

# AUDIT AND GOVERNANCE COMMITTEE



Report subject	<b>External Auditor – Audit Plan 2025/26</b>
Meeting date	19 March 2026
Status	Public Report
Executive summary	<p>The attached report at Appendix A sets out the work that the Council's External Auditor, Grant Thornton, plans to undertake for the audit of the Council's Statement of Accounts in respect of 2025/26.</p> <p>The External Auditor plans to give an opinion on whether the accounts give a true and fair view and whether the Council has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources.</p>
Recommendations	<b>It is RECOMMENDED that Audit &amp; Governance Committee notes the Grant Thornton External Audit Plan 2025/2026 for the Council.</b>
Reason for recommendations	To advise the Audit & Governance Committee of the External Audit annual plan for the Council for the audit of the 2025/26 Statement of Accounts.
Portfolio Holder(s):	Cllr Mike Cox, Portfolio Holder for Finance
Corporate Director	Aidan Dunn, Chief Executive
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Wards	Council-wide
Classification	For Information

## Background

1. During 2021, Public Sector Audit Appointments (PSAA) awarded contracts for audit appointments for a five-year period covering the audit years 2023/24 to 2027/28. Grant Thornton are the appointed External Auditor for Bournemouth, Christchurch and Poole Council under this arrangement.

2. The External Auditor performs the audit of the financial statements in line with the Code of Practice issued by the National Audit Office (NAO) and International Standards on Auditing (UK).
3. The External Auditor gives an opinion on whether the accounts give a true and fair view and whether the Council has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

#### **External Auditor – Audit Plan 2025/26**

4. The attached report at Appendix A (BCP Council Audit Plan) sets out the planned scope and timing of the statutory audit of the Council's Statement of Accounts, in respect of 2025/26, for those charged with governance.
5. The audit of the financial statements does not relieve management or the Audit & Governance Committee of their responsibilities. It is the responsibility of the Council to ensure that proper arrangements are in place for the conduct of its business, and that public money is safeguarded and properly accounted for.
6. The contents of the report include:
  - The Backstop
  - Introduction & headlines
  - Significant risks identified
  - Other risks identified
  - Other matters
  - Our approach to materiality
  - Progress against prior year audit recommendations
  - IT audit strategy
  - Value for money arrangements
  - Risks of significant weaknesses in VFM arrangements
  - Logistics
  - Our team and communications
  - Our fee estimate
  - Independence considerations
  - Fees and non-audit services
  - Communication of audit matters with those charged with governance
  - Escalation Policy
  - Financial reporting changes
  - Group audit scope and risk assessment

#### **Options Appraisal**

7. An options appraisal is not applicable for this report.

#### **Summary of financial implications**

8. The fee for the External Audit programme of work is set out in Appendix A (Our fee estimate and Fees for non-audit services).

9. The scale fee set out in the PSAA contract for the 2025/26 BCP Council audit is £482,201 and the total proposed fee for 2025/26 is £503,951. By comparison, in 2024/25 the scale fee set by PSAA was £469,068 and the actual fee charged for the audit was £533,367.

#### **Summary of legal implications**

10. There are no direct legal implications from this report.

#### **Summary of human resources implications**

11. There are no direct human resource implications from this report

#### **Summary of sustainability impact**

12. There are no direct sustainability impact implications from this report

#### **Summary of public health implications**

13. There are no direct public health implications from this report.

#### **Summary of equality implications**

14. There are no direct equalities implications from this report.

#### **Summary of risk assessment**

15. There are no direct risk implications from this report.

#### **Background papers**

None

#### **Appendices**

Appendix A - Grant Thornton, The Audit Plan for BCP Council, Year ending 31 March 2026