

Meeting date: 26 July 2021
Report to: Audit Committee
Subject/report title: Annual Report of Internal Audit
Report from: Head of Audit Services
Report author/lead contact officer: Steve Sparkes – Head of Audit Services



Wards affected:

All Wards | Bickenhill | Blythe | Castle Bromwich | Chelmsley Wood |
 Dorridge/Hockley Heath | Elmdon | Kingshurst/Fordbridge | Knowle |
 Lyndon | Meriden | Olton | Shirley East | Shirley South |
 Shirley West | Silhill | Smith's Wood | St Alphege

Public/private report: Public

Exempt by virtue of paragraph:

1. Purpose of Report

- 1.1 To inform the Audit Committee of Internal Audit work completed during 2020/21, including an opinion on the level of internal control in operation.
- 1.2 To inform the Audit Committee of Internal Audit's performance during 2020/21.
- 1.3 To seek Audit Committee endorsement of the 2021/22 Internal Audit Plan.
- 1.4 To seek Audit Committee endorsement of the Internal Audit Strategy.

2. Decision(s) recommended

- 2.1 Note the Head of Audit Services' opinion on internal control.
- 2.2 Note the performance of Internal Audit for the period 2020/21.
- 2.3 Endorse the proposed Internal Audit Plan for 2021/22.
- 2.4 Endorse the current Internal Audit Strategy.

3. Matters for Consideration

- 3.1 Internal Audit has a legal standing in terms of the Accounts and Audit Regulations 2015 and its role is to provide an independent appraisal of the Council's internal control systems, governance and risk management arrangements. This requirement is embodied in the Council's Financial Regulations.
- 3.2 Internal Audit examines, evaluates and reports objectively upon the adequacy of internal control, governance and risk management as a contribution to the proper, economic, efficient and effective use of resources.
- 3.3 In determining its work plan, Internal Audit takes into account the Council's Plan and priorities in order to maximise available resource deployment through improving risk management, promoting effective governance in all areas of council activity and making recommendations to improve internal controls.
- 3.4 The Annual Audit Plan for 2020/21 was endorsed by the Audit Committee.

4. What options have been considered and what is the evidence telling us about them?

- 4.1 Not applicable for this report.

5. Reasons for recommending preferred option

- 5.1 Not applicable for this report.

6. Implications and Considerations

- 6.1 State how the proposals in this report contribute to the priorities in the [Council Plan](#):

Priority:	Contribution:
Economy: 1. Revitalising our towns and local centres. 2. UK Central (UKC) and maximising the opportunities of HS2. 3. Increase the supply of housing, especially affordable and social housing.	See Section 3.
Environment: 4. Enhance Solihull's natural environment. 5. Improve Solihull's air quality. 6. Reduce Solihull's net carbon emissions.	See Section 3.
People and Communities: 7. Take action to improve life chances in our most disadvantaged communities.	See Section 3.

8. Enable communities to thrive. 9. Sustainable, quality, affordable provision for adults & children with complex needs.	
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6.2 Consultation and Scrutiny:

6.2.1 Not applicable for this report.

6.3 Financial implications:

6.3.1 Not applicable for this report.

6.4 Legal implications:

6.4.1 Not applicable for this report.

6.5 Risk implications:

6.5.1 Risks associated with the delivering the Audit Plan are considered and where appropriate documented in the Audit Services Risk register which is reviewed monthly.

6.6 Equality implications:

6.6.1 Not applicable for this report.

7. List of appendices referred to

7.1 Not applicable for this report.

8. Background papers used to compile this report

8.1 Internal Audit Reports.

9. List of other relevant documents

9.1 Public Sector Internal Audit Standards.