar to that of DHHS. From October 2004 to February 2005, the report research involved a survey and consultative phase and collection of submissions. The survey included but was not limited to questions about state image and infrastructure needs¹⁵.

We were satisfied that DEDT complied with WOGCP and TGWS guidelines (see also Section 1.1 and 1.2 of this Report).

4.4 *Tasmanian community surveys — DPAC*

In the lead up to this audit, there were some concerns expressed by Opposition parties that *Tasmanian Community Surveys* commissioned by DPAC did not comply with government guidelines about content and distribution of information to the public. From February 2007 to August 2008 there were thirteen surveys at a total cost of \$195 000.

DPAC received raw data and summaries from the research contractors. Papers based on that information went to Cabinet on a

¹³ For sites of information sessions see p 135, *Primary Health Services Plan*. An unknown number of papers were downloaded from the web.

¹⁴ http://www.development.tas.gov.au/__data/assets/pdf_file/0005/3929/TasBiotechAudit05.pdf

¹⁵ *BioVision Tasmania 2007–2015 Strategy*, p15.

monthly to quarterly basis. DPAC also made the survey findings available to the Tasmania *Together* Progress Board to measure progress against Tasmania *Together* benchmarks. In October 2008, within weeks of the survey ending, DPAC uploaded survey results to the Internet.

We were also satisfied that DPAC made the results available to another government entity and complied with WOGCP and TGWS guidelines.

4.5 *Conclusion*

Government surveys had not been used for political purposes.

The Tasmanian Brand project — Introduction

The *Tasmanian Brand* project — Introduction

Background

In September 2007, an advertising initiative was developed to support previous *Tasmanian Brand* campaigns and given a budget of \$18 M over three years. In essence, the new campaign aimed to encourage Tasmanians to become positive about their State, its benefits and values and to be strong ambassadors for Tasmania.

During 2007–08, spending on the campaign amounted to \$1.6 M. Subsequently, the Premier at the time decided to axe the campaign prior to any advertising having occurred.

Following media reports in early July 2009 that suggested public funds had been expended on a ‘feel good advertisement that will never be aired’¹⁶, we initiated an audit.

Audit objectives

The objectives of the audit were to:

- assess compliance with Treasurer’s Instructions (TIs) relating to incurring public expenditure.
- determine whether maximum benefits from the expenditure were achieved.

Audit scope

The audit focussed on the *Tasmanian Brand* project including its forerunner the *Right Here Right Now* campaign.

The audit covers the period commencing in September 2007 to 30 June 2009.

Audit criteria

We assessed compliance with the following Treasurer’s Instructions:

- *TI 1103: Procurement Delegations and Authorisations: goods and services*
- *TI 701: Certifying Officers.*

We also sought to determine whether the abandoned campaign had yielded the maximum benefits under the circumstances.

¹⁶ Quote from *The Mercury* newspaper on Wednesday 1 July 2009

Audit approach

To conduct the audit we examined documentation relating to:

- both the *Tasmanian Brand* project and the *Right Here Right Now* campaign including a Cabinet submission
- budgeted and actual expenditure for 2007–08 and 2008–09.

We also interviewed relevant people.

Timing

Planning for this compliance audit began in July 2009. Fieldwork was completed in August and the report finalised in September 2009.

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1 Compliance with TIs

1 Compliance with TIs

1.1 Background

In this Chapter, we audit compliance of the *Right Here Right Now* project against the Treasurer's Instructions. In particular, we were concerned with whether:

- funding had been properly approved
- expenditure incurred had not exceeded delegations
- payments had been properly certified.

1.2 Was funding properly approved?

Financial year 2007–08

In September 2007, discussions were held between the Premier's Office and Clemenger (the advertising contractor) concerning a DVD about Tasmania which would support previously developed *Tasmanian Brand* campaigns. Eventually, that idea gave rise to the *Right Here Right Now* campaign.

Normally, government expenditure is on the basis of appropriations approved as part of the state's budget cycle. However, in this case, normal budgetary processes were not followed.

Initially, the Director, Communications — a member of the Premier's Office staff — was given the task of creating the branding campaign and instructed to proceed to production. Despite there being no budget, an Official Order for \$4 M was placed and \$1.6 M of expenditure actually incurred in 2007–08. The unbudgeted expenditure was subsequently covered by a *Request for Additional Funds* (RAF), a mechanism that is normally used where the budget has been overspent. While we examined the RAF approval process and found it consistent with normal practice, we consider that it was inappropriate to commit and incur expenditure when no budget existed.

When we raised this matter with the Treasurer, he acknowledged the deficiency but noted that he had initiated a compensating reduction in future expenditure on the Project.

Recommendation 1

We recommend that orders for goods and services should only be placed in the knowledge that budgeted funds are available.

Financial year 2008–09

DPAC's intention had been to develop a submission on the *Right Here Right Now* for consideration by Cabinet in January 2008. However that project was abandoned with the Minister for Economic Development and Tourism taking over responsibility for a new project titled *Tasmania Brand*. In April 2008, the Minister submitted a Cabinet Minute, now covering the revised project with solid governance structures — originally seeking \$16.4 M over three years¹⁷. As part of developing the Cabinet Minute, as is normal, advice was sought from relevant agencies:

- DPAC — supported the Cabinet Minute noting that \$1.6 M had already been incurred.
- Treasury — did not support the project and recommended its referral to Budget Committee to enable detailed review and consideration.

Although Cabinet approved the project, the 2008–09 budget process saw the amount reduced to \$8 M over the three years. We noted that further adjustments were made later and the three-year budget further reduced to \$3.8 M.

1.3 Was expenditure incurred in accordance with delegations?

As noted in Section 2.2, the Director of Communications placed an Official Order for \$4 M with Clemenger in 2007–08 for *Right Here Right Now*. We found that that officer held a delegation of \$150 000 from DPAC and that some of the Clemenger invoices exceeded this person's delegation.

On further inquiry, three sources independently confirmed that the Director, Communications had the appropriate authority to place the Official Order and to authorise associated invoices. We note the then Premier was kept informed of the project and its development. But, we found no documented evidence of an authority from him.

¹⁷ The original proposal called for a budget of \$18 M but the Treasurer's offset of \$1.6 M lowered the amount to \$16.4 M.

Recommendation 2

We recommend that the Department of Premier and Cabinet revisit its procedures to ensure that:

- **employees do not exceed delegations without written authority**
- **any authority to exceed a delegation be documented.**

1.4 *Were payments properly certified?*

Whilst the Official Order and associated invoices were outside the written delegated limit of the Director of Communications, all invoices relating to the *Right Here Right Now* campaign were certified by DPAC staff with the delegated authority to do so.

1.5 *Conclusion*

Payments had been correctly certified and other procurement processes had complied with Treasurer's Instructions. However, we noted that costs were incurred prior to a budget allocation and we could find no written authority for instances of delegations being exceeded.

2 Did Government get maximum benefit?

2 Did Government get maximum benefit?

In light of the axing of the *Right Here Right Now* campaign, it is not realistic to expect the government to have obtained full value for its expenditure. Nonetheless, we focused on verifying that the government had maximised benefits from the work commissioned for both projects.

2.1 Expenditure in 2007–08 (*Right Here Right Now*)

Table 1 shows expenditure in 2007–08 and subsequent use of the goods and services procured.

Table 1: *Right Here Right Now* expenditure in 2007–08

Goods and services	Expend. \$'000	Result
Planning, concept development and management fees	54	Sunk cost
Acquisition of nine plasma screens	25	All transferred to DEDT and in use there
Development of TV commercial and DVD (plus fee for music rights)	432	Possible use in any future brand campaign (NB \$25 000 for cancellation fee for music rights was a sunk cost)
Media planning	20	Sunk cost
Media spend (SBS)	700	Used by Tourism Tasmania (TT) in its media campaigns: \$250 000 on TT Spring/Summer campaign 2008 \$46 615 on TT Feb 2009 Autumn/Winter campaign \$400 580 on TT Mar to May 2009 Autumn/Winter campaign
Fit out of an interactive information bus – to facilitate the recording of messages and their subsequent use in the DVD and elsewhere to “sell Tasmania”.	84	Information bus is on loan to a non-government organisation — community benefit

Development of a purpose-based website	15	Sunk cost
Research to benchmark and monitor the program	18	A national benchmark study was undertaken
Other costs incurred by the Premier's Office and DPAC not separately specified	172	Includes GST of \$138 000 and costs associated with both the <i>Right Here Right Now</i> and <i>Tasmanian Brand</i> campaigns
Costs incurred by DEDT post 18 April 2009	76	Administration and management
Total	1596	

Of the \$1.6 M spent in 2007–08, \$1.4 M has provided or may provide benefit to the Government. Sunk costs totalled \$89 000 (5.6%).

Recommendation 3

We recommend that Government should continue to explore opportunities to use the TV commercial and DVD.

2.2 *Expenditure in 2008–09 (Tasmanian Brand)*

Table 2 shows expenditure in 2008–09 and subsequent use of the goods and services procured.

Table 2: Tasmanian Brand expenditure in 2008–09

Goods and services	Expend. \$'000	Result
<i>Savour Tasmania</i> (27–31 May 2009)	370	Event held
Project team, executive and support	325	Administration and management
Visual identity (development of the Tasmanian Brand mark by the Brand Tasmania Council with one off funding from DEDT)	234	Potential for ongoing use
Sponsorship via Brand Tasmania Council of renowned chef Tetsuya Wakuda (continuation of existing program)	100	Achieved

<i>Population 500 000</i> celebration in December 2008	97	Achieved
<i>G'Day USA</i>	100	Achieved
Brand communications campaign including development of a website — development of key messages for all strategic communications	579	Aligned to <i>Tasmanian Brand</i> objectives
Other expenses	69	Administration and management
Total	1874	

The *Tasmanian Brand* project is a work in progress and has delivered planned projects.

2.3 *Conclusion*

We were not satisfied that either DPAC or DEDT have to date maximised benefits from the *Right Here Right Now* expenditure incurred. As recommended, Government should continue to explore opportunities to use the TV commercial and DVD.

Recent reports

Recent reports

	Tabled	Special Report No.	Title
Aug	2006	61	Elective surgery in public hospitals
Nov	2006	62	Training and development
Nov	2006	63	Environmental management and pollution control act by local government
Nov	2006	64	Implementation of aspects of the <i>Building Act 2000</i>
Apr	2007	65	Management of an award breach Selected allowances and nurses' overtime
Jun	2007	66	Follow-up audits
Jun	2007	67	Corporate credit cards
Jun	2007	68	Risdon Prison: Business case
Oct	2007	69	Public building security
Nov	2007	70	Procurement in government departments Payment of accounts by government departments
Nov	2007	71	Property in police possession Control of assets: Portable and attractive items
Apr	2008	72	Public sector performance information
Jun	2008	73	Timeliness in the Magistrates Court
Jun	2008	74	Follow up of performance audits April – October 2005
Sep	2008	75	Executive termination payments
Nov	2008	76	Complaint handling in local government
Nov	2008	77	Food safety: safe as eggs?
Mar	2009	78	Management of threatened species
May	2009	79	Follow up of performance audits April – August 2006
May	2009	80	Hydro hedges
Jun	2009	81	Contract management
Aug	2009	82	Head of Agency contract renewal

Current projects

Current projects

Performance and compliance audits that the Auditor-General is currently conducting:

Title	Subject
Profitability, and economic benefits to Tasmania, of Forestry Tasmania	Evaluates Forestry Tasmania's long-term financial and economic performance.
Speed detection devices	Evaluates Tasmania's speed detection devices enforcement program looking at the efficiency and effectiveness of the program.
Teaching of science in public high schools	Examines the quality of science teaching in Tasmanian high schools.
Public service productivity	Looks at the trends, prevention and management of stress leave, long term sick leave, suspension and poor performance. Also considers broad public sector efficiency measures.
Employment of family members by Members of Parliament	Examines process applied when recruiting staff in Electoral offices and in the offices of Ministers.
Major works procurement: Nation building, TI 1214 and TI 1299	Will assess Tasmania's public sector preparedness to comply with the Commonwealth's nation building funding requirements. Also examines public sector compliance with Treasurer's Instructions: <ul style="list-style-type: none">• 1214: <i>Agency Procurement Audit Requirements: building and construction/roads and bridges</i>• 1299: <i>Procurement for projects impacted by Nation Building and Jobs.</i>