

Annual Plan 2025-26

Including additional information on
our longer-term strategy and key
performance indicators

This Annual Plan covers the period from 1 April 2025 to 31 March 2026 and includes additional information on our longer-term strategy and key performance indicators. It has been jointly prepared by the Auditor General for Wales and the Chair of the Wales Audit Office. The Plan is laid before the Senedd in accordance with the requirements of the Public Audit (Wales) Act 2013.

Audit Wales is the collective name for the Auditor General for Wales and the Wales Audit Office, which are separate legal entities with their own legal functions. Audit Wales is not a legal entity. Consequently, in this Plan, we make specific reference to the Auditor General or Wales Audit Office in sections where legal precision is needed.

If you require this publication in an alternative format and/or language, or have any questions about its content, please contact us using the details below.

Audit Wales
1 Capital Quarter
Tyndall Street
Cardiff
CF10 4BZ

Telephone 02920 320 500
Email info@audit.wales
Website www.audit.wales
Twitter [@WalesAudit](https://twitter.com/WalesAudit)

Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg.
Ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome correspondence and telephone calls in Welsh and English.
Corresponding in Welsh will not lead to delay.

Mae'r ddogfen hon hefyd ar gael yn Gymraeg.
This document is also available in Welsh.

A summary of our plan

Our purpose

-  Assure people that public money is being managed well
-  Explain how that money is being spent
-  Inspire the public sector to improve

Our vision

Increase our impact by:

- Fully exploiting our unique perspective, expertise and depth of insight
- Strengthening our position as an authoritative, trusted and independent voice
- Increasing our visibility, influence, and relevance
- Being a model organisation for the public sector in Wales and beyond

Our areas of focus

-  A strategic, dynamic, and high-quality audit programme
-  A targeted and impactful approach to communications and influencing
-  A culture and operating model that enables us to thrive

Our programmes of work

- Audit delivery**
We will deliver a comprehensive programme of audit work, in accordance with the Auditor General’s statutory powers and duties.
- Business improvement**
To help us achieve our longer-term vision, we will take action across key business planning priorities aligned with our three areas of focus.

Contents

Foreword	5
Who we are and what we do	7
Our strategic vision and areas of focus	11
Our programmes of work: Audit delivery	12
Our programmes of work: Business improvement	21
Measuring and reporting on our performance	26

Appendices

1 How we follow the public pound in Wales	31
2 Our operating environment	32
3 Our key risk areas	33
4 Our finances	35



Foreword

Rydym yn falch i gyflwyno ein Cynllun Blynyddol ar gyfer 2025-26

We are pleased to present our Annual Plan for 2025-26

This Plan sets out our priorities for the next 12 months. 2025-26 is the fourth year of our existing five-year strategy. Delivery of that strategy remains paramount, and we are well on track to do so by further sharpening our audit programme delivery and increasing our impact and visibility.

Public services continue to face enormous financial, demand and workforce pressures. Though public bodies must make their own decisions about how they navigate those challenges, independent public audit highlights opportunities for improving value for money, supports good governance and financial management, and may provide early warning of problems arising. This Annual Plan describes how we intend to do that in the coming year and so provide the public, the Senedd, decision-makers and influencers with the information and assurance they need about how well public money is being spent.

The biggest area of our work involves auditing the accounts of over 800 public bodies across Wales. Through the COVID pandemic period the timeliness of the delivery of this work deteriorated. Working with our audited bodies, it is taking several years to bring that large programme of work back to pre-pandemic timescales, but we are determined to do so and confident that we will. In 2025-26, we will continue the progress made over the last two years to bring forward the reporting deadlines for our audit of accounts work.

We also aim for further improvement in the timeliness of the performance audit work we deliver at individual NHS and local government bodies. Again, we are confident that we will do so. With the public purse strings so tight, it is more important than ever to get value for money from every pound of public spending. In our local and national studies programmes, therefore, we aim to give even sharper focus to value for money through stronger financial and outcomes analysis.

The next few years will see considerable change and opportunity for Audit Wales. In 2026, the eight-year term of the current Auditor General will end, and a new Auditor General will be appointed. Also in 2026, there will be elections to an expanded Senedd. As well as the wider economic, social and political environment, we know our auditing, financial reporting and public sector landscapes are constantly evolving; increasingly we see them affected by new technologies, ever-growing regulatory requirements and public expectations of government accountability. Our Annual Plan for 2025-26 sees us readying ourselves for that evolving world.

None of our objectives for high-quality public audit can be achieved without our staff. Over the coming year, we will continue to provide an excellent, flexible employment offer that supports employee wellbeing and a working environment that encourages collaboration and high-quality work. As we do each year, we have also reviewed our framework of key performance indicators and associated targets, to ensure they remain fully aligned with our objectives and are suitably challenging.

This Annual Plan covers the last full 12-month period of Adrian's tenure as Auditor General and continues progress towards the delivery of our five-year strategy. As has been our aim throughout his time as Auditor General, it focuses Audit Wales on using its unique perspective and expertise to assure the people of Wales that public money is being well managed, to explain how it is being used, and to inspire and empower the public sector to improve.



Adrian Crompton

Auditor General for Wales



Dr Ian Rees

Chair, Wales Audit Office



Who we are and what we do

Our purpose is to assure people that public money is being managed well, explain how that money is being spent, and inspire the public sector to improve

- 1 Independent audit of the activities of government and the use of public funds is an essential component of democratic accountability. Auditors carry out their work on behalf of the public in a way that is objective and impartial.
- 2 The [Auditor General for Wales](#) is the statutory external auditor of the Welsh public sector. The Auditor General is responsible for the audit of most of the public money spent in Wales, including the funds that are voted annually by the Senedd. Significant elements of this funding are passed by the Welsh Government to the NHS and local government in Wales.
- 3 The Wales Audit Office provides resources, such as staff, for the exercise of the Auditor General's functions, and monitors and advises the Auditor General. The Wales Audit Office currently employs around 300 staff.
- 4 Together, as Audit Wales, we audit around £28 billion of income and expenditure. **Appendix 1** provides more detail on how we follow the public pound in Wales. Our work supports the effective scrutiny of public money by the Senedd and locally elected representatives.

We undertake local and national audit work across a broad range of public bodies

Key elements of our work



Providing an opinion on whether public sector accounts have been properly prepared and give a true and fair view of financial position



Considering whether public money is being used for approved purposes



Examining the economy, efficiency and effectiveness with which public bodies have used their resources (value for money)



Providing conclusions on whether public bodies have made proper arrangements for securing value for money in their exercise of functions



Considering whether public business is being conducted in a way that meets certain expectations and standards



Carrying out sustainable development principle examinations

- 5 These audit functions may be exercised in combination, if necessary, across different types of bodies, to examine public spending irrespective of who delivers the services.
- 6 We identify good practice from across the full breadth of our audit work and disseminate this through a range of media, including reports, blogs, podcasts and shared learning seminars and webinars.

We carry out our work in accordance with International Standards on Auditing and other recognised standards

- 7 Our Code of Audit Practice prescribes the way in which our audit and certain other functions are to be carried out. The Code, which is currently being updated following external consultation, sets out that auditors must comply with international auditing and ethical standards and that their work must be of high quality. Our audit quality arrangements accord with the Financial Reporting Council's International Standard on Quality Management and INTOSAI professional standards.
- 8 We are committed to working closely with the other UK audit agencies through the Public Audit Forum, and with our colleagues at the other main external review bodies in Wales, to enhance the efficiency and effectiveness of public audit and the collective impact of our work. We are also proud to represent Wales on the international audit stage, including at EURORAI events.
- 9 We are an accredited training organisation for three of the four professional accountancy bodies. Most of our graduate trainees are currently studying with the Institute of Chartered Accountants in England and Wales. We also offer a finance apprenticeship, which supports study with the Association of Accounting Technicians.

We operate independently from government

- 10 The Auditor General is not subject to direction by the Senedd or government in the exercise of his audit functions.
- 11 The Auditor General and our Board are responsible for setting and overseeing the strategic direction of the organisation and ensuring we are on track in the delivery of our business planning priorities. The Board holds the Auditor General to account in his role as Chief Executive of the Wales Audit Office and supports him in the discharge of his role as Accounting Officer. As Accounting Officer, the Chief Executive answers personally to the Senedd Finance Committee on matters such as compliance with Managing Welsh Public Money.
- 12 Our Executive Leadership Team advises the Auditor General, including in his capacity as Chief Executive and Accounting Officer. More detailed information on our governance arrangements can be found in the Corporate Governance Report section of our latest Annual Report and Accounts.
- 13 Our operating environment includes a range of factors which will influence the delivery of our work in 2025-26 to varying degrees. **Appendix 2** provides a summary of what we consider to be important elements of our current operating environment.
- 14 In running our business, we are committed to applying best practice for the identification, evaluation, and cost-effective control of risks. The key areas within which risks can arise and threaten successful delivery of our work, and a high-level summary of our risk appetite in each of those areas, are set out in **Appendix 3**. More information about our finances is provided in our latest Estimate of Income and Expenses and in **Appendix 4**.

Our strategic vision and areas of focus

Our vision is to increase our impact by:

- Fully exploiting our unique perspective, expertise and depth of insight
- Strengthening our position as an authoritative, trusted and independent voice
- Increasing our visibility, influence, and relevance
- Being a model organisation for the public sector in Wales and beyond

15 In our [Strategy for 2022 to 2027](#), we have identified three areas of focus where we are prioritising actions to help Audit Wales achieve its overall vision.

Our areas of focus

-  A strategic, dynamic, and high-quality audit programme
-  A targeted and impactful approach to communications and influencing
-  A culture and operating model that enables us to thrive

Our programmes of work: audit delivery

We will deliver a comprehensive programme of audit work, in accordance with the Auditor General's statutory powers and duties

- 16 Our core business is carrying out a broad programme of audit work to deliver the Auditor General's statutory powers and duties. Our audit delivery work programme comprises the Auditor General's priorities for 2025-26 in exercising his functions.
- 17 Our audit work plays a key role in supporting the work of the Senedd Public Accounts and Public Administration Committee, which scrutinises how resources are used in the discharge of public functions in Wales. Our work can also inform the work of other Senedd committees, whose wider remits include scrutinising the policies of the Welsh Government, holding Ministers to account, and examining proposed legislation.
- 18 Throughout the year, we regularly attend meetings of the audit and scrutiny committees of public bodies in Wales to provide briefings and report on our audit work.

Our core work



Undertaking local audit work at over 800 public bodies, including:

- Audits of accounts
- Local performance audit work
- Sustainable development principle examinations



Delivering a programme of national studies



Certifying grant schemes worth approaching £1.5 billion



Supporting effective scrutiny including the work of the Senedd committees



Sharing good practice and audit learning to support public service delivery



Facilitating the detection of fraud and error through the National Fraud Initiative



Approving around £2 billion of payments out of the WCF every month

We will undertake local audit work at most public bodies

Public bodies audited by the Auditor General in 2025-26 and the types of local work carried out at those bodies

Public bodies and related audits	Audit of accounts	Local performance audit work ¹	Sustainable development principle examinations ²
Senedd Commission	✓		
Welsh Government ³	✓		✓
10 Welsh Government executive bodies	✓		✓
Welsh Revenue Authority including the tax statement	✓		✓
Welsh Government owned companies ⁴	✓		✓
7 Commissioners, Inspectorates and Regulators	✓		
7 Local Health Boards	✓	✓	✓
3 NHS Trusts and 2 Special Health Authorities	✓	✓	✓
22 Councils (Unitary Authorities)	✓	✓	✓
4 Police and Crime Commissioners and Chief Constables	✓		
3 Fire and Rescue Authorities	✓	✓	✓
3 National Park Authorities	✓	✓	✓
9 Pension funds	✓		
4 Corporate Joint Committees	✓		✓

- 1 Local performance work is undertaken to meet the Auditor General's duty to be satisfied that audited bodies have made 'proper arrangements' for securing economy, efficiency and effectiveness in the use of resources. That duty applies to all local government and NHS bodies, as well as the Public Services Ombudsman for Wales. In the case of smaller bodies, such as community councils, we do not generally undertake a specific local performance work programme, but rather we usually undertake the necessary work as part of the audit of accounts. The Auditor General does not have a 'proper arrangements' duty in relation to most central government bodies. Performance audit work for that sector is provided in the form of value for money studies.
- 2 Only for listed bodies under the Well-being of Future Generations (Wales) Act 2015, at least once every four years. Where possible, this work is fully integrated within our local performance audit programme.
- 3 Including associated audits of the Welsh Consolidated Fund Receipts and Payment Account, Non-domestic Rating Receipts and Payments Account, and NHS Summarised Accounts.
- 4 The Auditor General performs statutory audit duties at certain Welsh Government owned companies.

Public bodies and related audits	Audit of accounts	Local performance audit work	Sustainable development principle examinations
4 City region growth deals	✓		
Several smaller local government bodies including joint committees and harbour authorities	✓		
Over 730 Town and Community Councils	✓		

We will carry out a programme of national studies and prepare additional outputs highlighting common themes from our local audit work

- 19 The Auditor General's indicative forward programme of national studies for 2023-2026 is focused around four main themes:
 - Tackling inequality
 - Responding to the climate and nature emergency
 - Service resilience and access
 - Well managed public services
- 20 The tables below list all active and planned studies for 2025-26 as of 31 March 2025. The programme includes examinations of issues of public concern identified through our audit work or raised with us through [correspondence](#) or [whistleblowing disclosures](#). We have made further information about our work programme available on [our website](#).
- 21 Set in the context of our broader priorities, our aim for 2025-26 is to ensure most, if not all, work already in progress is completed by the end of March 2026, ahead of the end of the current Senedd term. We will also be looking to progress work to provide follow-up commentary on topics we have reported on over the past four years. And, ahead of the end of the Auditor General's term of office in summer 2026, we will be working on outputs that draw together a wider analysis of public finance, governance, and service delivery challenges.
- 22 Alongside this, our work in the central government sector will include examining the setting of well-being objectives at five bodies that, in 2024-25, became subject to the Well-being of Future Generations Act. We also intend to start work to examine steps that at least two of these bodies are taking to meet those objectives.
- 23 However, we keep our forward programme under regular review, taking account of the evolving external environment, our own resourcing and the capacity of audited bodies to engage with us. We maintain sufficient flexibility so that we can respond effectively to emerging issues of public or parliamentary concern. Additional outputs may also emerge from ongoing research and development work. Our Interim Report 2025-26 will provide an update and may identify further new projects. Stakeholder and wider audience survey work that is currently underway will inform our ongoing planning.

Examinations and studies already in progress as of 31 March 2025⁵

	 Tackling inequality	 Responding to the climate and nature emergency	 Service resilience and access	 Well managed public services
How public bodies are applying the 'sustainable development principle' – summary report.	✓	✓	✓	✓
Welsh Government approach to delivering its capital and infrastructure ambitions.	✓	✓		✓
Findings from data matching work on GP registrations.				✓
Challenges for the culture sector – financial sustainability.			✓	✓
Natural Resources Wales's approach to designating Sites of Special Scientific Interest.		✓		✓
Application of the sustainable development principle by Medr – the Commission for Tertiary Education and Research.	✓	✓	✓	✓
The impact of delayed discharges from hospitals and progress in managing urgent and emergency care demand.			✓	✓
NHS bodies' approaches to identifying, delivering, and overseeing cost savings plans.				✓
How councils and their partners are working to address the increasing demand for temporary accommodation.	✓		✓	✓
Commissioning services in local government.				✓
Examining decision-making relating to the development of a new Velindre Cancer Centre.				✓

⁵ Studies are listed broadly in order of their stage of progress. The strength of the link to the different themes may vary and would depend on the final scope where work is still at the planning stage. In practice, our work typically includes coverage relevant to 'well-managed public services'.

	 Tackling inequality	 Responding to the climate and nature emergency	 Service resilience and access	 Well managed public services
--	---	--	---	--

Councils' capital planning, including a focus on roads and adult social care assets.		✓		✓
Progress with NHS planned care recovery and reducing the waiting list backlog.	✓		✓	✓
How digital transformation in the NHS is modernising and improving services.			✓	✓
Rebalancing care and support – the Health and Social Care Regional Integration Fund			✓	✓
Challenges in transforming access to education for children with additional learning needs	✓		✓	✓
Progress with investment in school and college buildings through the Sustainable Communities for Learning Programme.	✓	✓	✓	✓
Managing costs and demand in local authority children's services.	✓		✓	✓
Welsh Government financial support for business	✓	✓		✓
Support for rail and/or bus services in the context of the National Transport Delivery Plan.	✓	✓	✓	✓
The senior public service workforce, looking at issues such as turnover and recruitment, appraisal, learning and development, or well-being support.	✓			✓

New work that we plan to start in 2025-26⁶

	 Tackling inequality	 Responding to the climate and nature emergency	 Service resilience and access	 Well managed public services
NHS bodies' approaches to improving cancer services.	✓		✓	✓
How well NHS bodies are managing the NHS estate.		✓	✓	✓
Responding to workforce pressures in local government.			✓	✓
Setting of well-being objectives and steps to meet well-being objectives at various central government bodies	✓	✓	✓	✓
Follow-up commentary including, potentially, net zero, flood risk management, affordable housing, and corporate joint committees.	✓	✓	✓	✓
Picture of public services – reflections on public finance, governance, and service delivery challenges.	✓	✓	✓	✓
Local government funding arrangements.				✓
Local authority support for financial management of schools.				✓

⁶ Several of these topics could lead to multiple outputs.

We will also arrange with certain bodies to undertake commissioned work, both in the UK and overseas

- 24 Through our commissioned work, we provide services to certain bodies. In 2025-26, this will include:
- Auditing the Arts Council of Wales and Sports Council for Wales lottery distribution accounts (on behalf of the Comptroller and Auditor General).
 - By agreement under the Education Act 1997, providing assistance to Estyn in support of inspections of local government education services.
 - Providing technical support to the auditors of UK overseas territories.
- 25 We are mindful that all such activities should be self-financing and must not be undertaken to the detriment of our core audit work.

Our programmes of work: business improvement

To help us achieve our longer-term vision, we will take action across key business planning priorities aligned with our three areas of focus.

- 26 2025-26 is the fourth year of a five-year Strategy for achieving our overall vision. In that strategy, we identify three areas of focus for prioritising action:
- A strategic, dynamic and high-quality audit programme.
 - A targeted and impactful approach to communications and influencing.
 - A culture and operating model that enables us to thrive.
- 27 Our latest Annual Report and Accounts and Interim Report provide detail on progress we have made so far in these focus areas.
- 28 Notable developments during the first three years of strategy delivery are:
- Rolling out a new accounts audit approach and evidence platform, to support compliance with standards and our longer-term aspirations for audit development.
 - Agreeing a three-year delivery timetable with the NHS and local government sectors for making progressive advancements in the sign-off timetable for accounts audits.
 - Shaping a medium-term programme of performance audit work that brings together different elements of our work and aims to enhance timeliness and impact.
 - Embedding INTOSAI standards in the delivery of our performance audit work.
 - Launching a whole organisation workforce strategy which sets out a holistic longer-term vision for securing and developing the necessary people resources.

- Commissioning independent research to gauge awareness levels and gather perceptions on the accessibility, value and impact of our work.
- Reviewing and upgrading the content, layout, and design of the Audit Wales website, following a user-centred approach.
- Completing moves to smaller, better value offices in South, North and West Wales and significantly reducing our travel, associated costs and environmental impact.
- Shifting to a more balanced and productive approach to hybrid working with increased use of offices for team working and collaboration.
- Setting challenging savings targets in our [Estimates](#) and putting in place a financial sustainability group focused on identifying innovative options to achieve future savings.

29 On the following pages, we set out our business planning priorities for 2025-26, aligned with the strategic areas of focus to which they relate. Since project delivery in some of these priority areas extends beyond the 2025-26 financial year, we have provided an illustration of the planned timeframes for delivery for each priority within the context of our longer-term strategy.

30 Our business improvement work programme comprises the Wales Audit Office's priorities for 2025-26 in exercising its functions.



A strategic, dynamic and high-quality audit programme

Priorities	What success will look like	Timeframe for delivery	
		2025-26	2026-27
<p>Bring the timetable for the delivery of 2024-25 accounts audit work further forward to 30 June for NHS and 31 October for local government (equivalent 2023-24 accounts deadlines were 15 July and 30 November).</p>	<p>We deliver our three-year plan (of which 2025-26 is year two) to bring forward the timetables for delivering accounts audit work post-COVID.</p> <p>By 2026, we wish to consistently achieve 30 June for the NHS sector and 30 September for local government.</p>		
<p>Bring the timeframe for the completion of local performance work further forward, such that a greater proportion is completed within three months of the end of the year to which the audit plan relates.</p>	<p>We deliver our three-year plan (of which 2025-26 is year two) to address post-COVID backlogs in our local government and NHS local performance audit work programmes.</p> <p>By 2026, we wish to consistently complete work within three months of the end of the year to which the local audit plan relates (31 March for the NHS and 30 June for local government).</p>		
<p>Greater focus on value for money through stronger financial and outcomes analysis in our performance audit work.</p>	<p>Relevant audit outputs include clear analysis of related spending and whether desired outcomes are being achieved in an efficient, economic, and effective way.</p> <p>All appropriate opportunities to draw attention to and quantify areas of fraud/waste/potential savings are taken. Fraud analytics work, beyond the core NFI exercise, is embedded in our work programme.</p>		



A targeted and impactful approach to communications and influencing

Priorities	What success will look like	Timeframe for delivery	
		2025-26	2026-27
<p>Achieve an increase in the reach and awareness of our work and its impact on communities in Wales, by encouraging more people to read, share, and act on our content.</p>	<p>Improved reports that our stakeholders find more impactful. This will include a refreshed writing style, shorter snapshots of findings and newly designed templates for accounts audit work.</p> <p>New forms of accessible and engaging content will also be available on our digital channels.</p>		



A culture and operating model that enables us to thrive

Priorities	What success will look like	Timeframe for delivery	
		2024-25	2026-27
<p>Prepare for the period after completion of our current five-year strategy by giving particular focus to themes we have identified as crucial in shaping the future culture and operating model of Audit Wales:</p> <ul style="list-style-type: none"> • Digital developments • Evolving auditing standards • The scope of our work including developments in sustainable reporting • The skills and shape of our workforce. 	<p>A modern audit office that keeps pace with developments in the wider audit profession to continue to deliver high-quality work and remain compliant with professional standards and regulatory expectations.</p>		

Measuring and reporting on our performance

- 31 In 2025-26, we will continue to use a combination of quantitative and qualitative methods to measure, report and reflect on our performance, value for money and risks, and to seek evidence on the impact of our work. This includes regular reporting to our Executive Leadership Team and Board on progress made towards delivering our strategy and achieving our key performance indicator (KPI) targets. It will also include internal audit reports to our Executive Leadership Team, and Audit and Risk Assurance Committee.
- 32 We have identified a set of high-level KPIs that will help us to measure progress made towards delivering our overall vision. We will place emphasis on evaluating our direction of travel and pace of improvement, alongside comparison with appropriate benchmarking.
- 33 We will report on our performance externally through our Interim Report and Annual Report and Accounts, and by providing evidence at meetings of the Senedd Finance Committee. It should be noted that our KPIs are part of a broader suite of operational and corporate performance indicators, many of which are also reported on externally in our Annual Report and Accounts and other corporate publications.
- 34 When preparing this Plan, we reviewed our KPI targets with reference to current levels of performance and appropriate external benchmarks, to ensure alignment with our overall ambitions and our strategy for achieving them.



A strategic, dynamic and high-quality audit programme

No	Indicator	Description	Target for 2024-25	Target for 2025-26
1	Statutory deadlines	Proportion of accounts audit opinions delivered by the statutory or planned deadline ⁷ .	100%	100%
2	On time	Proportion of other key audit products delivered in accordance with the planned timetable for ensuring timely and impactful reporting.	90%	90%
3	Quality	Number of reviewed audits that are delivered in accordance with <u>Financial Reporting Council (FRC) quality standards</u> .	All audits sampled in the highest two audit quality categories	All audits sampled in the highest two audit quality categories
4	Credibility	Proportion of stakeholders that consider us to be an independent and authoritative communicator on the governance and stewardship of public money and assets.	At least 90%	At least 90%
5	Providing insight	Proportion of stakeholders who said that through our work, they gained useful insight that they would not have acquired otherwise.	At least 80%	At least 80%
6	Driving improvement	Proportion of stakeholders who believe our work has led to improvements in the provision of public services.	At least 80%	At least 80%
7	Savings identified	Value of potential savings, productivity gains and other financial benefits identified through our work.	At least £30 million during 2023-2026	At least £30 million during 2023-2026

⁷ Where accounts are received on time and no public interest report is required.



A targeted and impactful approach to communications and influencing

No	Indicator	Description	Target for 2024-25	Target for 2025-26
8	Good practice outputs	Proportion of stakeholders who rate our good practice outputs as useful or very useful.	At least 90%	At least 90%
9	Website visits	Number of visits to our website where at least one action is performed, e.g. download a report, click on a video.	48,000 each year	53,000 each year
10	Social media	Number of social media engagements, ie interactions with our posts such as a like, a comment, or retweet/share.	4,000 each year	4,000 each year
11	Sharing audit learning	Number of instances where we present audit learning to key policy working groups or at relevant externally hosted events.	50 each year	50 each year



A culture and operating model that enables us to thrive

No	Indicator	Description	Target for 2024-25	Target for 2025-26
12	Employee engagement	Percent positive annual staff survey engagement index score.	At least the median benchmark score for the latest <u>Civil Service survey</u> (64%)	At least the median benchmark score for the latest Civil Service survey (To be confirmed)
13	Turnover	Proportion of employees who voluntarily leave Audit Wales per annum.	Between 5% and 10%	Between 5% and 10%
14	Sickness absence	Proportion of total time lost due to sickness absence.	Less than 4%	Less than 4%
15	Financial balance	Net underspend variance on income and expenditure from that set out in our Estimate for the current year.	Less than 2% of gross expenditure budget	Less than 2% of gross expenditure budget
16	Cost savings	Value of in-year cost savings delivered across the business.	£400,000 as set out in our 2024-25 Estimate	£200,000 as set out in our 2025-26 Estimate
17	Greenhouse gas emissions	Total CO ₂ equivalent emissions ⁸ .	Less than 349 tonnes (40% reduction from 2019-20 baseline)	Less than 291 tonnes (50% reduction from 2019-20 baseline)
18	Trainee success rate	Proportion of trainees achieving first-time passes in their Professional and Advanced level examinations with the Institute of Chartered Accountants in England and Wales.	At least 90%	At least 90%

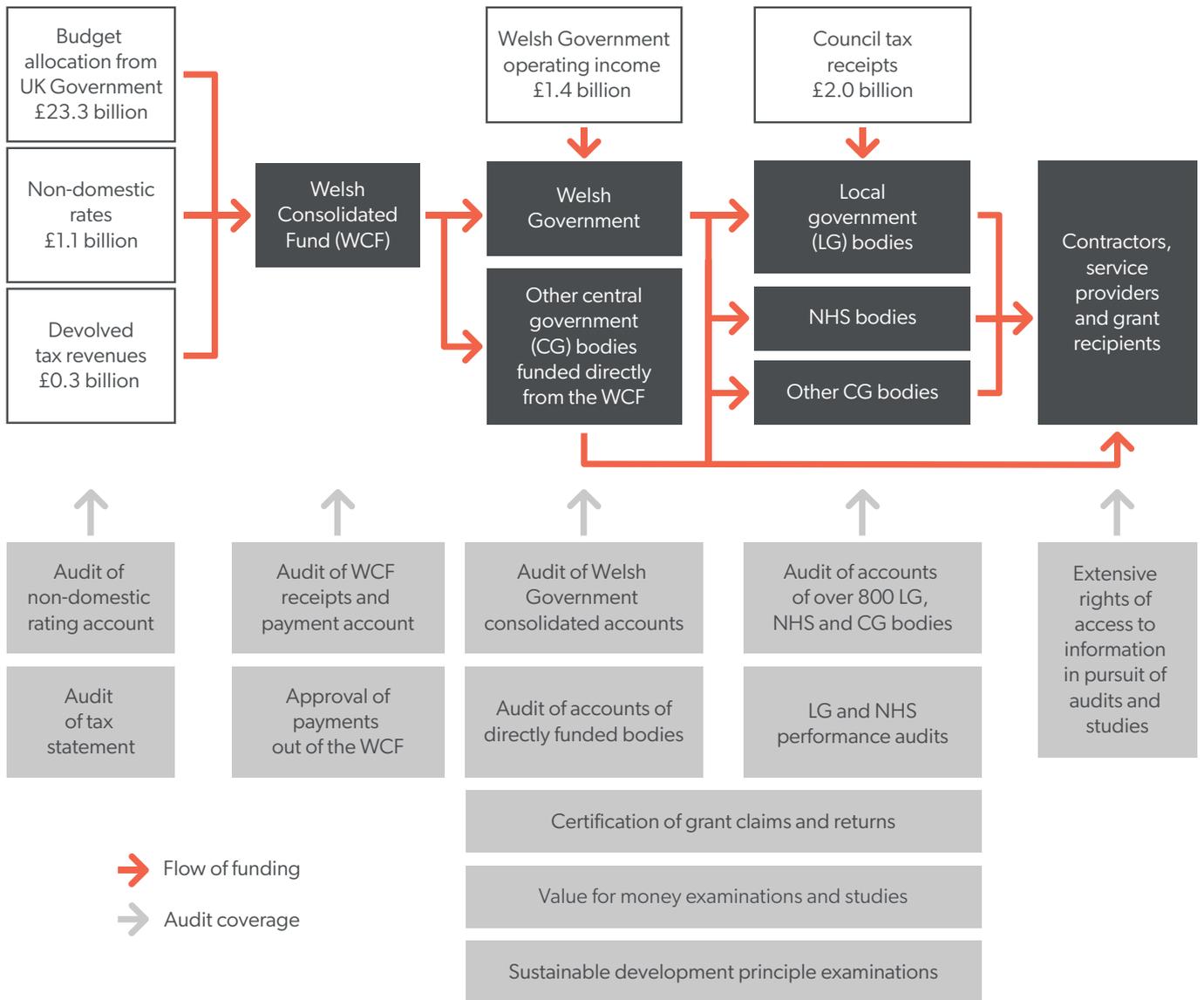
⁸ Not including supply chain emission estimates which are reported on separately in our annual Sustainability Report.



Appendices

- 1 How we follow the public pound in Wales
- 2 Our operating environment
- 3 Our key risk areas
- 4 Our finances

1 How we follow the public pound in Wales



Notes to exhibit:

- Funding sources highlighted in exhibit do not include income generation activities at individual public bodies.
- Budget allocation from UK Government includes receipts from the Wales Office (£18.9 billion), HMRC Distribution from the National Insurance Fund in respect of Social Security (£1.6 billion), and the Welsh Rate of Income Tax (£2.8 billion).

2 Our operating environment

Some important elements of our current operating environment which are likely to influence the delivery of our work in 2025-26



3 Our key risk areas



1-2

Value for money

Given the role of Audit Wales, we are averse/cautious in running the business in an economic, efficient and effective way with high standards of governance.



2-3

Accessibility

We are cautious in moving away from recognised principles of communication, especially when these relate to statutory duties. We are more open in making our audit outputs accessible to a wide range of audiences.



2-3

Capacity & capability

We are cautious in experimentation in areas outside our core business but are more open to risk in attracting, retaining and developing the staff resources needed to deliver our programmes of work.



2-3

Leadership

We are cautious in setting strategic direction for the organisation given that so many functions and duties are defined by statute. We are more open in our approach to supporting innovation and engaging and motivating staff.



1

Quality & timeliness

We are averse to risk that prejudices delivery of high-quality and timely work.



2-3

Profile & reputation

We are cautious in areas that could have negative impact on reputation with key stakeholders. We are more open in the steps we take to increase awareness, understanding and credibility among a range of key stakeholders.



1-3

Technology

We are averse to risk in our handling of personal and audit information and in ensuring our IT systems remain secure, reliable and fit-for-purpose. We are more open to risk in exploring the use of new technology to improve the efficiency and effectiveness of our work.

Key areas where risks can arise and threaten successful delivery of our work

Our risk appetite for each of the broadly defined areas is set out as a rating in the top right of each box. The risk appetites typically cover more than one rating (see definitions below) to reflect our desire to be more innovative in specific areas in pursuit of our overall goals.

Risk appetite ratings key:

1	Averse	Avoidance of risk is a key objective. We are only willing to accept very limited risk.
2	Cautious	Preference for safe options that have a low degree or residual risk. These options may only offer limited reward potential.
3	Open	Willing to consider all potential options and choose one which balances residual risk with a desired level of reward.
4	Bold	Eager to be innovative and choose options offering high rewards despite inherent risk.

More detailed information on our risk management framework can be found in the Corporate Governance Report section of our latest [Annual Report and Accounts](#).

4 Our finances

The Senedd Finance Committee scrutinises our use of resources, including through consideration of this Plan, our [Interim Report](#) and [Annual Report and Accounts](#).

Approximately two-thirds of our funding come from fees charged to audited bodies in accordance with a [Scheme of Fees](#) approved by the Senedd. Most of the remainder comprises approved financing from the Welsh Consolidated Fund, our use of which is subject to scrutiny from the Board at regular intervals during the year.

The resources available, and which may become available, to the Wales Audit Office in 2025-26 are laid out in our most recent [Estimate of Income and Expenses and Supporting Information](#). The Estimate sets out how those resources are to be used in undertaking the Auditor General's and Wales Audit Office's work programmes. It was considered and approved by the Senedd Finance Committee in November 2024.

£23.4 million of our planned expenditure for 2025-26 relates to staffing resources to be made available to the Auditor General to carry out his work programme. This is the maximum amount of the resources available, and which may become available, that it is anticipated will be allocated by the Wales Audit Office to the Auditor General for undertaking his work programme. A further £4.8 million provides a range of other services, including travel and subsistence, staff learning and development, capital investment, management of our trainee and apprenticeship schemes, and professional fees.

The Board reviews our financial performance each time it meets throughout the year. Each month, our Executive Leadership Team considers a risk assessment of our financial health with a view to ensuring value for money and a year-end outturn within budget.



Audit Wales
1 Capital Quarter
Tyndall Street
Cardiff CF10 4BZ

Tel: 029 2032 0500

Textphone: 029 2032 0660

E-mail: info@audit.wales

Website: www.audit.wales

We welcome correspondence and telephone calls in Welsh and English.

Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg.