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Draft annual plan 2025/26

Presented to the House of Representatives
under section 36 of the Public Audit Act 2001

April 2025

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Request for your feedback

Tēnā koutou katoa.

I am pleased to present the Controller and Auditor-General's *Draft annual plan 2025/26* for your feedback.

The two business units of the Controller and Auditor-General – Audit New Zealand and the Office of the Auditor-General – work to improve trust and promote value in the public sector. We do this by assessing and reporting on how well public organisations perform and account for their performance.

The annual plan is an important accountability document that sets out our work programme for 2025/26. As always, the focus of the work will be on where we can best influence improvements in the performance and accountability of public organisations.

We have a range of functions to help achieve this. The most significant is our mandatory audit function, which makes up about 85% of our work. We also monitor government spending against the authority provided by Parliament. Together, this work provides an independent view on how public spending and performance are reported across the public sector.

We also have a discretionary programme of work that includes performance audits, inquiries, special studies, commentaries, sector reports and updates, and good practice guidance and seminars. This work enables us to look at issues of performance in more depth and to highlight best practice in areas relevant to our role.

All this work underpins the advice and support we provide select committees to help them scrutinise public organisations.

Implementing our strategy

The work included in this draft annual plan is focused on the priorities in *The Auditor-General's strategic intentions to 2028*. They are:

- strengthening our core assurance role;
- increasing our impact with public organisations – through more meaningful performance reporting, an increased focus on value for money, a long-term view in planning and decision-making, and strong integrity practices;
- enhancing our impact in te ao Māori; and
- building on our reputation as a source of trusted information.

Our draft annual plan also builds on the success of initiatives introduced in previous years, including rapid performance audits (where we report on matters of immediate public interest within 12 weeks), holding events that bring public sector leaders and experts together to share knowledge and good practice, integrity audits, and our work targeted at influencing improvements in performance reporting and accountability.

The range and the depth of the work we plan to do is ambitious. It reflects the challenges we see in the public sector, and where we consider we can best use our role to influence positive change.

How we developed this draft annual plan

We selected the work in this draft annual plan after considering a wide range of inputs:

- feedback from select committees, including consideration of the priorities select committees agree in their scrutiny plans;
- a survey of New Zealanders to identify their interests and concerns about public sector performance;
- concerns raised with us by members of Parliament and the public;
- findings from our audits and other work with public organisations;
- our research and environment scanning;
- feedback from our audit and risk committee; and
- advice from our rūpū Māori and our central and local government advisory groups.

A new Auditor-General will begin his term in July 2025. The incoming Auditor-General might choose to amend aspects of the work programme based on his priorities for his term.

Your feedback is important

I am interested in all of your feedback and suggestions on this draft plan. Please send your feedback to enquiry@oag.parliament.nz by Wednesday 21 May 2025.

After considering your feedback we will publish our annual plan for 2025/26 by 30 June.

Nāku noa, nā



John Ryan

Controller and Auditor-General | Tumuaki o te Mana Arotake

22 April 2025

Quick links to proposed topics

Audit results

[Our observations from the audits of schools](#)

[Our observations from the audits of tertiary education institutions](#)

[Our observations from audits in local government](#)

[Our observations from audits in central government](#)

[Half-year Controller update](#)

Economic development

[How effectively are public organisations working together to progress the Government's tourism strategy?](#)

[Commentary on the Treasury's long-term fiscal statement](#)

Environment, climate change and conservation

[Monitoring of New Zealand's climate change investment in the Pacific](#)

[Flood protection in Waikato and Tasman](#)

[Planning and preparedness for droughts](#)

How the government works with Māori

[Responding to the Public Service Act 2020](#)

[Research on co-governance practices](#)

[Management of records of significance to Māori](#)

Social support and responsiveness to communities

[Addressing housing deprivation](#)

[Long-term effectiveness and efficiency of government spending on aged care](#)

[Councils' engagement with the disability community to plan and implement city safety plans](#)

[Diversion and early interventions with youth across the justice sector](#)

Security and defence

[Operation Respect performance audit](#)

[Operation Respect monitoring report](#)

Use and misuse of information

[Managing risks from misinformation and disinformation](#)

[Monitoring and responding to bullying and harassment in schools](#)

[What data and information do public organisations rely on for long-term planning?](#)

Value for money

[Closing the value-for-money loop in National Land Transport Programme investments](#)

[Value for money considerations in local government procurement](#)

[Strategic finance – how well set up are public organisations to plan for and provide value for money?](#)

Other

[Auckland Council review of service performance](#)

[Promoting integrity in the public service](#)

[Updated procurement good practice guidance](#)

[Providing information to elected officials after the 2025 local elections](#)

[Following up on responses to the recommendations in our previous reports](#)

The Auditor-General's independent view of public sector performance

The Controller and Auditor-General (the Auditor-General) provides independent and trusted information about public sector performance and accountability. The Public Audit Act 2001 sets out the role and functions of the Auditor-General. As an Officer of Parliament, the Auditor-General is independent of the Government and his work is not directed by the Government of the day.

The Auditor-General has two business units, the Office of the Auditor-General and Audit New Zealand, supported by a shared corporate services group. The Auditor-General also contracts private sector audit firms who carry out about half of public sector audits (by value) on his behalf.

The Auditor-General is responsible for auditing every public organisation in New Zealand. These annual audits assure Parliament and the public that public organisations are reporting reliable and relevant information about how they have used public money and how they have performed. This audit work is generally funded by fees charged to the organisations we audit, and represents about 85% of the Office's work.

The Office also carries out performance audits, inquiries, and special studies, and produces commentaries, sector reports and updates, and good practice guidance. Through this work we aim to improve trust in, and the performance of, public organisations. This work is generally funded by Parliament.

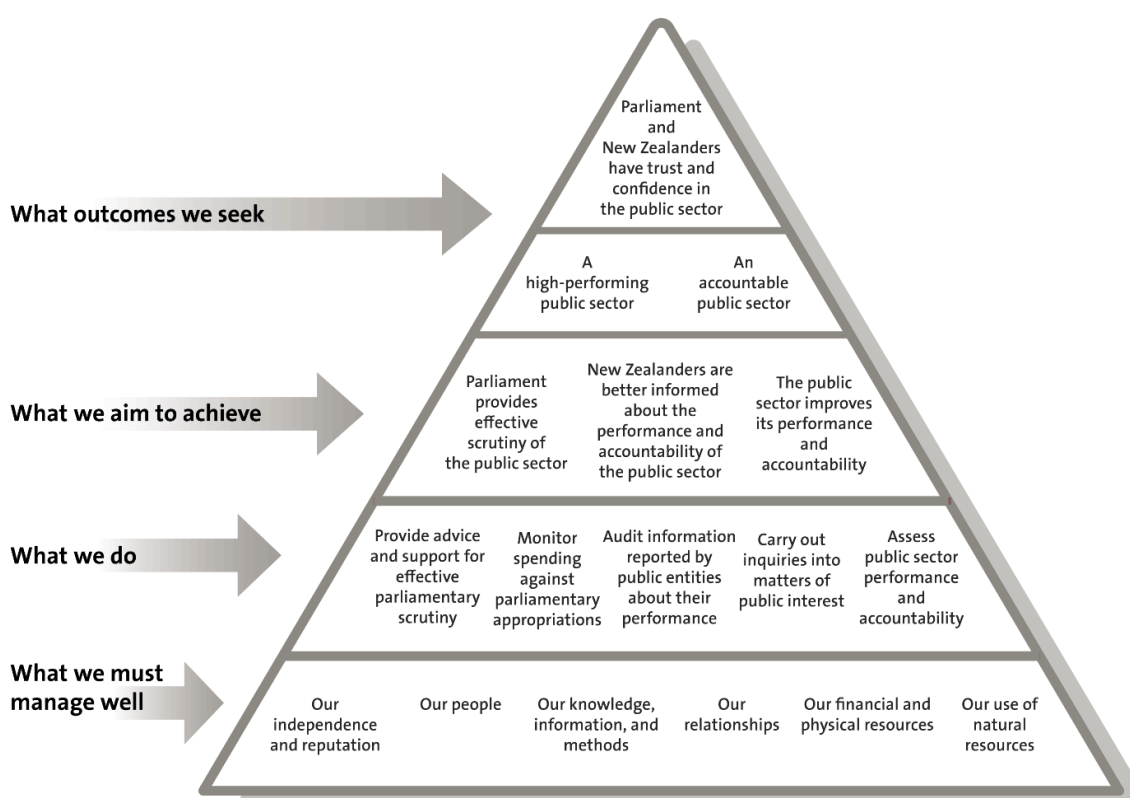
We use the information and insights from all our work to provide advice and support to Parliament. We provide expert advice to parliamentary select committees for the annual reviews of central government organisations and for their scrutiny of the Estimates of Appropriations (the Budget).

The Auditor-General is also the Auditor-General of the governments of Niue and Tokelau. The role is also the Secretary General of the Pacific Association of Supreme Audit Institutions (PASAI), which works to strengthen developing supreme audit institutions across the Pacific. We contribute to the development of public audit internationally by participating in programmes that support country-to-country peer reviews and assistance.

How we determine our work programme

Our strategic direction provides the strategic context

Our vision is a high-performing and accountable public sector. The ultimate outcome we seek is for Parliament and the public to have trust and confidence in the public sector.



The Auditor-General's strategic intentions to 2028 describes what we will focus on in that period to help achieve our long-term outcomes. There are four strategic priorities:

- strengthening our core assurance role;
- increasing our impact with public organisations;
- enhancing our impact in te ao Māori; and
- building on our reputation as a source of trusted information.

We aim to have a good balance of topics across and within these strategic priorities in our work programme and to choose topics that respond to the public sector context.

We consider the public sector context

The public sector operates in a challenging and dynamic environment. When we plan our work, we consider the public sector's operating context and its risks and challenges.

Our role as the auditor of every public organisation allows us to consider performance and accountability matters across the entire public sector. We regularly assess the issues, risks, and opportunities we see from all our work. Our assessments use information gathered by our auditors and other staff, information from our risk monitoring, and our analysis of public sector performance.

We also draw on our previous work, such as reports we have published (including inquiries, performance audits, research reports, and the results of recent annual audits) and our follow-up reports on how public organisations have implemented our recommendations.

Although our work is primarily about assurance, we also want it to raise the profile of issues we consider are important, encourage improved practices by public organisations, and help Parliament and the public to hold public organisations to account.

When we prepare our work programme, we aim to reduce the recurring problems we see in public organisations. We also look into particular activities or investments by public organisations that have high public interest because of the importance of the outcomes involved or because of the scale of spending of public money.

In recent years we have focused on improvements in public organisations' approaches to integrity. We have also sought improvements in the quality and coverage of performance reporting by public organisations and the scrutiny of those organisations by select committees. The Finance and Expenditure Committee has also recently initiated an inquiry into performance reporting and public accountability.

Our work on integrity and performance reporting is not finished, but we are now increasing the attention we are paying to:

- Value for money – looking at both the practices of public organisations that support effective and efficient services and achieving outcomes and particular instances of significant spending;
- Long-term view – looking at both how public organisations plan, monitor, and provide for the long term and particular initiatives with long-term implications for communities; and
- Te ao Māori – looking at both how public organisations discharge their responsibilities to Māori and particular initiatives that aim to improve outcomes for Māori.

This draft annual plan predominantly features proposed initiatives in these three areas.

We are also building on our role as a source of information that the New Zealand public can trust, as well as considering what other public organisations are doing in response to the threats posed by misinformation and disinformation.

We consider diverse views

We seek advice from those working in or with the public sector. Our discussions with select committees and members of Parliament provide us with important information. Our central and local government advisory groups and the Auditor-General's rōpū Māori help us to better understand current themes and challenges.

Each year we survey members of the public about topics that are important to them. The public survey is part of an ongoing focus on ways to enhance citizen engagement in our performance audit work. Topics identified through past surveys include child poverty (the report was published in April 2025) and flood protection in Waikato and Tasman (under way).

Respondents to this year's survey were most interested in:

- primary, urgent, and preventative health care;
- housing and urban development – in particular housing supply, social and emergency housing, and support for first home buyers; and
- education – in particular bullying in schools, special education services for disadvantaged students, and workforce planning for teachers.

We have recently carried out work on health and housing topics.¹ In response to the concerns raised by the public, this draft annual plan proposes that we look at bullying in schools.

Our work programme remains flexible

Our draft annual plan reflects what we currently know and consider to be a priority. However, if new information or risks come to light through feedback or if new issues arise then we may decide to change some of this work.

As we finalise the work programme for the annual plan, we will need to consider its overall achievability and the likely timeframe for completing individual pieces of work. We welcome feedback on the topics you consider most important because this will help us to prioritise if this draft annual plan is too ambitious.

Some of our work, such as inquiries, is normally done in response to concerns identified during the year. In recent years, we have also started carrying out rapid audits – more focused performance audits – that respond to issues as they emerge and aim to have more immediate impact. We aim to carry out four rapid audits each year.

¹ On health, we published [Meeting the mental health needs of young New Zealanders](#) in February 2024 and we are looking at [equitable access to planned care](#). On housing, we published [Leading New Zealand's approach to housing and urban development](#) in August 2023 and we are looking at government efforts to [support people in immediate housing need](#). On education, we published [Ministry of Education: Promoting equitable educational outcomes](#) in October 2024.

Because inquiries and rapid audits respond to emerging issues, we will consider topics for these throughout the year. We are interested in your views about aspects of public sector performance that would be suitable for this type of work.

We will report on our work in our annual report, including any changes from the work programme outlined in our final annual plan.

Our regular work

Our annual audits and reporting on audit results

Each year, we audit about 3300 public organisations, comprising:

- 2479 schools;
- 407 central government organisations;
- 374 local government organisations (including 78 councils); and
- 13 other organisations (including our audits in the Pacific).

We consolidate the results of our annual audits for different sectors and publish the main findings in reports or letters to advise select committees and the public. The most recent of these reports have informed the development of the work programme outlined in this draft annual plan.

Planned work: Sector reports
In 2025/26, we plan to report on the results of the latest completed audits in: <ul style="list-style-type: none">• central government (including the Controller function and the Government's financial statements);• local government;• schools; and• tertiary education institutions.

The Controller function

The Controller function provides assurance to Parliament and the public about whether the Government has incurred expenditure in keeping with parliamentary authority. To support this function, we monitor public expenditure and carry out appropriation audits of government departments. We report our findings and conclusions from this work to the Treasury in monthly Controller reports.

Our report on the central government audits includes our Controller function work for the financial year. We also produce an interim report on our half-year findings (our work from 1 July to 31 December of each year) and occasional reports or articles on matters of interest related to Controller work. A particular focus in the year will be the specificity of scope statements.²

² Scope statements describe for each appropriation what the government is authorised to spend money on.

Planned work: Half-year Controller update
In 2025/26, we will provide our regular half-year Controller update, which provides an account of our work and findings for the first six months of 2025/26. We will also summarise findings for the year in our annual report on central government audits and report separately on any significant Controller issues identified during the year.

Supporting parliamentary scrutiny

Effective accountability is crucial for building and maintaining public trust and confidence in the public sector and improving equitable outcomes.

Scrutiny of how the government uses and accounts for its use of public money is one of the fundamental constitutional functions of Parliament. Parliament relies substantially on select committees to conduct this scrutiny. We provide independent advice to select committees to help with this scrutiny function..

Changes to Standing Orders introduced at the start of the current parliamentary term have provided the opportunity for select committees to carry out more extensive scrutiny than before. We support this by advising select committees on their scrutiny plans, structured agendas, in-depth annual reviews, and Estimates reviews.

In keeping with the priorities outlined in this draft annual plan, in 2025/26 we will continue our advice to help select committees consider how well public organisations are working to achieve long-term and cross-system outcomes.

Auckland Council's service performance

Section 104 of the Local Government (Auckland Council) Act 2009 requires the Auditor-General to review the service performance of Auckland Council and each of its council-controlled organisations from time to time. Recent topics have included Auckland Council's actions to improve its emergency management processes and capability after flooding events in the North Island, and how Auckland Transport supports the reliability of public transport in Auckland.

Planned work: Auckland Council review of service performance
In 2025/26, we will complete a review of an aspect of the service performance of Auckland Council or one of its council-controlled organisations. We determine these topics in consultation with Auckland Council. We have initiated engagement with the Council and intend to finalise the topic of the review before the start of 2025/26.

Strategic priority 1: Strengthening our core assurance role

The public audit system provides assurance to Parliament, councils, governing bodies, and the public that public organisations are reporting relevant and reliable information about their finances and their performance.

The public audit system is critical to effective public accountability but it is under significant pressure. We are carrying out work to strengthen this system.

Audit allocation

The Auditor-General uses both in-house and external capability to carry out the 3300 mandatory audits each year. The allocation of audits to audit service providers is an ongoing process that seeks to match audits to the capacity and capability of each provider. We also balance having providers gain a depth of knowledge in particular sectors (which supports efficient auditing) with rotating appointed auditors periodically.

As well as the normal rotation of appointed auditors, we have focused in the last few years on matching allocation to the capacity of the Auditor-General's in-house provider, Audit New Zealand. Between 2021 and 2023, as a consequence of Covid-19, the Auditor-General reallocated about 80,000 hours of audit work previously carried out by Audit New Zealand to other audit service providers to relieve pressure on Audit New Zealand's capacity, to maintain audit quality and, as much as possible, to maintain timeliness in completing audits.

Since that reallocation, Audit New Zealand has carried out a change programme that includes capacity building, enhanced workforce planning, and deployment of new audit management software.

In 2024/25, about 15,000 hours of audit work previously carried out by other audit service providers was reallocated to Audit New Zealand. Further reallocation of work to Audit New Zealand will be undertaken in 2025/26 and subsequent years. Overall, we expect to allocate up to 40,000 additional hours of work to Audit New Zealand.

In 2025/26, the Auditor-General will also consider whether we need to rotate the audit service providers for the audits of public organisations with shares or debt listed in public markets.

Developments in the auditing and accountability system

We maintain an interest in developments that could affect the accountability system, the role of the Auditor-General in supporting trust and confidence, or the requirements for audits of public organisations.

In 2025/26, we will assess the implications of the emerging changes outlined below.

Auditing of schools

Every year, more than 2400 schools are audited. These audits have been carried out by private sector firms on behalf of the Auditor-General. Appointing auditors to carry out these audits and reducing an audit backlog built up during the Covid-19 pandemic has been challenging.

We have taken several actions to help improve the timeliness of school audits. In 2024/25, we increased the number of audit firms that we use to carry out school audits. We also ensured that the school audit fees for 2024 to 2026 were set at a reasonable and competitive level.

There is also an opportunity to consider the scope of school audits. The Ministry of Education has undertaken to start work on this in 2025/26. We will assist the Ministry of Education with this project, where appropriate.

Auditing of less complex entities

In 2025/26, we expect the New Zealand Auditing and Assurance Standards Board (NZAuASB) to issue a New Zealand standard on auditing less complex entities. This has the potential to simplify and consolidate the requirements for auditing smaller entities. If a new standard is issued, we will consider its applicability to public sector audits and whether we should issue a standard for audits of less complex public organisations to supplement the NZAuASB standard.

Reforms of water management

The Government's Local Water Done Well reforms might result in the establishment of new water management entities. Those entities will need to be audited. In addition, changes to the responsibilities of councils might affect both annual audits and audits of long-term plans. In 2025/26, we will assess the implications of these changes for future audit requirements.

Future challenges for public sector audits

There is a long-term decrease in the number of tertiary students pursuing accounting qualifications relevant to a career in auditing. This creates a significant challenge for maintaining the audit workforce over time. At the same time, increasing standards and requirements are adding to audit complexity and increasing the costs of an audit.

In 2025/26, we will consider how these challenges affect the public audit system. As part of this work we will consider our workforce planning to maintain Audit New Zealand's capacity. This will include expanded secondment arrangements with overseas public audit offices to increase capacity at peak times and build attractive career paths for our staff.

Submissions on proposed legislation

Public organisations need to have strong governance, clear accountability arrangements, good performance reporting and strong independent assurance of their performance. They also need to be responsive to the communities they serve.

We have a keen interest in the accountability of public organisations to Parliament. Where appropriate, we will continue to make submissions to Parliament promoting strong public accountability.

Strategic priority 2: Increasing our impact with public organisations

As the auditor of every public organisation, the Auditor-General is in a unique position to influence improvements in performance and accountability practices across the public sector. This includes raising the profile of issues that we observe from our work and promoting good practice in matters where we have particular interest and expertise.

Our priorities for increasing our impact in public organisations are:

- influencing more meaningful and useful performance reporting;
- increasing the focus on value for money;
- promoting a long-term view; and
- supporting strong organisational integrity practices.

Influencing more meaningful and useful performance reporting

Performance reporting that clearly shows what was intended and what has been achieved with public spending is crucial for maintaining trust and confidence in the public sector. However, public organisations' current reporting does not consistently enable Parliament, councils, or the public to fully understand or hold them to account for the value New Zealanders are getting from this spending.

We want to see an improvement in how well public organisations report on their performance. The work proposed below supports this aim.

Finance and Expenditure Committee inquiry into performance reporting and public accountability

The Finance and Expenditure Committee has initiated an inquiry into performance reporting and public accountability and how these could be improved.

The Committee has confirmed its terms of reference and appointed the Office as an advisor. It plans to issue a discussion document in August 2025 and a final report in May 2026. In 2025/26, we expect to focus on supporting the Committee's work.

Supporting better performance reporting

We will continue our wider work programme to support improved reporting by public organisations.

Our annual audit work includes assessing for some public organisations whether they have the right environment, systems, and controls underpinning their reporting on their performance. We then issue “ESCO” (environment, systems and controls) grades.

In 2024/25 we enhanced the ESCO grading approach for performance reporting. We will now grade the meaningfulness and appropriateness of measures separately from the systems for ensuring that the reported information is accurate and reliable. We will pilot this new approach in 2025/26, starting with the largest organisations that are responsible for the most significant share of public funding and services.

As well as the ESCO grading, we will engage more closely with those organisations, within the limits of our audit independence, to help them report more meaningfully on their performance.

Our insights into organisations’ performance reporting, and any improvements needed, will also inform our advice to select committees for their Estimates and annual review scrutiny.

Increasing the focus on value for money

Public organisations should be focused on value for money. We want to see public organisations plan, measure, and report on the benefits of their spending. Cost inflation and tighter budgets mean that public organisations need quality information to inform investment decisions and budgets. This includes improving the quality of business cases for significant investments and improving the systems and processes that support investment and operational decisions.

We will soon report on the different ways public sector value for money is thought about and measured nationally and internationally. Our report looks at how public organisations and other audit offices approach the assessment of value for money, and identifies good practice.

In 2025/26 we will expand on this work by examining how value for money is considered in the following areas.

Examining how value for money is reflected in the practices of public organisations

We intend to look at the different ways that public organisations consider and measure value for money at different stages of an investment, such as planning, procurement, and processes for ensuring the intended benefits of projects are achieved.

Strategic financial management

Public organisations need to understand their costs and cost drivers and how these affect the sustainability of services and the achievement of outcomes. Knowing this helps public organisations understand value for money and make good decisions about where and when to invest, reprioritise, or be more efficient.

This goes beyond the assessment of new spending initiatives (which typically make up less than 2% of the Government's total operating budget in any one year) and reporting obligations (which can be tied to the current structure of funding rather than what is the best use of funding for achieving outcomes).

We are interested in how well public organisations perform this strategic financial management function.

Planned work: Strategic finance – how well set up are public organisations to plan for and achieve value for money?
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<p>In 2025/26, we will complete a performance audit looking at strategic financial management in a selection of public organisations. We will look at organisational structures and the systems and processes that help those organisations to understand the costs and value of services.</p>
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<p>This work will assess how well selected public organisations consider whether their baseline spending is still the best use of public funding and how well they position themselves to achieve better value for money when there are cost pressures or changing objectives.</p>
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<p>Our work will provide an independent view of how well these organisations:</p>

- | |
|---|
| <ul style="list-style-type: none">• understand the costs of the services they provide, the value of their outputs, and their contribution to achieving the organisation's objectives;• consider and respond to opportunities, challenges, and pressures; and• maintain the capability and tools to be effective public sector financial stewards. |
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Procurement in local government

Councils spend a significant proportion of their revenue on procuring infrastructure, goods, and services. It is critical their procurement policies and practices maximise value for ratepayers' money.

Some councils' procurement policies include economic, social, and environmental values as criteria for evaluating tenders. We want to understand how councils apply these value for money criteria in practice.

Planned work: Value for money considerations in local government procurement

<p>In 2025/26, we will carry out a performance audit looking at how councils consider value for money in their procurement policies and practices. We will look at a range of councils that include value for money in their procurement policies and will explore any improved outcomes from taking a value for money approach. This includes examining documentation for a sample of procurements.</p>
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<p>We expect to make observations on the benefits and challenges that councils have experienced in taking a value for money approach in procurement, including lessons that might be useful to other public organisations.</p>
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Monitoring investments

New Zealand has committed a total of \$1.3 billion in climate finance for the period from 2022 to 2025 to support developing countries and communities to build resilience to climate change. The Government has required at least 50% of the total \$1.3 billion commitment go to Pacific nations. We are interested in how well the Ministry of Foreign Affairs and Trade (MFAT) understands what is achieved with this funding, and how well it supports recipient countries to make best use of it.

Planned work: Monitoring of New Zealand's climate change investment in the Pacific

In 2025/26, we will carry out a performance audit looking at how well MFAT monitors and reports on what is achieved with the funding New Zealand provides for climate change initiatives in the Pacific. We are also interested in how well MFAT understands the long-term challenges that Pacific nations face in translating investment into effective climate responses, and what work MFAT does to assist them.

Benefits realisation and closing the loop on investment decisions

Benefits realisation is the practice of identifying, analysing, planning for, reporting on, and reviewing benefits over the course of a project to ensure that the intended benefits are achieved. This practice helps organisations to demonstrate that projects provide good value for the money invested. We are interested in how well public organisations carry out effective benefits realisation, and how they could improve their processes for ensuring that major investment decisions represent value for money.

Planned work: Closing the value-for-money loop in National Land Transport Programme investments
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In 2025/26, we will start a performance audit looking at the processes of New Zealand Transport Agency Waka Kotahi (NZTA) for assessing the benefits of National Land Transport Programme (NLTP) projects after they have been completed.

The NLTP is a three-year programme that sets out how NZTA, working with its partners, plans to invest the National Land Transport Fund to create a safe, accessible, connected, and resilient land transport system.
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Using a sample of NLTP projects, we will look at how well NZTA checks after the completion of an NLTP project that the expected benefits have been realised, that the project represents value for money, and that any lessons are applied in future investment decisions.
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Good practice guidance on procurement

Sound procurement practices are essential to achieving and demonstrating value for money.

We intend to publish updated good practice guidance on procurement to help public organisations improve their procurement practices.³

Our updated good practice guidance on procurement will be broad and principles-based, with wider coverage than the [Government Procurement Rules](#) administered by the Ministry of Business, Innovation and Employment (MBIE). Our guidance will cover:

- central and local government organisations;
- commercial contracts and grants;
- the whole life cycle from business cases to benefits realisation; and
- integrity considerations, such as avoiding conflicts of interest, and connections to our [integrity framework](#), as well as value for money considerations.

Planned work: Updated procurement good practice guidance
<p>In 2025/26, we will refresh our procurement good practice guidance to provide practical, principles-based guidance on key areas, including value for money, whole-of-life costs, and contract management, underpinned by integrity.</p> <p>This work will support improved procurement decision-making throughout the public sector and help strengthen trust in how public money is spent, both in commercial contracts and in grants.</p>

Promoting a long-term view

New Zealand faces a range of long-term challenges that have implications for public services and government finances. Challenges include adapting to the effects of climate change, changes in demographics, responding to the consequences of historical underinvestment in infrastructure, and tackling persistent inequities. To respond to these challenges, planning and decision-making will need to take a long-term view and will often require co-ordination between and across central and local government.

We want to promote long-term planning in the public sector by encouraging public organisations to use data and information to make decisions that will have better long-term outcomes for New Zealanders.

Commentary on the Treasury's long-term fiscal statement

Every four years, the Treasury must prepare a long-term fiscal statement. The Treasury's previous publication in 2021 combined its long-term fiscal statement and its long-term insights

³ Our current procurement good practice guidance was published in 2008.

briefing. In our commentary, we made various suggestions, including that the Treasury should:

- consider whether to continue to integrate the long-term fiscal statements and long-term insights briefings and how it can more effectively incorporate public feedback;
- continue to develop its modelling approaches;
- consider a wider and more integrated range of future scenarios; and
- broaden the measurement and analysis of financial sustainability.

The next long-term fiscal statement is due to be published in 2025. According to the Treasury, it will explore the implications of the ageing population and climate change for the New Zealand government's financial sustainability and the choices future governments will face in navigating a financially sustainable path. We will provide commentary on the long-term fiscal statement.

Planned work: Commentary on the Treasury's long-term fiscal statement
In 2025/26, we will provide commentary on the Treasury's long-term fiscal statement, which will also explore and discuss the improvements Treasury has made to how it prepares the 2025 long-term fiscal statement.

Effective delivery of initiatives in the Government's growth strategy

A core feature of the Government's strategy to accelerate growth is to increase tourism with an immediate focus on increasing international visitor numbers back to pre-Covid levels. Tourism is New Zealand's second-largest export earner, bringing in nearly \$11 billion in revenue each year, directly contributing around 3.7% to GDP, and creating nearly 200,000 jobs.

The Government Tourism Strategy (2019) encourages an all-of-government approach to achieve the goal of enriching New Zealand through sustainable tourism growth. To achieve this goal, priority actions include co-ordination across the tourism system and better data and insight.

The Strategy is being led by MBIE with the Department of Conservation (DOC). These two agencies have a leadership role in co-ordinating the Government's tourism efforts across the public sector.

We are interested in how well MBIE and DOC are supporting effective co-ordination across the tourism system, how well data and information is used to plan for growth in tourism, and how they measure whether significant public expenditure on tourism represents value for money.

Planned work: How effectively are public organisations working together to progress the Government's tourism strategy?

In 2025/26, we will carry out a performance audit to assess how well public organisations are working together and with Tourism New Zealand and the tourism sector to promote New Zealand as a tourist destination and plan for sustainable growth.

The focus is on how well MBIE and DOC are working with each other and with other organisations to lead the co-ordination of tourism efforts across the public sector. This includes looking at how well MBIE and DOC are building meaningful partnerships with tangata whenua and other key stakeholders to shape future growth, manage its impact, and co-ordinate investments.
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We will also consider how they measure whether significant public expenditure on tourism represents value for money.
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Applying a long-term lens to providing services and achieving outcomes

In recent years, the Auditor-General has been interested in the performance of public organisations in dealing with long-term and seemingly intractable issues. This work has included considering family violence and sexual violence, child poverty, and how disparities in outcomes for particular groups of the population are being addressed.

We have several pieces of work under way that we expect to complete in 2025/26, looking at how well organisations are implementing initiatives designed to grapple with long-term social issues. The work covers public services in the justice, housing, and aged care sectors.

Justice sector

The Government has a target to reduce the total number of children and young people with serious and persistent offending behaviour by 15% by 2029. Youth Aid is an example of an early intervention that aims to divert young people from the courts.

If a child or young person is referred to Youth Aid, they can be given a warning, be given an alternative sanction (such as reparation, an apology to the victim, or community work), receive mentoring, or be referred to Oranga Tamariki – Ministry for Children for a family group conference.

We are interested in how effective Youth Aid is at supporting young people who are at risk of entering the justice system.

Work under way: Diversion and early interventions with youth across the justice sector

In 2025/26, we will complete a performance audit looking at the effectiveness of Youth Aid's alternative action plans.
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Housing sector

The Government has set a target to reduce the number of households in emergency housing by 75%. According to data provided by the Ministry of Social Development in February 2025, this target has now been met. We want to understand how this and other changes to support immediate housing needs are being experienced by people seeking support.

Work under way: Addressing housing deprivation

In 2025/26, we will complete our performance audit looking at the effectiveness of the steps public organisations are taking to improve access to housing support, particularly for those communities who disproportionately experience housing deprivation. This includes looking at how well people's immediate housing needs are understood and how this informs their connection to appropriate support.
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Aged care sector

Long-term planning in the health sector is critical for ensuring that all New Zealanders can access the support they will need and that the Government can afford this.

It is estimated that by 2034 one in five New Zealanders will be aged 65 and older. By 2050, it may be one in four.

The aged care sector (aged residential care and home and community services that support older people in their homes) is a significant and increasing area of health spending, amounting to about \$2 billion annually.⁴

Planned work: Long-term effectiveness and efficiency of government spending on aged care

In 2025/2026, we will carry out a performance audit looking at how the Ministry of Health works with others to ensure the long-term effectiveness and efficiency of aged care services.

This may include how the Ministry of Health ensures that the aged care services are effective, in that they provide quality care that meets the needs of diverse groups of older people and their whānau, or how well it is planning for the future of an ageing population.
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Planning for and responding to extreme weather and emergencies

Long-term planning needs to take account of events that are difficult to predict but have significant impacts when they do occur. Public organisations often struggle to factor events of this kind into their planning. The extreme weather events in the North Island in early 2023 highlighted the need for good planning to deploy protective measures and to facilitate fast mobilisation in emergencies.

⁴ See "Aged Care Funding and Service Models Review" at www.tewhatauora.govt.nz.

We are currently carrying out work looking at flood protection infrastructure. Flooding is New Zealand's most frequent natural hazard. The effects of climate change also mean that floods are occurring more often and that they are more severe. We are interested in how well councils understand and are planning to manage flood risks.

Work under way: Flood protection in Waikato and Tasman

In 2025/26, we will complete our performance audit looking at how well councils are ensuring that flood protection infrastructure mitigates the risk of flooding from rivers and other inland bodies of water.
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Our work is looking at how Waikato Regional Council and Tasman District Council work with their communities when deciding on the levels of flood protection each council will provide, and how well they are planning to achieve those levels using flood protection infrastructure.
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To complement our work on flood protection, we now want to look at councils' planning and preparedness for droughts. Droughts typically occur slowly but can have significant and long-lasting economic, social, and environmental impacts. It is in the public interest at community, regional, and national levels that droughts are well managed to mitigate those impacts and support recovery. This is especially important given the projected rise in the frequency, severity, and duration of droughts.

Councils have responsibilities for managing land use, water and other natural resources, and environmental monitoring. At a national level, the Ministry for Primary Industries (MPI) is the co-ordinating agency for drought risks and is responsible for classifying when a dry period becomes an "adverse event". The National Institute of Water and Atmospheric Research (NIWA) currently has a role in measuring and monitoring drought conditions. NIWA provides this information to councils and MPI to inform their decision-making about drought planning, response, and recovery.

We are interested in how well councils are planning to manage the impacts of droughts, including how they work with the organisations that have responsibilities at national level.

Planned work: Looking at planning and preparedness for droughts
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In 2025/26, we will carry out a performance audit looking at how well a selection of local authorities are preparing for droughts. This includes looking at how local authorities work with other public organisations, such as NIWA and MPI, and use available information to inform their planning and decision-making.

We expect our work to identify good practices and ways for local authorities and others to improve how they manage the risk and mitigate the impacts of droughts.

Better use of data, insights, and community feedback

Using relevant and reliable information is essential to long-term planning and to address challenges such as climate change, inequity, and understanding future demand for services such as health and education.

We are interested in the information public organisations use in their long-term planning, how they obtain or create the relevant information, and how they get input from communities affected by their decisions.

Planned work: What data and information do public organisations rely on for long-term planning?
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In 2025/26, we will carry out research on how public organisations use data and information to inform their long-term planning and decision-making. We will identify the performance, integrity, financial, cultural, strategic and other information used by a sample of public organisations to inform their long-term decision-making and how they use it.

This exercise could reveal what data and information is available for public organisations to use when they are thinking about the long term, whether there is duplication of effort or fragmentation, and whether available long-term sources of information are being used.

As well as using data and information, seeking input from affected communities can improve the quality of decisions when planning for the future. Moreover, meaningfully engaging with affected communities throughout a planning process or project demonstrates integrity and helps to preserve social licence.

Many different types of communities, such as Maori, Pasifika and other ethnic groups, rainbow communities, and groups of businesses or residents could be affected by public organisations' planning decisions.

In 2025/26, we will focus on whether councils engage meaningfully with the disability community. Disabled people have lower levels of trust in public organisations than the general public.⁵ They also risk being overlooked and their needs neglected when projects to build or change public spaces and facilities are planned and implemented, or when major events are held in those spaces. When disabled people's needs are not well understood, the barriers that they already face in accessing public services can be compounded. However, if there is meaningful engagement with the disability community at the early stages of planning, and this engagement continues as the work progresses, there is a much better chance that projects will have good outcomes.

⁵ See the 2024 annual report of Whaikaha, the Ministry of Disabled People, at www.whaikaha.govt.nz.

We are interested in how the perspectives of the disability community are taken into account when organisations are planning for the long term, in particular when developing public spaces for all communities to enjoy.

Planned work: Councils' engagement with the disability community to plan and implement significant projects

In 2025/26, we will carry out a performance audit looking at how well councils are engaging with the disability community in the development and implementation of significant projects.

We will look at a number of councils to assess how they have engaged with the disability community and how the feedback gathered from that engagement has been used in formulating plans for a range of projects, such as infrastructure, major events and safety planning, and how they continue to engage.

We propose to take a citizens' engagement approach to the planning of this work – by consulting the disability community about the questions on which our audit should focus and then using that information to shape our final audit question and lines of inquiry.

Supporting strong organisational integrity practices

In 2022, we published our integrity framework, *Putting integrity at the core of how public organisations operate*. We published an [updated edition in 2024](#) to incorporate a te ao Māori perspective.

In 2025/26, we will continue to focus on support and encourage the governors and leaders of public organisations to meet their stewardship responsibilities and uphold the integrity of New Zealand's public sector.

Our work also helps maintain the public sector's international reputation for operating with integrity. Although New Zealand ranks highly in most international measures of integrity, the drop in the country's Corruption Perceptions Index ranking in 2023 and 2024 shows that public organisations cannot be complacent. Public trust and confidence provide public organisations with the social licence to operate, and operating with integrity is fundamental to maintaining that trust and confidence.

We want leaders of public organisations to set an appropriate "tone from the top" and to:

- take a system approach to integrity issues;
- develop strong organisational practices, including reporting; and
- be accountable for their own ethical leadership.

In recent years we have published a range of work to guide public organisations and promote stronger integrity practices. This work includes an integrity framework, supporting guidance on monitoring integrity in public organisations, online tools, blogs, articles, and reports.

In 2025/26, we will continue to use this work to influence improved integrity practices and will continue to examine specific integrity practices.

Public sector Integrity Day

We will continue to raise awareness of the importance of integrity in the public sector and create opportunities for public organisations to discuss integrity issues. In 2024, we launched the first public sector Integrity Day. It included hosting webinars that featured national and international speakers who addressed current integrity issues. We held a similar event in 2025 and we will run the next event in February 2026. We will also aim to partner with other public organisations and non-governmental organisations to broaden the scope of Integrity Day and the range of activities.

Examining specific practices that support integrity

We regularly monitor integrity practices throughout the public sector. We are currently carrying out an inquiry into the systems and processes supporting the management of ministerial conflicts of interest.

We are also carrying out a rapid audit on how the Public Service Commission has gone about promoting a culture of integrity throughout the public service.

Work under way: Promoting integrity in the public service
<p>In 2025/26, we will complete a performance audit looking at how the Public Service Commission promotes integrity in the public service.</p> <p>According to the Public Service Act 2020, one of the Public Service Commissioner’s functions is to promote integrity, accountability, and transparency in public service organisations, including by setting standards and issuing guidance. The Act also gives the Commissioner the power to conduct investigations and inquiries and write and receive reports that the Commissioner thinks necessary or desirable or that the Minister directs.</p> <p>This performance audit will focus on the Commission’s work on promoting minimum standards of integrity and conduct in the public service through codes of conduct, model standards, and guidelines. This includes looking at how effectively the Commission sets standards and how it communicates and engages with public service organisations to promote those standards. The audit will also look at how the Commission monitors the impact of this work and reports on its performance.</p>

In 2025/26, our integrity assurance focus will be on bullying in schools (both staff and students). New Zealand consistently reports high levels of bullying in schools when compared internationally.⁶ The results of our public survey suggested that we should look into this topic. We are interested in what the Ministry of Education and schools are doing to address bullying.

Planned work: Monitoring and responding to bullying and harassment in schools
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In 2025/26, we will carry out a performance audit looking at how well the Ministry of Education and schools are working to prevent and respond to bullying in schools. To understand and prevent bullying, the Ministry of Education and schools need to collect and collate the right information and use it effectively in prevention and response activities. We will examine how these organisations understand the risks of bullying and act to manage those risks.
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Operation Respect

Operation Respect, a programme aimed at eliminating inappropriate and harmful behaviours in the New Zealand Defence Force, was first launched in 2016. In 2020, the Ministry of Defence commissioned an independent review of the programme. The reviewers recommended that the Auditor-General carry out an audit of the New Zealand Defence Force's progress on Operation Respect every two years for the next 20 years.

We intend to carry out regular performance audits to determine how effectively the New Zealand Defence Force is implementing Operation Respect. We are also carrying out regular monitoring work to assess the impact of the actions the New Zealand Defence Force is taking. Over time, this will help the New Zealand Defence Force understand whether the aims of Operation Respect are being achieved.

The [first audit for Operation Respect](#) focused on how effectively the New Zealand Defence Force had designed and reset Operation Respect. This, and the [first monitoring report](#) that established a baseline for measuring progress, were published in March 2023. In December 2024, we completed the [second performance audit](#) looking at the design of NZDF's new Operation Respect strategy and plan and work being done on the complaints and discipline system.

In 2025/26, we will carry out the third performance audit. It will focus on the leadership commitment and support for the implementation of Operation Respect activities. We will also publish our second monitoring report, which will identify any progress made towards achieving Operation Respect's outcomes.

⁶ See "He Whakaaro: What do we know about bullying behaviours in New Zealand?" at www.educationcounts.govt.nz.

Planned work: Operation Respect performance audit
In 2025/26, we will carry out a performance audit looking at the leadership commitment to Operation Respect. In 2024, we reported that NZDF's new Operation Respect strategy presented a compelling case for change and a promising programme of work. The success of the work relies on leaders throughout NZDF being committed to the vision and prioritising Operation Respect activities. Our audit will focus on leadership's communication, capability, and accountability.

Planned work: Operation Respect monitoring report
In 2025/26, we will produce our second monitoring report, drawing on interview and survey data. We will use our outcomes framework to assess NZDF's progress towards creating safe, respectful, and inclusive living and working environments.

Making greater use of our audit capability to identify and highlight integrity issues

We have been monitoring integrity practices in the public sector through our discretionary work programme over the last few years. We now want to consider how annual audits can better support organisations' integrity. This will enable the core work of the Office to consistently test and monitor integrity matters in all public organisations.

In 2025/26, we will begin publishing data on public organisations that have repeatedly received qualified audit opinions but are not making an effort to address those issues. When an auditor issues a qualified audit opinion, it means that the auditor considers the information is fair except in a specific area. A history of qualified audit opinions can indicate that an organisation is failing to address issues identified in its audits, which can point to an underlying integrity problem.

In 2025/26, we will also map the components of an [organisational integrity framework](#) to the elements of the annual audit, including the requirements of auditing standards. This will give us a view of the extent to which the annual audit currently considers organisational integrity and identify opportunities to enhance aspects of the audit that could better support integrity practices. The work might identify changes we could make to the [Auditor-General's auditing standards](#).

Strategic priority 3: Enhancing our impact in te ao Māori

We want the Office to be seen as trustworthy by both treaty partners, able to hold public organisations accountable in a way that iwi, hapū and whānau Māori, as well as Parliament and the wider public, can have confidence in.

Kia Tika, launched in 2024/25, is our strategy for enhancing our impact in te ao Māori. It involves a suite of initiatives to ensure that our people are skilled in te ao Māori, that our work processes support appropriate interaction with kaupapa Māori organisations, and that our work is informed by seeking the views of Māori communities.

We are currently working with Te Wānanga o Raukawa on what a new accountability framework will look like for the Wānanga and the role of audit in supporting that framework. In 2025/26, we will survey kaupapa Māori public organisations to help us better understand their views.

We also want to understand how well the public sector engages with and delivers for Māori, and these questions link to our work with select committees to improve scrutiny of public organisations' achievement of outcomes for Māori.

Examining how public organisations work with Māori

In 2020, a new Public Service Act was introduced. Among other requirements, the Act requires:

- leaders to develop and maintain the capability of the public sector to engage with Māori and to understand Māori perspectives; and
- the Public Service Commissioner, when developing and implementing the newly required leadership strategy, to recognise the aims, aspirations, and employment requirements of Māori and the need for greater involvement of Māori in the public sector.

To support the public sector to meet these commitments, Te Arawhiti developed and led the implementation of Whāinga Amorangi, a cross-agency work programme designed to improve the Māori–Crown relations capability of the public sector. This work was supported by Te Kawa Mataaho Public Service Commission, Te Puni Kōkiri, and Te Taura Whiri I Te Reo Māori.

Core Crown agencies were required to develop plans that describe how they will build the Māori–Crown relations capability of their people, relevant to their role and functions. Those plans were then considered by a panel of experts, hosted by Te Arawhiti, in early 2022.

We are interested in how this work has progressed.

Work under way: Responding to the Public Service Act 2020
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In 2025/26, we will complete a performance audit looking at how public organisations have responded to the Public Service Act 2020 responsibilities relating to Māori. We are examining how core organisations have strengthened their capability to support the Crown's relationships with Māori. This will include how they are approaching this work and how they measure and report on its effectiveness.

In increasingly diverse societies, co-governance is fundamental to understanding and delivering many public services and longer term outcomes. In 2016, we published a report, [*Principles for effectively co-governing natural resources*](#). Co-governance and how it works in practice are still sometimes misunderstood in public debate.

Planned work: Research on co-governance practices
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In 2025/26, we will carry out research on how co-governance, particularly between public organisations and Māori, can be thought about and implemented. We will look at existing examples of co-governance arrangements, with a particular focus on how they develop relationships, structures, processes, accountabilities, and financial sustainability. Our work will provide an independent view on what co-governance is and how it can be supported to succeed.

Management of records of significance to Māori

Historical and cultural records play an important role in helping New Zealanders to understand how our past shapes our present. Many of these records are held in public archives, museums, and libraries.

It is important to preserve these records and provide access to them. They can be of personal importance to Māori and they can also be important evidence in legal proceedings that lead to redress or to recognition of rights, such as public inquiries, Treaty settlement claims, and Takutai Moana applications.

If public records are managed well they can support better outcomes for whānau Māori, and promote better engagement with government organisations. Good record management also supports an understanding of our country's shared culture and history.

Some public organisations, including Te Rua Mahara o te Kāwanatanga - Archives New Zealand and the National Library of New Zealand, have statutory obligations to consult with Māori. We are interested in how effectively these organisations are meeting their obligations.

Planned work: Management of records of significance to Māori

<p>In 2025/26, we will carry out a performance audit to look how effectively public organisations such as Te Rua Mahara o te Kāwanatanga - Archives New Zealand and the National Library of New Zealand are working with Māori to understand and meet their statutory obligations for record preservation, management, and access.</p>
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<p>The audit findings will be of relevance and interest to the many public organisations with responsibilities for managing records of significance to Māori.</p>

Strategic priority 4: Building on our reputation as a source of trusted information

The ultimate purpose of all the Office's work is that Parliament and the public can have trust and confidence in the public sector.

Because identifying weaknesses and making recommendations for improvement is a core aspect of our work, we have an interest in how public organisations respond to specific recommendations and how they use our findings to improve more broadly.

Our findings carry weight because of our independence and the quality of our work. Our findings are a source of trusted information that often maintain relevance after the work has been published. We want to see our information sourced and used by the broadest range of public organisations to guide improvements in their practices.

Trust, once lost, is hard to regain. Therefore, we are also interested in how public organisations manage the risks from misinformation and disinformation eroding public trust.

Tracking the impact of our past work

Within two years of completing a performance audit, we write to the audited public organisation to see what progress it has made with our recommendations. We publish the organisation's response on our website and use it to decide whether any further follow-up work is needed. This lets us maintain a focus on the changes made as a result of our work.

In 2025/26, we will consider what type of follow-up is appropriate for the matters raised in these performance audit reports:

- *Making infrastructure investment decisions quickly;*
- *Monitoring importers of specified high-risk foods;*
- *Meeting the mental health needs of young New Zealanders;*
- *Understanding and addressing educational disparities;*
- *Immigration New Zealand: Managing how it makes decisions about skilled residence visas; and*
- *How public organisations are fulfilling Treaty settlements* (this is likely to be the first of a series of follow-ups).

Helping public organisations to make progress

Our work often shines a light on matters of public interest and public sector performance that go beyond the specific organisations and issues considered in a report.

For example, our recent report on the implementation of Treaty settlements looked at how well public sector arrangements support public organisations to meet their settlement commitments. The audit team spoke with and considered evidence about 16 public organisations, but the report's insights and recommendations are relevant to all public organisations with settlement commitments.

For sustained impact from our work, we need to focus on better connecting our work with a broader range of people and organisations, and connecting with people who are best placed to drive improvements within their own organisations. They are the people involved in functions such as planning, reporting, financial management, procurement, programme management, policy and internal audit.

In recent years, we have convened regular events that bring together people with expertise and knowledge about good practice in managing the issues we see across the public sector. Feedback on this work is positive.

In 2025/26, we will continue to convene regular events, including:

- a twice-yearly event summarising our core insights for Tier 2 leaders across the public sector;
- continuing our Audit and Risk Committee Chairs' Forum, with eight forums each year covering topics relevant to local and central government;
- leading a series of events for public sector Integrity Day;
- continuing to host and support Transparency International New Zealand's events, and
- initiating events to present the more significant work of the Office to particular audiences.

We will also seek to improve connection to our information with:

- communities of practice and professional bodies in the public sector that can apply the findings of our work in their organisations; and
- public organisations and non-governmental organisations that can use our work as a basis for lifting trust and performance in the public sector.

We will continue to engage with public organisations about projects that were in our 2024/25 work programme, such as our performance audit on Treaty settlements and our major inquiries.

We will continue to provide information to newly elected officials such as councillors and board members about our role and how we help to ensure they meet their legal and ethical obligations. Providing this information to mayors and councillors after the local elections later in 2025 will be a key focus for the Office in 2025/26.

Planned work: Providing information to elected officials after the 2025 local elections
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In 2025/26 we will provide information and offer briefings to Councils following the 2025 local body elections. These will explain our role and support them to meet their legal and ethical obligations as elected officials.
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Examining what public organisations are doing about threats to trust

In recent years, it has become much easier for people to access information online. It has also become much easier for misinformation and disinformation to propagate online.⁷

Misinformation and disinformation can erode trust in the public sector, disrupt social cohesion, and pose a threat to health and life.

Public organisations need to understand the risks of misinformation and disinformation to their operations and have strategies in place to manage these risks. The Department of the Prime Minister and Cabinet leads work to increase understanding and resilience against the harms from deliberate promulgation of disinformation.

We are interested in how well public organisations are managing the risks arising from misinformation and disinformation.

Planned work: Managing risks from misinformation and disinformation
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In 2025/26, we will start a performance audit looking at how effectively public organisations are planning to manage misinformation and disinformation risks.

We are likely to focus our work on specific examples such as elections or vaccination programmes. Fostering mistrust in elections is one of the biggest misinformation and disinformation risks and can threaten trust in New Zealand's democratic institutions. Threats to trust in vaccination programmes can have wide-ranging consequences for individuals and for public health.

⁷ Misinformation is information that is false or misleading but not intended to cause harm. Disinformation is false information deliberately created or shared to cause harm.

Our international work

There are several components to our international work:

- The New Zealand Auditor-General is also the Auditor-General of the governments of Niue and Tokelau.
- The Auditor-General is Secretary General of the Pacific Association of Supreme Audit Institutions (PASAI). PASAI covers all supreme audit institutions in the Pacific.
- The Office provides peer support services to the Controller and Auditor-General of Samoa and the Director of Audit of the Cook Islands.
- We work with the global auditing community through the International Organisation of Supreme Audit Institutions (INTOSAI) to share and build best practice and tackle common problems faced by Supreme Audit Institutions (SAIs).

Supporting PASAI to improve outcomes for Pacific people

PASAI supports SAIs across the Pacific region to build capability and advocates for improvements to integrity systems in their countries.

In 2025/26, we will support the Secretariat and governing board to implement the work programme for PASAI's 2024-2034 strategy. A significant focus will be the design and delivery of a major expansion of PASAI's technical auditor training programme.

Our peer support "twinning" relationships with the Audit Office of Samoa and the Cook Islands Audit Office will continue to focus on activities to strengthen audit quality, tailored to each twinning partner's specific needs.

We will continue to use our influence and reputation to support PASAI by closely collaborating with SAIs and the Secretariat team to advocate for SAI independence and effective public administration systems in the Pacific. We will also work with regional development partners to invest in good governance and robust public financial management systems in the Pacific region.

As part of PASAI's strategy, it is undertaking a major expansion of its professional and technical training. We will contribute to this by drawing on the resources used for auditor training in New Zealand and Australia.

Progressing audits for the Governments of Niue and Tokelau

During 2024/25, we focused on bringing the audits of the Niue and Tokelau governments' annual accountability reporting up to date for the first time in many years. In 2025/26, we will focus on completing reporting for prior year audits and providing support to address quality issues faced by both governments. Using funding provided by MFAT, we will also complete

additional work to support the Niue public accounts committee and Tokelau General Fono to scrutinise the effectiveness of government spending and provide guidance on improvement initiatives.

Working with INTOSAI and others to improve public sector accountability and integrity

We have responsibilities in several INTOSAI working groups on behalf of PASAI, including the Working Group on Environmental Auditing (WGEA) and the IntoSAINT working group.

Environmental auditing

The WGEA encourages SAIs to assess the effectiveness of government programmes and spending on environmental management and outcomes. We represent PASAI on the WGEA and help to implement its programmes and activities in the Pacific region. In 2025/26, we will continue to support two climate-related projects.

The first is a global co-ordinated climate change audit, which began in 2024/25 and will be completed in 2025/26. A regional overview will be published early in the year and a global report will be published in the lead up to the Conference of the Parties (COP30) in November 2025. Nine Pacific SAIs are involved in this project, which we have actively supported through all stages. After the publication of the regional report, we will support PASAI to advocate for the issues identified through the audits.

The second project, ClimateScanner, also began in 2024/25. ClimateScanner supports Pacific SAIs to contribute to an international assessment of government climate actions. Initial reporting using this tool was completed for release at COP29, and further work to refine the tool and support Pacific SAIs to complete the assessment will continue in 2025/26.

Integrity

Building on our integrity work, we will continue to support the work of PASAI through the Auditor-General's current role as Secretary General. As the PASAI representative on the IntoSAINT working group, we support the ongoing development of the IntoSAINT organisational integrity assessment tool and its implementation across the Pacific region.⁸ PASAI's new strategy includes the increased use of this tool.

⁸ IntoSAINT is an organisational integrity assessment tool developed by the International Organisation of Supreme Audit Institutions. It is used to assess the vulnerabilities and the maturity of integrity in public organisations.

This work includes:

- contributing to the international IntoSAINT working group, representing the Pacific region;
- leading work to expand the group of trained IntoSAINT facilitators in the Pacific region and oversee the continued rollout of the tool to SAls and other public organisations as part of our contribution to improving the organisational capacity of SAls;
- hosting integrity-themed webinars for public sector leaders in the Pacific region on behalf of PASAI; and
- helping SAls assess their own integrity and support assessments of public organisations using the IntoSAINT tool.

Appendix

Estimated timing for our proposed 2025/26 work programme

Some of the work we will complete in 2025/26 was listed in our annual plan for 2024/25.

Those items are marked with an asterisk in the table below. Shaded quarters show when we expect to be working with public organisations.

Priority area	Initiative	2024/25 Q4	2025/26 Q1	2025/26 Q2	2025/26 Q3	2025/26 Q4	2026/27 Q1
Regular reports	Our observations from audits in central government						
	Our observations from audits in local government						
	Our observations from the audits of schools						
	Our observations from the audits of tertiary education institutions						
	Half-year Controller update						
	Auckland Council review of service performance						
Increasing the focus on value for money	Strategic finance – how well set up are public organisations to plan for and provide value for money?*						
	Value for money considerations in local government procurement						
	Monitoring of New Zealand's climate change investment in the Pacific						
	Closing the value-for-money loop in National Land Transport Programme investments						
	Updated procurement good practice guidance						
Promoting a long-term view	Commentary on the Treasury's long-term fiscal statement						
	How effectively are public organisations working together to progress the Government's tourism strategy?						

Priority area	Initiative	2024/25 Q4	2025/26 Q1	2025/26 Q2	2025/26 Q3	2025/26 Q4	2026/27 Q1
	Diversion and early interventions with youth across the justice sector*						
	Addressing housing deprivation*						
	Long-term effectiveness and efficiency of government spending on aged care						
	Flood protection in Waikato and Tasman*						
	Looking at planning and preparedness for droughts						
	What data and information do public organisations rely on for long-term planning?						
	Councils' engagement with the disability community to plan and implement city safety plans						
Supporting strong organisational integrity practices	Promoting integrity in the public service*						
	Monitoring and responding to bullying and harassment in schools						
	Operation Respect performance audit						
	Operation Respect monitoring report						
Enhancing our impact in te ao Māori	Responding to the Public Service Act 2020*						
	Research on co-governance practices						
	Management of records of significance to Māori						
Building on our reputation as a source of trusted information	Providing information to elected officials after the 2025 local elections						
	Managing misinformation and disinformation						
	Follow-up: Making infrastructure investment decisions quickly						

Priority area	Initiative	2024/25 Q4	2025/26 Q1	2025/26 Q2	2025/26 Q3	2025/26 Q4	2026/27 Q1
	Follow-up: Monitoring importers of specified high-risk foods						
	Follow-up: Meeting the mental health needs of young New Zealanders						
	Follow-up: Understanding and addressing educational disparities						
	Follow-up: Immigration New Zealand: Managing how it makes decisions about skilled residence visas						
	Follow-up: How public organisations are fulfilling Treaty settlements						