

## **WEST LINDSEY DISTRICT COUNCIL**

MINUTES of the Reconvened Meeting of the Governance and Audit Committee held in the Council Chamber - The Guildhall, Marshall's Yard, Gainsborough, DN21 2NA on 28 November 2023 commencing at 3.05 pm.

**Present:** Councillor Stephen Bunney (Chairman)  
Councillor David Dobbie (Vice-Chairman)

Councillor Mrs Jackie Brockway  
Councillor Christopher Darcel  
Councillor Sabastian Hague  
Councillor Mrs Angela Lawrence  
Councillor Roger Pilgrim  
Andrew Morriss

**In Attendance:**  
Emma Foy Director of Corporate Services and Section 151  
Peter Davy Financial Services Manager (Deputy Section 151 Officer)  
Katy Allen Corporate Governance Officer  
Katie Storr Democratic Services & Elections Team Manager  
Andrew Warnes Democratic and Civic Officer

**Also Present:** Councillor Paul Key

**Apologies:** Councillor Baptiste Velan  
Councillor Jeanette McGhee  
Alison Adams

### **44 AUDITED STATEMENT OF ACCOUNTS 2022/23**

The Chairman welcomed all Members to the reconvened meeting of the Governance and Audit Committee, adjourned from the 26 September 2023. He invited the Director of Corporate Services and Section 151 (S151) Officer to inform the Committee of the current position.

The S151 Officer advised Committee, that the previous day she had received an e-mail from the Director of Public & Social Sector Audit at Mazars regarding the accounts. This was re-aloud to the Committee as follows: -

“In order to gain assurance over the Councils disclosure of its net defined benefit pension liability, we rely on the work of auditors of the Lincolnshire pension fund. Their work provides assurances over the data provided to the actuary to generate their IAS19 report, which in turn drives the disclosures in the Council’s financial statements. As we explained at Audit Committee, we were expecting this work to be concluded within a few weeks of the Committee date. Unfortunately this has not been the case due to unexpected staff

absences. The audit team lead has been on bereavement leave for the last few weeks. At the point of them going on leave, a small amount of work on the pension fund's investment assets remained outstanding. Without this team member, it has not been possible to conclude this work.

We have been looking for alternative resourcing options, but due to the advanced stage of the audit it has not been possible to identify a replacement team member. We will update you fully once the team lead is back from bereavement leave and we have a clear view of when the work will be finalised.

I can only apologise for the frustration this will cause. It has always been our intention to complete your audit as early as possible, particularly due to the good quality draft financial statements and level of support your team has provided. I can assure you that as soon as we receive the information from the fund audit team West Lindsey will be top of our priority list for completing."

In concluding the S151 advised that given the position, and if Members were minded to, they may wish to consider the appropriateness of writing a formal letter of complaint, from the Governance and Audit Committee, to both Public Sector Audit Appointments (PSAA), limited and also to Mazars themselves.

The Chairman thanked the S151 Officer her update.

Debate ensued, and Members expressed their frustration and disappointment with the situation. Members were agreeable to the suggestion that letters of complaint be sent to both Mazars and the Public Sector Audit Appointments Limited on behalf of the Committee.

In response to a query raised about the consideration of the report by the Committee, the Director of Corporate Services explained following the adjournment of the September 2023 Committee meeting, she was reluctant to place more pressure on officers and Councillors over the next few weeks. As no clear timeline had been provided for completion of the audit, the matter would be considered at the next planned meeting in January 2024.

Members also learned of the working arrangements with the newly appointed external auditors at KPMG, which it was hoped would minimise such a situation in the future. During the debate, Members also suggested further correspondence be sent to Councillor Eddie Strengiel, the Chairman of the Pensions Committee at Lincolnshire County Council.

A motion to send letters of complaint was formally moved and seconded, and on being put to the vote it was unanimously

**RESOLVED** that the Chairman be authorised to issue letters of complaint, on behalf of the Committee, to both Mazars, and Public Sector Audit Appointments Limited. outlining the Committee's concerns and frustrations with the work of Mazars.

After the vote, the Chairman of the Governance and Audit Committee thanked the Authority's Finance team for their hard work and diligence in getting the accounts ready. He expressed the shared frustration between himself and officers with the delay and requested his commendation be noted in a letter of thanks to the Team.

The meeting concluded at 3.15 pm.

Chairman