Transport for London

Minutes of the Open Audit Committee

Thames A Room, London Chamber of Commerce 33 Queen Street, London 10.30am, Wednesday 12 March 2008

Members

Judith Hunt	Chair, Board Member
Christopher Garnett	Board Member
Sir Mike Hodgkinson	Board Member
Paul Moore	Board Member
Patrick O'Keeffe	Board Member
Dabinderjit Singh Sidhu	Board Member

Present

Steve Allen	Managing Director, Finance
John Burton	Head of Risk Management
Howard Carter	General Counsel
Naomi Connell	Director of Finance and Support Offices, LU
Stephen Critchley	Chief Finance Officer
Mary Hardy	Director of Internal Audit
Ellen Howard	Director of Corporate Governance
David Hughes	Head of TfL Investment Programme Oversight (for part)
Jeff Pipe	Corporate Governance Adviser
In Attendence	

In Attendance

June Awty	KPMG Auditor
Ross Tudor	KPMG Auditor
Ken Davis	Audit Commission

Sue Riley

Secretariat Officer

15/03/08 Apologies and Declarations of Interest

An apology for absence was received from Murziline Parchment.

Christopher Garnett declared an interest as a member of the Olympic Delivery Authority Board. No other interests were declared.

16/03/08 Minutes of the Open Meeting Held on 23 January 2008

The minutes of the open meeting held on 23 January 2008 were approved as a correct record and signed by the Chair.

17/03/08 Matters Arising and Actions List

Stephen Critchley advised Members that he would circulate the information on scoring data of other local authorities after the meeting. [ACTION: Stephen Critchley]

The Committee noted the actions list.

18/03/08 Audit and Inspection Plan 2008/09

June Awty presented the report. Members discussed the potential implications of the introduction of the new International Financial Reporting Standards (IFRS), which had been delayed. The Committee was advised that the External Auditors would report back to a future meeting on any fee increases once the transfer of Metronet had been completed and IFRS had been introduced. Any updated fees that might be proposed would be reported in full in the Transport Trading Limited Audit Plan.

The Committee expressed concern at the proposed level of increase by KPMG's audit and inspection fees for 2008/09. Members requested that their views be reported to the Audit Commission Board when it met to approve the fees for 2008/09, with an update at the next meeting. [ACTION: Ken Davis]

The External Auditors would aim to present the Annual Audit and Inspection Letter and Use of Resources Report to the Audit Committee at the November 2008 meeting. [ACTION: Ken Davis]

The Committee noted the report.

19/03/08 Annual Audit and Inspection Letter

Ken Davis introduced the report. The Committee discussed the most appropriate level of risk management training for Board and Audit Committee Members and Howard Carter informed the meeting that the induction pack for Members was currently being reviewed and would include material on risk management. The inclusion of information on risk management was also being considered as part of the Commissioner's report to the Board.

The Committee noted the report.

20/03/08 Update on the Best Value Regime

Stephen Critchley presented the report.

The Committee noted the report.

21/03/08 Strategic Risk Management Progress

John Burton presented the report. Comments made by Members at previous meetings would be considered by Chief Officers at the next strategic risk management meeting.

The Committee noted the progress made to date on the delivery of the business risk training programme.

22/03/08 Revisions to the Code of Governance

Howard Carter introduced the item.

It was agreed that any reference to 'London's citizens' in the report be amended to reflect service users. [ACTION: Jeff Pipe]

The Committee:

- 1) recommended, subject to the above amendment, to the Board for approval the revised TfL Code of Governance; and
- 2) noted the methodology for the compilation of the annual Statement of Corporate Governance Assurance to be included in the Statement of Accounts.

23/03/08 Report on Management Actions

Mary Hardy presented the report.

It was agreed that in future reports the columns for over 60 days would be deleted if there was nothing to report. [ACTION: Mary Hardy]

The Committee noted the report.

24/03/08 Any Other Business

There being no other business the meeting closed at 11.20am.

The next scheduled meeting would be held on Wednesday 11 June at 10.00am.

Chair:

Date: