

Our forward work plan

The Queensland Audit Office (QAO) is an essential part of the state's integrity system. We provide parliament and the public with independent and valued assurance on the performance and accountability of public sector entities and local governments. We provide insights into how well public services are being delivered and make recommendations on how they can be improved.

At the heart of our role is driving positive change in the way public services are delivered to help improve the lives of Queenslanders.

Our 3-year plan

Our legislation, the *Auditor-General Act 2009*, requires us to publish a 3-year plan of the performance audits we intend to carry out. We prepare a 3-year program covering all of our audit work – called our *Forward work plan* – to provide transparency to parliament on the work we intend to perform and why we consider it important.

It also gives our clients early notice of our focus areas, allowing them to prepare for our audits, including identifying and compiling key supporting information that we may require. Preventing unnecessary delays ensures we can deliver timely insights and limit undue disruption to entities.

Our *Forward work plan* outlines our expected audit response to the strategic or critical risks to public service delivery that QAO has identified. The plan covers our financial audits, performance audits and assurance activities, which work together to provide a full picture of state and local government performance and accountability. The plan also shares important contextual information on the factors impacting public service delivery both presently and in the near future.

We revisit our plan and publish a new version each year after reconsidering each topic's relative importance, the timing of our audits, any potential new topics, and, importantly, our ability to influence changes in public service delivery.

Our forward work plan can be read on our website:

www.qao.qld.gov.au/audit-program

Fact sheet



Conducting audit work that matters most to Queensland

Auditing the right matters at the right time is key to achieving our vision. We carefully plan our work so it meets the needs of parliament and our audit clients, and so we draw out the insights most likely to drive positive change.

Through our performance and assurance audit program, we cover a range of topics that examine the efficiency, effectiveness, economy, and legislative compliance of important aspects of public services. The audit topics are wide ranging across the many public services the community receives.

Through our financial audit program, we provide assurance over the reliability of financial statements, assess financial sustainability, and provide insight into key financial risks of state public sector entities and local governments. We target our work on areas with a high risk of fraud or error in financial statements. We also look at the quality and effectiveness of internal controls.

As part of our *Forward work plan*, we also look to provide updates on the status of major projects in Queensland and insights on how regional areas support economic activity and sustainable communities throughout Queensland.

Based on our assessment of strategic or critical risks to public service delivery, and the broad areas where we believe we can provide insights, we identify 'focus areas' to guide our work in financial audits, performance audits and other assurance activities.

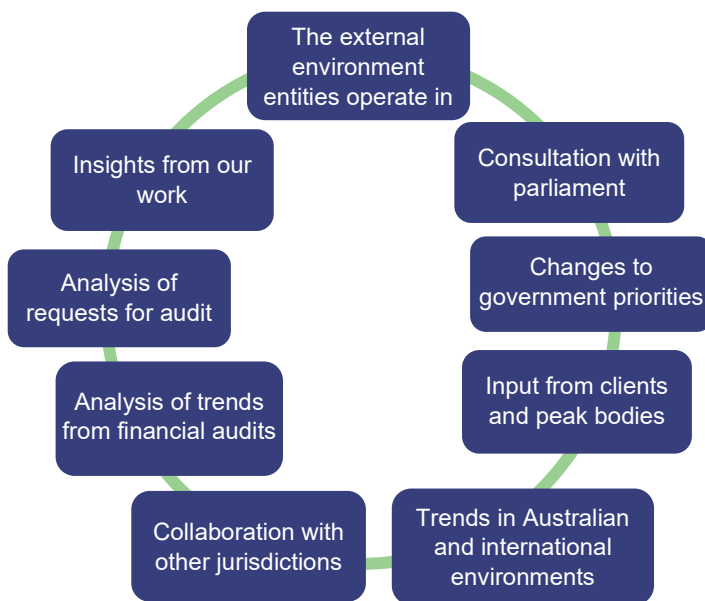
Identifying audit topics

We have a thorough process for identifying potential audit topics. Our intelligence gathering includes a range of inputs. We:

- continually scan the environment that state and local government entities operate in to reflect emerging or systemic risk
- analyse the results of our financial audits to identify and understand systemic issues, challenges, or trends
- meet regularly with our clients and peak bodies to understand their challenges and where they see risk in the public sector
- assess changes to government priorities, reviews, or any general factors that may influence suitability or timing of audit
- invite all stakeholders, whether they be entities, parliament, or the public, to submit topic suggestions. We analyse these submissions to identify any emerging, consistent, or persistent concerns

- analyse the information we receive through requests for audits. Based on our assessment we develop appropriate responses to the request, which may include adding a potential audit topic to our plan
- examine trends and developments in Australian and international environments, and key bodies of large research, to see what the pressing issues are for the world today
- look at the priorities and focus areas of other audit jurisdictions
- consider issues warranting a future audit at arise during our performance audits or assurance activities.

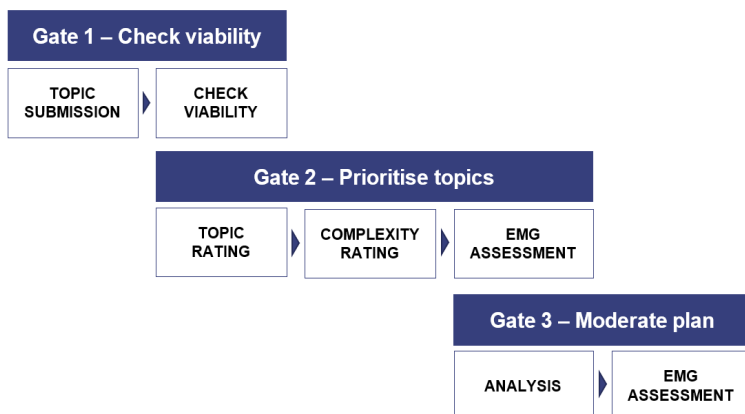
Sources for intelligence gathering



Selecting what to audit

We apply a structured and rigorous process to assessing and selecting our audit topics. This involves a 'gated' process that ensures we assess all proposed audit topics consistently and on their relative merits.

Audit selection process



Note: EMG – Executive Management Group.



Gate 1 – Viability check

Our annual planning process allows anyone, including members of parliament and the public, to submit a potential audit topic.

All potential audit topics must fit within our mandate – for example, we cannot comment on the merit of public policy objectives; rather, we will only examine how efficiently and effectively a service has been delivered.

We also assess whether a proposed topic is auditable – for example, is there sufficient information available on the topic to allow us to audit it and form an opinion on whether the government is achieving its objectives.

The result from this process is a topics list or register.

Gate 2 – Value and priority assessment

We then assess all proposed topics on the register in terms of their value and priority. The value of the topic is assessed by considering its impact, its importance, and the opportunity it provides for QAO to influence the delivery of public services.

The **impact** criterion considers:

- social, environmental, and economic or financial impacts
- how broad the reach of the topic would be
- how significant it is across an industry, region, or area of service delivery.

This **importance** criterion considers:

- how valuable the audit would be to parliament and parliamentary committees
- how important it is to government and the wider public sector
- how many entities it would affect.

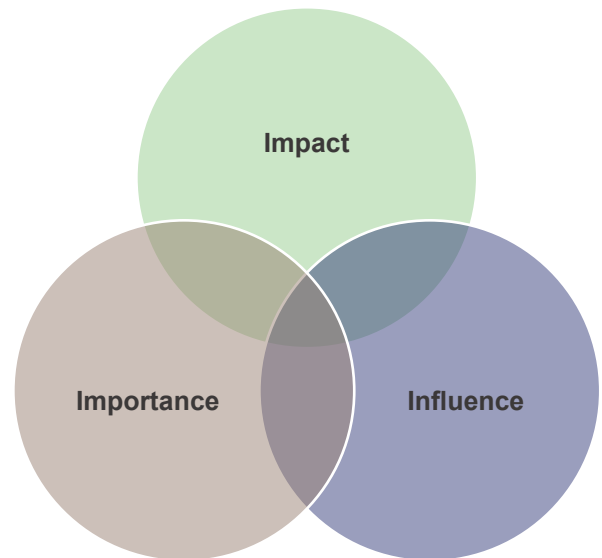
The **influence** criterion considers:

- the opportunities the topic gives QAO to facilitate performance improvements and change
- how the topic supports our continuous engagement on strategic risks facing government.

We then rate all the topics, based on the factors mentioned above – impact, importance, and influence. We also make an initial assessment on the complexity of the of the proposed topic.

Based on these assessments, we assign an overall priority score and use it to rank proposed topics. These rankings inform the topics to be developed for our draft forward work plan, which we will then consult on.

Value and priority assessment of audit topics



Gate 3 – Moderation

We perform a moderation process over the priority scores for proposed topics. This ensures we have made assessments that are consistent and are robust.

Via our moderation process, we also ensure we have a spread of topics covering matters of efficiency, effectiveness, and economy. We look at how they would fit across a 3-year program, and consider time-critical events and any competing priorities.

We also ensure the plan maintains a balance of the types of audits and reports to parliament across entities, and across the parliamentary committees that have oversight of those entities.

Internally, QAO's Executive Management Group meets to discuss:

- strategic risks to public sector and local government entities
- the government's stated priorities and commitments
- insights and intelligence we have gleaned from our intelligence sources and suggest further topics.

This discussion informs workshops with QAO's senior directors and directors who provide input on the risks they are seeing from their wide client base across Queensland.

Communicating the plan

Once we have assessed and selected our potential topics, we consult with the parliamentary committees, and with the entities that may be involved in the audits.



This gives our clients an important opportunity to comment on the proposed topics and timings. It also provides advance notice about our audit focus, giving entities time to prepare.

Our engagement and consultation process involves:

- providing stakeholders, such as entities and ministers, with the draft plan for comment
- refining and incorporating changes based on applicable feedback
- formally issuing the proposed plan to the parliamentary Economics and Governance Committee for comment for 42 days (per our legislation), and incorporating changes.

As a part of our consultation process, we also seek feedback on how we can improve or refine our planning processes.

We are required to publish our final plan on our website before 30 June each year, however, we try and publish the plan earlier where possible. We then inform our clients, stakeholders and the public that it is available.

Changes to the plan

We expect our audit focus areas to remain generally consistent over the life of our plan, but each year as part of our planning process, we review and renew them to deliver an updated 3-year plan.

We may reconsider or refine topics for a range of reasons, such as the emergence of new risks that entities must manage, unexpected events such as COVID-19, changes in government priorities, or machinery of government changes.

We may add new topics, remove an existing topic, refocus or refine a topic and its audit objective, or reschedule an existing topic to another year.

Along with our forward work plan, we include an acquittal providing detail on the changes we have made between the previous year's plan and the revised plan.

While our plan identifies those audits we intend to conduct, the Auditor-General ultimately has discretion in discharging their mandate and determining the priority given to audit matters. This may mean that changes to planned audits may occur after the plan has been published.

If we add a new audit after our plan is published, for example as a result of a request for audit, we communicate the new topic to relevant stakeholders. We also add it to the audit program page of our website: www.qao.qld.gov.au/audit-program.

How we share the results of our audit work

Most of our audits result in a report which the Auditor-General tables in parliament, sharing our insights.

Our reports to parliament range in depth and degree of evaluation; balancing deep analysis and conclusions with timely delivery of our insights.

We consult and engage closely with our clients during our audits and as we prepare the report to parliament. This includes a period of 21 days where we invite entities to formally respond to our proposed reports.

Further detail on how we prepare our reports to parliament is in a [fact sheet](#) on our website.

Most of our reports include recommendations for improvement to service delivery. We ask entities to self-assess and report to us on their progress in implementing our recommendations. More information on how we do this is in a [fact sheet](#) on our website.

Suggestions for audit topics

Input from our clients and stakeholders, including the wider Queensland community, is a valuable source of information for us. We welcome suggestions for potential audit topics via our website: www.qao.qld.gov.au/contact-us

When suggesting audit topics or raising issues, they need to relate to public sector entities or local governments, or money being spent on public services.

We may also receive formal requests for audit from the public, elected members, public sector employees and other integrity offices. We publish summaries of the requests we receive from members of state parliament and councillors on our website:

www.qao.qld.gov.au/audit-program/requests-audits. Our [fact sheet](#) provides further detail.





qao.qld.gov.au/audit-program

qao.qld.gov.au/reports-resources/fact-sheets

qao.qld.gov.au/reports-resources/reports-parliament

qao.qld.gov.au/blog

T: (07) 3149 6000
M: qao@qao.qld.gov.au
W: qao.qld.gov.au
53 Albert Street, Brisbane Qld 4000

