

March 2019

Archwilydd Cyffredinol Cymru
Auditor General for Wales

Annual Plan 2019-20

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



WALES AUDIT OFFICE
SWYDDFA ARCHWILIO CYMRU



This Annual Plan of the Auditor General for Wales and the Wales Audit Office for the year ending 31 March 2020, which includes additional information on our longer-term ambitions and key performance indicators, has been jointly prepared by the Auditor General for Wales and the Chair of the Wales Audit Office under section 25(1) of the Public Audit (Wales) Act 2013.

It is laid before the National Assembly for Wales by the Auditor General for Wales and the Chair of the Wales Audit Office under section 26 of the Public Audit (Wales) Act 2013.

The National Assembly has made provision through Standing Order 18.11(i) for its Finance Committee to be responsible for considering and reporting to the Assembly on the Annual Plan.

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. We welcome correspondence in Welsh and English and we will respond in the language you have used. Corresponding in Welsh will not lead to a delay.

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This document is also available in Welsh.

Summary of our plan

On behalf of the people of Wales, we examine public spending and identify ways to improve public services. Our work supports the effective scrutiny of public money by the National Assembly for Wales and locally elected representatives. We are entirely independent of government.

Why we are here



Assure

the people of Wales that public money is well managed



Explain

how public money is being used to meet people's needs



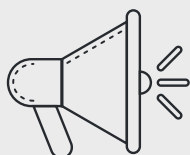
Inspire

and empower the Welsh public sector to improve

What our ambitions are



Fully exploit our unique perspective, expertise and depth of insight



Strengthen our position as an authoritative, trusted and independent voice



Increase our visibility, influence and relevance



Be a model organisation for the public sector in Wales and beyond

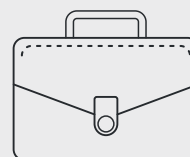
What work we do



Audit projects



Increasing our impact and value



Running the business

Foreword from the Auditor General for Wales and the Chair of the Wales Audit Office

We are pleased to present our Annual Plan for 2019-20, which is the first corporate plan of Adrian's tenure as Auditor General.

Increasing demands on public services, reducing budgets, reforms to funding mechanisms, more complex governance models and the withdrawal from the EU are just a few of the areas which, when taken in combination, present a very challenging and complex environment for the public sector and the wider economy in Wales.

Audit plays a vital role in providing the public, politicians, decision-makers and influencers with the information and assurance they need about how well public money is being spent. This is even more important in these times of challenge and change.

Over the last few years we have successfully delivered a wide range of improvements to public audit in Wales and how we run our organisation. These provide us with very solid foundations on which to improve even further.

In this Plan, we put forward the Auditor General and Wales Audit Office Board's ambitions for taking our work to the next level by unleashing our full potential as a driver of improvement at the heart of Welsh public services. These are to:

- fully exploit our unique perspective, expertise and depth of insight;
- strengthen our position as an authoritative, trusted and independent voice;
- increase our visibility, influence and relevance; and
- be a model organisation for the public sector in Wales and beyond.

To fulfil these ambitions and respond effectively to our operating environment, the Plan sets out our programmes of work and key change commitments for the coming year in terms of audit projects, steps to increase our impact and value, and in running the business.

We are determined to bring trusted audit assurance, commentary and evidence to bear on the issues that matter most for public services in Wales. Through successful delivery of this Plan, we will play our part in holding public bodies to account for their use of public money and ensuring that our unique perspective, expertise and insight shapes decision making and public debate.



Adrian Crompton
Auditor General for
Wales



Isobel Everett
Chair, on behalf of the
Wales Audit Office

Contents

Who we are and what we do	6
Our ambitions	8
Our operating environment	9
Our work	12
Audit projects	13
Increasing our impact and value	15
Running the business	17
Measuring and reporting on our performance	19
Appendices	
1 Local audit work	20
2 National value for money examinations and studies	21
3 Supporting effective scrutiny and accountability	23
4 Good practice work	25
5 Being a model organisation	26
6 Our finances	28
7 Key performance indicators and targets	29

Who we are and what we do

- 1 The Auditor General for Wales is the statutory external auditor of most of the Welsh public sector.
- 2 The Auditor General is responsible for the audit of the majority of public money spent in Wales, including the funds that are voted annually by the National Assembly. Significant elements of this funding are passed by the Welsh Government to the NHS and local government in Wales.
- 3 The Wales Audit Office employs around 270 professional staff and utilises other resources, including additional expertise from private sector accountancy firms, to enable the Auditor General to carry out his functions.



Assure

the people of Wales
that public money is
well managed



Explain

how public money is
being used to meet
people's needs



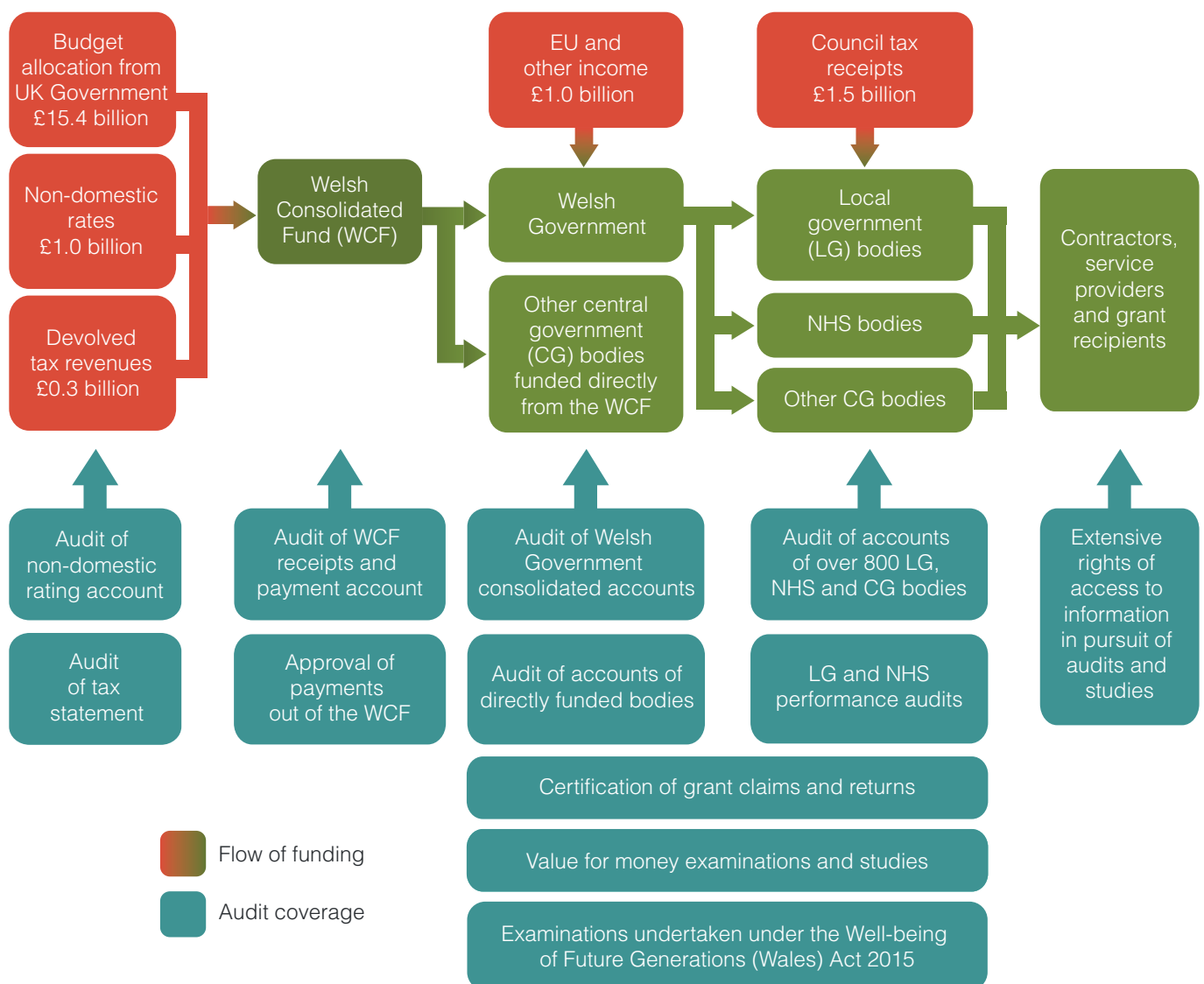
Inspire

and empower the
Welsh public sector to
improve

- 4 The Auditor General's functions include auditing accounts and undertaking local performance audit work at a broad range of public bodies, alongside conducting a programme of national value for money examinations and studies. These functions may be exercised, in combination if necessary, across different types of bodies to examine public spending irrespective of who delivers the services.
- 5 Altogether, we audit some £19 billion of income and expenditure, which is nearly a third of Welsh GDP.
- 6 We also identify good practice from across the full breadth of the Auditor General's audit work and disseminate this through our [Good Practice Exchange](#) and other media, including shared learning seminars and webinars.

- 7 We undertake our work in accordance with the Auditor General's [Code of Audit Practice](#). The Code prescribes the way in which the Auditor General's audit and certain other functions are to be carried out and embodies what the Auditor General considers to be best professional practice.
- 8 We work closely with the other UK audit agencies and with the other main external review bodies in Wales to enhance the collective impact of our work.

How we follow the public pound in Wales



Our ambitions

- 9 Over the coming years, we want to unleash our full potential as a driver of change and improvement at the heart of public services and democratic accountability.
- 10 We have four broad ambitions that we believe will enable us to do this.



Fully exploit our unique perspective, expertise and depth of insight

- Maximise the power of our unique insight through more integrated team working and knowledge sharing.
- Search proactively for synergies and trends within the information that we hold.
- Focus on what matters most and will make the biggest difference to the public and public bodies.



Strengthen our position as an authoritative, trusted and independent voice

- Bring trusted commentary and evidence to the fore on the right issues at the right time.
- Ensure we clearly lay out the facts and concisely explain why we have arrived at a particular conclusion or interpretation.
- Be alert and responsive to new opportunities to share audit knowledge and insight where it can add value.



Increase our visibility, influence and relevance

- Have an overtly outward focus and engage in a way that resonates with a wide range of audiences.
- Influence the thinking and behaviour of others and shape the wider public debate.
- Seek and be receptive to ideas and lines of thought from outside Wales and outside the public sector.



Be a model organisation for the public sector in Wales and beyond

- Since we form audit judgements on others, make sure we consistently practise what we preach.
- Provide clear, consistent and authentic leadership and increase the pace of our decision making.
- Empower people throughout the organisation to come up with new ideas and effect positive change.

Our operating environment

- 11 We consider the following factors to be those that will have greatest influence over the way we deliver our work and achieve our ambitions over the next few years.

We remain in a period of financial constraint

- 12 Those charged with delivering public services continue to face real-terms reductions in annual budgets, while seeking to maintain and improve service provision and meet rising public expectations and changing demographic demands.
- 13 Public services need to make radical changes to the way they provide services and engage with service users if they are to build effectively on the increasingly collaborative approach being adopted in Wales. With many public service leaders expecting to make deeper cuts to budgets, a more holistic and long-term approach is needed to mitigate impacts on the public.

The political and policy landscape continues to evolve

- 14 A broad range of policy and political factors are likely to influence how we deliver and resource our work over the next few years. These include:

Implications of Brexit

- 15 It remains difficult to fully assess the implications of Brexit for Welsh public service delivery, including the future shape of financial support for the rural economy and any UK-wide or Welsh replacement for the EU Structural Funds. We are committed to a programme of 'real-time' audit commentary on this complex and dynamic process as it continues to evolve.

Changes to the devolution landscape

- 16 The Wales Act 2017 changed the form of devolution from a conferred to a reserved powers model, with potential for new public bodies to be created.

Fiscal devolution

- 17 Fiscal devolution refers to the transfer of certain tax raising and borrowing powers from Westminster to Wales, which commenced in 2018. Our audit work is expanding to include consideration of Welsh fiscal planning and forecasting, the tax collection operations of the Welsh Revenue Authority and the implications of proposals for new devolved Welsh taxes. We will also be working closely with the National Audit Office on the introduction of the Welsh Rate of Income Tax from April 2019.

Establishment of partnership models and regional working

- 18 Alongside the statutory Public Services Boards established under the Well-being of Future Generations (Wales) Act 2015, an enhanced level of regional planning has been proposed for local government services in Wales, with associated reforms to funding mechanisms and an increase in the complexity of governance models.

Requirement for earlier closure of local government accounts

- 19 The deadlines for preparing, auditing and publishing the accounts of local government bodies in Wales will be brought forward by 2020-21.

Governance arrangements have a wider scope

- 20 The National Assembly has placed legal requirements on the public sector in Wales to strengthen governance arrangements in accordance with a defined sustainable development principle.
- 21 Each public body listed in the Well-being of Future Generations (Wales) Act 2015 must work to improve the economic, social, environmental and cultural well-being of Wales. To do this they must set and publish well-being objectives that are designed to maximise their contribution to achieving each of the well-being goals, and then take action to make sure they meet those objectives. Listed bodies are required to report annually on progress made towards meeting their objectives.
- 22 Under Section 15 of the Act, the Auditor General must examine the extent to which the listed public bodies have acted in accordance with the Act's sustainable development principle when setting well-being objectives, and when taking steps to meet those objectives.

We live in an increasingly networked society

- 23 Over recent years, advances in information technology have led to increased digitisation of service delivery, increased public access to data, and new opportunities and ways to interact and engage through social media and other forms of digital communication.
- 24 Digital transformation and inclusion form a central part of the Welsh Government's plans to make public services more accessible and meaningful to their users, and to achieve better outcomes.

25 An increasingly networked society does not just have implications for the public bodies that we audit. It also impacts quite profoundly on audit agencies and other external review bodies. We too need to stay abreast of technological developments and enhance the quality of our work by taking advantage of new ways of gathering data and intelligence, reporting on our findings and maximising awareness of and engagement with our work.



Our work

26 Our planned work for 2019-20 can be broadly divided into three sections:



27 The first two elements comprise the Auditor General's work programme and priorities for 2019-20 in exercising his functions.

28 The third element encapsulates the work programme and priorities for 2019-20 of the Wales Audit Office in exercising its functions.

29 For each section, a small number of key change commitments have been identified which will support us in the delivery of our ambitions over the coming year. Each change project is sponsored by our executive management team and progress made towards delivering our commitments will be closely monitored by the Board.

30 The resources available, and which may become available to the Wales Audit Office, as per the approved [Estimate of Income and Expenses for the Year Ended 31 March 2020](#), are to be used in delivering these work programmes.

Audit projects

Core work



Undertaking audit work at over **800** public bodies



Delivering a programme of **value for money** examinations and studies



Certifying grant schemes worth approaching **£3 billion**



Approving around **£1 billion** of payments out of the Welsh Consolidated Fund every month

For further information see:

[Appendix 1 – Local audit work](#)

[Appendix 2 – National value for money examinations and studies](#)

31 Our local audit work primarily involves:

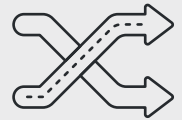
- a providing an opinion on the accounts;
- b considering whether public money is being used for approved purposes (regularity);
- c considering how public business is being conducted (propriety);
- d examining whether proper arrangements are in place to secure value for money and continuous improvement; and
- e assessing the extent to which public bodies have acted in accordance with the sustainable development principle when setting and taking steps to meet their well-being objectives.

32 We also audit, on behalf of the Comptroller and Auditor General, £250 million of European funds used to support farmers and agriculture across Wales and the accounts of the Arts Council of Wales and Sports Council for Wales lottery funds.

33 To help deliver our ambitions in this area of our work, we will focus on the following change commitments in the coming year:

Change commitments

- Improve how we source, acquire and analyse data and how we visualise and communicate our findings.
- Place greater emphasis on the views and perspectives of service users, including 'harder to reach' groups, when considering the effectiveness of public service delivery.
- Examine more closely the effectiveness of arrangements for integrated and collaborative service delivery.



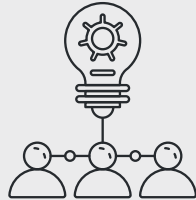
Increasing our impact and value

Core work

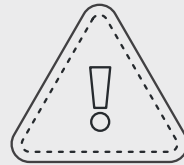


Supporting effective scrutiny

including the work of the National Assembly Committees



Hosting **shared learning** events for over **1,100** attendees



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



Participating with **observer** status on a range of key policy working groups

For further information see:

[Appendix 3 – Supporting effective scrutiny and accountability](#)

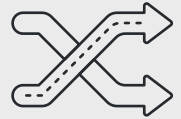
[Appendix 4 – Good practice work](#)

- 34 We are also committed to working closely with the other UK audit agencies through the Public Audit Forum, and with the other main external review bodies in Wales through the Inspection Wales initiative, to enhance the efficiency and effectiveness of public audit and the collective impact of our work. We are proud to represent Wales on occasion on the international audit stage, including at EURORAI.
- 35 The Wales Audit Office is able to make arrangements with certain types of bodies for it or the Auditor General to provide services to, or to exercise the functions of those bodies, both in the UK and overseas. For example, the Assistant Auditor General currently acts as Chief Auditor to the Government of Anguilla, supported by a team from the Wales Audit Office. But, we are mindful that all such activities should be self-financing and must not be undertaken to the detriment of our core audit work in Wales.

36 To help deliver our ambitions in this area of our work, we will focus on the following change commitments in the coming year:

Change commitments

- Ensure the National Assembly is fully sighted of the outcomes of our work when undertaking all aspects of its public spending scrutiny function.
- Explore different and new ways of influencing the thinking and behaviour of others and shaping the wider public debate.
- Be more proactive in our approach to supporting Welsh public bodies in their fight against fraud and corruption.



Running the business

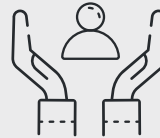
Core work



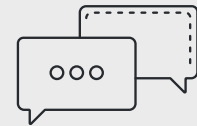
Setting the overall budget of
£21 million
and charging fees for audit work



Employing around
270 staff
and managing a diverse range of physical and information assets



Providing
strong leadership
and embedding our values and behaviours



Monitoring
the exercise of the Auditor General's functions and providing him with advice

For further information see:

[Appendix 5 – Being a model organisation](#)

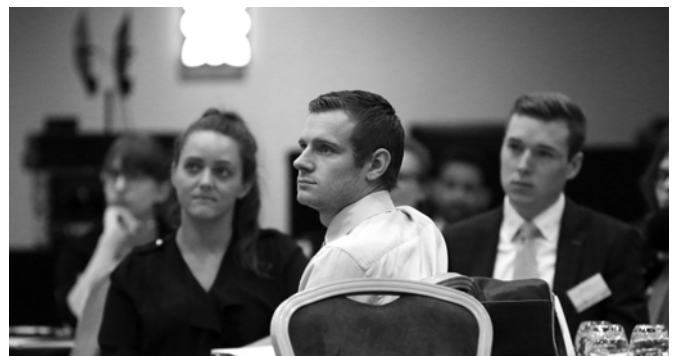
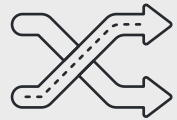
[Appendix 6 – Our finances](#)

- 37 The Wales Audit Office Board is responsible for setting and overseeing the strategic direction of the organisation and ensuring we are on track in the delivery of our ambitions. The Board membership includes non-executive and executive members, alongside two employee-elected members who provide an extra dimension of insight and experience.
- 38 The Management Committee, which is chaired by the Auditor General, advises him in his capacity as Auditor General, Chief Executive and Accounting Officer and provides executive leadership to the organisation.
- 39 More detailed information on our governance arrangements can be found in the Governance Statement section of our [Annual Report and Accounts](#).

40 To help deliver our ambitions in this area of our work, we will focus on the following change commitments in the coming year:

Change commitments

- Introduce new and smarter ways of working to help ensure we deploy our resources in the most efficient and effective way and can adapt to internal and external change.
- Improve and enhance our internal management of knowledge and data.
- Refresh our leadership and governance structures and processes to ensure alignment with our ambitions.



Measuring and reporting on our performance

- 41 In 2019-20, we will use a combination of quantitative and qualitative methods to measure, report and reflect on our performance and risks. This will include regular reporting to our Management Committee and Board on progress being made towards delivering our change commitments and achieving our key performance indicator targets. It will also include internal audit reports to our Management Committee and Audit and Risk Assurance Committee.
- 42 We will place particular emphasis on evaluating our direction of travel and pace of improvement, alongside comparison with appropriate benchmarking.
- 43 We will report on our performance externally through our Annual Report and Accounts and Interim Report(s), and by providing evidence at meetings of the National Assembly's Finance Committee.
- 44 When preparing this Plan, we reviewed our targets with reference to current levels of performance, appropriate external benchmarks and our own improvement aspirations. The targets will continue to be subject to ongoing scrutiny and refinement to ensure they are suitably challenging but achievable within the specified timescales.
- 45 In 2019-20, we will undertake a detailed review of our performance indicators and targets, to ensure they remain fully aligned with our overall ambitions.

For further information see:

[Appendix 7 – Key performance indicators and targets](#)

Appendix 1 – Local audit work

46 The Auditor General carries out local work at most public bodies in Wales. The programme includes audits of accounts, local performance audit work and well-being of future generations work.

Table listing the public bodies audited by the Auditor General and showing the types of local work carried out at those bodies

Public body	Audits of accounts	Local performance audit work ¹	Well-being of future generations work
National Assembly for Wales	✓		
Welsh Government	✓		✓
8 Welsh Government sponsored bodies	✓		✓ ²
The Welsh Revenue Authority including the tax statement	✓		
4 Welsh Government companies	✓		
8 Commissioners, Inspectorates and Regulators	✓		
7 Local Health Boards	✓	✓	✓
3 NHS Trusts and a Special Health Authority	✓	✓	✓ ³
22 Councils (Unitary Authorities)	✓	✓	✓
4 Police and Crime Commissioners and Chief Constables	✓	✓	✓
3 Fire and Rescue Authorities	✓	✓	✓
3 National Park Authorities	✓	✓	✓
9 Pension Funds	✓		
Several smaller local government bodies including joint committees, internal drainage districts and harbour authorities	✓		
Over 730 Town and Community Councils	✓ ⁴		

1 The Auditor General is not required to conduct a programme of local performance audit work at each central government body. Performance audit work conducted within this sector currently sits within his programme of national value for money examinations and studies.

2 Only for listed bodies under the Well-being of Future Generations (Wales) Act 2015.

3 Only for listed bodies under the Well-being of Future Generations (Wales) Act 2015.

4 On a limited assurance basis.

Appendix 2 – National value for money examinations and studies

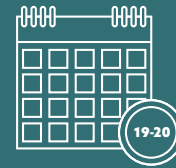
- 47 This programme of work includes value for money examinations, local government studies, and the preparation of summary reports of the findings from local audit work across multiple NHS, central government and/or local government bodies. It also includes examinations undertaken in response to issues of public concern identified through our audit work or raised with the Auditor General through correspondence.
- 48 The outputs from much of this programme support the work of the National Assembly’s Public Accounts Committee and other Assembly committees. Further information on our programme of examinations and studies is available on our [website](#).
- 49 Some, but not all, of the work listed is due to be reported on in 2019-20. The programme of work retains a degree of flexibility to respond to changing circumstances, priorities and issues of public or parliamentary concern, and to incorporate learning of wider relevance from local audit work.





Work already in progress

- Primary care services
- Integrated Care Fund
- NHS clinical coding
- Orthopaedic services
- Tackling violence against women, domestic abuse and sexual violence
- Planning services
- First point of contact assessments
- A465 (Section 2) road improvement
- Well-being of future generations
- Improving the well-being of young people



New work that we plan to take forward in 2019-20

- Picture of public services
- Brexit
- Preventing fraud and corruption
- Administration of student finance
- Fuel poverty / energy efficiency
- Welsh Government workforce
- Welsh Government ICT
- Digital resilience
- Welsh Community Care Information System (WCCIS)
- Impact of austerity on local authority discretionary services
- Financial sustainability in local government
- Commercialisation in local authorities
- Public Service Boards
- Grants management
- Collaborative arrangements for managing local public health resources
- NHS waiting times
- Covering teachers' absence

Appendix 3 – Supporting effective scrutiny and accountability

Supporting the work of the Public Accounts Committee and other Assembly Committees

- 50 Our work plays a key role in supporting the work of the Public Accounts Committee in its consideration of matters relating to the use of resources in the discharge of public functions in Wales. Our work can also, where applicable, inform the work of other National Assembly committees whose wider remit includes scrutinising the expenditure and policies of the Welsh Government, holding Ministers to account, and examining proposed legislation.
- 51 In 2019-20, we will provide regular briefings to the Public Accounts Committee on the content of the Auditor General's published reports, which will help the Committee determine its subsequent course of action. We will also provide further advice and support to the Committee as required, particularly in relation to:
- a the development of members' briefings for evidence sessions with witnesses from the Welsh Government and other organisations;
 - b the development of the Committee's reports; and
 - c providing advice on the adequacy of the Welsh Government's formal responses to recommendations in the Committee's reports.

Supporting the work of the audit and scrutiny committees of public bodies

- 52 Throughout the year, we will attend most meetings of the audit committees of the principal bodies that we audit to provide regular briefings and report on our audit work.
- 53 We will also provide further advice and support to audit and scrutiny committees, where applicable, particularly in relation to:
- a providing support and guidance to committee chairs to support them in being more effective in their role; and
 - b providing good practice seminar opportunities and awareness raising sessions for committee members on particularly relevant issues.

Supporting the public and their local elected representatives

- 54 We regularly receive correspondence from the public, their local and national elected representatives and others that raises potential concerns about the stewardship of public money and assets. The Auditor General is also a 'prescribed person' for raising whistleblowing concerns about the proper conduct of public business and fraud, value for money and corruption in relation to the provision of public services.
- 55 In 2019-20, we will continue to ensure that we:
- a respond to such concerns promptly, and in a fair, objective and professional manner;
 - b appreciate the importance of the issues to those who have taken the time to highlight them;
 - c issue audit reports where we consider these are merited; and
 - d make sure that we do not use public money looking at issues that are not relevant to our audit work or spend too much time on minor issues.



Appendix 4 – Good practice work

- 56 A key focus of our good practice work is to facilitate conversations between service providers where the learning from our audit work and from their comparative successes and failures is shared face-to-face. Increasingly we are bringing the views and experience of service users and of global experts to these conversations.
- 57 Our [programme of shared learning seminars and webinars](#) is flexible and further topics will be added during the year.

Table listing the shared learning seminars and webinars planned for 2019-20.

Topic	Event ⁵	When
Town and Community Councils – sharing learning from our review of internal audit arrangements	Online webinar	April 2019
Working together in partnership to combat fraud in Wales (in partnership with CIPFA Wales)	Seminar	May 2019
Sharing the learning from our review of the Integrated Care Fund	Seminar	June 2019
Innovative approaches to delivering public services in rural communities	Seminar	July 2019
Longer-term planning and decision making – moving beyond annual planning cycles for public services	Online webinar	August 2019
How public services contribute towards the well-being goal of ‘a more equal Wales’	Seminar	September 2019
How technology is enabling better collaborative working across public services	Seminar	October 2019
Alternative delivery models for tackling adverse childhood experiences (in partnership with the Future Generations Commissioner’s Office and ACE Hub)	Seminar	December 2019
Accountability and governance in partnership services	Seminar	February 2020
Tackling violence against women, domestic abuse and sexual violence	Seminar	March 2020
Impact of housing and social care on health and well-being	Online webinar	TBC

⁵ Our seminars are delivered at two venues in Cardiff and Llanrwst.

Appendix 5 – Being a model organisation

58 Alongside our overall change commitments, the work of the Wales Audit Office Board and Management Committee on running the business in 2019-20 will be shaped by the following thematic priorities:



Our people and assets

- Refine our [People Strategy](#), including through:
 - embedding our values and behaviours into how we work with each other and how we make decisions;
 - instilling a coaching culture to ensure thriving conditions for organisational success; and
 - developing a holistic workforce vision to ensure we have the skills and capacity needed to adapt to internal and external change.
- Respond to the results of our latest staff survey⁶ where, despite our overall performance remaining very strong, several areas were identified by staff where we need to do better, including change management and the provision of career path opportunities.
- Actively promote and support staff emotional and physical health and their wellbeing.
- Make good progress towards achieving the equality objectives set out in our [Strategic Equality Plan](#), including through increasing the diversity of our workforce, particularly at the more senior levels.
- Continue to embed the principle of sustainable development in the way we run our business and explore how we can further apply the ‘five ways of working’⁷ to our ongoing operations.
- Reach our target of achieving Level 5 (the highest level) of the Green Dragon Environmental Standard.
- Use the outputs from our review of new and smarter ways of working to inform a re-evaluation of our estates and accommodation strategy.

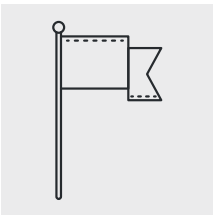
⁶ During October 2018, we ran our annual staff survey to gain insight on the employee experience at the Wales Audit Office, using the same questionnaire used in the [Civil Service People Survey](#).

⁷ As defined in the Well-being of Future Generations (Wales) Act 2015.



Our delivery model

- Expand our use of multi-disciplinary teams to deliver our programme of audit projects.
- Accommodate the changes required to our working practices due to changes in our operating environment, including in relation to the early closure of local government accounts, fiscal devolution and Brexit.
- Support the National Assembly's Finance Committee in its consideration of whether the complicated public audit fee regime in Wales can be simplified and brought more in line with those applicable to other UK audit bodies.
- Deliver a rolling programme of PC/IT equipment and data network infrastructure renewal, alongside further investment in 'cloud services'.
- Refresh our strategy for providing a bilingual audit service and communicating with the public, audited bodies and the media in both languages.
- Implement the key recommendations from our communications transformation project.

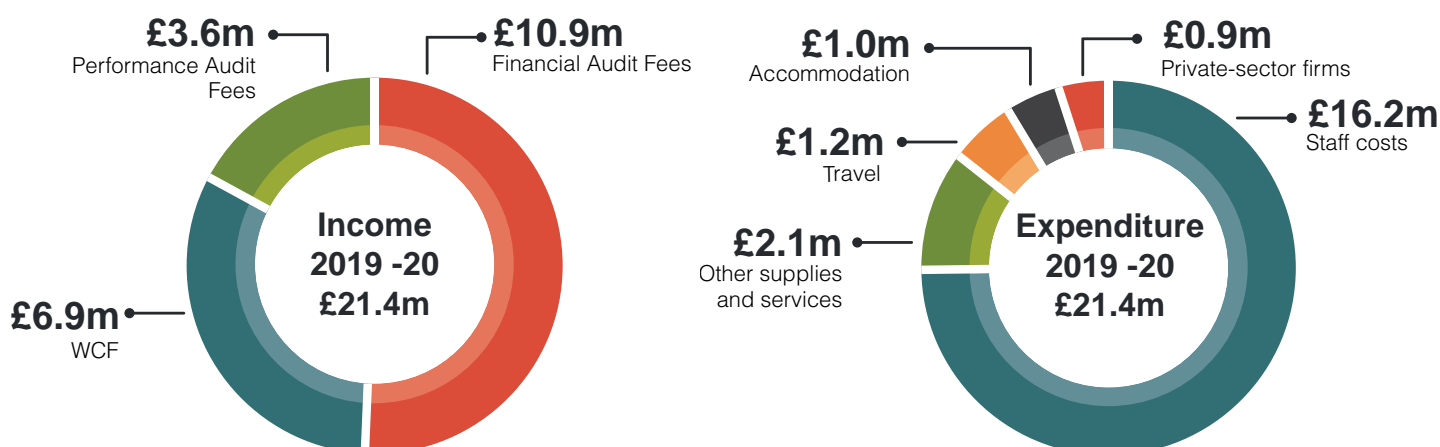


Our leadership and governance

- Ensure that our leadership team is fully equipped to meet the challenges of our future organisational direction.
- Establish a visible 'golden thread' from our overall ambitions down to individual work plans and objectives.
- Streamline our decision-making processes and ensure we consistently delegate responsibility to the most appropriate level.
- Ensure that we have appropriate change capacity in place to deliver the ambitions laid out in this Plan.
- Revisit and update our stakeholder engagement approach to ensure alignment with our ambitions.
- Check that we have the right controls and sources of assurance in place to support comprehensive and robust governance.
- Review our Board effectiveness to ensure that we continue to add value to the Wales Audit Office.

Appendix 6 – Our finances

- 59 The National Assembly’s Finance Committee scrutinises our use of resources, including through consideration of this Plan, our [Estimate](#), [Fee Scheme](#), [Interim Report\(s\)](#) and [Annual Report and Accounts](#).
- 60 Approximately two thirds of Wales Audit Office funding comes from fees charged to audited bodies in accordance with a scheme of fees approved by the National Assembly. 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.
- 61 The key priorities for our use of resources in 2019-20 are laid out in our most recent [Estimate](#), which was considered and approved by the National Assembly’s Finance Committee in November 2018. £15.6 million of planned expenditure relates to resources to be made available to the Auditor General to carry out his work programme⁸. A further £5.9 million provides a range of corporate enabling services, including accommodation and other support services, such as legal advice, ICT and HR⁹.
- 62 Since the reconstitution of the Wales Audit Office in 2013-14, by the end of 2019-20 we will have reduced the cost of public audit in Wales by 14% in real terms¹⁰. The cumulative savings generated across those years will amount to over £13 million.



⁸ 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.

⁹ This constitutes the resources required to support the Wales Audit Office’s work programme.

¹⁰ Based on GDP deflators published by the Office for National Statistics, June 2018.

Appendix 7 – Key performance indicators and targets

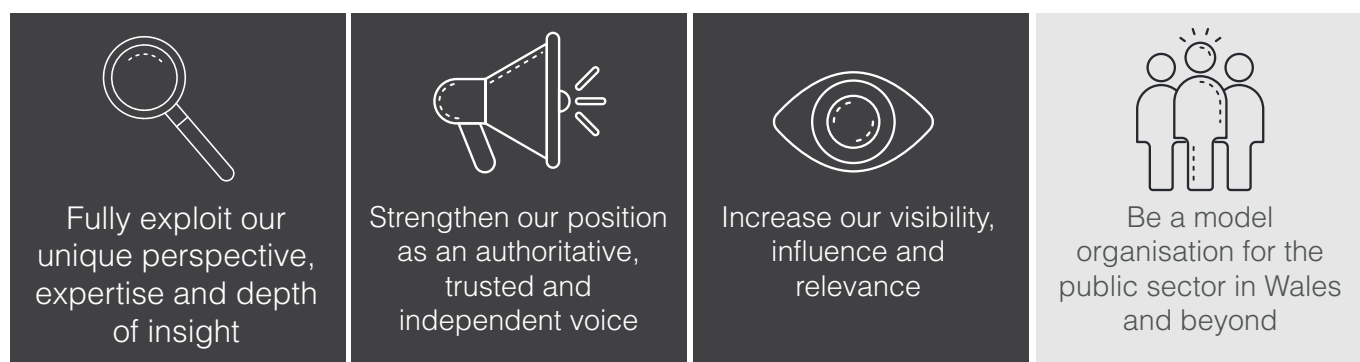
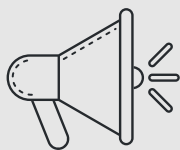


Table listing the key performance indicators and associated targets that relate to our first three ambitions

No.	Indicator	Description	Target
1	On time	Proportion of key audit products delivered on time.	95%
2	National reports	Number of national reports published.	18 per annum
3	Accepted recommendations	Proportion of recommendations or proposals for improvement that are fully accepted for implementation by audited bodies.	90%
4	Savings identified	Value of potential savings identified through our work.	At least £30 million during 2018-2021
5	Making a difference	Percent positive stakeholder survey score for how well we are perceived to be delivering our ambitions.	85%
6	Attendees of good practice events	Number of attendees at our shared learning seminars and webinars.	1,100 per annum
7	Satisfaction with good practice events	Proportion of attendees of our good practice exchange events who rated the events useful or very useful overall.	At least 90%
8	Website visits – proportion	Proportion of website visits where at least one action is performed, eg download a report, click on a video.	At least 50%
9	Website visits – number	Number of website visits where at least one action is performed, eg download a report, click on a video.	30,000 per annum
10	Correspondence handling	Number of instances where a response to concerns about public spending raised through correspondence is not issued within 30 working days of receipt.	Nil



Fully exploit our unique perspective, expertise and depth of insight



Strengthen our position as an authoritative, trusted and independent voice



Increase our visibility, influence and relevance



Be a model organisation for the public sector in Wales and beyond

Table listing the key performance indicators and associated targets that relate to our fourth ambition of being a model organisation for the public sector in Wales and beyond

No.	Indicator	Description	Target
11	Employee engagement	Percent positive annual staff survey (aligned with the Civil Service People Survey) engagement index score.	At least the 9th decile score for the latest Civil Service People Survey (CSPS)
12	Employee experience	Percent positive annual staff survey thematic ¹¹ scores.	At least the 9th decile scores for the latest CSPS
13	Sickness Absence	Average working days lost per member of staff per annum.	Less than 6 days
14	Financial balance	Level of variance in gross expenditure from that set out in our Estimate for 2019-20.	Within 2% of budget
15	Supplier payments	Proportion of suppliers paid within 10 working days of receipt of invoice.	At least 90%
16	Cost savings and efficiencies	Value of cost savings and efficiencies identified throughout the business.	£574,000
17	Efficiency of estate	Costs including for rent and rates per whole-time equivalent.	Less than £3,300
18	Welsh language provision	Number of complaints received and upheld regarding our Welsh language provision.	Nil
19	Environmental management	Level of Groundwork Wales Green Dragon Environmental Standard accreditation.	Level 5 (highest level)
20	Greenhouse gas emissions	Total CO ₂ equivalent emissions from sources that we own or control, from consumption of purchased electricity, or that are produced indirectly as a consequence of our activities.	Less than 450 tonnes

¹¹ The key CSPS employee experience themes are: organisational objectives and purpose; leadership and managing change; organisational culture; my manager; my work; my team; inclusion and fair treatment; learning and development; resources and workload; pay and benefits; and taking action.

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