

An aerial photograph of a coastal road. The road is paved and curves along a rocky coastline. To the left of the road is a dense forest of green trees. To the right is the ocean, which is a vibrant turquoise color with white foam from waves crashing against the rocks. The sky is not visible.

Our Strategic Plan

2022–2025

VAGO

Acknowledgement of Country

The Victorian Auditor-General's Office (VAGO) acknowledges the Traditional Custodians of the lands and waters throughout Victoria.

We pay our respects to Aboriginal and Torres Strait Islander communities, their continuing culture, and to Elders past and present.

Artwork: *Yaalingbu, Yirramboi – Nallei Jerring (Today, Tomorrow – Adjoin)*
by Simone Thompson, Wurundjeri/Yorta-Yorta



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Message from our Strategic Management Group

We are pleased to present this next phase of our strategic plan, designed to help steer VAGO over the next 4 years. This plan is the result of close work with people across all parts of our organisation. Thank you to all involved for your thoughtful input and for living our value of collaboration.

This 2022–2025 strategy builds on and continues the work set out in our previous strategic plan. In revisiting and refreshing our approaches we judged that our existing strategy served us well. But we acknowledge also that we were unable to fully realise our ambitious strategic agenda over the past 4 years, as we and the public sector were significantly disrupted by the COVID-19 pandemic. In response, in this plan we signal work that has been carried over as well as new initiatives.

Our work is held in high regard, but we are not complacent. We know that we can achieve more and that there are areas where we need to continue to adapt to ensure our work remains relevant and effective.

A major part of this strategy is deep and detailed engagement with our workforce on projects and activities. This will be critical to delivering our intended outcomes and giving effect to the overarching strategic plan. Integral to this are our Financial and Performance Audit (FA and PA) roadmaps, which include clear linkages to our strategic objectives. This provides greater transparency about our approach and is another way we will hold ourselves to account as we continue to deliver on our strategic intent.



Auditor-General
Andrew Greaves



Deputy Auditor-General
Dave Barry



**Assistant Auditor-General:
Financial Audit**
Roberta Skliros



**Assistant Auditor-General:
Performance Audit (Acting)**
Sheraz Siddiqui

About us

Our purpose

We inform the Parliament and Victorians about the performance of the public sector and how to improve public services.

Our sole legislated function is to undertake and report on reasonable and limited assurance engagements. Within this defined scope, we undertake:

- direct performance engagements (audits and reviews) of public sector entities for and on behalf of the Parliament
- attestation engagements for the public sector on the financial and non-financial reports they prepare.

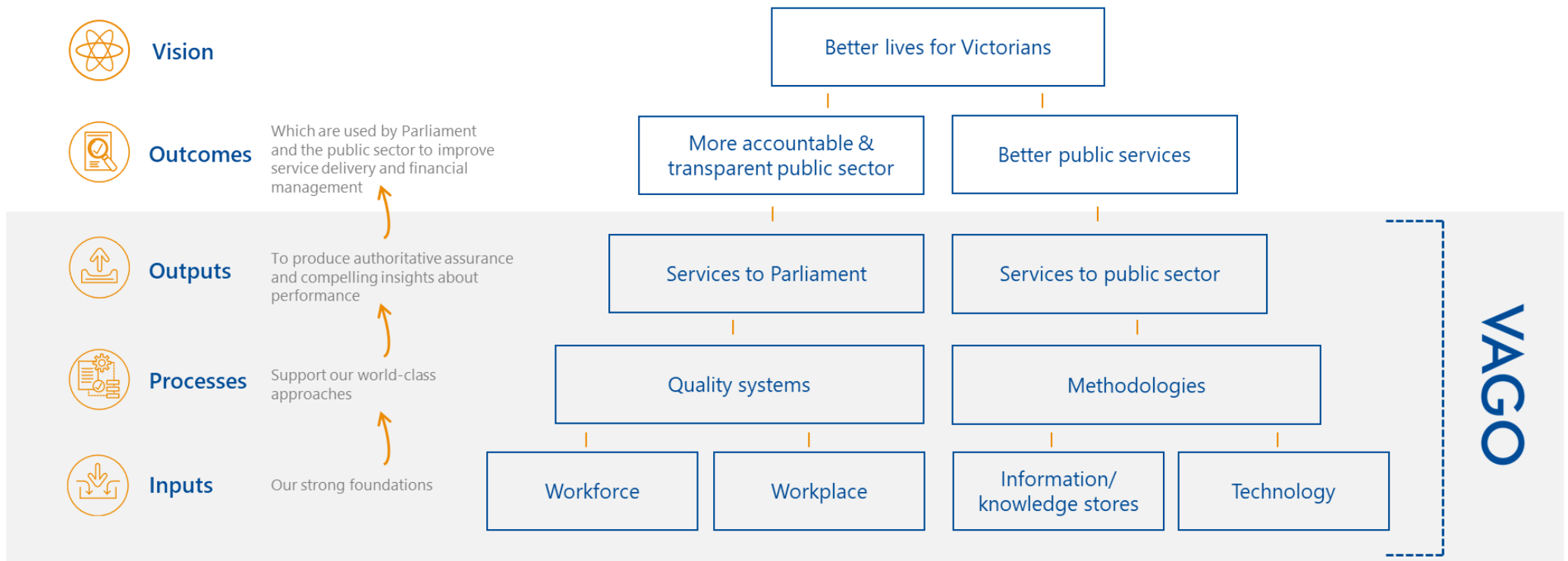
Our service logic

Through the services we deliver to the Parliament and to the public sector, we seek to achieve 2 outcomes:

- a more accountable and transparent public sector
- better public services.

To do this, it is critical that we have an engaged and empowered workforce (our foundation), enabled by technology and quality systems (our processes).

Our service logic



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Strategic priorities and shifts

Outcomes from our last strategic plan

The past 4 years

Our strategic focus for the past 4 years has been on making our outputs more relevant and influential, and we have achieved a great deal.

These achievements have been underpinned by investing in the skills and knowledge of our workforce and in streamlining and modernising our systems and processes.

Carryover and continuing actions

While we are pleased with the progress we have made, there are some actions that we will carry over to finalise in this next strategic planning period. Most notably:

We will continue to ...	By ...
explore our full mandate	continuing to: <ul style="list-style-type: none"> • expand our use of review engagements • focus our coverage on areas of greatest risk and materiality
focus on data-driven auditing in our attest and direct engagements	continuing our roll out of Empower (our financial audit data analytics tool), extending its reach and application in the planning and testing phases of audits
modernise our audit methodologies and our audit and assurance toolsets	completing the update of our performance engagement methodology, more tightly integrating it with our process for identifying and selecting topics
invest in achieving a diverse, safe and inclusive workplace	remaining dedicated to building and fostering a diverse workforce and achieving gender equality by actively sponsoring our: <ul style="list-style-type: none"> • <i>People Matter Action Plan</i> • <i>broader Diversity, Inclusion and Belonging Plan 2022–2025.</i>

Our 2022–25 plan

Strategic goals and priorities

Our new strategic plan is built around:

- our desired outcomes for:
 - a more accountable and transparent public sector
 - better public services
- a recognition that our success depends critically on our people and the wider workforce we co-opt to deliver our service.

Operational focus and strategic projects

This strategic plan encompasses and is supported by each audit and corporate division's business plan. These plans, which have an operational focus, are updated yearly.

We articulate and manage all VAGO strategic projects through an online project portfolio, ensuring transparency and accountability. Projects that emanate from the strategies in this plan will be defined and managed through that portfolio.

Goals, objectives and strategies

Goal 1

A transparent and accountable public sector

Parliamentary accountability is a cornerstone of effective government.

Publicly reporting the results of our work to Parliament means it, and all Victorians, are better informed and so better able to hold the government to account.

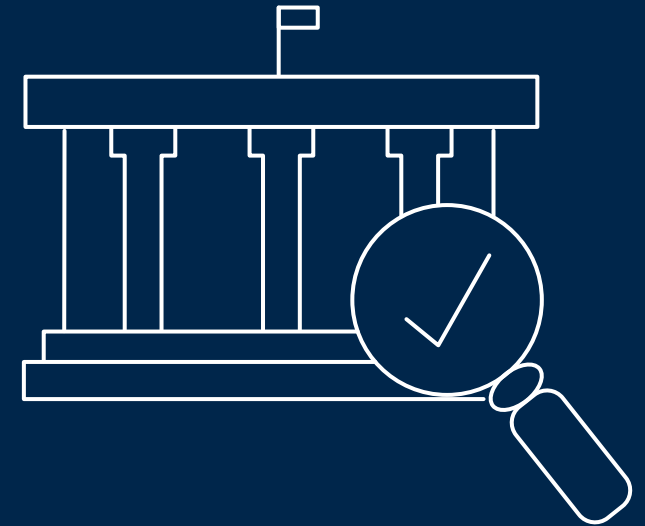
Over the past 4 years, we have repaired and restored the reputation and standing of this office and its products.

We are, and will continue to be, a source of credible, authoritative assurance about the performance of the public sector. Our reports to Parliament are well regarded as balanced and fair.

Over the next 4 years we will build on our success and contribute to achieving a more transparent and accountable public sector through 2 strategic objectives:

1. promoting greater awareness and use of our work
2. promoting greater transparency by the public sector.

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We will continue to be a source of credible, authoritative assurance about the performance of the public sector.

Goal 1

A transparent and accountable public sector

Objective 1.1: Promote greater awareness and use of our work

We will continue to explore the:

- methods we use to gather information
- analytical and visualisation tools we use to explain audit results
- ways in which we publicly report.

As part of this, our strategic focus over the next 4 years will be to reimagine our public reports. Our vision is for an integrated suite of web-based content that, taken together, is more accessible, understandable and useable.

We will also build on our parliamentary engagement plan and seek to more actively engage with the public, so they are better informed and better able to hold the government to account. In turn, we are also committed to better understanding how Victorians live and their experience of public services. To do this we will extend our outreach with a particular emphasis on inclusion and diversity. This includes our consultation on potential audit topics.

Over the past 4 years we have invested considerable time and resources in data visualisation, including interactive dashboards to accompany our reports. Communicating audit results this way provides Parliament and the public with more detailed insights into performance, in a more accessible format. We will continue this journey as we seek to further consolidate and embed data analysis into our audits.



Strategies

Two strategies will drive our objective of greater awareness and use of our work:

Our strategy to ...	Means we will ...
produce and share contemporary public products (1.1.1)	continue to refine our parliamentary products and associated web content and expect them to significantly evolve over the next 4 years so they are more accessible and understandable
increase our direct community engagement (1.1.2)	extend and increase direct outreach to the public, emphasising citizen engagement with and participation in our work, including through our: <ul style="list-style-type: none"> • annual planning and audit processes • digital channels.

Goal 1

A transparent and accountable public sector

Objective 1.2: Promote greater transparency

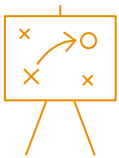
Beyond our own work, we have a leadership role to influence and shape how well the public sector reports its own performance, especially its reporting of outputs and outcomes.

We want to influence improved reporting by public organisations and the sector as a whole by continuing to encourage open and transparent reporting with publicly accessible information that is:

- reliable
- meaningful
- timely.

We will work with sector leaders, professional bodies and standard-setters, using meaningful and reliable performance measures to encourage improved reporting on outcomes.

We will also make greater use of our limited assurance review powers to systematically examine and report on the fair presentation of performance information in annual reports.



Strategy

One key strategy will drive our objective of promoting greater transparency:

Our strategy to ...	Means we will ...
provide stronger advocacy (1.2.1)	advocate for better financial and non-financial performance reporting through our direct participation and engagement with industry and professional bodies
	build on the work we already undertake on our annual financial and non-financial dashboards, seeking to better integrate, unify and visualise this information for each major sector.

Goal 2

Better public services

Accountability and transparency at its best helps to improve public services.

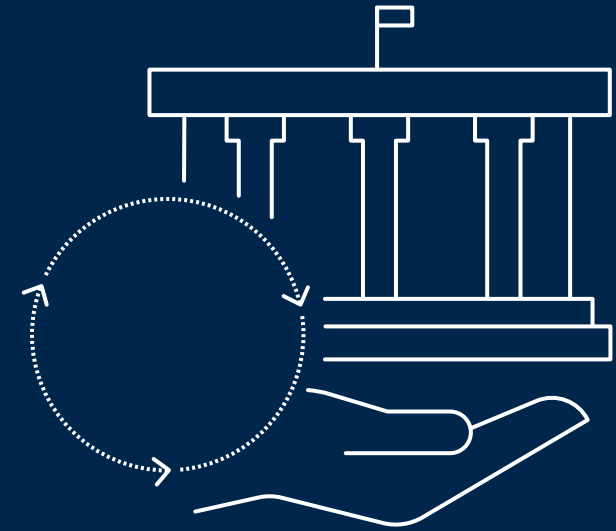
Accountability and transparency not only focuses leadership on the conditions of success but also provides them with actionable insights.

The public sector has experienced significant disruption from the pandemic. Meanwhile, technological advances continue to gather pace in service delivery and corporate support areas. This will continue over the next 4 years as the sector looks more broadly to realising the efficiency dividends and significant cost-saving measures that are being asked of them.

The need to constrain expenditure in the face of recent rapid growth in the public sector workforce poses significant risks to efficient and effective service delivery. We have a role to play to help the sector understand and ameliorate these risks.

To this end, over the next 4 years we will contribute to better public services through 2 strategic objectives:

1. making better diagnostic use of the financial and non-financial data we will continue to accumulate and store in our audit systems
2. improving how we engage and communicate with the public sector with a focus on sharing the better-practice approaches we observe.



We have a role to play to help the sector understand and ameliorate risks (to efficient and effective service delivery).

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Goal 2 Better public services

Objective 2.1: Make better use of our financial and non-financial data

Through our ongoing yearly presence in every public sector entity, we have built a store of knowledge—tacit and explicit—about how the sector works and how it can be improved.

We will continue to use this knowledge and our experience to provide insights into 'what good looks like', leveraging our access to point individual organisations to other public organisations that may do similar things better or well.

We have invested in building our own data repositories, but we can do better at harnessing this data and our expertise in system design and control. We need to systematically unlock our accumulated knowledge and share it widely with the public sector.



Strategy

One key strategy will drive our objective of making better use of our knowledge and data:

Our strategy to ...

leverage our **information** (2.1.1)

Means we will ...

take a strategic perspective and consider the value we can extract from our growing perennial datasets to produce new insights into how public services and their delivery systems and processes can be improved.

Goal 2 Better public services

Objective 2.2: Improve engagement and entity level reporting

As part of our attest engagements, we engage with and report to all public sector entities each year.

We also engage with many of these entities through our performance engagements, especially with government departments.

As we revisit our public reporting each year to make sure it remains fit for purpose, so we need to re-examine how we engage with and communicate to the public sector.



Strategy

One key strategy will drive our objective of improving our engagement and entity level reporting:

Our strategy to ...	Means we will ...
implement NextGen sector reporting (2.2.1)	re-evaluate the format and content of all information we provide to those charged with governance, both in our attest and direct engagements
	ask whether, through the information we provide, we are maximising the value and impact of our work in what we provide to the public sector.

Goal 3

An enriched experience for our people

An engaged and empowered workforce, enabled by technology and our quality systems, is critical to achieving our outcomes.

Our people are central to achieving our purpose and we aim to attract and retain the best and brightest. We aspire to be an organisation that supports our staff to develop and to be highly productive and positively engaged.

Together, we have reset our values over the past 4 years, collectively working to provide a safe, diverse and inclusive workplace. Building on our *People Matter Action Plans* and initial 2019–22 *Diversity and Inclusion Plan*, we have developed the *Gender Equality Action Plan 2022–2025*, which will accompany our broader *Diversity, Inclusion and Belonging Plan 2022–2025*.

We have renewed the leadership group, strengthened internal communication and promoted innovative approaches while also seeking to instil this attitude in our people through managed risk-taking. We have sought also to foster an inquiring and capable workforce, willing to embrace technology and with a thirst for knowledge and growth.

Over the next 4 years we will continue to build on our achievements in workforce experience and engagement through 2 strategic objectives:

1. providing professional development and career growth
2. enabling our people with workspace, technology and methodology.

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We aspire to be an organisation that supports our staff to develop and to be highly productive and positively engaged.

Goal 3

An enriched experience for our people

Objective 3.1: Provide professional development and career growth

We will continue to invest considerable effort and resources in training and developing our staff to:

- build the skills they need to work effectively
- progress their careers.

Much of our effort and attention in this space over the past 4 years has been directed to developing necessary 'soft' skills and addressing a lack of leadership training. But we must be mindful that, as part of the auditing profession, we are obliged to continue maintaining and building our expertise in financial and performance auditing disciplines and their application to the public sector.

While we have recently started to develop comprehensive skills and competency frameworks for our auditors, we have not invested enough in developing and delivering a supporting curriculum—an integrated and coordinated suite of technical ('hard' skills) training that prepares our auditors for progression to their next role.

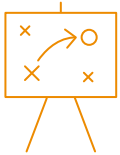
To define our capability and supporting curriculum, we first need to consider how well our organisation structures and operating models intersect to provide our staff with a challenging and rewarding career path that supports their personal and professional growth.

Continued ...

Goal 3

An enriched experience for our people

Objective 3.1: Provide professional development and career growth (continued)



Strategies

Two key strategies will drive our objective for professional development and career growth:

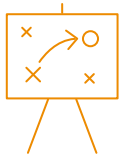
Our strategy to ...	Means we will ...
refine organisation and audit delivery models (3.1.1)	<p>reflect on our audit delivery models and organisational structures to determine whether and how these can be improved from the perspective of providing our staff with a rich, diverse and challenging work experience</p> <hr/> <p>consider the proper allocation of responsibility and authority (for example, who is best placed to hold decision rights over resources, audit design and implementation), taking into account our current hierarchical and highly segmented structure that was designed to:</p> <ul style="list-style-type: none"> • have regard to the responsibilities specified in the <i>Audit Act</i> and quality control requirements of the associated auditing standards • build sector expertise in the auditing standards
define and deliver a capability framework (3.1.2)	<p>continue our focus on having a high-quality pipeline of talent by:</p> <ul style="list-style-type: none"> • being clear in our assessment of performance and potential • developing our people • creating an accelerated promotion pathway for staff with high potential <hr/> <p>refresh our suite of technical training programs for both financial and performance engagements with an emphasis on delivering this training through practical on-the-job application of our updated methodologies and supporting toolsets.</p>

Goal 3

An enriched experience for our people

Objective 3.2: Enable our people

To empower our people and have them realise their full potential, we need to support them with a contemporary workspace and a suitable suite of technology, tools and methods.



Strategies

Over the next 4 years we will continue build on our achievements in this space through 3 strategies:

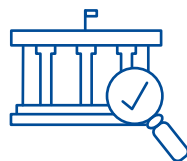
Our strategy to ...	Means we will ...
clarify and embed Better Normal approaches to the workplace (3.2.1)	continue to adapt our various physical workspaces as we evolve and refine our ways of working post-COVID so that our staff have the ability to work from anywhere safely and productively
revisit and update audit quality management systems and the methodologies they support (3.2.2)	adopt the new quality management standards using the risk-based approach embedded within them
	integrate our strategic audit planning into planning for our performance engagements
refine and update our audit solutions and toolsets (3.2.3)	continue to streamline our financial and performance methods approaches to focus on the key areas of risk and materiality
	replace our legacy audit toolsets with native cloud-based solutions that facilitate more efficient and effective audits and reviews.

Our plan at a glance



Goal

1. A transparent and accountable public sector



2. Better public services



3. An enriched experience for our people



Objective

1.1 Promote greater awareness and use of our work

1.2 Promote greater transparency

2.1 Make better use of our financial and non-financial data

2.2 Improve engagement and entity level reporting

3.1 Provide professional development and career growth

3.2 Enable our people



Strategy

1.1.1 Produce and share contemporary public products

1.1.2 Increase our direct community engagement

1.2.1 Provide stronger advocacy

2.1.1 Leverage our information

2.2.1 Implement NextGen sector reporting

3.1.1 Refine organisation and audit delivery models
3.1.2 Define and deliver a capability framework

3.2.1 Clarify and embed Better Normal approaches to the workplace
3.2.2 Revisit and update audit quality management systems and the methodologies they support
3.2.3 Refine and update our audit solutions and toolsets

VAGO
