



National Audit Office

**NAO STRATEGY 2025-2030**  
**TRUST • VALUE • IMPACT**



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# Foreword

The work of the National Audit Office (NAO) is always critical in supporting Parliament scrutinise how effectively the government spends public money. Our new strategy, based on widespread consultation, marks an exciting opportunity to build on our achievements and looks ahead to how we can further increase our impact in the next five years.

Governments today face an era of unprecedented complexity, grappling with global issues like climate change, rapid technological development and increased security threats, while striving to provide modern and affordable public services that meet the needs and expectations of today's society. In practice, this requires innovation and experimentation while also getting the basics right. Effective public financial management and administration are critical to this.

In the five years to 2030, we will focus on helping improve the productivity and resilience of public services and better financial management and reporting in government. By working effectively with Parliament and our other stakeholders, we aim to maximise our impact on trust and value for money.



**Gareth Davies**  
Comptroller and Auditor General



**Dame Fiona Reynolds**  
Chair, National Audit Office





## Who we are and what we do

The NAO is the UK's independent public spending watchdog. Public money should always be properly accounted for and spent well. Our work supports Parliament in holding the government to account and helps improve public services.

We:

- verify whether public money is properly accounted for;
- assess whether public spending provides good value for money; and
- recommend how government can improve economy, efficiency and effectiveness.

We work closely with the Committee of Public Accounts and other committees in Parliament to inform their scrutiny of public spending. We aim to support them so that they can increase their own impact.







## Why our work matters

The NAO plays an essential role in our democracy. Parliament, the media and the public use our work to hold government to account. The government uses our work to improve its efficiency and effectiveness.

In the next five years, the government can only tackle many of the challenges it is facing if it is able to innovate to improve services and outcomes from public spending.

- Pressure on public finance sustainability and population trends will make it more challenging to afford high-performing and resilient public services and infrastructure that meet modern expectations.
- Climate change requires coordinated action and investment across the whole economy.
- The rapid development and adoption of new technologies provides opportunities to improve and transform public services but also brings new risks.
- The geopolitical context of increased military and cyber threats focuses attention on national and international security.







## How public audit supports innovation

### Why innovation matters

Innovation can help meet the growing demands of public services in the context of limited resources. This can involve finding opportunities from technology or redesigning how whole services or organisations work.

The government funds and takes decisions about innovation relating to public services and also plays a wider role to promote and stimulate innovation in the wider economy. Good governance and financial management are essential parts of this process.

### Our approach

The NAO's work supports well-managed innovation in government.

- We are enhancing our audit methods to take account of the risk appetite of the bodies we audit and to learn from our experiences of auditing innovation.
- We want to reduce the risk that accountability processes discourage well-managed risk-taking in government, celebrating successful examples while continuing to call out instances that do not represent good value for money.
- We will maintain the rigour of our work while recognising the importance of testing new methods and encouraging a strong culture of innovation in the public sector.

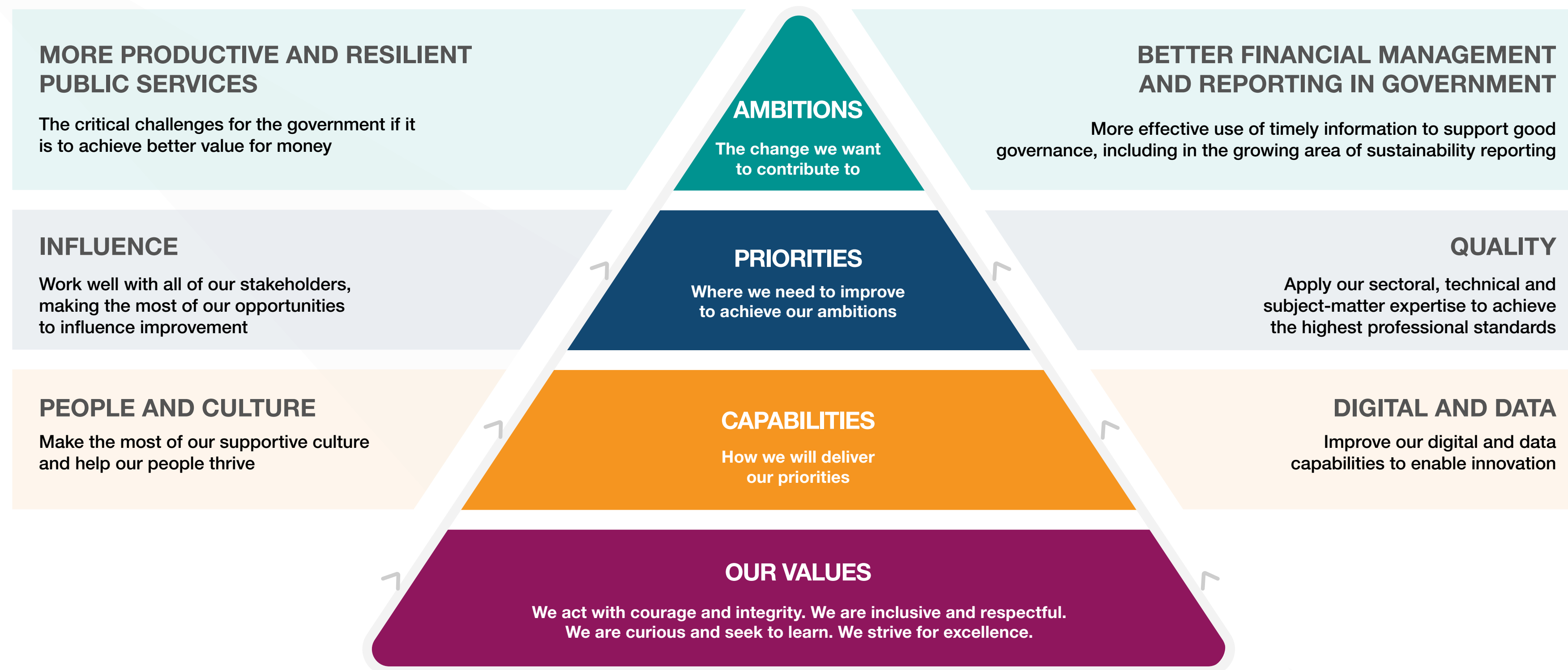




# Our strategy on a page

## NAO STRATEGY 2025-2030 | TRUST • VALUE • IMPACT

From 2025 to 2030, we will increase our impact on the productivity and resilience of public services and the quality of financial management and reporting in government.





## **Ambitions:** More productive and resilient public services

### Why this matters

Pressures on the sustainability of public finances in the next five years make it essential that the government gets the most from every pound it spends and that public services are as productive as possible.

The government will also need to ensure that public services are prepared to respond effectively to climate change, technological development and other challenges. It is essential for the government to ensure that public services meet the current and future needs of citizens by finding the right balance between long-term investments and current or reactive spending.

### What would good look like?

- Public services are productive, with the government identifying and acting on the biggest opportunities to improve productivity.
- Public services are resilient, with the government consciously balancing current and future needs and improving value for money by minimising emergency spending.

### What will the NAO do in this strategy period?

1. Examine and report on the highest-risk and most relevant areas of public spending, such as where the government needs to innovate and where it is working on system-wide issues, including through its approach on missions.
2. Build our skills and capabilities to ensure we have the right expertise and credibility, focusing on the capabilities the government needs to improve.
3. Develop more impactful recommendations to help improve productivity and resilience, including by improving our use of data and analytical capability.





## **Ambitions:** Better financial management and reporting in government

### Why this matters

Strong financial management is vital in providing the basis for government organisations to make better decisions about budgeting and allocating their financial resources so that public services provide good value for money. It is also critical to support timely, accurate and transparent financial reporting to Parliament and the public.

Government departments will also be required to report increasingly on environmental sustainability measures in their annual reports and accounts.

### What would good look like?

- Fit-for-purpose management systems, processes and controls supporting government financial management and enabling high-quality and efficient audit.
- More effective use of financial information to support government decision-making and accountability.
- Improved, more timely financial and sustainability reporting for existing and new requirements and standards.

### What will the NAO do in this strategy period?

1. Enhance our external stakeholder engagement to support strong finance functions, improved and more timely financial management and effective sustainability reporting in government.
2. Equip ourselves and support audited bodies to modernise, by investing in our own infrastructure and encouraging the government to improve its systems.
3. Expand our range of outputs focused on this ambition, particularly drawing from our financial audit work.
4. A new Environment and Climate Change team will draw out insights with lessons learned and good practice reports that set out foundations for effective sustainability reporting.



## Priorities: Influence

### Why this matters

Our audit work has huge potential to lead to improvement but is not enough on its own. We need the right people to hear our messages and act on them. We must do more to provide effective insights and recommendations, revisiting key themes consistently to reinforce our messages and influence change.

Methods of communicating continue to evolve. The way people prefer to receive and engage with information is changing. We want to ensure we are maximising the opportunities to reach those we want to influence. We will build on the capability we developed in our last strategy with our insights teams to draw together and share good practice and lessons learned from all our work.

### What would good look like?

- We plan our work and develop and communicate insights so that they have the best opportunity to achieve impact.
- We maintain excellent engagement with our stakeholders including those in Parliament, audited bodies, departmental audit committees and government functions.
- Parliament, government, think-tanks, academic institutions, sector representatives, and international audit institutions draw on and amplify our work.
- Stakeholders continue to feel that they benefit from our expertise and unique perspective, and trust us as an independent source of information and insights.

### What will the NAO do in this strategy period?

1. Provide consistently excellent support to the Committee of Public Accounts and other select committees in Parliament.
2. Ensure that new members of Parliament are aware of and use our work.
3. Engage proactively and systematically with the bodies we audit and cross-government professional functions, so that our findings and insights are accessible to everyone who can benefit from them.
4. Strengthen our communications outputs and activities to support more effective influencing.
5. Actively engage with audited bodies to make clear and purposeful recommendations and track them.
6. Take opportunities in all our work to identify and highlight positive practice to learn from.



## Priorities: Quality

### Why this matters

The quality of all of our work must consistently meet the highest standards, so that it is trusted and credible. Financial audit is a demanding and highly skilled profession that requires the ability to understand, assess and challenge complex financial matters and make finely balanced judgements. The introduction of new accounting and auditing requirements, together with high stakeholder and rigorous regulatory expectations for audit quality, requires us to be well prepared to respond efficiently and effectively.

In our value-for-money work, we seek to enhance scrutiny and support improvement by examining economy, efficiency and effectiveness in complex areas of public spending. It is essential that our findings are grounded in strong evidence, with our evaluation and analysis techniques applied appropriately.

### What will the NAO do in this strategy period?

1. Progress our Quality First Plan for financial audit. Building on our new methodology and audit platform, our Plan includes: strengthening our quality culture; launching new learning initiatives; building our capacity and centres of expertise; and expanding our use of controls and data-led audit approaches, artificial intelligence (AI) and other technology, to improve quality and efficiency. We will also increase our external engagement to support high-quality public audits.
2. Improve our approach to quality on value for money by embedding our new Learning and Development programme; modernising tools and automating workflow; and improving our quality culture.
3. Provide high-quality corporate services to create the best support for all of our audit and value-for-money work.

### What would good look like?

- Our stakeholders see the NAO as trusted and authoritative because they are confident in the high quality and value of our work.
- All of our financial audit and value-for-money work consistently meets external and internal quality standards.
- We deliver the improvements set out in our Quality First Plan for our financial audit work, and in our approach to quality for our value-for-money work.
- Our corporate services provide excellent strategic and operational support for the NAO.





## Capabilities: People and culture

### Why this matters

Working for the NAO is purposeful, rewarding, interesting and challenging because we influence positive change in how effectively public services are provided. We support our people to develop the skills they need for all stages of their careers, focusing on those capabilities that address the priorities in our strategy, to produce high-quality work consistently and to influence effectively.

We are committed to our values: We act with courage and integrity. We are inclusive and respectful. We are curious and seek to learn. We strive for excellence. We need to represent the public we serve and want to continue to build on the positive progress we made under our last strategy on diversity and inclusion. We want our people to feel fairly rewarded and recognised for the work they do, and supported with their wellbeing.

### What will the NAO do in this strategy period?

1. Support sustainable high performance, productivity and manageable workloads by ensuring we have the capacity and resilience we need, in the context of significant expected growth in our work.
2. Increase our capabilities and skills in areas of greater significance to our strategy: to support better quality; greater influence; and digital skills.
3. Nurture an inclusive environment where we all benefit from the diversity of our people.
4. Support all our people with their health, wellbeing and resilience.

### What would good look like?

- We have consistently high-performing people and teams, motivated by and focused on the NAO's purpose and strategy.
- Our people are supported to develop effectively at all stages of their careers.
- Our people are perceived externally as professional, insightful and a trusted independent voice, and are therefore well positioned to influence our stakeholders.
- We have diverse representation at all levels of the organisation and everyone feels included and able to contribute their best work.
- Our people have high levels of engagement and we experience low levels of sickness absence.



## Capabilities: Digital and data

### Why this matters

We want to make the most of opportunities offered by new technology to improve the quality, productivity and impact of our work. We will develop our digital operations and improve the capability of our people to carry out well-managed experimentation at greater scale and ensure that we realise the benefits available to us. In this strategy period, we will focus on better accessing, collecting, managing and analysing data to support a modernised audit approach across both our financial audit and value-for-money work.

We will explore innovative technology-driven approaches, including adopting AI tools, where they help improve our work. We will continue to invest in our cyber protective capabilities to mitigate against growing information security threats.

### What will the NAO do in this strategy period?

1. Introduce AI and other analytics approaches in an agile and considered way so that we maximise the benefits.
2. Establish a data and analytics strategy for how we access, collect, manage and analyse data to support our future audit approach and help us innovate.
3. Strengthen our overarching approach to data and content management and governance, including the technological infrastructure, controls and processes needed to carry out our audit work so that it is efficient, high-quality and secure.
4. Ensure our Information Security capability is proportionate to an increased threat environment, focused on securing access, and minimising data loss risks.

### What would good look like?

- Our technology supports more efficient, high-quality financial audit and value-for-money work.
- We routinely apply advanced IT audit, data analytical approaches and AI to increase our quality, productivity and influence.
- We nurture a culture whereby our people acquire the mindset, skills and expertise needed to interact with digital technology, so that they are up to date with evolving technological development and maximise opportunities as a result.





## How we will measure our success

We want to know whether our strategy is working, so that we can adapt our work and how we seek to influence improvement.

We also want to manage the NAO so that it is a great place to work and we maximise our own productivity and resilience.

We are developing a new approach to performance reporting, considering how we can measure the quality and productivity of our work and its impact on our strategic ambitions.

We will set out our performance framework during 2025-26 and will report on progress in our annual report and accounts.







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