

TRANSPORT FOR LONDON

AUDIT COMMITTEE

**SUBJECT: FINAL INTERNAL AUDIT REPORTS ISSUED
- FOURTH QUARTER 2007/08**

MEETING DATE: 11 JUNE 2008

1 PURPOSE AND DECISION REQUIRED

- 1.1 The purpose of this paper is to inform the Audit Committee of the final audit reports issued in the fourth quarter of 2007/08.

2 BACKGROUND

- 2.1 TfL issued 41 final reports in the quarter including five interim reports that were concluded 'well controlled' and were immediately closed as there were no management actions to complete.
- 2.2 Two reports issued in the quarter were not closed as not all actions had been completed, although good progress was being made in all cases. These reports are shown as yellow on the attached spreadsheet. All other reports were closed in the quarter and are shown as green.

3 RECOMMENDATION

- 3.1 The Committee is requested to NOTE the contents of this paper.

Quarter 4 (09/12/07 - 31/3/08)
Final Reports Issued

Risk	Reference	Mode	Report Title	Interim Report Issued	Original Objective	Final Report Issued
1	IA_06_207/F	LU	Project Quality Management within London Underground	25/07/07	To provide assurance to TfL management that project management quality was being managed in an effective and efficient manner.	
1	IA_06_266/F	ST	Victoria Coach Station Projects	13/06/07	To ensure that the refurbishment projects for Victoria Coach Station (VCS) and the development of the new coach terminal project (NLCT) were being managed in an effective and efficient manner.	16/01/2008
1	IA_07_201/F	ST	Hydrogen Powered Buses	06/07/07	To ensure that development of the Hydrogen Powered buses project was being managed in an effective and efficient manner.	08/01/2008
1	IA_06_240/F	M&C	Project Management within Group Marketing	25/04/07	To ascertain whether projects were being managed within Group Marketing in an effective and efficient manner.	08/01/2008
1	IA_06_252/F	ST	Bus Stops and Shelters Programme	20/02/07	To provide assurance to TfL management that the Bus Stops and Shelters Programme was being managed in an effective and	06/02/2008
1	IA_06_265/F	ST	Dial a Ride Booking System Project	07/09/08	To assess whether the Dial-a-Ride Booking System project was being managed in an effective and efficient manner.	14/03/2008
1	IA_07_009/F	GS	Security of Palestra Building	31/03/08	To provide real time assurance to management that the overall protective security arrangements at Palestra were incorporated at a design and implementation stage and to ensure such arrangements	07/03/2008
1	IA_07_225	GC	Sustainability Unit Workplan	09/01/08	To ascertain whether the Sustainability Unit Workplan was being managed in an effective and efficient manner.	31/03/2008 W/C
2	IA_07_208/F	GS	HR Policy Development	08/11/07	To assess the effectiveness of TfL's process for developing, consulting upon and implementing HR policies.	
2	IA_05_107	GS	Control of Staff Absences	08/09/06	To review the effectiveness of the policies, procedures and controls in place across the TfL Group with respect to staff absences.	05/02/2008
2	IA_07_103	GS	Recruitment of Interim Staff	25/10/07	To review the effectiveness of TfL's processes for recruiting interim staff.	20/03/2008
2	IA_07_120	GS	Salary Sacrifice Scheme	09/01/08	To review the operation of the "My TfL" tax-efficient benefit schemes for staff.	25/03/2008

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Final Reports Issued

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						25/03/2008
3	IA_06_307/F	LU	PPP Minor Works	24/07/07	To determine whether effective controls are in place to ensure appropriate works are provided to a suitable specification.	
3	IA_07_303/F	ST	Congestion Charge Relet Procurement Process	01/11/07	To review the process used to procure the Congestion Charging Re-let in order to provide assurance that the procurement process was open, fair and complied with best practice.	19/12/2007
3	IA_07_313/F	LR	East London Line Project	01/11/07	To determine whether effective controls are in place to ensure an appropriate service is delivered to a suitable specifications.	16/01/2008
3	IA_07_314/F	LU	Waterloo & City Line Enhancement	01/11/07	To review the contract management processes used to control works associated with the Waterloo & City (W&C) line Enhancement.	10/01/2008
3	IA_07_319/F	FI	Oyster Interface Management	01/11/07	To review arrangements in place to manage interfaces between Prestige and the PPP contractors, and assess whether they have been effective.	29/01/2008
3	IA_07_324/F	ST	Blackwall Tunnel Procurement	19/12/07	To determine whether effective controls have been in place to ensure best procurement practice and outcomes.	31/01/2008
3	IA_06_350/F	LU	White City Development Project	25/09/07	To review progress made with the procurement process for the discreet works packages, consultancy and services agreements.	01/02/2008
3	IA_07_322/F	ST	Tendered Bus Routes - Procedures	24/10/07	To determine whether effective controls were in place to ensure an appropriate service is delivered to a suitable specification.	12/02/2008
3	IA_06_345	LU	Management of the Asset Management Regime under the PPP Contracts	15/08/07	To review the existence and effectiveness of processes and controls (i) to manage the Infracos compliance with their Asset Management Regimes under the PPP contracts and (ii) to manage the adoption by LU of new assets.	05/02/2008
4	IA_07_101/F	M&C	Preparation of the Annual Report	01/10/07	To review the effectiveness of TfL processes for producing the Annual Report.	
4	IA_07_117/F	LU	Management Accounting in London Underground	15/11/07	To assess the effectiveness of the management accounting role within LUL.	21/12/2007
6	IA_06_223/F	LR	Use of Project Management Tools and Systems within	03/08/07	To review the use made of project management tools and systems within London Rail.	
6	IA_06_214/F	PL	Project Estimating and Forecasting within Major Projects Business Unit	20/07/07	To review the effectiveness of the project cost estimating and forecasting process within MPBU.	19/12/2007

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Risk	Reference	Mode	Report Title	Interim Report Issued	Original Objective	Final Report Issued
6	IA_05_183/F	FI	SAP R/3 Role and Job Rationalisation	27/04/06	To review and comment on the approach to transitioning to the new access control scheme and to review the proposed governance model and comment on the extent to which the model is likely to be able to maintain, manage and control user access to SAP R/3.	08/01/2008
6	IA_06_427/F	LU	Use of the Data Centre located in room 106 at 55 Broadway	26/06/07	To review the management of data migration from LU systems and servers, the environment controls and planned future usage of the data centre.	21/01/2008
6	IA_06_408	FI	Group IM IT Disaster Recovery/Service	08/08/07	to review the extent to which IM has defined requirements for a Group-wide IM Disaster Recovery/ Service Continuity plan (IMDR/SC).	11/01/2008
6	IA_06_431/F	ST	Hosting of ST's servers at Global Switch	04/10/07	to review the governance around the arrangements ST's servers are hosted at an external data centre which is managed by Global Switch	22/02/2008
6	IA_06_432/F	ST	Surface IM's Compliance with Spearmint & Associated Methodologies for IM Projects	14/09/07	To review the extent IM projects were being appropriately governed and controlled.	26/02/2008
6	IA_06_125	GC	Decision Making and Delegated Authority	06/06/07	To ensure effective and efficient arrangements are in place.	12/02/2008
9	IA_07_019/F	LU	Assurance of Security at Rickmansworth, Uxbridge and Barking Sidings	31/1/07 W/C	To provide assurance in relation to TfL Strategic Risk: Resilience to external event and to assess the effectiveness of controls employed to give assurance that security measures are adequate.	
9	IA_07_007/F	ST	East Thames Buses - Security Policies & Procedures	09/01/08	To provide assurance that relevant, adequate and up to date security related policies and procedures exist in ETB.	31/01/2008 W/C
9	IA_07_035/F	FI	Novacraft - Physical Security & Procedures	31/03/08	To provide assurance that the overall protective security arrangements of the newly acquired site were commensurate with the identified security risks.	06/03/2008
10	IA_07_110/F	ST	Woolwich Ferry Operations	17/08/07	To provide assurance that the management of the Woolwich Ferry is operating effectively.	
12	IA_07_116/F	GC	Legal Compliance Process	15/11/07	to review the effectiveness of the legal compliance process	
13	IA_07_122	FI	Ticket Revenue Apportionment Process	11/01/08 W/C	To provide assurance in relation to TfL Strategic Risk: Revenue Collection	
13	IA_07_115/F	FI	Free Travel and Discount Schemes	05/02/08 W/C	To ensure that appropriate controls are in place and are operating effectively so that only customers legitimately entitled to use the	11/01/2008 W/C
13	IA_07_100	FI	Prestige Audit Peer Review	25/09/07	To assess the effectiveness of procedures for performing audits of TranSys, by reference to best practice.	05/02/08 W/C
N/A	IA_06_100/F	GS	Leavers Processes	20/11/06	To review the effectiveness of the controls in place over processes for managing leavers.	19/03/2008
N/A	IA_07_107/F	FI	SAP Travel and Expenses	06/11/07	To review the effectiveness of controls operating over the SAP Travel and Expenses system.	16/01/2008