

# Notice of Audit and Governance Committee

Date: Thursday, 15 January 2026 at 6.00 pm

Venue: HMS Phoebe, BCP Civic Centre, Bournemouth BH2 6DY



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## Membership:

### Chairman:

Cllr E Connolly

### Vice Chairman:

Cllr M Andrews

Cllr S Armstrong  
Cllr S Bartlett  
Cllr J Beesley

Cllr M Phipps  
Cllr V Slade  
Cllr M Tarling

Cllr C Weight

## Independent persons:

Jansen-VanVuuren

Samantha Acton

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All Members of the Audit and Governance Committee are summoned to attend this meeting to consider the items of business set out on the agenda below.

The press and public are welcome to view the live stream of this meeting at the following link:

<https://democracy.bcpCouncil.gov.uk/ieListDocuments.aspx?MIId=5985>

If you would like any further information on the items to be considered at the meeting please contact: Democratic Services on 01202 096660 or email [democratic.services@bcpCouncil.gov.uk](mailto:democratic.services@bcpCouncil.gov.uk)

Press enquiries should be directed to the Press Office: Tel: 01202 118686 or email [press.office@bcpCouncil.gov.uk](mailto:press.office@bcpCouncil.gov.uk)

This notice and all the papers mentioned within it are available at [democracy.bcpCouncil.gov.uk](https://democracy.bcpCouncil.gov.uk)

AIDAN DUNN  
CHIEF EXECUTIVE

7 January 2026

**DEBATE  
NOT HATE**



Available online and  
on the Mod.gov app

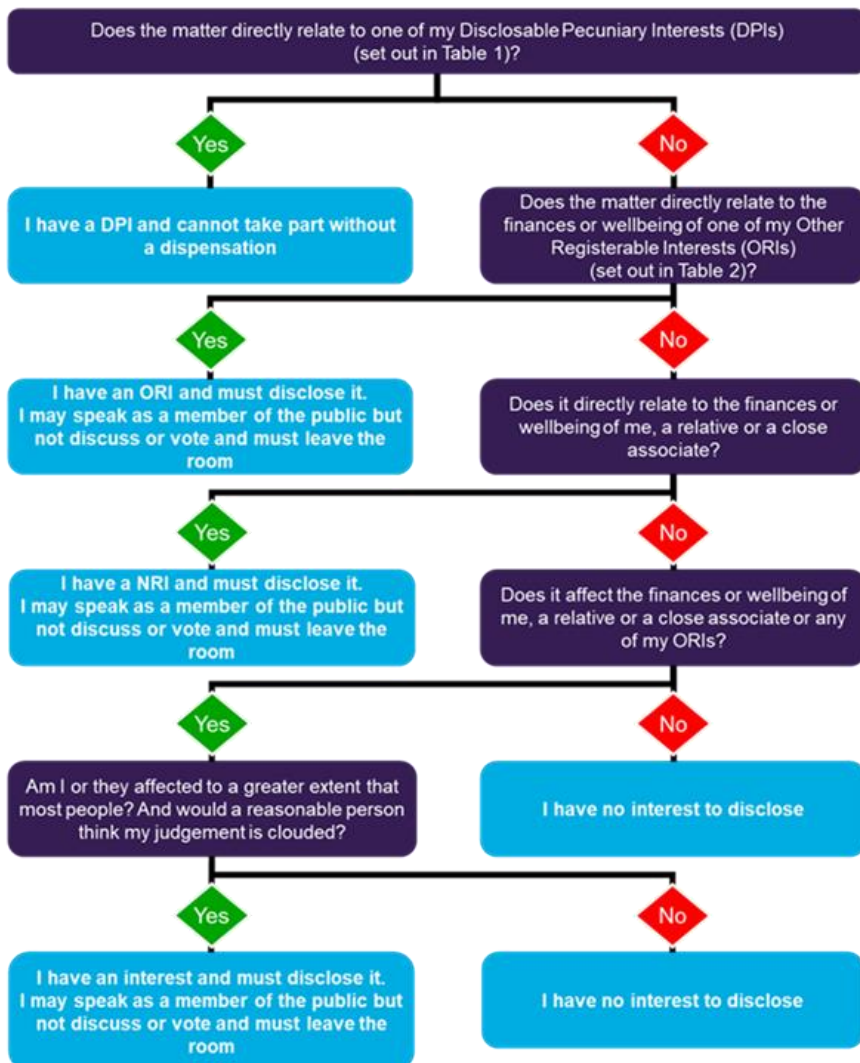


## Maintaining and promoting high standards of conduct

### Declaring interests at meetings

Familiarise yourself with the Councillor Code of Conduct which can be found in Part 6 of the Council's Constitution.

Before the meeting, read the agenda and reports to see if the matters to be discussed at the meeting concern your interests



What are the principles of bias and pre-determination and how do they affect my participation in the meeting?

Bias and predetermination are common law concepts. If they affect you, your participation in the meeting may call into question the decision arrived at on the item.

#### Bias Test

In all the circumstances, would it lead a fair minded and informed observer to conclude that there was a real possibility or a real danger that the decision maker was biased?

#### Predetermination Test

At the time of making the decision, did the decision maker have a closed mind?

If a councillor appears to be biased or to have predetermined their decision, they must NOT participate in the meeting.

For more information or advice please contact the Monitoring Officer

### Selflessness

Councillors should act solely in terms of the public interest

### Integrity

Councillors must avoid placing themselves under any obligation to people or organisations that might try inappropriately to influence them in their work. They should not act or take decisions in order to gain financial or other material benefits for themselves, their family, or their friends. They must declare and resolve any interests and relationships

### Objectivity

Councillors must act and take decisions impartially, fairly and on merit, using the best evidence and without discrimination or bias

### Accountability

Councillors are accountable to the public for their decisions and actions and must submit themselves to the scrutiny necessary to ensure this

### Openness

Councillors should act and take decisions in an open and transparent manner. Information should not be withheld from the public unless there are clear and lawful reasons for so doing

### Honesty & Integrity

Councillors should act with honesty and integrity and should not place themselves in situations where their honesty and integrity may be questioned

### Leadership

Councillors should exhibit these principles in their own behaviour. They should actively promote and robustly support the principles and be willing to challenge poor behaviour wherever it occurs

# AGENDA

Items to be considered while the meeting is open to the public

## 1. Apologies

To receive any apologies for absence from Councillors.

## 2. Substitute Members

To receive information on any changes in the membership of the Committee.

Note – When a member of a Committee is unable to attend a meeting of a Committee or Sub-Committee, the relevant Political Group Leader (or their nominated representative) may, by notice to the Monitoring Officer (or their nominated representative) prior to the meeting, appoint a substitute member from within the same Political Group. The contact details on the front of this agenda should be used for notifications.

## 3. Declarations of Interests

Councillors are requested to declare any interests on items included in this agenda. Please refer to the workflow on the preceding page for guidance.

Declarations received will be reported at the meeting.

## 4. Confirmation of Minutes

9 - 28

To confirm and sign as a correct record the minutes of the meetings held on 27 November 2025 and 3 December 2025.

### a) Action Sheet

29 - 36

To consider any outstanding actions from previous meetings.

## 5. Public Issues

To receive any public questions, statements or petitions submitted in accordance with the Constitution. Further information on the requirements for submitting these is available to view at the following link:-

<https://democracy.bcpccouncil.gov.uk/ieListMeetings.aspx?CommitteeID=151&Info=1&bcr=1>

The deadline for the submission of public questions is midday on Friday 9 January 2026 [midday 3 clear working days before the meeting].

The deadline for the submission of a statement is midday on Wednesday 14 January 2026 [midday the working day before the meeting].

The deadline for the submission of a petition is Wednesday 31 December 2025 [10 working days before the meeting].

## ITEMS OF BUSINESS

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|---|-----------|
| <b>6. External Audit Finding Report and Statement of Accounts 2024/25</b>   | 37 - 246  |
| <p>The attached report set out the findings of the council's external auditor following their audit of the council's statement of accounts for 2024/25 as well as presenting the latest revised version of the statement of accounts. Grant Thornton anticipates providing an unqualified opinion on the financial statements for the council.</p>  |           |
| <b>7. External Auditor – Audit Progress &amp; Sector Update</b>   | 247 - 274 |
| <p>Grant Thornton, as the Council's appointed External Auditors, have produced a report (Appendix A) which provides an update to Audit &amp; Governance Committee on their progress to date in delivering their responsibilities.</p> <p>The report includes an update on their audit work. Key points of note are:</p> <ul style="list-style-type: none"><li>• <b>Financial Statements Audit 2024/25</b><ul style="list-style-type: none"><li>○ Work on the financial statement audit is nearly complete.</li><li>○ The audit findings report is being reported to the Audit &amp; Governance Committee alongside this progress report.</li><li>○ The value for money audit is complete and was included in the interim annual auditor report (AAR) presented to this committee in Nov 2025.</li><li>○ The AAR report will be updated to include key financial statement audit findings and then issued in final form.</li></ul></li><li>• <b>Financial Statements Audit 2025/26</b><ul style="list-style-type: none"><li>○ Plan to undertake planning and early testing prior to the year end to support an earlier completion.</li><li>○ In order to prepare for the backstop moving forward over the next two years, plan to finalise the 2025/26 audit by November 2026.</li></ul></li></ul> <p>The report also includes a summary of emerging national issues and developments that may be relevant to the Council.</p> |           |
| <b>8. Fire Safety Annual Update</b>   | 275 - 282 |
| <p>This report details the progress made on the delivery of the Fire Safety governance arrangements for BCP Council and highlights:</p> <ul style="list-style-type: none"><li>• The implementation of the Governance Framework continues to be embedded and is working effectively. The framework includes the Health and Safety and Fire Safety Board and others meeting at the agreed frequency, with generally good attendance</li></ul>   |           |
| <b>9. Vehicles and Plant Replacement- Building Maintenance and Construction Works Teams</b>   | 283 - 296 |
| <p>Following its meeting on 29 October 2025 Cabinet RECOMMENDS that Audit and Governance Committee:</p>   |           |

- (a) Approves the use of prudential borrowing not exceeding £525,000 for 21 vehicles to be purchased by fleet management to support the work of the Building Maintenance and Construction Works Team service. These vehicles to then be managed within the council's fleet management strategy.
- (b) Note that CWT plant purchases with up to £46,000 prudential borrowing requirement have been progressed under urgency powers due to health & safety considerations.

## 10. Two Riversmeet Studios

297 - 346

The report details the feasibility and financial considerations for capital borrowing to fund a two-storey extension to Two Riversmeet Leisure Centre (2RM) to address the identified need for dedicated studio space in Christchurch. The investment aims to enhance the centres health and fitness offer, increase membership and income whilst supporting community wellbeing and aligning with the Councils corporate strategy.

The Audit and Governance Committee is asked to consider and recommend to Council the approval of an increase in the authorised borrowing limit of the Council to accommodate the £1.8m financing for the extension at Two Riversmeet Leisure Centre proposal.

NOTE: In relation to this item of business, the Committee is asked to consider the following resolution in relation to any discussion on the exempt appendix 2 to the report:

"That under Section 100(A)(4) of the Local Government Act 1972, the public be excluded from the meeting for the following item of business on the grounds that it involves the likely disclosure of exempt information as defined in Paragraph 3 of Schedule 12A of the Act and that the public interest in withholding the information outweighs such interest in disclosing the information."

## 11. Treasury Management Monitoring report for the period April to December 2025 and Treasury Management Strategy 2026/27

347 - 384

This report sets out the monitoring of the Council's Treasury Management function for the period 1 April 2025 to 31 December 2025. A surplus of £1.1m is being forecast for the 2025/26 financial year, partly due to the Councils ability to borrow lower than budgeted PWLB interest rates and partly due to increased interest receivable from investments.

This report also presents the Treasury Management Strategy for 2026/27 with the relevant detailed strategy included as appendix 1.

## 12. Risk Management - Corporate Risk Register Update

385 - 466

This report updates councillors on the position of the council's Corporate Risk Register. The main updates are as follows:

- No new risks have been added during the quarter.
- No risks have been removed or de-escalated during the quarter.



- Material updates for this quarter are outlined in section 11.

### 13. Annual Governance Statement 2024/25 Action Plan Update

467 - 472

This report provides an update against the Annual Governance Statement (AGS) Action Plan which identified actions to be taken to address the significant governance issues identified in the 2024/25 AGS.

Progress against the agreed action plan is as follows:

**Dedicated School Grant (DSG)** - The DSG deficit continues to increase, with an accumulated DSG deficit of £113.3m as of 31 March 2025. This is predicted to grow to £183.1m by the 31 March 2026. A detailed update report was taken to November [Children's Overview and Scrutiny Committee](#). A further report is going to the January committee which includes potential suggestions for mitigations.

**Department for Education Statutory Direction for special educational needs and disability services (SEND) – February 2024** – a revised SEND and Improvement Plan was signed off in September 2025. This is reviewed monthly and reported to the SEND Improvement Boards. The local area SEND inspection by Ofsted and CQC took place in November, and the final report will be published in February 2026.

**Mandatory Training** – training completion rates for Members has increased slightly but still falls below the expected rates.

### 14. Assurance Framework & Internal Audit Planning Consultation

473 - 484

To comply with the Global Internal Audit Standards (GIAS) and to ensure early consultation with the Audit & Governance Committee, this report outlines the BCP Assurance Framework and the 2026/27 Internal Audit Plan proposed approach.

The Assurance Framework (Appendix A) has been updated with some minor changes to reflect current organisational structure and 'Ethics' has been added as a new Key Assurance Function.

The proposed 2026/27 Internal Audit Plan approach shows the amount of resource required to provide core audit & assurance work (includes high level risks, key assurance functions and key financial systems audits). Other work (includes investigations) is also planned to be carried out alongside corporate assurance (includes corporate fraud) and governance work (includes annual governance statement).

The main change for the 2026/27 Internal Audit Plan is a reduction in overall available resource of 220 days. This reflects the planned conversion of three Apprentice posts into two Auditor roles during 2025/26 and the appointment of a replacement Audit Manager on a part-time basis. This

brings the team back to the position prior to the appointment of apprentices with a higher level of experienced and skilled staff.

The proposed 2026/27 Internal Audit Plan approach has been designed to comply with the GIAS and enable the Head of Internal Audit to provide an annual conclusion on the Councils' governance, risk management and control arrangements.

## **15. Internal Audit - Quarterly Audit Plan Update**

485 - 508

This report details progress made on delivery of the 2025/26 Audit Plan for the 3<sup>rd</sup> quarter (October to December 2025 inclusive). The report highlights that:

- 17 audit assignments have been finalised, including 15 'Reasonable' and two 'Partial' audit opinions;
- 25 audit assignments are in progress, including 8 at draft report stage;
- Progress against the audit plan is on track and will be materially delivered to support the Chief Internal Auditor's annual audit opinion;
- There is one medium priority recommendation still outstanding from 2023 together with four high and seven medium priority recommendations from 2024. Detailed explanation has been received from the relevant Directors as to why these have not been completed;
- Seven 'High' priority audit recommendations have not been fully implemented by the original target date in addition to those outstanding from 2024. Explanations from respective services have been provided and revised target dates have been agreed.

The Revenues Compliance Team continue to identify and recover Single Person Discount errors and have so far achieved an additional council tax yield of £233,230 since December 2024 (for 2023/24 NFI matches).

The current score of the assessment of the Council's arrangements on managing the risk of fraud and corruption using a CIPFA tool is 94%. The reasons for the 6% not achieved are identified along with actions to improve.

## **16. Appointment to Constitution Review Working Group**

The Committee is asked to formally confirm the appointment of a member to fill the vacancy on the Constitution Review Working Group.

## **17. Forward Plan (refresh)**

509 - 512

This report sets out the refreshed list of reports to be considered by the Audit & Governance Committee for the 2025/26 municipal year in order to enable it to fulfil its terms of reference.

No other items of business can be considered unless the Chairman decides the matter is urgent for reasons that must be specified and recorded in the Minutes.