

Date: 13 July 2017

Item: Internal Audit Quarter 4 Report 2016/17

This paper will be considered in public

1 Summary

1.1 The purpose of this report is to inform the Committee of the audit work completed in quarter 4 2016/17, the work in progress at the end of quarter 4, and the work planned for quarter 1 of 2017/18.

2 Recommendation

2.1 **The Committee is asked to note the report.**

3 Background

3.1 The Director of Internal Audit is required to provide an annual report in support of his opinion on the internal control framework. Quarterly reports are presented to the Committee in anticipation of the annual report.

3.2 This is a shorter than usual quarterly report, which has been restricted to informing the Committee of reports and other outputs issued during the quarter, work in progress and planned, and the status of audit actions. This is to avoid, as far as possible, repeating material included with the Internal Audit Annual Report for 2016/17 elsewhere on this agenda.

4 Work Done

4.1 The table below shows the number of Interim Audit Reports, HSE and Technical audit reports and other outputs, including advisory/ consultancy reports and memorandums, issued during quarter 4 and in the full year 2016/17, together with comparative figures for 2015/16.

	Interim Audit Reports					HSE and Technical Audit Reports					Other Outputs (Advisory Reports/Memos)	Total
	WC	AC	RI	PC	Total	WC	AC	RI	PC	Total		
Quarter 4	4	6	11	0	21	8	27	9	0	44	6	71
Full year 2016/17	12	18	27	3	60	13	91	39	2	145*	38	243
Full year 2015/16	16	13	30	4	63	2	34	30	1	67	33	163

* - The HSE&T report numbers include, for the first time, reports (58 in the full year) issued by the Crossrail audit team who transferred into TfL Internal Audit in March 2016. The numbers are not, therefore, directly comparable with the prior year.

- 4.2 A list of all the audit reports and other outputs issued during quarter 4 (excluding one report relating to the TfL Pension Fund) can be found in Appendix 1. Where applicable, management actions have been agreed to address the issues raised and are being taken forward. The appendix shows the date by which the last management action is due to be completed or confirms that the audit has been closed as at the date of this report.
- 4.3 There were no reports issued during quarter 4 with a 'poorly controlled' conclusion. Notable reports issued during the quarter were:
- (a) *Privacy and Data Protection, Surveillance Cameras (1) CentreComm and (2) Bus Operations (Interim Audit Reports issued 19 December 2016 and 3 March 2017 – both Requires Improvement)* – These audits reviewed the controls in place that ensure TfL's use of surveillance cameras complies with relevant legislation, policies and government codes of practice. The audits found that effective governance arrangements were generally in place, but also noted areas where controls could be tightened. The most significant of the issues related to recordings sometimes being held for longer than necessary.
 - (b) *Enterprise Remote Access (ERA) control via T-Snap (Interim Audit Report issued 22 March 2017 – Requires Improvement)* – ERA is the method by which TfL provides users with remote access to its network using a secure Internet connection. The audit noted scope for improvement in the logging for logging and monitoring of potential remote access security events or maintenance related issues. One privileged ERA user account was also found to be misconfigured.
 - (c) *Fares Refunds (Interim Audit Report issued 8 February 2017 – Requires Improvement)* – The audit identified a number of areas where controls could be strengthened, including arrangements for verification of customer claims for refunds and for consequential losses due to service delays.

- (d) *Rail for London (RfL) Management Systems (Interim Audit Report issued 6 March 2017 – Requires Improvement)* – The audit was focused on the readiness of RfL’s management systems for the start of Elizabeth Line operations. There were no priority 1 issues, but the report did note some areas for improvement in respect of the tracking and escalation of overdue actions from previous reviews and assessments. There was also still work to be done to implement the new document management system.
- (e) *Management of the RfL/ Crossrail Systems and Information Programme (RCSIP) (Interim Audit Report issued 30 March 2017 – Requires Improvement)* – The RCSIP has been established to select and implement the systems through which RfL will manage the operation of services on the Elizabeth Line. There were no priority 1 issues. However, the audit identified that funding was not available for five non-critical elements of the Programme, and there was a lack of clarity over where that funding would come from. In addition, we noted areas where the documentation of decisions could be improved.
- (f) *Taxi and Private Hire – Financial Controls Healthcheck (Interim Audit Report issued 27 January 2017 – Requires Improvement)* – The audit noted some areas of good practice, including robust security controls at NSL, the third party supplier responsible for license revenue collection. Cash and cheques were no longer accepted as payment methods, which had improved processing times and reduced the risk of fraud and loss. However, the audit did identify some areas for improvement in relation to debt management, processing of refunds and duplicate payments.

4.4 Work in progress at the end of quarter 4 is shown in Appendix 2 and work due to start in quarter 1 of 2017/18 is shown in Appendix 3.

Follow-up of audit actions

- 4.5 Internal Audit monitors the completion of all audit actions and confirms that they have been adequately addressed by management. In the case of Interim Internal Audit Reports (but not HSE&T reports), it has also been the practice to issue a subsequent formal Final Internal Audit Report to confirm that the agreed management actions have been addressed. As noted at the last Audit and Assurance Committee meeting, the practice of issuing Final Internal Audit Reports has been discontinued with effect from 1 April 2017. However, all audit actions will continue to be followed up, and Internal Audit will confirm to management when audits are closed.
- 4.6 There were 17 Final Audit Reports issued during quarter 4 (including five interim reports that were concluded as ‘Well or Adequately Controlled’, did not have any management actions arising, and went straight to final). A list of the reports issued is included as Appendix 4. In all but one of these (see below), appropriate management action had been taken to address the issues raised in the original Interim Audit Report and the audit was closed.

- 4.7 The exception was our follow-up of our interim audit report on New Income Generation in LTM issued in February 2017. This found that out of 12 management actions two had not been addressed and five were only partially addressed. The most significant of the partially and not addressed actions related to the need to establish a robust business case template for LTM income generation proposals. The outstanding actions are now due to be completed by 31 July 2017.
- 4.8 A list of open audits (ie audits for which the agreed management actions have not yet all been addressed) from previous quarters, including information on when the last management action is due to be completed, is included as Appendix 5.

Overdue actions

- 4.9 The table at Appendix 6 shows the numbers of open audit actions by business area, and the extent to which these are overdue. Where actions have not been addressed within 60 days after their due date the Director with responsibility for the actions is invited to attend the Committee meeting to discuss them.
- 4.10 There are two management actions that are more than 60 days overdue, both within London Transport Museum (LTM). The actions are both from the audit of LTM IT Governance and relate to the need for an IT Strategy and clearer IT governance to be established at LTM. Both actions were due to be completed at the end of February. A representative of LTM will attend the Committee meeting to discuss these issues.

Changes to the audit plan

- 4.11 A small number of audits that were scheduled to start in quarter 4 have been postponed to 2017/18. A list of these can be found in Appendix 7.
- 4.12 Three audits have also been added to the plan during the quarter. A list of these can be found in Appendix 8.

5 Other Assurance Providers

- 5.1 In reaching his overall opinion on the effectiveness of internal control in TfL, the Director of Internal Audit takes account of work carried out by other assurance providers as well as work carried out directly by Internal Audit. The following paragraphs provide a brief summary of work carried out by other assurance providers during quarter 4.

Project Assurance

- 5.2 The TfL Project Assurance team carries out Integrated Assurance Reviews (IARs) of projects and programmes in the Investment Programme. Projects are selected for review following a risk-based assessment, in order to enable the optimum assurance intervention to be planned. The risk factors that inform the assurance include: novel engineering, team experience, repeatable work, complexity and consents. In this way, reviews of relatively low risk, repeated work such as highways maintenance, will not be assured to the same depth as a project with novel engineering for the same cost.

- 5.3 All projects with an estimated final cost (EFC) over £50m are reviewed under the same IAR process but with additional input from the Independent Investment Programme Advisory Group (IIPAG). The assurance reports are considered alongside the Authority request at the operating business boards with the operating Managing Director in attendance. The reports are also shared with the Chief Finance Officer.
- 5.4 In quarter 4 2016/17, 22 IARs were conducted, with IIPAG providing oversight and guidance on 11 reviews, mostly of projects with an EFC of over £50m. Issues arising from the reviews are presented to the operating boards with agreed actions, owners and timescales.
- 5.5 Significant reviews during quarter 4 included Sub Programme reviews of the Surface Healthy Streets Programme and the London Underground (LU) Rolling Stock programme. Additional project and programme authority was awarded to both Sub Programmes at the Programmes and Investment Committee on 8 March 2017, with the recommendations made by Project Assurance and IIPAG all accepted. The Sub Programme structures are still developing – both reviews identified the need to strengthen the portfolio level management to improve the financial controls and tolerances, benefits management strategy, dependency mapping and resource planning.
- 5.6 Significant project reviews included DLR Rolling Stock Replacement (pre-tender), Crossrail 2 (interim funding), Central Line Traction Motors (Contract Award) and the Silvertown Tunnel (Invitation to Negotiate – preparing for contract award in 2019).
- 5.7 More focus is evident on Value Engineering and other cost saving initiatives across most of the projects reviewed. The prioritisation of projects will become increasingly important as projects mature and the costs become firmer.

Crossrail Contractor Commercial Reviews

- 5.8 In addition to the work carried out by Internal Audit, for the past four years Crossrail has operated a contractor commercial review team. This team has carried out regular commercial assurance reviews of the performance of contractors, covering Cost; Contract Management; Risk Management; Commercial Value; Supply Chain and Procurement; and Anticipated Final Cost Management and Controls. The most recent results reported to the Crossrail Audit Committee in October 2016 showed improving contractor performance against the set criteria, with no significant areas of concern arising.
- 5.9 In light of the stage of completion of the Crossrail project, it was recently decided that the core benefits of the commercial assurance process had been delivered and that it was appropriate to discontinue this activity. Key benefits and lessons learned from the process include improved collaboration and knowledge sharing; enabling of targeted improvement action planning; stimulating innovation; and incentivisation of contractors.

Embedded Assurance

- 5.10 In addition to HSE and Technical audits carried out by Internal Audit, a number are carried out during the year by staff 'embedded' in parts of Surface Transport and LU. This was incorporated in the Integrated Assurance Plan for 2016/17 approved by the Audit and Assurance Committee in March 2016, and work done during quarter 4 is summarised below.
- 5.11 In Surface Transport a total of 35 audits were completed in quarter 4 as follows. There were no significant issues arising:
- (a) Twenty-eight audits were completed with the purpose of ensuring the existence and adequacy of the control procedures and management systems used by bus operators in accordance with Buses Directorate contractual requirements as well as Road Space Management and Asset Management;
 - (b) Six Surface safety assurance reviews in Taxi and Private Hire and London Buses; and
 - (c) One audit by the Asset Management directorate focused on compliance with the Asset Management Directorate Planned General Inspections - Routine Maintenance standard.
- 5.12 No audits were completed in LU in Quarter 4.

6 Customer Feedback

- 6.1 At the end of every audit, we send out a customer feedback form to the principal auditee(s) requesting their views on the audit process and the report. The form is questionnaire-based so it can be completed easily and quickly. A summary of the responses to the questionnaire, together with comparative figures for the previous quarter, is included as Appendix 9.

List of appendices to this report:

- Appendix 1 – Audit Reports Issued in Quarters 4 2016/17
- Appendix 2 – Work in Progress at the end of Quarter 4 2016/17
- Appendix 3 – Work Planned for Quarter 1 2017/18
- Appendix 4 – Final Reports Issued in Quarter 4 2016/17
- Appendix 5 – Status of open audits from previous quarters
- Appendix 6 – Outstanding Actions Statistics
- Appendix 7 – Audits Cancelled and Postponed Quarter 4 2016/17
- Appendix 8 – Audits Added Quarter 4 2016/17
- Appendix 9 – Customer Feedback Form – Summary of Responses Quarter 4

List of Background Papers:

Audit reports.

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Conclusions	Number
PC= Poorly Controlled	0
RI= Requires Improvement	20
AC= Adequately Controlled	32
WC= Well Controlled	12
No Conclusion	6

Reference	Report Type	Responsible Director	Report Title	Report / Memo Issued	Completion Date of Last Action
London Underground and TfL Rail					
TfL Strategic Risk: Safety Standards					
IA 16 785	HSET	Chief Operating Officer, LU	Health and Safety Management in Power Delivery (2 x Priority 1 Issues / 8 x Priority 2 / 3 x Priority 3)	13/03/2017 RI	31/12/2017
IA 16 794	HSET	Capital Programmes Director, LU	LU CPD Working at Height (1 x Priority 3 Issue)	14/12/2016 WC	Closed
IA 16 784	HSET	Chief Operating Officer, LU	Health and Safety Management in Track Manufacturing Division (2 x Priority 2 Issues / 3 x Priority 3)	22/12/2016 AC	Closed
IA 16 788	HSET	Chief Operating Officer	Competence Management in London Underground Operations Fleet Maintenance (2 x Priority 2 Issues)	23/01/2017 AC	31/01/2018
IA 16 775	HSET	Chief Operating Officer	Competence and Fatigue Requirements for Undertaking Civil Engineering Safety Critical Work in London Underground (4 x Priority 2 Issues)	23/01/2017 AC	31/01/2018
IA 16 789	HSET	Chief Operating Officer, LU	Pumps Competence Management System and Safety Critical Licensing (1 x Priority 2 Issue)	01/02/2017 AC	28/02/2018
IA 16 778	HSET	Chief Operating Officer, LU	Central Line HSE Management (8 x Priority 2 Issues)	23/02/2017 AC	30/09/2017
IA 16 781	HSET	Chief Operating Officer, LU	HSE Management at Stratford Market Depot (1 x Priority 1 Issue / 4 x Priority 2 / 7 x Priority 3)	22/03/2017 AC	31/10/2018
TfL Strategic Risk: Maintaining Railway or Strategic Road Network Asset Base					
IA 16 734	HSET	Chief Operating Officer	Signal Maintenance Surveillance in LU (4 x Priority 2 Issues)	08/02/2017 RI	31/07/2017
IA 16 748	HSET	Chief Operating Officer, LU	LU Operations – Fleet Calibration Process (5 x Priority 1 Issues / 3 x Priority 3)	23/02/2017 RI	16/10/2017
IA 16 768	HSET	Chief Operating Officer, LU	Identifying, Managing and Assuring Conditions of Use for New or Altered Signalling Equipment (4 x Priority 2 Issues / 2 x Priority 3)	24/02/2017 RI	31/08/2017
IA 16 712	HSET	Capital Programmes Director, LU	LU Load Application Process (1 x Priority 3 Issue)	24/03/2017 WC	30/06/2017

Status Key

PC	Poorly controlled
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RI	Requires improvement
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AC	Adequately controlled
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WC/ACL ACL/ACL	Well Controlled & Audit Closed Adequately Controlled & Audit Closed
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Reference	Report Type	Responsible Director	Report Title	Report / Memo Issued	Completion Date of Last Action
IA 16 713	HSET	Capital Programmes Director	Approval of Non-Railborne Plant including Tall Plant Approval (6 x Priority 2 Issues)	13/02/2017 AC	31/08/2017
IA 16 805	HSET	Chief Procurement Officer	Cleshar Contract Services Contract Management and Assurance (1 x Priority 1 Issue / 2 x Priority 2)	28/12/2016 AC	30/06/2017
IA 16 751	HSET	Chief Operating Officer	LU Power Assets Defects Management (1 Priority 3 Issue)	12/01/2017 AC	Closed
IA 16 739	HSET	Chief Operating Officer	Management of Rail Grinding Programme (2 x Priority 2 Issues)	20/01/2017 AC	30/06/2017
IA 16 740	HSET	Chief Operating Officer	JNP Track Maintenance (No Issues)	27/01/2017 WC	Closed
IA 16 804	HSET	Chief Procurement Officer	Morson Human Resources Contract Management and Assurance (No Issues)	28/12/2016 AC	Closed
IA 16 738	HSET	Chief Technology Officer	LU Operations, SSL Signals Maintenance (1 x Priority 2 Issue / 1 x Priority 3)	16/12/2016 AC	Closed
IA 15 756	Consultancy	Capital Programmes Director, LU	LU Signalling Design Process – Lean Review (No issues)	31/03/2017	Closed
TfL Strategic Risk: Operational Reliability					
IA 16 746	HSET	Chief Operating Officer, LU	Fleet Management of Notifiable Incidents (1 x Priority 1 Issue / 5 x Priority 2)	10/03/2017 RI	08/12/2017
TfL Strategic Risk: Catastrophic Event					
IA 16 412	IAR	Chief Operating Officer, London Underground	London Underground Station Security (1 x Priority 1 Issue / 1 x Priority 2 / 2 x Priority 3)	15/12/2016 RI	28/08/2017
TfL Strategic Risk: People Risk					
IA 14 103	Memo	HR Director	Employee Relations London Underground Interim Follow up Memo	05/12/2016 Memo	Closed
TfL Strategic Risk: Maintaining a long term strategic, balanced Plan					
IA 16 804/ IA 16 805	Memo	Commercial Director, LU	Morson Human Resources and Cleshar Contract Services Ltd Contract Management and Assurance (1 x Priority 1 Issue / 1 x Priority 2 / 1 x Priority 3)	18/01/2017 Memo	30/06/2017
Surface Transport					
TfL Strategic Risk: Managing Railway or Strategic Road Network Asset Base					
IA 16 803	HSET	Chief Procurement Officer	Supplier Audit – John Bradley and Sons (2 x Priority 1 Issues / 1 x Priority 2 / 3 x Priority 3)	16/12/2016 RI	27/10/2017
IA 16 808	HSET	Director DLR	Asset Handover and Handback in DLR (1 x Priority 1 Issue)	31/03/2017 RI	30/05/2017
IA 16 715	HSET	Director of Trams	Trams Bogie Overhaul at Wabtec Rail (3 x Priority 2 Issues)	14/12/2016 AC	Closed
TfL Strategic Risk: Safety Standards					

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WC/ACL ACL/ACL	Well Controlled & Audit Closed Adequately Controlled & Audit Closed
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Reference	Report Type	Responsible Director	Report Title	Report / Memo Issued	Completion Date of Last Action
IA 16 766	HSET	Director of Trams	Trams Depot Health and Safety Management (1 x Priority 1 Issue / 3 x Priority 2 / 1 x Priority 3)	19/12/2016 AC	Closed
IA 16 761	HSET	Chief Operating Officer, ST	Surface Transport Health and Safety Data Quality and Reporting (1 x Priority 1 Issue / 4 x Priority 3)	08/03/2017 AC	30/06/2017
IA 16 807	Consultancy	Chief Operating Officer, ST	Surface Transport HSE Management System Maturity (SM3) (No issues)	09/03/2017 Consultancy	N/A
TfL Strategic Risk: Financial sustainability					
IA 16 122	IAR	Director of Service Operations	Taxi and Private Hire – Financial Controls Health check (5 x Priority 2 Issues / 1 x Priority 3)	27/01/2017 RI	30/06/2017
TfL Strategic Risk: Delivery of capital investment portfolio					
IA 16 661F	IAR	Chief Procurement Officer	Procurement of the Major Projects Framework (No Issues)	20/02/2017 WC	N/A
TfL Strategic Risk: Governance suitability					
IA 16 140	IAR	Chief Operating Officer, ST	Privacy and Data Protection, Surveillance Cameras, Bus Operations (2 x Priority 1 Issue / 7 x Priority 2)	03/03/2017 RI	30/06/2017
IA 16 138	IAR	Chief Operating Officer, Surface Transport	Privacy and Data Protection, Surveillance Cameras, CentreComm (4 x Priority 2 Issues)	19/12/2016 RI	30/06/2017
Finance					
TfL Strategic Risk: Delivery of Key Investment Programmes					
IA 16 600	IAR	Chief Procurement Officer	Flow-Down of Responsible Procurement requirements through the supply chain (2 x Priority 1 Issues / 2 x Priority 2)	03/03/2017 RI	31/12/2017
IA 16 622	IAR	Chief Procurement Officer	Procurement of the new e-Tendering System (2 x Priority 2 Issues)	02/03/2017 AC	30/12/2017
Customers Communication and Technology					
TfL Strategic Risk: Catastrophic Event					
IA 16 415	IAR	Chief Technology Officer	Strategic Data Centre Physical Security and Environmental Controls (1 x Priority 3 Issue)	14/12/2016 AC	Closed
TfL Strategic Risk: Financial sustainability					
IA 16 107	IAR	Chief Technology Officer/Director of Customer Experience	Fares Refunds (3 x Priority 1 Issues / 7 x Priority 2)	08/02/2017 RI	30/06/2017

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Reference	Report Type	Responsible Director	Report Title	Report / Memo Issued	Completion Date of Last Action
IA 16 110	IAR	Chief Technology Officer/Director of Customer Experience	Concessionary Travel (2 x Priority 2 Issues)	03/03/2017 AC	30/06/2017
TfL Strategic Risk: Workplace Adaptability					
IA 16 111F	IAR	Chief Technology Officer/Director of Customer Experience	NPL Payments in Contact Centre Operations (No Issues)	27/02/2017 WC	N/A
TfL Strategic Risk: Significant Technology failure or cyber attack					
IA 16 422	IAR	Chief Technology Officer	Enterprise Remote Access (ERA) control via T-Snap (3 x Priority 1 Issues / 2 x Priority 2)	22/03/2017 RI	31/05/2017
IA 16 434	Memo	Chief Technology Officer/Director of Customer Service	Access to Central Journey Data (No issues)	16/03/2017 Memo	N/A
London Transport Museum					
IA 16 418	IAR	Museum Director	London Transport Museum (LTM) IT Governance (2 x Priority 1 Issues / 3 x Priority 2 / 1 x Priority 3)	19/01/2017 RI	04/04/2017
Crossrail					
IA 16 522	IAR	Operations Director, Crossrail	Rail for London Management Systems (3 x Priority 2 Issues)	06/03/2017 RI	30/06/2017
IA 16 521	IAR	Operations Director, Crossrail	Management of the RfL/ Crossrail Systems and Information Programme (RCSIP) (3 x Priority 2 Issues)	30/03/2017 RI	30/06/2017
IA 16 514	IAR	Operations Director, Crossrail	Transition of the Tunnelling and Underground Construction Academy (6 x Priority 2 Issues / 1 x Priority 3)	31/03/2017 RI	31/07/2017
IA 16 300	HSET	Crossrail Technical Director	Handover Strategy & Planning (2 x CARs, 6 x Observations)	16/12/2016 RI	Closed
IA 16 308	HSET	Crossrail Health & Safety Director	Project Delivery Team Management of HSQE (2 x CARs, 10 x Observations)	11/01/2017 RI	Closed
IA 16 520	IAR	Programme Director, Crossrail	Cyber Security Risk Management (3 x Priority 3 Issues)	06/03/2017 AC	01/10/2017
IA 16 517F	IAR	Director of IT, Crossrail	Fujitsu Contract Performance (No Issues)	10/01/2017 WC	N/A
IA 16 500F	IAR	Finance Director, CRL	Management and Financial Accounting (No Issues)	21/02/2016 WC	N/A
IA 16 506F	IAR	Crossrail Land and Property Director	Urban Realm Management (No Issues)	21/02/2017 AC	N/A
IA 16 309	HSET	Crossrail Technical Director	Regulatory Approval (0 x CARs, 1 x Observation)	21/12/2016 WC	Closed
IA 16 310	HSET	Crossrail Technical Director	Testing & Commissioning (0 x CARs, 1 x Observation)	23/12/2016 AC	Closed
IA 16 317	HSET	Crossrail Health & Safety Director	Compliance with RIDDOR Regulations (0 x CARs, 3 x Observations)	15/12/2016 AC	Closed

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Reference	Report Type	Responsible Director	Report Title	Report / Memo Issued	Completion Date of Last Action
IA 16 328	HSET	Crossrail Delivery Director	Control of Receipt Inspection at C422 Tottenham Court Road (0 x CARs, 3 x Observations)	20/12/2016 AC	Closed
IA 16 331	HSET	Crossrail Delivery Director	Employers Completion Management at C422 Tottenham Court Road (0 x CARs, 1 x Observation)	21/12/2016 AC	Closed
IA 16 359	HSET	Crossrail Delivery Director	Quality Management at C660 Systemwide (0 x CARs, 11 x Observations)	04/01/2017 AC	Closed
IA 16 376	HSET	Crossrail Delivery Director	Management of Lifts & Escalators at C530 Woolwich Station (1 x CAR, 7 x Observations)	12/12/2017 AC	Closed
IA 16 373	HSET	Crossrail Technical Director	The Manufacture, Assembly, Storage and Supply of Cabinets at C660 (0 x CARs, 4 x Observations)	30/01/2017 AC	Closed
IA 16 377	HSET	Crossrail Technical Director	Design Management at C422, Tottenham Court Road (0 x CARs, 2 x Observations)	09/01/2017 WC	Closed
IA 16 517	IAR	Crossrail Finance Director	Fujitsu Contract Performance (No Issues)	10/01/2017 WC	N/A
IA 16 304	HSET	Crossrail Technical Director	Management of Final Design Overviews (0 CARs, 2 Observations)	29/03/2017 AC/ACL	Closed
IA 16 329	HSET	Crossrail Programme Director	Management of MEP at C412, Bond Street Station (0 CARs, 2 Observations)	30/03/2017 WC	Closed
IA 16 338	HSET	Crossrail Programme Director	Management of the Handover Process at C512, Whitechapel Station (0 CARs, 3 Observations)	28/03/2017 AC/ACL	Closed
IA 16 343	HSET	Crossrail Programme Director	Engineering Safety Management at C610 (Systemwide – Track) (0 CARs, 3 Observations)	30/03/2017 AC/ACL	Closed
IA 16 348	HSET	Crossrail Programme Director	Handover to Systemwide at C620 (Signalling) (0 CARs, 2 Observations)	30/03/2017 WC	Closed
IA 16 360	HSET	Crossrail Programme Director	Certification Management at C828, Ilford Depot (0 CARs, 3 Observations)	29/03/2017 AC/ACL	Closed
IA 16 375	HSET	Crossrail Programme Director	Management of Lifts & Escalators at C412, Bond Street. (0 CARs, 3 Observations)	09/03/2017 AC/ACL	Closed
IA 16 501	Memo	Finance Director, Crossrail	Review of financial controls and processes for contract X2236 between Crossrail and Engie	14/12/2016 Memo	N/A

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WC/ACL ACL/ACL	Well Controlled & Audit Closed Adequately Controlled & Audit Closed
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TfL Internal Audit
Work in Progress at end of Period 13 2016/17

Risk	Audit Title	Objective
Pan-TfL		
Catastrophic Event	Personnel Security and Security Culture	To assess TfL's security culture and the effectiveness of its personnel security arrangements.
Significant Technology failure or cyber attack	Controls over disclosure of personal information to external agencies	To evaluate the controls in place over disclosures to external agencies (including police and security services) concerning staff and customers.
Delivery of key investment programmes <input type="checkbox"/>	Implementation of the new e-tendering system	To provide assurance that the implementation of the new e-Tendering system, is carried out in an efficient and effective manner.
LU and TfL Rail		
Safety Standards		
	LU CPD People and Plant	To review compliance with new internal systems being developed by the LU working group and relevant legislation.
	LU Operations Metropolitan Line HSE Management	To provide assurance that legislation is being complied with and HSE Management System requirements are understood and implemented.
Delivery of key investment programmes <input type="checkbox"/>	Fraud Risk in projects and contracts within the Station Works Improvement Programme (SWIP)	Review the adequacy and effectiveness of controls in place to manage Fraud risk in projects and contracts within SWIP and assess against a Fraud risk maturity model.
	Procurement of Facilities Management Category	To ensure that the procurement processes employed for the Facilities Management Category are in accordance with approved procedures and EU directives and are open, fair and transparent.
Managing railway or strategic road network asset base		
	LU Operations - Repeat Asset Failure Avoidance	To provide assurance that asset failures are investigated and root causes identified, addressed and escalated to avoid repeat failures.
	LU Operations - Fleet Central Line Heavy Overhaul Programme Lift (HOPL) project	To provide assurance that there are correct processes in place for managing the HOPL project work stream, and required changes are managed in accordance with LU standards.
	LU Operations - Changes to Station Fire Precautions	To provide assurance that changes to station fire precautions are controlled adequately and in accordance with the revised standard issued in 2015.
	LU SSL Track Maintenance	To provide assurance over specific elements of track maintenance controls, covering Ellipse data management, manual metal arc welding, PM4 inspections and preparations for Night Tube (where applicable).
	LU Operations - Automatic Track Monitoring System	Provide assurance that the processes for fault monitoring and rectification are in line with standard S1159.
	LU Earth Structures Inspections	To provide assurance that inspections of earth structures are undertaken in accordance with LU standards.

Risk	Audit Title	Objective
Governance suitability		
	Thorntask Lessons Learnt	To review and follow up the actions in the Thorntask Lessons Learnt Report
Surface Transport		
Safety Standards		
	ST CDM Principal Designer Role	To provide assurance that ST is appropriately discharging its duty as CDM Principal Designer where appropriate.
Significant Technology failure or cyber attack		
	ST Critical Applications	To provide assurance that the security and availability of specified Surface Transport applications are adequate and meet agreed company standards.
	Payment Card Industry Data Security Standard (PCI DSS) - Enforcement and On-Street Operations (EOS)	To assess the ongoing design and effectiveness of controls for non-compliant business units.
Managing railway or strategic road network asset base		
	DLR Gas Systems	To provide assurance that the franchisee is maintaining gas systems as required.
	DLR Lifts and Escalators Compliance	To provide assurance that the franchisee is maintaining lifts and escalators as required.
Operational Reliability		
	Management of the DLR franchise contract in London Rail	To provide assurance that the controls and processes in place to manage the DLR Franchise Contract are adequate and effective.
Financial Sustainability		
	Assessing benefits from Lean Six Sigma reviews	The objective of this audit is to assess whether the expected benefits resulting from Lean Six Sigma (LSS) reviews within Surface Transport (ST) have been achieved.
Commercial Development		
Delivery of commercial revenue targets		
	Management of the Property Partnership Programme of sites	To provide assurance that the new property development framework is being used efficiently and effectively.
	Management of Fraud Risk in Commercial Development	A review of a sample of Commercial Development's activities, to assess the extent to which fraud risk is being effectively managed.
	Procurement and management of professional advisers by Commercial Development	To provide assurance that appropriate controls are in place for the appointment and management of advisers, to ensure that advice received is of a high quality and not compromised by conflicts of interest.
	Investments appraisal	To assess the efficiency and effectiveness of processes and tools used in the development of cost/benefit appraisals used in scheme selection and prioritisation.

Risk	Audit Title	Objective
Customers, Communication and Technology		
	Significant Technology failure or cyber attack	
	Patch Management - Internet Services (IS) Zone	To evaluate the effectiveness of controls in place to consistently secure against known vulnerabilities in operating system and application software within the IS Zone.
	Technological or market developments	
	Procurement of Access and WAN services	To provide assurance that the procurement relating to the Access and WAN contract is being managed effectively and carried out in accordance with approved procedures. The audit will also consider the steps taken to ensure the resulting contract is fit for purpose.
HR		
	Workforce adaptability	
	Movers and Leavers' Processes	To provide assurance on the adequacy and effectiveness of controls in place over staff leaving or moving within the organisation. The audit will follow up on the poorly controlled audit report issued in August 2015.
General Counsel		
	Governance suitability	
	Authorities	To review application of delegated authorities, following on from work on Standing Orders in the 2015/16 plan.
	Transparency	To provide assurance over the effectiveness of the controls over the collection and publishing of data under the local government transparency code.
London Transport Museum		
	London Transport Museum	
	LTM Safeguarding	To provide assurance over the creation and implementation of the safeguarding policy.
	Significant Technology failure or cyber attack	
	LTM PCI DSS compliance	To provide assurance over LTM's compliance with the PCI DSS standard. This will include a review of progress with the Electronic Point of Sale (ePOS) Ticketing System Project, which is intended to deliver PCI DSS compliance.
Crossrail		
	Delivery of key investment programmes - Crossrail	
	Effectiveness of the Review Panels	To assess the effectiveness of the Review Panels in managing systems integration and operability.
	Network Rail Technical Assurance	To assess the effectiveness of the Network Rail Assurance process.
	Rolling stock assurance process	To assess the effectiveness of the rolling stock assurance process managed by Bombardier.
	Network Rail Reporting	To provide assurance over the effectiveness of Network Rail reporting to Crossrail.
	Organisational Effectiveness	To assess organisational effectiveness in relation to the delivery of the next phase of the Project.
	Interface Management, between Stations, Shafts & Portals and the Cable Installation Contractors	To review the management of interfaces and provide assurance that controls and procedures are effective.
	Transition of software assets from Crossrail to TfL	To provide assurance that effective controls are in place to ensure software and associated data transfer from Crossrail to TfL meets business expectations around quality, time and security.

**TfL Internal Audit
Work Planned - P1 2017/18 to P3 2017/18**

Risk	Audit Title	Objective
Pan-TfL		
Safety Standards	Management of Fatigue	To review implementation of the Working at TfL content and the quality of assurance from suppliers.
Delivery of key investment programmes	Benefits realisation reviews	To review whether TfL has an effective process for planning, managing and measuring the benefits achieved from investment and whether projects are utilising this process throughout the project lifecycle, including completion of benefits realisation reviews.
	Value management and innovation in the Investment Programme	To review the extent to which value management has been applied across TfL and its contribution to promoting innovation and cost reduction across TfL.
	Peer reviews with TfL Commercial	Joint working with TfL Commercial for development of second line assurance arrangements, building TfL Commercial capability for performing reviews.
LU and TfL Rail		
Safety Standards	LU Operations Northumberland Park Rolling Stock Depot HSE Management	To provide assurance that legislation is being complied with and HSE Management System requirements are understood and implemented.
	LU Station Access - post Fit For the Future Stations (FFtFS)	Seek assurance that following FFtFS, the arrangements for accessing stations for maintenance / project works are robust and rigorously applied.
	REW HSE & Competence Management	To provide assurance that legislation is being complied with and HSE Management System requirements are understood and implemented and appropriate arrangements are implemented for competence of staff.
Significant Technology failure or cyber attack	Infrastructure Control - Station Wi-Fi Network	To assess the design and effectiveness of the controls over the security and resilience of the Station Wi-Fi network.
Managing railway or strategic road network asset base	Rotork Supplier Audit	To provide assurance over the performance of this supplier.
	Management of Engineering Design Change Control	To provide assurance that management processes conform with corporate requirements relating to the management of engineering change to approved designs typically during the Project construction phase and to ascertain if there is any scope for improvement.
	LU Power Planned Maintenance Regime	To provide assurance that the Power Planned Maintenance Activities as per the AMP is implemented efficiently, with any missed inspections appropriately assessed and addressed.
	LU Ultrasonic Testing	To provide assurance that the frequencies of inspections and management of any defects are in accordance with standards by Maintenance Infrastructure Services.


Risk	Audit Title	Objective
	Suppression water supply and Wet Hydrant performance testing and condition reporting	To seek assurance that the regime for testing sprinklers and wet hydrants is effective and LU are assured of the condition and performance of the assets.
	Supplier Assurance LU	To provide assurance that TfL has a Supplier Quality Assurance System that ensures risks to TfL objectives are identified, controlled and assured throughout the contract life cycle.
	LU Warranty Process	To seek assurance that materials and parts are appropriately managed when requiring repair – avoiding excessive costs for repairs within warranty.
	LU Alignment of Asset Condition Register and Maintenance Regime	To provide assurance that the arrangements for the maintenance of Rolling Stock are consistent with the assessed condition of the asset (consistent with lifecycle principles).
	LU Operations - Inspections of LU Premises	To follow up on actions taken following the previous audit in this area to ensure they are embedded and working.

Surface Transport

Safety Standards		
	DLR Competence management for Service Delivery Staff	To provide assurance that the competence of service delivery staff is being maintained
	Management of Asbestos in Surface Transport	To provide assurance that an appropriate system is in place to manage the risk of asbestos exposure and that a register is maintained to enable works to be suitably controlled.
Managing railway or strategic road network asset base		
	Adoption of Ellipse in Trams	To provide assurance that the adoption of Ellipse has been effective for the planning and recording of asset information and asset maintenance.
	DLR Underframe maintenance and CCTV Checks	To provide assurance that the franchisee is maintaining underframe maintenance and CCTV checks in accordance with requirements.
	DLR Signals Annual Asset Management Plan (AAMP), Audit Schedule and Improvement Plan	To provide assurance that the franchisee is effectively managing the AAMP, audit schedule and improvement plan.
	Supplier Assurance ST	To provide assurance that TfL has a Supplier Quality Assurance System that ensures risks to TfL objectives are identified, controlled and assured throughout the contract life cycle.
	Keolis Amey Docklands (KAD) Rolling Stock Quality Assurance Process	To provide assurance that the KAD quality assurance processes for rolling stock are adequate and effective.
Financial Sustainability		
	Traffic Enforcement	To provide assurance on the adequacy and effectiveness of financial and business controls in place within traffic enforcement following the move to Capita.

Commercial Development

Delivery of commercial revenue targets		
	Operation of Advertising Partnerships	To provide assurance over the operation of the new advertising contract.

Risk	Audit Title	Objective
Planning		
	Delivery of key investment programmes  Commercial Management within Planning	To review commercial management processes within Planning to provide assurance over compliance with TfL policies and good practice.
Customers, Communication and Technology		
	Significant Technology failure or cyber attack Data Privacy & Protection - Marketing Data	To evaluate the data security governance and control arrangements operated by Dawley's (or alternative 3rd party provider).
Crossrail 2		
	Delivery of key investment programmes - Crossrail Lessons Learned by Crossrail 2	A review of the lessons learned by Crossrail 2 from Crossrail.
Crossrail		
	Delivery of key investment programmes - Crossrail MEP Certification at C422, Tottenham Court Road	A review of the certification arrangements for Mechanical, Electrical and Public Health at C422 Tottenham Court Road Station.
	F2 (Supplier) Design Management Process at C512 Whitechapel	A review of the F2 (Supplier) Design Management Process at C512 Whitechapel Station.
	Design Management by Systemwide	Summary Audit of the Design Management Audits at C610 (Track) C620 (Signalling) and C644 (Power Systems) at Systemwide.
	C631 Manufacture of Platform Edge Screens	Review of the manufacture of the Platform Edge Screens by the C631 Contractor, Nor Bremse.
	C828 Contract Document Management	A review of the management of Contract Documentation at C828 Ilford Depot.
	MEP Certification at C502, Liverpool Street	A review of the certification arrangements for Mechanical, Electrical and Public Health at C502 Liverpool Street Station.
	C610 Design Management	A review of the Design Management arrangements at C610 (Track).
	C620 Design Management	A review of the Design Management arrangements at C620 (Signalling)
	C644 Design Management	A review of the Design Management arrangements at C644 (Power Systems)
	Payments made to Partner organisations	A review of the process for managing payments made by Land & Property or Project managers to partner organisations including Tower Transit, Abelio and Bombardier Transportation.
	Crossrail Complaints Commissioner Accounts	Annual audit of the accounts of the Crossrail Complaints Commissioner.
	Readiness for Handover, Acceptance and Receipt of CRL Assets by MTR Crossrail	A review of the readiness for handover, acceptance and receipt of assets from the Crossrail Project to the Operator, MTR.

Conclusions	Number
ANC = Audit Not Closed	1
WC/ACL= Well Controlled and Audit Closed	4
AC/ACL = Adequately Controlled and Audit Closed	1
ACL: Audit Closed	11

Reference	Responsible Director	Report Title	Interim/Memo Report Issued	Final Report Issued
London Underground and TfL Rail				
TfL Strategic Risk: Governance suitability				
IA 15 111F	Director of Finance, LU	TfL Company Vehicles	30/10/2015 RI	09/01/2017 ACL
Finance				
TfL Strategic Risk: Financial Sustainability				
IA 15 106F	Director of Finance, LU & TfL Rail	Cash Management – Fit for the Future - Stations	05/05/2016 RI	20/12/2016 ACL
IA 15 153F	Chief Finance Officer	Contractor Payment Application Forms	08/02/2015 PC	20/02/2017 ACL
TfL Strategic Risk: Delivery of key investment programmes				
IA 12 632F	Chief Procurement Officer	Procurement of the professional services framework	19/08/2016 AC	24/01/2017 ACL
Surface Transport				
TfL Strategic Risk: Delivery of key investment programmes				
IA 16 661	Chief Procurement Officer	Procurement of the Major Projects Framework	20/02/2017 WC	N/A – Audit Closed
Customers, Communication and Technology				
TfL Strategic Risk: Workplace adaptability				
IA 15 424F	Chief Technology Officer	Management of Non-Permanent Labour within IM	03/05/2016 RI	15/12/2016 ACL
IA 16 111F	Chief Technology Officer	NPL Payments in Contact Centre Operations	27/02/2017 WC	N/A – Audit Closed
TfL Strategic Risk: Finance sustainability				
IA 15 107F	Chief Technology Officer	Revenue Inspection Controls over Contactless Ticketing	24/12/2015 RI	23/12/2016 ACL
TfL Strategic Risk: Significant Technology Failure or cyber attack				
IA 14 147F	Director of Marketing	Social Media	15/07/2015 RI	01/03/2017 ACL

Status Key

PC Poorly controlled

RI / ANC Requires improvement Audit Not Closed

AC ACL Adequately controlled Audit Closed

WC/ACL AC/ACL Well controlled & Audit Closed Adequately Controlled & Audit Closed

Reference	Responsible Director	Report Title	Interim/Memo Report Issued	Final Report Issued
General Counsel				
TfL Strategic Risk: Governance suitability				
IA 15 142F	General Counsel	Standing Orders	15/02/2016 AC	20/12/2016 ACL
One HR				
TfL Strategic Risk: Workforce Adaptability				
IA 15 138F	HR Director	Recruitment Processes	24/02/2016 PC	06/01/2017 ACL
IA 15 139F	HR Director	Managing Attendance in TfL	19/11/2015 RI	12/01/2017 ACL
London Transport Museum				
IA 15 156F	Museum Director	LTM Grant Funding	13/05/2016 RI	28/02/2017 ACL
IA 16 112F	Museum Director	New Income Generation in LTM (1 x Priority Issue / 9 x Priority 2 / 2 x Priority 3)	21/10/2016 RI	28/02/2017 ANC
Crossrail				
IA 16 517F	Director of IT, Crossrail	Fujitsu Contract Performance	10/01/2017 WC/ACL	N/A – Audit Closed
IA 16 500F	Finance Director, CRL	Management and Financial Accounting	21/02/2016 WC	N/A – Audit Closed
IA 16 506F	Crossrail Land and Property Director	Urban Realm Management	21/02/2017 AC	N/A – Audit Closed

Status Key

PC Poorly controlled

RI / ANC Requires improvement
Audit Not Closed

**AC
ACL** Adequately controlled
Audit Closed

**WC/ACL
AC/ACL** Well controlled & Audit Closed
Adequately Controlled & Audit Closed

Reference	Responsible Director	Report Title	Report / Memo Issued	Due date for completion of last action	Comments
Pan-TfL					
TfL Strategic Risk: Catastrophic Event					
IA 16 114	Chief Operating Officer, ST	Business Continuity (BC)	17/08/2016 RI	31/08/2017	
London Underground and TfL Rail					
TfL Strategic Risk: Managing railway or strategic road network asset base					
IA 15 727A	Chief Operating Officer, LU	Aluminothermic Welding – MIS	21/04/2016 PC	30/6/2017	
IA 15 757	Capital Programmes Director	Points and Crossing Inspection and Maintenance	13/05/2016 RI	31/01/2018	
IA 15 713	LU Director of Capital Programmes	LU Plant Approval Process for Construction Sites	12/05/2016 RI	30/6/2017	
IA 16 702	Chief Procurement Officer	LU Project-Specific Works Information Documents	27/07/2016 RI	30/9/2017	
IA 16 755	Chief Operating Officer, LU	Electrical Testing in Stations	19/08/2016 RI	31/5/2017	
IA 16 752	Chief Operating Officer, LU	Management of off Track Drainage – LU Operations	02/09/2016 RI	19/5/2017	One priority 2 action overdue
IA 15 727C	Chief Operating Officer, LU	Aluminothermic Welding - Track Partnership / Track Delivery Unit	29/04/2016 AC	30/06/2017	
IA 15 792	Capital Programmes Director, LU	LU Management of Asbestos	31/03/2016 AC	29/9/2017	
IA 16 717	Chief Operating Officer, LU	Wabtec (Breckwell Willis) Supplier Assurance	21/07/2016 AC	30/6/2017	
TfL Strategic Risk: Safety standards					
IA 16 757	Director of Safety	Management of Risk from Display Screen Equipment in TfL	23/11/2016 PC	31/8/2017	
IA 15 747	Director of Safety	Management of High Risk Waste	22/04/2016 RI	5/1/2018	
IA 15 760	Director of Safety	LU Operations Working at Height	14/06/2016 RI	31/5/2017	
IA 16 770	Director of Safety	Control of Occupational Noise Risks in TfL	04/11/2016 RI	30/09/2017	
IA 16 787	Director of Safety	Fit for the Future Stations – Transfer of Station HSE Duties	05/10/2016 AC	10/5/2017	Two priority 2 actions overdue

Status Key

PC	Poorly controlled	RI	Requires improvement	AC	Adequately controlled	WC	Well Controlled	Memo Con A	Memorandum Consultancy Advisory
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Reference	Responsible Director	Report Title	Report / Memo Issued	Due date for completion of last action	Comments
TfL Strategic Risk: Delivery of key investment programmes					
IA 15 601	Head of TfL PMO	Management of Change Control in projects across TfL	23/05/2016 AC	29/9/2017	
Surface Transport					
TfL Strategic Risk: Delivery of key investment programmes					
IA 16 652	Director of Commercial	Management of single sourcing in London Rail	10/11/2016 RI	30/6/2017	
IA 16 608	Director of PPD	Use of Pathway in Surface Transport	01/09/2016 AC	30/6/2017	
IA 15 626	Director of Buses, ST	Purchase and Supply of New Routemaster from Wrightbus Limited	23/05/2016 AC	31/8/2017	
TfL Strategic Risk: Safety Standards					
IA 16 764	Director of Contracted Services	Management of Asbestos in DLR	07/10/2016 AC	29/9/2017	
IA 16 760	Chief Operating Officer	Surface Transport Health and Safety Competence Management	14/10/2016 AC	31/1/2018	
TfL Strategic Risk: Managing Railway or strategic road network asset base					
IA 16 726	Director, DLR	DLR Adverse Weather Preparedness	25/11/2016 RI	26/5/2017	
IA 16 708	Chief Operating Officer	Supplier Audit – British Mica	07/12/2016 RI	19/6/2018	
TfL Strategic Risk: Operational Reliability					
IA 15 716	Director of Trams	Trams - Hand back of critical assets from the Systems Upgrades Project	12/02/2016 RI	31/5/2017	
TfL Strategic Risk: Governance suitability					
IA 16 129	Director of Road Space Management	Privacy and Data Protection, Traffic Management Cameras – London Street Traffic Control Centre (LSTCC) and London Streets Tunnels Operations Centre (LSTOC)	11/11/2016 RI	30/6/2017	
TfL Strategic Risk: Catastrophic Event					
IA 16 413	Director of Service Operations	Victoria Coach Station Security	25/11/2016 PC	29/9/2017	
Finance					
TfL Strategic Risk: Financial Sustainability					
IA 15 130	Chief Finance Officer	Business Expenses and Purchasing Cards	27/04/2016 RI	31/5/2017	Three Priority 1 issues still to be completed – all are dependent on the publication of the revised Business Expenses Policy that is expected imminently.

Status Key

PC Poorly controlled	RI Requires improvement	AC Adequately controlled	WC Well Controlled	Memo Con A Memorandum Consultancy Advisory
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Reference	Responsible Director	Report Title	Report / Memo Issued	Due date for completion of last action	Comments
Commercial Development					
TfL Strategic Risk: Delivery of commercial revenue targets					
IA 15 125	Director of Commercial Development	Financial Controls in Commercial Development	21/07/2016 Memo	31/7/2017	
Customers, Communication and Technology					
TfL Strategic Risk: Technological or market developments					
IA 15 403	Chief Technology Officer	Software Licensing for IBM Products	09/05/2016 PC	31/5/2017	
TfL Strategic Risk: Significant technology failure or cyber attack					
IA 15 421	Chief Technology Officer	Active Directory	06/10/2016 PC	31/5/2017	
London Transport Museum					
IA 16 112	Museum Director	New Income Generation in LTM	21/10/2016 RI	31/7/2017	

Status Key

PC	Poorly controlled	RI	Requires improvement	AC	Adequately controlled	WC	Well Controlled	Memo Con A	Memorandum Consultancy Advisory
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Outstanding Actions Statistics

Directorate	Not yet due	1 – 30 Days	31 – 60 Days	61-90 Days	91+ Days
Rail and Underground	173	3	4	0	0
Surface Transport	53	18	5	0	0
Finance	41	0	1	0	0
Commercial Development	43	2	0	0	0
City Planning	0	0	0	0	0
Customers, Communications and technology	23	0	0	0	0
General Counsel	18	0	0	0	0
HR	15	0	0	0	0
Crossrail	9	0	0	0	0
LT Museum	2	1	5	2	0
Total	377	24	15	2	0

**TfL Internal Audit
Internal Audit Plan 2016/17
Audits Cancelled and Postponed - Quarter 4**

Risk Audit Title	Objective	Cancelled/ Comment Postponed
Pan-TfL		
Delivery of key investment programmes <input type="checkbox"/>		
Effectiveness of target cost contracting	To review the appropriateness of using, and subsequent management of, target cost contracting within projects.	Postponed to 2017/18
Security and business continuity in projects	A review of a sample of projects to assess the extent to which TfL's security and business continuity requirements are met.	Postponed to 2017/18
Customers, Communication and Technology		
Significant Technology failure or cyber attack		
Data Privacy & Protection - Marketing Data	To evaluate the data security governance and control arrangements operated by Dawley's (or alternative 3rd party provider).	Postponed to 2017/18
IT Infrastructure Control - Avaya IP Telephony	To assess the design and effectiveness of the controls.	Postponed to 2017/18

**TfL Internal Audit
Internal Audit Plan 2016/17
Audits Added - Quarter 4**

Risk	Audit Title	Objective
Surface Transport		
	Managing railway or strategic road network asset base	
	DLR Gas Systems	To provide assurance that the franchisee is maintaining gas systems as required
	DLR L&E Compliance	To provide assurance that the franchisee is maintaining lifts and escalators as required
Finance		
	Delivery of key investment programmes	
	Implementation of the new e-tendering system	To provide assurance that the implementation of the new e-Tendering system, is carried out in an efficient and effective manner.

**INTERNAL AUDIT CUSTOMER FEEDBACK FORM
SUMMARY OF RESPONSES FOR 2016/17
Quarter 4**

We send a customer feedback form to our principal auditee at the conclusion of each audit. This table sets out the questions asked and the responses, including a selection of the freeform comments that we have received.

Customer Feedback Forms Sent: Q4 = 58 (Q2 & Q3 = 93)

Customer Feedback Forms Returned: Q4 = 37 (Q2 & 3 = 51)

ASSIGNMENT ASSESSMENT CRITERIA	No score given		Very poor		Poor		Satisfactory		Good		Very good		Average Score	
	Q4	Q2 & Q3	Q4	Q2 & Q3	Q4	Q2 & Q3	Q4	Q2 & Q3	Q4	Q2 & Q3	Q4	Q2 & Q3	Q4	Q2 & Q3
PLANNING AND TIMING														
The assignment timing was agreed with me and there was appropriate consideration of my other commitments as the work progressed	0	0	0	0	1	0	2	8	20	19	14	24	4.3	4.3
The assignment was completed and the report issued within appropriate timescales	0	0	0	0	0	2	5	6	17	17	15	26	4.3	4.3
COMMUNICATION														
Communication prior to the assignment was appropriate, including the dates and objectives	0	0	0	0	0	0	3	7	15	16	19	28	4.4	4.4
Throughout the assignment I was informed of the work's progress and emerging findings	0	0	0	0	0	1	9	6	15	20	19	24	4.2	4.3
CONDUCT														
The Internal Audit team demonstrated a good understanding of the business area under review and associated risks, or took time to build knowledge and understanding as the work progressed	0	0	0	0	0	0	9	7	15	14	13	30	4.1	4.5
The Internal Audit team acted in a constructive, professional and positive manner	0	0	0	0	1	0	10	4	12	13	14	34	4.1	4.6
RELEVANT AND USEFUL ADVICE AND ASSURANCE														
A fair summary of assignment findings was presented in the report	0	0	0	0	0	2	3	6	15	24	19	19	4.4	4.2
Assignment recommendations were constructive, practical and cost-effective	0	0	0	0	2	1	5	9	17	22	12	19	4.1	4.2
My concerns were adequately addressed and the review was beneficial to my area of responsibility and operations	0	0	0	0	0	1	3	5	20	18	14	27	4.3	4.4
Overall assessment														

Other comments including suggested improvements and areas of good performance:

"It is fair to say that this audit was conducted in a very professional manner with all aspects that were requested to be looked at, being covered well."

"All timings were considerate and realistic."

"From the pre-meet, I would say that there were aspects of the Ops world that the auditor wasn't familiar with, but this wasn't an issue as the right questions were asked."

"Overall all my dealings with any of the audit team have been very professional and positive. Your team have now changed my opinion on auditors.. Its a shame that more auditors are not like them."

"The departure of the Lead Auditor for a Crossrail secondment immediately after the Xmas break resulted in the feedback/closing meeting being held at short notice just prior to Xmas and thus in my absence. Poor communication/management of this has been discussed with the audit manager; it also affected another audit being delivered for me. Phasing out / handover could be improved if personnel remain generally working within the TFL community."

"Other comments including suggested improvements and areas of good performance:my team and I were briefed on emerging issues and we were given the opportunity to highlight any areas of concern which benefit from being reviewed as part of the audit."

"The Audit team was Active in ensuring a good understanding was developed of the subject area."

"I am satisfied with the knowledge of the auditor and was content with the time taken to review and fully understand the processes being reviewed."

"The report has reached the attention of my senior management, who have been very complimentary. I have also used the report to congratulate my team."