

Board



Date: 20 March 2018

Item: Report of the meeting of the Audit and Assurance Committee held on 6 March 2018

This paper will be considered in public

1 Summary

1.1 To report to the Board on the meeting of the Audit and Assurance Committee held on 6 March 2018.

2 Recommendation

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

3 Committee Agenda and Summary

3.1 The papers for the meeting of the Committee held on 6 March 2018 were published on 26 February 2018 and are available on the TfL website: <https://tfl.gov.uk/corporate/publications-and-reports/audit-and-assurance-committee>

3.2 The main matters considered by the Committee were:

- (a) Internal Audit Quarter 3 Report 2017/18;
- (b) Integrated Assurance Plan 2018/19;
- (c) Internal Audit Charter;
- (d) Strategic Risk Management Update;
- (e) Crossrail Transition Update;
- (f) Personal Data Disclosure to the Police and Other Statutory Law Enforcement Agencies (2017);
- (g) Progress Report on the Implementation of the General Data Protection Regulation;
- (h) Independent Investment Programme Advisory Group (IIPAG) Review Implementation;
- (i) Review of TfL's Independent Reporting Lines for the Year Ended 31 December 2017;

- (j) Register of Gifts and Hospitality for Members and Senior Staff;
- (k) TfL Scorecard 2017/18 Outturn Audit; and
- (l) Transformation Programme.

3.3 A summary of the discussions and decisions at the meeting is provided below. The more detailed minutes of the meeting held on 6 March 2018 will be published ahead of the meeting of the Committee on 7 June 2018.

4 Issues Discussed

Internal Audit Quarter 3 Report 2017/18

- 4.1 The Committee noted and discussed the report setting out the internal audit work completed in Quarter 3 of 2017/18, the work in progress at the end of Quarter 3, the work planned for Quarter 4 and the status of agreed audit actions.
- 4.2 The Director of Compliance, Policing and On-Street Operations was also in attendance to update the Committee on the status of outstanding management actions within his area, which were being addressed. A further update would be provided at the next meeting.
- 4.3 The Committee welcomed the development of control environment trend indicators and agreed that the range of indicators should be kept under review.

Integrated Assurance Plan 2018/19

- 4.4 The Committee approved the 2018/19 Integrated Assurance Plan.
- 4.5 The Committee noted that co-sourcing, through the use of external IT expertise, would be used to assist in auditing a number of IT projects and staff vacancies would be filled as soon as possible.
- 4.6 Members noted that a review of safeguarding was being undertaken in TfL and requested that the audit of procedures be widened to include all safeguarding issues, including sexual harassment.
- 4.7 The Committee requested that future reports include the model of assurance being used, once the Strategic Risks and controls in place had been mapped.

Internal Audit Charter

- 4.8 The Committee approved the updated Internal Audit Charter, in line with the latest changes to the IIA's International Professional Practices Framework and the Corporate Assurance transformation programme.

Strategic Risk Management Update

- 4.9 The Committee noted the update on the joint Board and Executive Committee Strategic Risk Management workshop held on 21 February 2018 and the next steps. Members welcomed the constructive and effective dialogue with the Executive Committee.
- 4.10 A progress update would be submitted to the next meeting.

Crossrail Transition Update

- 4.11 The Committee noted the standing item and the work being undertaken on legacy issues, knowledge transfer and digital archiving of documents.

Personal Data Disclosure to Police and Other Statutory Law Enforcement Agencies (2017)

- 4.12 The Committee noted the annual update on the operation of TfL's policy covering the disclosure of personal data to the police and other Statutory Law Enforcement Agencies.
- 4.13 Members welcomed the excellent work done in this area in working closely with the police and other statutory law enforcement agencies to reduce the overall number of data requests and that no Production Orders had been received by TfL.
- 4.14 The Committee recorded its thanks and recognition of the work carried out by TfL staff to assist the British Transport Police Special Branch in the work undertaken to identify the suspect in the Parsons Green terrorist incident.

Progress Report on Implementation of the General Data Protection Regulation (GDPR)

- 4.15 The Committee noted the paper and the preparations underway to achieve compliance with the new requirements. The Committee commended staff on their work to date in preparation for the GDPR. A further update would be provided to the next meeting.

Independent Investment Programme Advisory Group (IIPAG) – Review Implementation

- 4.16 The Committee noted the standing item on progress against the actions required to implement the IIPAG review recommendations. To facilitate an effective and wide ranging recruitment process, the advert for the IIPAG Chair had been extended and a specialist recruitment agency engaged.
- 4.17 Arrangements would be made to ensure that appropriate transition measures and continuity were in place.

Review of TfL's Independent Reporting Lines for Year Ended 31 December 2017

- 4.18 Members noted the annual update on reports to the independent reporting systems CIRAS (Confidential Incident and Reporting and Analysis System) and SafeLine during 2016.

Register of Gifts and Hospitality for Members and Senior Staff

- 4.19 The Committee noted the standing item setting out details of the gifts and hospitality declared by the Board and senior staff for the period 1 December 2017 to 31 January 2018.

TfL Scorecard 2017/18 Outturn Audit

- 4.20 Members noted the paper and endorsed the use of Chair's Action, in consultation with the Members of the Committee, to review the TfL Scorecard 2017/18 outturn audit in May 2018 and to provide any commentary to the Remuneration Committee in June 2018.

Transformation Programme

- 4.21 Members received the regular update on the Transformation Programme, particularly in relation to assurance.

List of appendices to this report:

None

List of Background Papers:

Papers submitted to the Audit and Assurance Committee on 6 March 2018.

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