

**Date: 8 October 2015**

**Item: Internal Audit Quarter 1 Report 2015/16**

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**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 the first quarter of 2015/16, the work in progress and work planned for Q2.

## 2 Recommendation

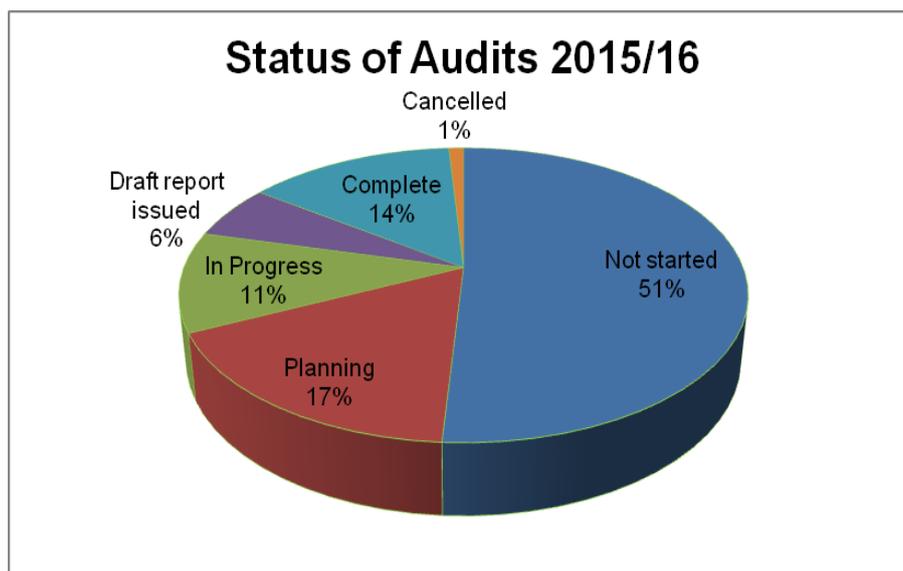
2.1 **The Committee is asked to note the report.**

## 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.

## 4 Work Done

4.1 The chart below shows progress at the quarter end towards delivery of the 2015/16 audit plan, including work in progress brought forward from 2014/15.



- 4.2 There were 13 Final Audit Reports (2014/15 Q1: 17) issued during the quarter, including two reports that were 'Well Controlled' and went straight to final. In all cases, appropriate management action had been taken to address the issues raised in the original Interim Audit Report, and the audit was closed. A summary of the report findings is included in Appendix 3 attached.
- 4.3 The table below shows the number of Interim Audit Reports and other outputs, including advisory/ consultancy reports and memorandums, issued during the quarter, together with comparative figures for the first quarter of 2014/15.

	Interim Audit Reports					HSE and Technical Audit Reports					Other Outputs (Advisory Reports/ Memos)	Total
	WC	AC	RI	PC	Total	WC	AC	RI	PC	Total		
This Quarter	2	4	8	0	14	1	7	10	1	19	10	43
YTD 2014/15	3	4	2	1	10	0	15	5	1	21	6	37

- 4.4 Details of the findings from the interim reports issued during the period can be found in Appendix 4. In all cases, management actions have been agreed to address the issues raised, and are being taken forward.
- 4.5 A summary of the other outputs issued during the quarter, including memorandums and advisory reports, can be found in Appendix 5. The more significant of these include the following:
  - (a) Our ongoing real time audit of the Property Partnerships procurement has highlighted a number of areas where governance of the procurement can be improved. Our findings and recommendations have been accepted by the project team.
  - (b) Our reviews of LU SCADA (Supervisory Control and Data Acquisition) systems have highlighted a number of common issues where the controls over these systems can be improved.
  - (c) We issued a memorandum highlighting a common theme noted in several recent audits, concerning lack of compliance with the Pathway project management methodology.
- 4.6 Summaries of the HSE and Technical (HSE&T) Audit reports issued during Quarter 1 are set out in Appendix 6. One HSE&T report issued during the quarter had a 'poorly controlled' conclusion. The audit of change control of engineering asset information identified a number of significant issues leading to asset information not being updated on a timely basis in the asset register. Management actions have been agreed to address these issues, four of which have already been completed. The other four actions are in progress and have been incorporated into a wider review of the Pathway project management system.
- 4.7 Work in progress at the end of Quarter 1 is shown in Appendix 1 and work due to start in Quarter 2 is shown in Appendix 2.

- 4.8 Three pieces of work were added to the plan during the quarter, as follows:
- (a) An audit, requested by management, of the procurement of design and development services for the Temple to South Bank Footbridge Project;
  - (b) An audit, requested by management, of the use of enforcement agents by the Property department following similar work in respect of Surface Transport; and
  - (c) A short consultancy review of a Surface Transport quality procedure.
- 4.9 One audit, of Readiness for Transfer of West Anglia services, was cancelled during the quarter. This was because our initial review of the risks when we began our planning clearly demonstrated that they were being managed at a level that did not warrant an audit.
- 4.10 The Fraud team are currently investigating a significant supply chain fraud. This will be reported on fully in the half yearly fraud report at the December meeting of the Committee.

## **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 1.

### **Project assurance**

- 5.2 The TfL Project Assurance Team carries out Integrated Assurance Reviews (IARs) of projects as part of the Pathway Project Management Framework. 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 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 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 project's Authority request at the operating business boards with both the operating Managing Director and the Managing Director, Finance in attendance.
- 5.4 Following the transfer of Project Assurance into Finance in January 2015, a new assurance framework is being designed, to deliver a more proportionate approach so that higher risk projects are reviewed in more detail. In addition, the new team will carry out continuous assurance activities on the larger more complex projects. The new team is expected to be in place by December 2015.
- 5.5 In quarter one, 25 IAR reviews were conducted, with the IIPAG providing oversight and guidance on 12 reviews, all of projects with an Estimated Final Cost of over £50m. Issues arising from the reviews are presented to the operating boards with agreed actions, owners and timescales.

- 5.6 Some of the more significant reviews during Quarter 1 were: a Contract Award IAR of the LOTRAIN rolling stock procurement in London Rail; an Option IAR of Cycle Hire Transformation; an Option IAR of Holborn Station Capacity Upgrade and an Option IAR of ULEZ (Ultra Low Emissions Zone).

### **Crossrail Assurance Providers**

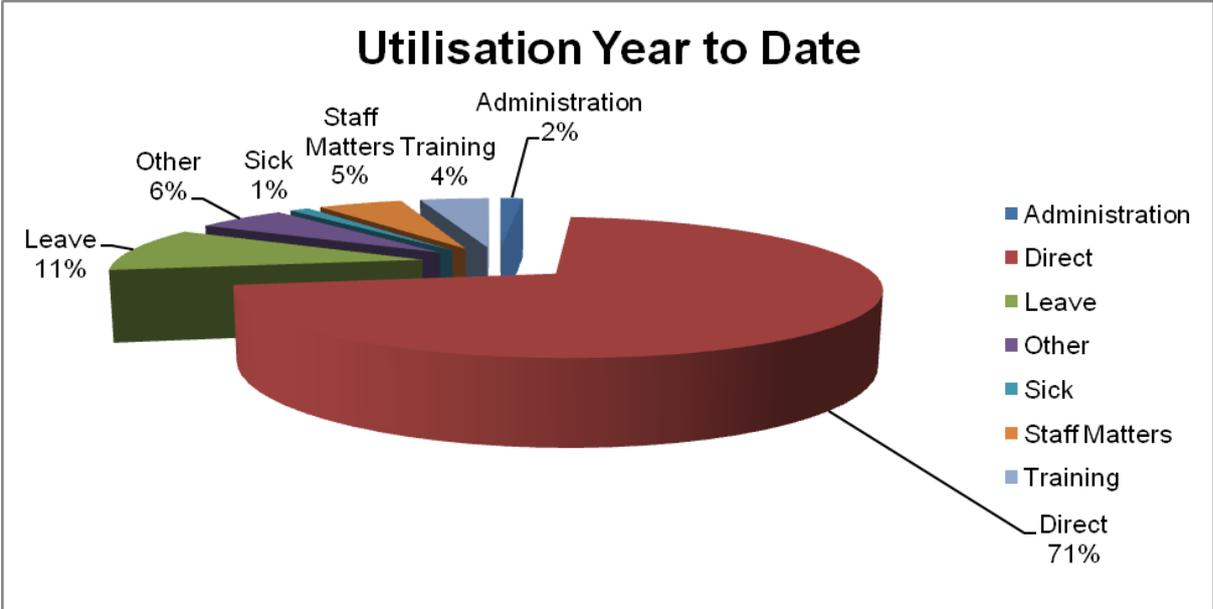
- 5.7 In addition to the work carried out by Internal Audit, there are a number of other teams providing assurance over delivery of the Crossrail project. The Crossrail Audit Committee receives regular reports on the work of these teams, whose work during Q1 is summarised in the following paragraphs.
- 5.8 Crossrail Compliance Audits – The compliance audit function within Crossrail carries out technical audits of compliance with the Crossrail Management System, and is managed by the Senior Audit Manager – Crossrail. Audits carried out during the quarter covered: Technical Assurance Processes for Systemwide Contracts; Contractor Self Certification; Project Interface Management (two audits) and Management of Standards by Contractors. There were no significant issues arising from these audits.
- 5.9 Contractor HSQE Audits – There is a programme of over 170 contractor audits for 2015/16 spread across a range of themes and contracts aimed at providing assurance that contractors have appropriate HSQE systems in place. These audits are also managed by the Senior Audit Manager – Crossrail. Audits carried out during the quarter covered areas such as health and safety management; environmental management; lifting operations; spray concrete lining safety management; contractor competency management; quality management; and occupational health. There were no particular trends arising from this work.
- 5.10 Contractor Commercial Reviews – This team carries out 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. There are no significant areas of concern arising from this work.

### **Embedded assurance**

- 5.11 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 Rail and Underground. This was incorporated in the Integrated Assurance Plan for 2015/16 approved by the Audit and Assurance Committee in March, and work done during Q1 is summarised below.
- 5.12 Surface Transport – 25 audits were completed in Q1, including 15 audits of Bus Companies, three of Dial A Ride operators, and seven audits of procedural compliance at contractors. There were no significant issues identified.
- 5.13 Rail and Underground – Five audits were delivered during Q1, including two contractor audits, and audits of site management, competency management, and constructability review. There were no significant issues identified.

## 6 Resources

- 6.1 We are currently developing plans for the TUPE transfer later this year of the Crossrail Audit Team into TfL Internal Audit. The Crossrail team, consisting of an audit manager and five auditors, which is managed by the TfL Senior Audit Manager – Crossrail, carries out HSE and technical audits of compliance with the Crossrail Management System, and audits of contractors. Integrating the Crossrail team into Internal Audit will provide greater flexibility as the focus of the audit work required in Crossrail shifts from heavy construction towards operations.
- 6.2 We have recently agreed the creation of a new Audit Manager post within the department to lead on delivery of audit work in relation to Commercial Development activities. This post will be funded by Commercial Development and will enable us to provide ongoing assurance in relation to the full range of activities that Directorate will be seeking to deliver in the coming years. The post will be part of the Internal Audit management structure to ensure that it remains independent. A recruitment process to fill the post will start shortly.
- 6.3 Our new Senior Audit Manager – IM and Security took up her post in June following her predecessor’s retirement at the end of February 2015.
- 6.4 One of our HSE & Technical auditors retired during the quarter after 42 years working for TfL. This post, and another vacant position in the HSE & Technical team, has been filled during Quarter 2.
- 6.5 The department’s utilisation for the year to date is set out in the following chart:



## 7 Integrated Assurance / Networking

- 7.1 The Assurance Delivery Group (ADG), chaired by General Counsel, continues to meet on a quarterly basis. One key area of focus is on development of a common approach to assurance mapping, which provides clear links into the risk management process. The group is also in the process of updating the Integrated Assurance Framework to reflect recent business changes.

- 7.2 The Director of Internal Audit and one of the Audit Managers were interviewed by the Chartered Institute of Internal Auditors (IIA) for a paper that was being written, entitled 'Models of Effective Internal Audit'. The paper uses a series of case studies, of which TfL Internal Audit is one, to compare different models for the delivery of internal audit services across a range of organisations. The paper can be found on the IIA website.
- 7.3 We have recently been contacted by three separate external organisations, all of which are considering the integration of their HSE assurance functions into their internal audit function, and wished to learn from TfL's recent experience of doing this. In each case we met with them and shared information on how we went about doing this and lessons learned from the process.
- 7.4 We continue to meet regularly with the Head of the TfL Project Management Office and the Head of Project Assurance to discuss upcoming work and ensure that any potential areas of overlap are properly managed.
- 7.5 The Crossrail Integrated Assurance Group (CIAG), which comprises representatives of assurance providers from a range of Crossrail stakeholders, has continued to meet regularly. The CIAG is a useful forum for the sharing of assurance activity, which helps minimise the risk of duplication of effort between assurance providers. For the first time, a representative of Network Rail will attend the next meeting, which will be a valuable addition to the group.

## **8 Customer Feedback**

- 8.1 At the end of every audit, we send out a customer feedback form to the principal auditee(s) requesting their view on the audit process and the report. The form is questionnaire-based so it can be completed easily and quickly. A copy of the questionnaire and the feedback for the quarter, together with comparative figures for the previous quarter, is included in Appendix 7.

### **List of appendices to this report:**

Appendix 1: Work in Progress at the end of Quarter 1 2015/16

Appendix 2: Work Planned for Quarter 2 2015/16

Appendix 3: Final Reports Issued in Quarter 1 2015/16

Appendix 4: Interim Reports Issued in Quarter 1 2015/16

Appendix 5: Consultancy Reports and Memoranda Issued in Quarter 1 2015/16

Appendix 6: HSE and Technical Reports Issued in Quarter 1 2015/16

Appendix 7: Customer Feedback Form – Summary of Responses for Quarter 1

### **List of Background Papers:**

Audit reports.

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<b>Transport for London</b>	<b>Appendix 1</b>
<b>Internal Audit plan 2015/16 by directorate</b>	
<b>Approved by the TfL Audit and Assurance Committee 9 March 2015</b>	<b>Work in Progress as of the end of Quarter 1 2015/16</b>
<b>Audit</b>	<b>Objective</b>
<b>Pan TfL</b>	
<b>People Risk (inc. Pensions - Industrial Relations)</b>	
Employee relations	To determine the efficiency and effectiveness of the structure and processes in relation to the employee relations framework and machinery
HR Documentation pan-TfL	Review of the controls over the storage and processing of HR related documentation held by the business
<b>Delivery of capital investment portfolio</b>	
Project management resource planning	To assess the adequacy and effectiveness of the processes for identifying, documenting and forecasting project resource requirements across the investment portfolio.
<b>Rail and Underground</b>	
<b>Delivery of capital investment portfolio</b>	
Procurement of Managed Services contract for the supply of track labour	To ensure that the procurement processes employed for the Managed Services contract for the supply of track labour are in accordance with approved procedures and EU directives and are open, fair and transparent.
Quality Inspection and Completion Certificate (QICC)	To provide assurance over compliance and effectiveness of the Quality Inspection and Change Control (QICC) process, prior to putting new power equipment into service on the LU system.
Value for money in small contracts	A review of a sample of small works contracts to assess their value for money.

Management of manufacture and supply of signalling (BCV & SSL) contract	To audit controls over management of the manufacture and supply of signalling (BCV & SSL) contract.
Management of Signal Risk Register in LU	To ensure risks to the signalling systems utilised by London Underground are identified, reported, recorded, monitored and addressed in an appropriate manner.
<b>Technology Risk</b>	
Security of Power Assets	To review and test the security arrangements in operation to secure Power related assets including sumps, pumps, buildings and people.
<b>Disruption to quality of service</b>	
Mobilisation of the new DLR franchise	To provide assurance over transfer of DLR services to the new franchisee, and TfL's readiness for operations.
Lifts and Escalators Maintenance Regimes	Review previous audit findings ascertaining adequacy of the current compliance controls.
LU On track Plant	To provide assurance that Suppliers and LU teams meet LU Standards' requirements for On Track Plant and On Track Machinery.
COO Engineering Change Control	To provide assurance that LU has a robust and effective change control system in place, to ensure LU is not vulnerable to material or component change by internal and external suppliers.
<b>Major / Catastrophic incident</b>	
Consultancy work - Six Sigma review of the HSE risk assessment process	To provide Consultancy services to the London Underground HSE Directorate: facilitating & supporting the identification of efficiencies to the risk assessment processes.
Security of Stratford Market Depot	To assess the effectiveness of the controls and governance arrangements in place over the physical security of Stratford Market Depot
Signalling Central HSE Management	To establish whether there is a documented process or procedure for managing the health and safety of apprentices at their training and placement locations, and whether this procedure is complied with.

Signalling SSL North HSE Management	To provide assurance that legislation is being complied with and HSE Management System requirements are understood and implemented
Preparedness for Night Tube - Alstom and Thales	Provide assurance that Thales (through Alstom) have the appropriate arrangements in place to be able to deliver the service required for the Night Tube service
Preparedness for Night Tube - verification of change control	To provide assurance that the risk controls identified in the Change Assurance Plans have been, or will be, implemented in preparation for the Night Tube.
<b>Financial and Governance Controls</b>	
TfL Company Vehicles	To review the management and controls over use of pool cars provided for operational staff.
Uniforms	To review the efficiency and effectiveness of controls over uniforms including stock control, value for money from suppliers, policies, returns, leavers, issuing and security
<b>Surface Transport</b>	
<b>Delivery of capital investment portfolio</b>	
Management of the new TPH contract	To review the efficiency and effectiveness of TfL's management of the new Taxi & Private Hire contract.
Procurement of Bus Stops and Shelters	To provide assurance that the procurement process employed for the Bus Stops and Shelters contracts is managed effectively, in accordance with approved procedures and EU directives, is open, fair and transparent, and has appropriate management controls and governance.
<b>Technology Risk</b>	
Security of data within Santander Cycles	To review and test the security arrangements in operation to secure data and documents, including personal data, held by Serco for Santander Cycle Hire.

<b>Disruption to quality of service</b>	
London Streets Traffic Coordination Centre (LSTCC) Access Control Arrangements	To review and test the access control arrangements in operation to secure LSTCC and its assets.
<b>Major / Catastrophic incident</b>	
London Bus Operations Ltd HSE Management	The audit objective is to provide assurance that health and safety legislation is being complied with and the HSE Management System requirements are understood and implemented.
Victoria Coach Station (VCS) HSE Management	To provide assurance that legislation is being complied with and HSE Management System requirements are understood and implemented
ST Contract Procurement - Safety Evaluation	To provide assurance that contractors are assessed for their safety competence and processes in a consistent manner and proportionate to the risks involved
<b>Financial and Governance Controls</b>	
VCS Healthcheck	Healthcheck audit of general financial and business controls at VCS
<b>Finance</b>	
<b>Maintaining a long term strategic, balanced plan</b>	
Commercial Development programme management	To provide assurance that the Commercial Development Programme is being managed in an efficient and effective manner, in particular the control and assurance environment.
Procurement of the new advertising contract	To ensure that the procurement processes employed for the advertising contract are in accordance with approved procedures and EU directives, and are open, fair and transparent.
Delivery of Efficiencies	Assurance work following on from, and in support of the Fresh Eyes 3 work by PWC

<b>Delivery of capital investment portfolio</b>	
Procurement of the Professional Services Framework	To ensure that the procurement process employed for the Professional Services Frameworks is managed effectively, in accordance with approved procedures, EU directives and is open, fair and transparent.
Standstill letter process effectiveness	To support TfL Legal by reviewing the effectiveness of the arrangements in place to manage the standstill letter process.
Implementation of Category Management	To provide assurance over progress being made in the introduction of Category Management within TfL to deliver savings in procurement.
<b>Technology Risk</b>	
Transforming IM (TIM)	Provide assurance on the effectiveness of the programme of work, approach and processes involved in defining and implementing the IM sourcing strategy and delivery of the programme objectives.
Information Security Controls Framework (ISCF)	To work with the CISO to provide assurance on the effectiveness of the processes that have been used to implement the ISCF in alignment with best practices, and TfL business and legal requirements.
<b>Disruption to quality of service</b>	
IM Service Requests Management	Provide assurance on the effectiveness of the governance around management and implementation of service requests to ensure that all service requests have been adequately authorised and are following an adequate process
<b>Financial and Governance Controls</b>	
Payroll	To review the control arrangements over TfL payrolls
Strategic Risk Management	To ensure effective risk management strategy and processes are in operation for identifying, assessing, managing & reporting on strategic risk.

Payment Card Industry Data Security Standards (PCI DSS) Compliance	To review compliance with PCI DSS in specified business areas.
Completeness of Property Asset Register	A review of the completeness of TfL's property asset register
<b>Planning</b>	
<b>Maintaining a long term strategic, balanced plan</b>	
Garden Bridge Project	To provide assurance that the procurements of design and development services for the Temple to South Bank footbridge Project were undertaken in accordance with procurement regulations and approved procedures, and were open, fair and transparent.
<b>Customer Experience, Marketing and Communications</b>	
<b>Technology Risk</b>	
Social Media	Review of process and controls over social media strategy, policies and procedures
Security of Travel Information Centres (TICs)	To review and test the security arrangements in operation to secure Travel Information Centres, including controls over personal data.
<b>Disruption to quality of service</b>	
Review of the IT Change Control Process (including TfL Online)	To provide assurance that the processes used by the Change Advisory Board across Oyster, Contactless and TfL On Line are effective, efficient and consistently operated.

<b>Human Resources</b>	
<b>People Risk (inc. Pensions - Industrial Relations)</b>	
Graduate Schemes	To review the controls around TfL Graduate schemes including graduate progression and retention within TfL
Movers / Leavers	To assess the controls and processes in place over movers and leavers
Managing Attendance	Review of managing attendance process and controls, covering absences including annual leave, sick and special leave.
<b>General Counsel</b>	
<b>People Risk (inc. Pensions - Industrial Relations)</b>	
Review of handling of FOI request	Review of the handling of a recent FOI Request and possible DPA Breach
<b>London Transport Museum</b>	
<b>London Transport Museum</b>	
LT Museum on-line shop	Provide assurance that the on-line access is adequately secured for customers and that access to TfL data is protected
<b>TfL Pension Fund</b>	
<b>People Risk (inc. Pensions - Industrial Relations)</b>	
Deduction & Payment of Pension Contributions	To review control arrangements over pension deductions from payroll.
Assets & Investments	To review the effectiveness of mechanisms by which the Asset & Investment Committee assures itself over the validity of investments.

<b>Crossrail</b>	
<b>Crossrail</b>	
Management of the Estimated Cost of Completion (ECC)	A review of ECC, including an analysis of the difference between contractors' and Crossrail's view of schedule and costs.
Management of CDM	A review of the general requirements, including the changes made to the standard in October, and how these are being implemented by Crossrail and Contractors (one each from East, Central and West).

Transport for London	<b>Appendix 2</b>
Internal Audit plan 2015/16 by directorate	
Approved by the TfL Audit and Assurance Committee 9 March 2015	<b>Work Planned for Quarter 2 2015/16</b>
<b>Audit</b>	<b>Objective</b>
<b>Pan TfL</b>	
<b>Delivery of capital investment portfolio</b>	
Change control in projects	To review a sample of projects for the efficacy of their change control processes.
Project cost estimating and budget approval	A review of the processes for the estimating of project costs, and for arriving at an approved budget, including a review of the appropriateness of using P50 estimates for setting project budgets.
<b>Technology Risk</b>	
Cyber Security	To provide assurance that the pan-TfL risks associated with cyber security have been identified and are being appropriately mitigated.
<b>Disruption to quality of service</b>	
Software Licencing - Product Specific (eg Oracle, IBM)	To provide assurance on the processes that have been implemented to manage specific product licences across TfL .
Procurement shared services	A review of TfL's involvement in the GLA's development of a shared service for procurement.

<b>Rail and Underground</b>	
<b>Delivery of capital investment portfolio</b>	
Effective use of Design Reviews in LU	To provide assurance that design reviews are conducted in accordance with Pathway, and that they are effective in contributing to project success.
Project handover from CPD to COO (aka project close-out)	To review the effectiveness of processes in place to handover the outputs from R&U projects into service and provision for maintenance.
Fraud Risk in projects and contracts	Review the adequacy and effectiveness of controls in place to manage fraud risk in TfL's projects and contracts and assess against a Fraud risk maturity model.
LU Design Change Control	To provide assurance that arrangements are adequate to ensure that design changes are controlled and risks mitigated.
LU Croxley Link Civil Engineering Design and Co-ordination	To provide assurance regarding the design of the Croxley Rail Link.
<b>Disruption to quality of service</b>	
Procurement of the new London Overground concession operator	To provide assurance that the procurement process is being managed effectively and in accordance with approved procedures and EU directives.
DLR - Closeout of Serco contract	To review the process for the formal close out of the contract, including the adjustment and finalisation of monies due.
Trams - Hand back of critical assets from the Systems Upgrades Project	Review the hand-back arrangements between Trams and the Systems Upgrade Project to ensure they are sufficiently robust for the safe return to service of assets. Seek assurance that Upgrades project contractors are using an effective competence management system.
LU Signal Changeover	To provide assurance that signal change out work is undertaken in compliance with the signal Maintenance regime and appropriately recorded.
LU Change to signal Maintenance regime	To review the effectiveness and the assurance provided by the R0111 process following the change from a 12 to 16 week maintenance schedule for signal maintenance.

BCV Track Maintenance	To provide assurance that specific technical requirements are controlled to mitigate service disruption and safety risks.
LU Repeat Asset Failure Avoidance	To provide assurance that asset failures are investigated and root causes identified, addressed and escalated to avoid repeat failures.
<b>Major / Catastrophic incident</b>	
District Line HSE Management	To provide assurance that legislation is being complied with and HSE Management System requirements are understood and implemented.
Fleet Central HSE Management (Hainault and Ruislip)	To provide assurance that legislation is being complied with and HSE Management System requirements are understood and implemented.
LU AP Lifts and Escalators Direct Labour Organisation HSE Management	To provide assurance that legislation is being complied with and HSE Management System requirements are understood and implemented.
LU Management of Sustainability and Environment in CPD projects	To provide assurance that sustainability and environmental risks within CPD projects are being appropriately managed, consistent with the requirements of environmental legislation and TfL objectives / standards (e.g. Pathway).
COO Emergency Planning	Review the quality of emergency plans and the ability of local management teams to implement them with particular regard to interfaces with 3rd parties where applicable (e.g. TOCs / NR).
Points and Crossings (P&C) maintenance/inspections	To provide assurance that recent improvements in P&C maintenance/inspections as a result of the Grayrigg Action Plan are embedded from both a Track and Signalling perspective.
LU Control of Manual Handling	To assess compliance with Manual Handling Regulations, focusing on maintenance staff and contractors.
LU Control of Working at Height	To assess LU compliance with the Working at Height Regulations through the Management System, focusing on maintenance staff and contractors.
LU Control of Mobile Plant	Review the arrangements in place locally to manage the maintenance, use, competence and operation of mobile plant in depots and worksites.

LU Drug and Alcohol Testing	Review the policies and procedures against legal requirements and test the implementation / understanding at a sample of locations, covering both LU staff and assurance in respect of contractors.
LU use of Site Person in Charge (SPC) in performing protection activities	To provide assurance that following the change to SPCs providing protection services, risks remain adequately controlled.
Control of Hand Arm Vibration	To assess TfL Management arrangements in relation to TfL employees' risk exposure to Hand Arm Vibration.
Fit for Future Stations (FFFS) organisational change	To provide assurance that risks associated with the FFFS changes have been appropriately managed.
<b>Surface Transport</b>	
<b>Delivery of capital investment portfolio</b>	
Dependencies of ST IP on internal suppliers	To review how dependencies of the Surface Transport Investment Programme on deliverables from other parts of TfL (e.g. development of the TfL Portal) are managed for best overall outcome.
<b>Technology Risk</b>	
Implementation of delivery projects in Surface Transport	Provide assurance that IM projects delivered have been implemented in line with TfL's strategic objectives and business requirements.
Review of Congestion Charging logical and physical security arrangements	To review the performance of the security arrangements in place that protect data (in particular personal data) and assets associated with the newly awarded Capita contract.
<b>Disruption to quality of service</b>	
Multi-Modular Integrated Command & Control System (MICCS)	To provide assurance over the processes to ensure that the chosen solution meets the operational needs of London Underground and Surface Transport.
Bus Priority Programme	To provide assurance around the controls in place over the bus priority measures and programme.

Bus Infrastructure Asset Management	To provide assurance that bus infrastructure assets are being managed in accordance with ISO 55000 principles.
<b>Major / Catastrophic incident</b>	
Cycling/Pedestrian/Motorcycling safety	To review progress against road safety action plans for cyclists, pedestrians and motorcyclists.
ST control of environmental risk from projects	To provide assurance that environmental risks from projects are determined and mitigated at development stage.
<b>Financial and Governance Controls</b>	
Taxi and Private Hire - Licensing and Vetting	To provide assurance over the system for licensing within TPH. This review will include controls over driver vetting.
<b>Finance</b>	
<b>Maintaining a long term strategic, balanced plan</b>	
Procurement of Property Development Framework.	To ensure that the procurement processes employed for the Property Development Framework are in accordance with approved procedures and EU directives, and are open, fair and transparent.
Project management within Commercial Development	To assess the adequacy of project, programme and portfolio management processes, and their operation.
<b>Disruption to quality of service</b>	
Management of IM Non-Permanent Labour (NPL)	To provide assurance on the effectiveness of the processes that have been established by IM to optimise the use of NPL capabilities and ensure effective knowledge management with a view of meeting TfL corporate objectives.
IM Change Management	Provide assurance over the effectiveness of governance around management and implementation of technical changes to ensure that all changes have been adequately authorised and are following an adequate process.

<b>Planning</b>	
<b>Maintaining a long term strategic, balanced plan</b>	
Transport modelling	A review of the effectiveness of transport modelling and forecasts within TfL.
<b>Human Resources</b>	
<b>People Risk (inc. Pensions - Industrial Relations)</b>	
Recruitment Processes	A review of the policies, procedures, planning, risks and controls around the recruitment and selection process, including volume recruitment.
<b>TfL Pension Fund</b>	
<b>Technology Risk</b>	
Implementation of new Pension Administration System	Review controls over the implementation of the new Pension Administration System.
<b>Crossrail</b>	
DLR Apportionment of Costs	A review of DLR apportionment of costs to Crossrail to verify that these reflect actual costs to DLR.
Commercial Settlement Management and Management of Disputes	A review of how value for money is provided within a controlled process in relation to commercial settlements, including a review of the management of commercial disputes.
Management of Contract close-out	Review the commercial and other close out of contracts, including practical completion. This will include a review of commercial relationships between Crossrail and Tier 1 contractors whose contracts are coming to an end.
Management of Crossrail Commercial Exposure and Contractor Earned Value	A review, focused on contractors, of Earned Value reporting at the individual project level, and any aggregate effect on Project Cost Performance Index (CPI) and Schedule Performance Index (SPI).
Signalling system design process	A review of the signalling system design process, and how this is monitored. This will include a review of relevant standards and applicability to Crossrail.

Rolling Stock Assurance	A review of Bombardier to provide assurance that rolling stock design and progress meets RfL requirements.
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<b>Finals</b>
WC= Well Controlled
ANC= Audit Not Closed
ACL= Audit Closed
AC/ACL = Adequately Controlled and Audit Closed

Reference	Responsible Director	Report Title	Interim Report Issued	Original Objective	Summary of Findings	Final Report Issued
<b>Surface Transport</b>						
<b>Financial and Governance Controls</b>						
IA_15_100	Director of Service Operations	Enforcement Agents (EAs) in Surface	<b>12/06/2015 WC/ACL</b>	To determine the effectiveness of the controls Surface Transport applies to its EAs.	See Interim Audit Report Summary in Appendix 4.	<b>12/06/2015 WC/ACL</b>
<b>Major / Catastrophic incident</b>						
IA_12_113 F	Chief Operating Officer	Business Continuity Arrangements for Management and Support Activities	<b>22/01/2013 RI</b>	To review the adequacy and effectiveness of the controls operating over the non-operational business continuity (BC) arrangements within TfL.	<p>Our Interim Audit Report dated 22 January 2013 entitled Business Continuity Arrangements for Management and Support Activities identified four Priority 1 issues, five Priority 2 issues and one Priority 3 issue resulting in 17 agreed management actions.</p> <p>The Priority 1 issues were as follows:</p> <ul style="list-style-type: none"> <li>• The Resilience Steering Team (RST) dictates TfL’s resilience and BC strategy. Whilst the defined RST membership is appropriate to ensure the input of high level management into TfL’s BC arrangements, it is diluted by the members delegating attendance or failing to attend at all. In addition, the membership does not include sufficient representation from LU and IM.</li> <li>• Business Continuity Institute (BCI) Guidelines stipulate that BC arrangements in large organisations be dealt with ‘cross-functionally’, ie in TfL’s case, pan-TfL. Although ultimate responsibility for BC arrangements has been assigned to the Chair of the RST, there is no-one within the business coordinating and taking ownership of BC arrangements across TfL.</li> <li>• The high level policies governing BC strategy and procedures</li> </ul>	<b>15/05/2015 ACL</b>

Reference	Responsible Director	Report Title	Interim Report Issued	Original Objective	Summary of Findings	Final Report Issued
					<p>within TfL are out of date, do not reflect current arrangements, and are not assigned to an appropriate owner. In addition, there are several criteria required by ISO 22301 and BCI Guidelines that are neither covered by the TfL policies nor reflected in the individual departmental Business Recovery Plans.</p> <ul style="list-style-type: none"> <li>ISO 22301 requires that organisations undertake a business impact analysis (BIA) and risk assessment to determine continuity and recovery priorities, objectives and targets. TfL has not performed an organisation-wide BIA since 2008, and this did not include a risk assessment as part of the process.</li> </ul> <p>We have now carried out a follow up review and can confirm that 13 actions have been satisfactorily addressed and four actions have been partially addressed.</p> <p>Pan-TfL responsibility for resilience and BC has now moved from London Buses into the ST Strategic Co-ordination Unit. This move has seen the RST meetings temporarily cease whilst new arrangements are put in place and a revised RST membership agreed. RST meetings will now be held a minimum of twice yearly focusing on strategic issues including reviewing pan-TfL responsibility for BC. Non-strategic issues will be addressed by RST sub-groups.</p> <p>With this change of arrangements in mind we will perform a full audit of the revised BC arrangements in 2016/17 at which time the partially addressed actions will be followed up.</p> <p>This audit is now closed.</p>	
<b>Finance</b>						
<b>Delivery of Capital Investment Portfolio</b>						
IA_14_415 F	Chief Information Officer	Transforming IM Programme Real-Time Audit	<b>27/02/2015 Memo</b>	To provide assurance on the effectiveness of the programme of work, approach and processes involved in defining and implementing the IM sourcing strategy and delivery of the TIM objectives.	<p>Our memo dated 27 February 2015 entitled "Transforming IM Programme Real-Time Audit" identified the following four issues:</p> <ul style="list-style-type: none"> <li>Documentation around benefit realisation was not always consistent and up-to-date;</li> <li>IM business partners had not been involved in the stakeholder engagement plan or in reviewing the document;</li> <li>Prioritisation, scheduling and coordination of programme resources within different projects has not been finalised; and</li> <li>There was a need for a 'housekeeping' exercise to ensure that only one version of each document is kept prior to the next gate</li> </ul> <p>We have now completed a follow up review which confirmed that</p>	<b>21/05/2015 ACL</b>

Reference	Responsible Director	Report Title	Interim Report Issued	Original Objective	Summary of Findings	Final Report Issued
					management has satisfactorily addressed the issues raised.	
IA_13_631	Director of Commercial	Management of the Commercial Transformation Programme (CTP)	04/06/2015 WC/ACL	To provide assurance that the CTP was being managed in an efficient and effective manner, and that risks to the successful delivery of its objectives were under control.	See Interim Audit Report Summary in Appendix 4.	04/06/2015 WC/ACL
<b>Technology Risk</b>						
IA_14_417 F	Chief Information Officer	Standardisation of Third Party Access to SAP	10/02/2015 Memo	To provide assurance on the design and effectiveness of the controls that were being implemented to manage third party access to SAP.	<p>Our memorandum dated 10 February 2015 entitled "Standardisation of Third Party Access to SAP" identified the following activities as still outstanding:</p> <ul style="list-style-type: none"> <li>• Communication of the new process, once the SAP Third Party Access Standard, and Process Overview documents have been formally approved; and</li> <li>• Amendment of the existing SAP records.</li> </ul> <p>We have now completed a follow up review which confirmed that management has satisfactorily addressed these actions. The audit is now closed.</p>	08/06/2015 ACL
<b>Financial and Governance Controls</b>						
IA_14_122	Chief Finance Officer	Risk Management in Specialist Services	26/11/2014 RI	To ensure that effective risk management processes are in operation in Specialist Services for identifying, assessing, evaluating, managing and reporting on risk.	<p>Our Interim Internal Audit Report dated 26 November 2014 entitled Risk Management in Specialist Services identified two Priority 1 issues, two Priority 2 issues and one Priority 3 issue resulting in seven agreed management actions. The two Priority 1 issues related to:</p> <ul style="list-style-type: none"> <li>• Risk culture and good risk management practice not being effectively shared, leading to different approaches to managing risk</li> <li>• Risk registers not being consistently maintained</li> </ul> <p>We have now carried out a follow up review and can confirm that the seven actions have been satisfactorily addressed. Accordingly this audit is now closed.</p>	19/06/2015 ACL
IA_13_126 F	Chief Finance Officer	Procure to Pay	31/03/2014 RI	To provide assurance over the effectiveness of the TfL procure-to-pay process controls.	<p>Our Interim Audit Report dated 31 March 2014 entitled Procure-to-Pay identified two Priority 1, five Priority 2, and one Priority 3 issues resulting in 15 management actions.</p> <p>We have now carried out a follow up review of the agreed</p>	19/06/2015 ACL

Reference	Responsible Director	Report Title	Interim Report Issued	Original Objective	Summary of Findings	Final Report Issued
					<p>management actions and can confirm that 11 have been satisfactorily addressed.</p> <p>Four actions remain partially addressed. Two of these are now incorporated into the Vendor Invoice Management (VIM) project, and have an estimated completion date of 31 December 2015.</p> <p>Therefore, whilst we have closed this audit, the remaining actions will continue to be tracked to ensure they are completed.</p>	
<b>London Transport Museum</b>						
IA_14_141 F	Museum Director	LTM Sponsorship	02/12/2014 AC	To provide assurance on the effectiveness of controls over sponsorship.	<p>Our Interim Internal Audit Report dated 2 December 2014 entitled LTM Sponsorship identified four Priority 2 issues, resulting in seven actions, and three Priority 3 issues, resulting in three actions.</p> <p>We have now carried out a follow up review of the agreed management actions and can confirm that all but one has been satisfactorily implemented. The remaining action has not been started due to it now being part of a wider review of the LTM Standing Orders.</p> <p>Therefore this audit is now closed. However, the remaining action will be followed up as it becomes due in October 2015.</p>	15/05/2015 ACL
<b>General Counsel</b>						
<b>Financial and Governance Controls</b>						
IA_13_130 F	Head of Secretariat	Administration of the Subsidiary Companies of TfL	03/06/2014 AC	To review the effectiveness of processes and controls around the governance and administration of the subsidiary companies of TfL.	<p>Our Interim Internal Audit Report dated 3 June 2014 entitled Administration of the Subsidiary Companies of TfL identified one Priority 2 issue and two Priority 3 issues resulting in three agreed management actions.</p> <p>We have now carried out a follow up review and can confirm that the three actions have been satisfactorily addressed. Accordingly this audit is now closed.</p>	04/06/2015 ACL
<b>One HR</b>						

Reference	Responsible Director	Report Title	Interim Report Issued	Original Objective	Summary of Findings	Final Report Issued
<b>People Risk (Including Pensions /Industrial Relations)</b>						
IA_13_148	HR Director	Staff Travel (Bus Operating Companies)	18/06/2014 PC	To provide assurance over the eligibility of free Bus Operator (BO) Oyster pass holders and cancellation of BO Nominee Oyster passes.	<p>Our Interim Audit Report dated 18 June 2014 entitled Staff Travel (Bus Operating Companies) identified five Priority 1 and one Priority 2 issues resulting in 33 agreed management actions. The Priority 1 issues were:</p> <ul style="list-style-type: none"> <li>• There was a lack of clarity over the eligibility conditions for BO Oyster passes</li> <li>• Weekly leaver notifications were not being consistently administered and there were weaknesses with annual audits of the BOCs</li> <li>• Review arrangements to ensure the continued entitlement of Nominee pass holders needed strengthening</li> <li>• There were no arrangements for ensuring all BOCs use the same administration documents and version control required improvement</li> <li>• Contact and authorised signatory information for some BOCs was out of date</li> </ul> <p>We have now carried out a follow up audit during which we reviewed the staff travel facilities at the BOCs not visited during our 2014 audit.</p> <p>Whilst all of the BOCs were aware of the revised eligibility guidelines and had seen increased engagement with Staff Travel, a couple of administrative weaknesses were noted.</p> <p>Two of the BOCs were not issuing Conditions of Use (CoU) with new passes and one BOC was operating the old eligibility conditions for issuing BO passes believing that this was a more stringent process. Following our visits Staff Travel has ensured that all BOCs are aware that CoU must be issued with new passes and the BOC Administrator Guidelines have been updated to reflect this. Staff Travel has also clarified the new eligibility conditions with the BOC operating the old conditions.</p> <p>We can confirm that all agreed management actions from the 2014 audit have been satisfactorily addressed and there are no further issues that need addressing. Accordingly this audit is now closed.</p>	30/04/2015 ACL

Reference	Responsible Director	Report Title	Interim Report Issued	Original Objective	Summary of Findings	Final Report Issued
IA_14_140	HR Director	Staff Travel	09/10/2014 RI	To provide assurance on the adequacy and effectiveness of controls over the issue, use and recovery of staff and nominee travel passes.	<p>Our Interim Internal Audit Report dated 9 October 2014 entitled Staff Travel identified five Priority 1 and two Priority two issues resulting in 25 agreed management actions. The Priority 1 actions were:</p> <ul style="list-style-type: none"> <li>Responsibilities for staff travel are not clearly defined and are spread across several areas of the business</li> <li>Periodic or quarterly management review reports are not available to provide an accurate breakdown of the number of employees, nominees and dependents with travel passes</li> <li>Controls over continued eligibility for nominees could be strengthened</li> <li>There is no automated system to make sure that deceased retirees are promptly updated in Staff Travel records and their Oyster cards cancelled</li> <li>The 'hot list' process is not working effectively</li> </ul> <p>We have now carried out a follow up review and can confirm that 21 actions have been satisfactorily addressed, three actions have been partially addressed and one is no longer applicable.</p> <p>We are satisfied that plans are in place to deliver the partially addressed actions which will be further followed up as they become due.</p> <p>Accordingly this audit is now closed.</p>	19/06/2015 ACL
IA_14_138	HR Director	Equality & Inclusion Programmes	04/08/2014 AC	To provide assurance over the effectiveness of controls operating over the Equality and Inclusion (E&I) programme and spend.	<p>Our Interim Internal Audit Report dated 4 August 2014 entitled Equality &amp; Inclusion Programmes identified one Priority 2 issue and two Priority 3 issues resulting in six agreed management actions.</p> <p>The Priority 2 issue related to ineffective monitoring arrangements for SNG spend.</p> <p>We have now carried out a follow up review and can confirm that all actions have been satisfactorily addressed. Accordingly this audit is now closed.</p>	30/04/2015 ACL
<b>Crossrail</b>						
IA_14_511	Crossrail	Tunnelling and Underground Construction Academy	09/12/2014	To assess the effectiveness of arrangements and controls in	Our Interim Audit Report dated 9 December 2014 identified two Priority 2 and one Priority 3 issues which resulted in four	27/04/2015

Reference	Responsible Director	Report Title	Interim Report Issued	Original Objective	Summary of Findings	Final Report Issued
			<b>AC</b>	place to manage the Tunnelling and Underground Construction Academy (TUCA).	management actions.  We have carried out a follow up review of the status of the agreed management actions and found that all actions have been addressed satisfactorily. This audit is therefore closed.	<b>ACL</b>

<b>Interim</b>
AC= Adequately Controlled
RI= Requires Improvement
PC= Poorly Controlled
WC= Well Controlled and Audit Closed
AC/ACL = Adequately Controlled and Audit Closed

Reference	Responsible Director	Report Title	Interim Report Issued	Original Objective	Follow-up Audit	Summary of Findings
<b>Underground and Rail</b>						
<b>Delivery of Capital Investment Portfolio</b>						
IA_14_612	Commercial Director	London Underground Estimate Review and Validation Process	19/06/2015 RI	To provide assurance that the estimate review and validation process within London Underground is carried out effectively.	03/02/2016	<p>Our audit identified one priority 1 issue relating to the inconsistent use of the defined Pathway procedures to direct the estimating, review and validation process.</p> <p>The process and template documents in Pathway define how the governance of the estimating process should operate. We found that the Pathway process is not followed in all areas, and that documents, in particular the Estimate Strategy and the Estimate Review and Verification Checklist, are used infrequently.</p> <p>However, we also recognised that the bespoke processes that are actually used in some areas do, nevertheless, appear to provide comprehensive estimates.</p>
<b>Financial and Governance Controls</b>						
IA_14_106	Director of Health, Safety and Environment	One TfL Management System	05/05/2015 RI	To provide assurance over the effectiveness of the key controls and processes in place for developing and implementing the One TfL Management System – Working at TfL.	30/11/2015	<p>We identified the following areas of good practice:</p> <ul style="list-style-type: none"> <li>• The proposed TMS content development process focuses on users' views being considered from the beginning rather than at the end of the design and development process</li> <li>• User feedback is actively sought and used to make improvements to content on the website</li> <li>• The TMS creates a platform for continuous improvement of materials and instructions in a controlled environment</li> </ul> <p>The TMS Team work in collaboration with subject matter experts within the business to collect, analyse and distil into plain English key instructions and guidance. The team ensures that information is fit for purpose, by working with the TfL Online and IM teams, identifying gaps and overlaps and how improvements can be made before publishing information.</p> <p>The audit identified four Priority 1 issues and six Priority 2 issues.</p> <p>The Priority 1 issues are:</p>

Reference	Responsible Director	Report Title	Interim Report Issued	Original Objective	Follow-up Audit	Summary of Findings
						<ul style="list-style-type: none"> <li>The removal of the TMS Programme Board has resulted in the loss of a key corporate platform for senior management ownership, accountability, oversight, monitoring and review of project delivery</li> <li>There is an absence of management reporting and review at a corporate level, resulting in potentially key issues not being known to senior management, and informed decisions not being made on where to focus resources and take effective action</li> <li>There is no clear synergy between the TMS vision and TfL wider technological strategies and digital priorities</li> <li>There is a lack of senior corporate visibility of change control decisions being made on the TMS which have an organisation wide impact on service delivery and organisational performance</li> </ul>
<b>Surface Transport</b>						
<b>Financial and Governance Controls</b>						
IA_14_105	Director of Finance, Surface Transport	Project Accounting in Surface Transport	01/05/2015 AC	To provide assurance on the adequacy and effectiveness of controls over the ST project accounting process for the investment programme.	30/09/2015	<p>We identified the following areas of good practice implemented by ST Finance:</p> <ul style="list-style-type: none"> <li>The development of a governance structure that includes the standard cost plan spreadsheet; adoption of P3M3, a UK Government developed methodology to deliver improved success from programmes and projects; and regular project boards</li> <li>A RACI (Responsible, Accountable, Consulted, Informed) document to formalise the relationship between ST Finance and the project teams</li> <li>Finance training for non-finance staff in project teams</li> <li>Periodic and weekly exception reporting for time sheeting errors or anomalies</li> <li>An appropriate methodology to calculate periodic value of work done (VOWD) based on percentage completion from project management records.</li> <li>Periodic review reports that show the split between capital and revenue for each project.</li> <li>Leadership of a series of structured review meetings during the period end process, as well as participation in project review boards and other project delivery mechanisms.</li> </ul> <p>The audit did not identify any Priority 1 issues, however four Priority 2 issues have been identified as follows:</p> <ul style="list-style-type: none"> <li>The standard cost plan needs to be formally approved by Group and Surface Finance and TfL and ST Project Management Office (PMO), and issued as a template with relevant guidance.</li> </ul>

Reference	Responsible Director	Report Title	Interim Report Issued	Original Objective	Follow-up Audit	Summary of Findings
						<ul style="list-style-type: none"> <li>Three issues in relation to the SCOOT contract concerning the need for improvement in the period end processes to review Assets Under Construction, calculate accruals, and record supplier invoices.</li> </ul>
IA_15_100	Director of Service Operations	Enforcement Agents (EAs) in Surface	12/06/2015 WC/ACL	To determine the effectiveness of the controls Surface Transport applies to its EAs.	N/A	<p>The audit found that effective controls were in place across all scope areas reviewed. In particular:</p> <ul style="list-style-type: none"> <li>The services of the four EA companies were procured in accordance with the TfL Procurement Policy and procedures. Signed contracts with the companies were in place covering the key areas governing the relationship between the two parties.</li> <li>Responsibility for managing the contracts has been appropriately assigned, and they have been reviewed recently to ensure they remain current.</li> <li>Each contract includes a Service Level Agreement, which provides for a Performance Management Regime (PMR). The PMR's key objective is to incentivise EA companies to meet defined service levels.</li> <li>Effective monitoring processes are in place, including regular compliance checking of a sample of transactions, with any non-compliance identified being dealt with through the contracts' PMR.</li> <li>EA companies promptly remit debts recovered for TfL in accordance with the contract.</li> <li>There is an effective process for handling complaints by debtors about the service received from EA companies, with the complaints process set out on the TfL and EA companies' websites.</li> </ul> <p>The audit did not identify any issues.</p>
<b>Finance</b>						
<b>Delivery of Capital Investment Portfolio</b>						
IA_13_631	Director of Commercial	Management of the Commercial Transformation Programme (CTP)	04/06/2015 WC/ACL	To provide assurance that the CTP was being managed in an efficient and effective manner, and that risks to the successful delivery of its objectives were under control.	N/A	<p>The audit found that effective controls were in place across all scope areas reviewed. In particular:</p> <ul style="list-style-type: none"> <li>The programme structure was well defined with an appropriate meetings structure, and clear lines of reporting, control of announcements of the stages achieved, and named individuals controlling the change process.</li> <li>There was effective allocation of tasks and deliverables.</li> <li>There was good stakeholder management, with clear communication and transparent decision making.</li> <li>The phasing of the programme allowed sufficient time for</li> </ul>

Reference	Responsible Director	Report Title	Interim Report Issued	Original Objective	Follow-up Audit	Summary of Findings
						<p>activities to be completed appropriately, with individual activities well planned and well managed.</p> <ul style="list-style-type: none"> <li>• Changes to the programme were well managed in accordance with the TfL Business Change Framework (BCF).</li> <li>• The milestones shown in the outline timetable were achieved at each stage and the changes have now been implemented.</li> <li>• The programme risks were adequately managed through regular and frequent progress reviews, use of a risk register and by establishing a process to measure the impact of changes made.</li> <li>• Key performance indicators for communications and delivery of programme outputs were identified.</li> <li>• There was appropriate, regular progress reporting at a number of different levels.</li> </ul> <p>The audit identified a number of good practices which could be considered by other parts of TfL when considering similar changes to their services and structure, which included the following:</p> <ul style="list-style-type: none"> <li>• The BCF principles were followed and integrated into the programme management which helped and supported delivery of change</li> <li>• Communications of the findings, proposed changes and timetable of change were comprehensive, accessible and enabled feedback and consequent adaptations to the proposals.</li> </ul> <p>The audit did not identify any issues.</p>
<b>Technology Risk</b>						
IA_14_421	Chief Information Officer	Data Centre Management	02/06/2015 AC	To provide assurance that TfL data centres are being managed effectively and efficiently while ensuring adequate resilience and availability of critical TfL systems and applications.	31/08/2015	<p>The following positive aspects are in place in relation to data centre management within TfL:</p> <ul style="list-style-type: none"> <li>• The roles involved in the management of TfL data centres have been defined. The responsibility for the data centres and IT equipment rests with the IM Infrastructure Team, where roles and responsibilities are set out within clear team structures.</li> <li>• Third party contracts for the provision of data centre space are underpinned by service level agreements (SLAs), which are effectively monitored and reviewed by the Senior Technical Facilities Manager within the IM Infrastructure Team.</li> <li>• Every period the Infrastructure Team Lead performs sample checks of the IM Infrastructure Team targets related to data centre management to assess and evaluate their integrity. The overall IM Infrastructure Team targets have been effectively translated into individual staff performance objectives.</li> <li>• Up-to-date operational processes for the data centres have been effectively documented and communicated to all relevant staff and are contained within a dedicated SharePoint site.</li> </ul>

Reference	Responsible Director	Report Title	Interim Report Issued	Original Objective	Follow-up Audit	Summary of Findings
						<p>IM management is in the process of finalising a Data Centre Strategy. This is one of a suite of strategies being delivered through a series of work streams to transform IM in TfL over the coming years.</p> <p>This strategy has been developed from a series of in-depth information gathering exercises, stakeholder interviews and the production of several analysis models. In addition, formal consultation has taken place with industry leading organisations (eg Gartner and Forrester) to ensure that the strategy is aligned with industry trends. The strategy provides an overview of the current position regarding the TfL data centres and a roadmap and implementation plan for the future direction of data centre spaces within TfL.</p> <p>We welcome the development of this strategy and believe that a more strategic approach to hosting and data centre space in relation to the business needs of TfL will provide realisable and tangible benefits. These include cost savings, meeting TfL disaster recovery and business continuity requirements, and providing opportunities for increased resilience of TfL systems.</p> <p>There were no priority 1 or priority 2 issues identified but we did raise one priority 3 issue in relation to a lack of formalised and effectively communicated definition of activities carried out by the Data Centre Installations team.</p>
<b>Failure of Critical IT systems (Applications, Networks and Infrastructure) Impacting the Delivery of Key Business Operations</b>						
IA_14_419	Chief Information Officer	IM Business Partnership	09/04/2015 RI	To provide assurance on the effectiveness of the processes that have been implemented to manage the relationship between the business and IM in a formalised and transparent way that ensures a focus on achieving common and shared goals.	19/10/2015	<p>During the last year Business Partnership management have been working on identifying and implementing ways to improve their services. For example, they have been working on an IM business partnership framework based on the Business Relationship Management (BRM) competencies created by the BRM institute. The desired business partnership capability is based on a standard consultancy capability model whereby consultancy skills are underpinned by both a technical and industry specialism. As part of this, all the business partners have recently undertaken some training to improve their consultancy skills.</p> <p>Business partners have also focussed on a smaller number of more significant stakeholders. A positive result of this changed approach has been enhanced involvement of the business partners with the business (eg attendance at business board meetings).</p> <p>We have also conducted a survey of some key stakeholders and the results have confirmed that there has been an improvement in the relationship with the business partners.</p> <p>We have identified the following priority 1 issues:</p> <ul style="list-style-type: none"> <li>• Lack of documented and consistent processes to manage the engagement of the business partners with their stakeholders; and</li> <li>• A low score in the customer satisfaction survey for areas concerning BRM, especially in relation to identifying and</li> </ul>

Reference	Responsible Director	Report Title	Interim Report Issued	Original Objective	Follow-up Audit	Summary of Findings
						communicating technological solutions that meet business needs.
<b>London Transport Museum</b>						
IA_14_142	Museum Director	LTM Operation of Heritage Vehicles	22/06/2015 RI	To review the adequacy and effectiveness of controls over the operation of the LTM's heritage vehicles.	30/04/2016	<p>Volunteers from the LTM Friends provide an invaluable contribution to the work of the Museum and particularly the operation of heritage vehicles. Without the significant role played by these volunteers, the operation of heritage vehicles would be severely restricted. The ongoing management of volunteers is carried out in a seamless manner for which the LTM deserves credit.</p> <p>The operation of heritage rail vehicles is well controlled. Before any heritage train is allowed to operate on the rail network there are thorough procedures followed to ensure that risks are minimised. These result in an Operational Safety Plan for each train operation/ event, approved by the Director's Risk, Assurance and Change Control Team. The LU Technical Services Manager then gives final approval in the form of a Train Preparation Test Sheet. Most of the issues in this report therefore relate to heritage road vehicles.</p> <p>Three Priority 1 issues were identified, together with two Priority 2 issues and one Priority 3 issue.</p> <p>The Priority 1 issues are:</p> <ul style="list-style-type: none"> <li>• There is no policy or procedure for the servicing and maintenance of heritage road vehicles. Evidence of such work having been carried out is limited and individual vehicle maintenance logs are not consistently kept.</li> <li>• The Collections Loan Agreement should be updated to ensure it covers the operation of heritage vehicles. There is also no policy and/ or strategy covering the operation of heritage vehicles. As such, there are no criteria against which events can be judged to decide whether LTM vehicles should attend.</li> <li>• Management and control of the 28 volunteer bus drivers and 11 conductors used by the LTM in 2014 could be improved. The LTM has not documented any prerequisites or required standard(s) for its drivers, or the process for obtaining this. It is also unclear which drivers have had their licences checked.</li> </ul> <p>Whilst no incidents arose at events during 2014, record keeping should have been more thorough and a number of policies and procedures need to be created or formalised.</p>
<b>General Counsel</b>						
<b>Financial and Governance Controls</b>						
IA_15_101	Head of Information	Privacy and Data Protection (PDP)	05/06/2015	To review TfL's framework of corporate	30/11/2015	Most business areas, to varying degrees, process personal data and have PDP responsibilities. They are responsible for implementing

Reference	Responsible Director	Report Title	Interim Report Issued	Original Objective	Follow-up Audit	Summary of Findings
	Governance		RI	policies and processes for promoting compliance with the DPA and other associated laws, regulations and standards		<p>procedures and controls which support compliance with the DPA. Also, the PDP team (PDPT) and the business areas are responsible for making employees aware of their PDP duties. Steps taken to achieve this include:</p> <ul style="list-style-type: none"> <li>• The inclusion of information on PDP responsibilities in the literature handed out to new employees at the TfL induction day.</li> <li>• A dedicated section of the TfL Management System entitled 'Managing personal information', which includes advice and guidance on various aspects of PDP obligations.</li> <li>• The publication of articles on Source and the LU intranet, and in internal newsletters, reminding staff of their PDP responsibilities, and the importance of complying with the DPA.</li> <li>• A number of widely-publicised PDPT eLearning courses available on Source, the completion of which is designed to enhance staff awareness of PDP responsibilities.</li> <li>• Inclusion of DP responsibilities in job descriptions where appropriate, and the provision of training to facilitate effective performance.</li> </ul> <p>PDPT also publishes a number of pages on TfL's external website, containing information for customers about how their personal data is processed by TfL.</p> <p>There is senior management oversight of PDP compliance, key aspects of which include:</p> <ul style="list-style-type: none"> <li>• The six-monthly Legal Compliance Report to the Audit and Assurance Committee, which has a section on non-compliance with the DPA and other relevant legislation, and the resulting action by the ICO.</li> <li>• Inclusion of PDP performance statistics in the periodic General Counsel BMR and scorecard, which is reviewed by the Commissioner.</li> <li>• PDPT reports all breaches to the Head of Information Governance, who discusses them with the General Counsel as required.</li> </ul> <p>The audit identified two Priority 1 issues together with three Priority 2 and two Priority 3 issues.</p> <p>The Priority 1 issues are:</p> <ul style="list-style-type: none"> <li>• As a result of resource constraints, PDPT is unable to comprehensively monitor and enforce compliance with the Policy.</li> <li>• Procurement and contract issues, including: the absence of a standard contract clause for data transfers outside the European Economic Area, and errors made by Commercial teams resulting in the omission of key details and PDP clauses in some contracts for outsourced services.</li> </ul>

Reference	Responsible Director	Report Title	Interim Report Issued	Original Objective	Follow-up Audit	Summary of Findings
IA_14_132	Head of Secretariat	Declarations of Interests	12/06/2015 RI	To review the adequacy of the policies, procedures and key controls surrounding declarations of interests.	30/11/2015	<p>We identified a number of positive findings:</p> <ul style="list-style-type: none"> <li>• Board Members, Chief Officers and Statutory Directors are requested to update their declarations of interests regularly on a bi-annual basis, and a good audit trail of the timing of these submissions is maintained</li> <li>• Commercial Directorate have produced comprehensive guidance for the declarations of interests for the procurement and contract administration processes</li> <li>• TfL Commercial staff use AWARD software for many large-scale procurements over £5m, and this forces evaluators to make electronic declarations of interests before being allowed to score bidders.</li> </ul> <p>The audit identified two Priority 1 issues and four Priority 2 issues. The Priority 1 issues relate to staff not following Commercial Directorate instructions for declaring interests in companies that TfL is purchasing from, or with which they are managing contracts. Declarations of interests are in general not being made by staff managing contracts. Also in many cases, staff are not making declarations of interests when they procure goods and services from suppliers. This is especially the case for smaller purchases under £1m, call-offs from frameworks and Rail and Underground purchases. In addition, declarations of interests could not be located for a number of single source procurements.</p>
<b>Crossrail</b>						
IA_14_519	SAM - Crossrail	Incident Reporting and Investigation in Crossrail	17/04/2015 RI	To ascertain the level of compliance with the incident reporting and investigation process, RIDDOR and accident reporting.	15/08/2015	<p>There were no Priority 1 issues found as a result of this audit. However, the following Priority 2 and 3 issues were raised.</p> <ul style="list-style-type: none"> <li>• The controlling procedure (CR-XRL-Z7-GPR-CR001-00014 Rev 6.0) is complicated and has not been reviewed since January 2013.</li> <li>• Crossrail could not demonstrate that all individuals that had been, or may in the future be, involved in an incident investigation were TopSet trained as required by the procedure.</li> <li>• For one of the incidents reviewed by the audit the relevant contractor had completed the investigation report and logged it, but the RIVO (incident tracking database) entry had not been closed off by the relevant Area H&amp;S Manager.</li> <li>• An incident at a Crossrail office, raised as a level two incident, in January 2014 remains open on RIVO and no investigation had taken place at the time of the audit.</li> <li>• There was no evidence made available to demonstrate that the outcomes from investigations or the many reviews undertaken,</li> </ul>

Reference	Responsible Director	Report Title	Interim Report Issued	Original Objective	Follow-up Audit	Summary of Findings
						were checked against Active Risk Manger (ARM) to ascertain if risks already identified were being adequately managed or a new risk had materialised that had not been captured.
IA_14_523	SAM - Crossrail	IT Network Infrastructure Perimeter Firewalls	26/06/2015 RI	To provide assurance that the policies, processes, governance and controls in place to manage the Crossrail IT network infrastructure perimeter firewalls are adequate and effective.	31/10/2015	<p>The acquisition and maintenance process for technology infrastructure has been developed to the point where it works well for most situations, is followed consistently and is focused on extending the life of assets wherever this is practical.</p> <p>The audit highlighted a lack of collaboration and dialogue between Crossrail IT and Fujitsu, with Crossrail having limited understanding of Fujitsu's activities. This has been raised as a Priority 1 issue in the report. The report has also raised four Priority 2 and two Priority 3 issues. It is likely that these issues result in part from the weaknesses in the working relationship and engagement between the two parties.</p>
IA_14_501	SAM - Crossrail	Network Rail's Finance Charges and Apportionment of Costs	23/04/2015 AC	To provide assurance of the effectiveness and accuracy of controls over processes for determining NR's finance charges and apportionment of costs.	31/08/2015	<p>The Protocol that sets how out the work will be delivered by NR, including governance arrangements, was updated in September 2014.</p> <p>The CRL Charge Agreement was found to cover all relevant aspects of the financing charge calculations, invoicing and payment.</p> <p>In March 2012, Crossrail in conjunction with TfL and DfT made the decision to utilise cash deposits to directly fund the NR works and save payment of the 4.75% financing charge. Details of this arrangement are covered in the Interim Funding Payments Agreement. Payment is made on the forecast of NR programme costs every period. There is adequate monitoring of the forecasts against actual NR costs and adjustments made for any over/under payments by a reforecast notice.</p> <p>This audit identified one Priority 2 issue in relation to cost verification reviews and one Priority 3 issue.</p>
IA_14_514	Crossrail	Corporate Procurement Process	21/05/2015 AC	To review the Corporate Procurement Process to ensure it is being followed across the organisation, principally for procurement under £10k.	30/09/2015	<p>The Crossrail Procurement Code adequately defines the key processes which are comprehensive and detailed. The processes are in use by the Procurement team and internal stakeholders across Crossrail.</p> <p>The relationship between internal and external stakeholders is adequately managed. It may be beneficial to document the process, identifying key stakeholders and their level of involvement, together with the means and frequency of communication.</p> <p>Finance is involved in the vetting of suppliers through financial checks and references. The Finance and Procurement teams jointly review and monitor purchase orders against the contract value.</p> <p>The contractual relationship with suppliers is managed locally by business managers. However, during the procurement process, the Procurement team are also involved in communication with the bidders.</p> <p>Shopping carts are raised by requisitioners who are authorised by staff members from other departments. These are not procurement professionals but detailed and comprehensive guidance had been</p>

Reference	Responsible Director	Report Title	Interim Report Issued	Original Objective	Follow-up Audit	Summary of Findings
						<p>provided to them.</p> <p>The following good practice is worthy of mention:</p> <ul style="list-style-type: none"> <li>• Maintenance of a list of all documented procurement processes to ensure these remain relevant and up to date;</li> <li>• Procurement review of shopping cart templates as an additional control;</li> <li>• Periodic review of shopping carts raised to identify inactive requisitioners who may no longer need SAP authority;</li> <li>• A six-monthly review of purchase orders raised against contracts' budgets was introduced in November 2014; and</li> <li>• The use of Bravo solution for the tendering of contracts to provide transparency of the procurement lifecycle and documentation.</li> </ul> <p>Six procurement contracts under £10k were reviewed to confirm process compliance, together with four examples of conversion of a shopping cart into a purchase order using SAP. The review did not identify any evidence of process failure or misuse.</p> <p>One Priority 3 issue of an administrative nature was identified where the Procurement Policy update was overdue.</p>

Reference	Report Title	Date Issued	Report Type	Objective	Summary of Findings
<b>Rail and Underground</b>					
IA_14_406	LU SCADA Security Assurance 2014/15	13/04/2015	<b>Memo</b>	The purpose of this memorandum was to summarise the findings from our reviews of LU SCADA (Supervisory Control and Data Acquisition) systems during 2014/15.	<p>Our reviews highlighted a number of common issues as follows:</p> <ul style="list-style-type: none"> <li>For legitimate business reasons some of the SCADA systems have remote access connections in place, used by both internal and external parties. However, in most cases there was no documentation available to show how the connections were configured and what security controls were in place.</li> <li>In most systems it was not clear from our discussions if the firewall security configurations are fully and adequately understood by system owners, and documentation was not readily available.</li> <li>No penetration testing has been performed on any of the systems.</li> <li>Whilst the SCADA systems have been backed up, we did not find any evidence of testing to confirm that systems could be recovered in the event of an incident.</li> <li>SCADA systems have been formally captured within asset management systems to assist with the maintenance and engineering support aspects of the railway. However the systems have not been fully assessed for threats and vulnerabilities.</li> </ul>
IA_14_608	Procurement of Framework Contracts for the Supply of Track Labour	23/04/2015	<b>Memo</b>	The objective of this audit, which is being carried out on a real time basis, is to ensure that the processes employed for the procurement of framework contracts for the supply of track labour is in accordance with approved procedures and is open, fair and transparent.	<p>Based on our work up to the end of the Pre-Qualification Questionnaire (PQQ) evaluation phase, we are satisfied that effective controls have been applied to the procurement of framework contracts for the supply of track labour, although we have made recommendations around two minor concerns.</p> <p>We will continue with the audit, focusing on the ITT and subsequent phases of the programme, and plan to issue a further memorandum at the ITT planning and evaluation stage, scheduled for June.</p>
<b>Finance</b>					
IA_12_632	Procurement of the Professional Services Frameworks	09/04/2015	<b>Memo</b>	The objective of this audit is to ensure that the procurement process employed for the PSF is managed effectively, in accordance with approved procedures, EU directives and is open, fair and transparent.	<p>Since the issue of our previous memorandum, the Programme Team have finalised the award of Frameworks 2, 3 and 5.</p> <p>The tender submissions for Framework 6 have been received and are currently being evaluated with consensus meetings being planned for April. Stakeholder engagement has been ongoing to develop the requirements for Framework 4 and call-off requests for the first three frameworks have been implemented.</p> <p>The only issue at this stage is the slippage to the overall programme and the possibility that the award of the final framework may be delayed. The Programme Manager has stated that some delay to the award of Framework 4 may be necessary to ensure that stakeholders are effectively and actively engaged in the procurement and implementation of this framework as it will be the largest out of the PSF family. A delay to the awarding of Framework 4 should not have a significant impact as the existing EPMF framework will still be available and the contract implementation phase can also be shortened as much of this work has already been done with the implementation of the first three frameworks. However, we will continue to review the situation in the next phase of the audit.</p> <p>We are satisfied that the risks and controls in procuring the PSF are being managed appropriately at this stage.</p>

Reference	Report Title	Date Issued	Report Type	Objective	Summary of Findings
IA_14_628	Procurement of Pan-TfL Advertising Services	28/04/2015	<b>Memo</b>	The objective of this real-time audit is to provide assurance that the decision making process in place for governing the procurement of the pan-TfL advertising services contract, is managed effectively, in accordance with approved procedures and has appropriate management controls and governance.	<p>Organisation and governance to date was found to be satisfactory. The Programme Governance Board has not yet been finalised, but the key members have been identified and engaged. A plan for the submission of papers to the relevant approval boards is in place.</p> <p>Requirements management and document control is adequate at the moment, given that the procurement has not started in earnest, but will need to be maintained in a structured and controlled manner.</p> <p>Stakeholder engagement, communication and management are all in the initial phase. We will review these in more detail during future audit work in 2015/16, once the preferred option has been agreed and key stakeholders finalised.</p> <p>Business client objectives and ownership of deliverables are also in the very early stages of the project but have thus far been managed effectively, with much greater clarity developing over the last five or six months. The embedding of Commercial staff into the project team has helped in this regard.</p> <p>Progress of the procurement as a whole has taken much longer than originally estimated due to the length of time taken in defining and selecting the preferred option. The project team should still be able to meet the key milestones, although there is little, if any, contingency left for any further delays. Resourcing the project team with suitable people will be critical to the successful and timely delivery of this contract.</p> <p>Overall, we are satisfied that the risks and controls in procuring the Pan-TfL Advertising Services contract are being managed appropriately at this stage.</p>
IA_14_622	Financial Modelling of Property Developments	19/06/2015	<b>Memo</b>	The audit objective was to provide assurance over the financial model used to forecast Property Development revenues and costs for use in business planning.	<p>Analysis of the Property Development Finance Model (PDFM) identified no issues with the functions, calculations or links in the model that would affect the ability of the tool to be relied on to make business decisions.</p> <p>A number of minor anomalies have been highlighted and recommendations made to improve the visual presentation and performance of the model. In addition, a risk has been identified relating to the complexity of the process for adding a new site and ensuring changes feed through the relevant worksheets.</p> <p>Opportunities have been identified to improve the PDFM control environment and close out the handover process.</p>
IA_14_627	Real Time Internal Audit of the Property Partnerships Procurement: PQQ Phase – two memos issued	08/04/2015 & 24/06/2015	<b>Memo</b>	To ensure that the procurement of the framework of property development partners is managed effectively, in accordance with approved procedures, EU directives and has appropriate management controls and governance.	<p>We made a number of observations regarding the management of the risks and controls in procuring the Property Partnership Framework up to the end of the PQQ phase These included concerns over the transparency and independent moderation of the PQQ evaluation and consensus process. We have suggested management actions to help mitigate these risks and improve the governance of this procurement.</p> <p>The Project Team have accepted our findings and recommendations</p> <p>We will continue with this real-time audit throughout the remaining phases of the</p>

Reference	Report Title	Date Issued	Report Type	Objective	Summary of Findings
					procurement including reviewing the extent to which our recommendations have been implemented. Further memoranda will be issued at appropriate times during the programme.
<b>Customer Experience, Marketing and Communications/London Transport Museum</b>					
IA_14_427	LTM IM Budget and Cost Processes	19/06/2015	<b>Memo</b>	The purpose of this review was to follow up the agreed management actions from our 2013 memorandum to ensure that these have been addressed and to assess the extent to which this has brought about an improvement in the governance of LTM's ICT arrangements.	Our review highlighted that the level of maturity of the LTM IM budget and cost processes has improved since the 2013 audit. We found that management has taken steps to address the issues identified in our previous memorandum, although some are part of an ongoing improvement process.
<b>Pan TfL</b>					
IA_MEM_316	Common Internal Audit Findings Regarding the Use of Pathway	26/05/2015	<b>Memo</b>	To highlight to Management a theme of non-compliance with Pathway identified in a number of recent audits.	<p>Several recent audits indicate that the use of 'professional judgement' is being applied to Pathway Products that are intended to be mandatory. The omission of products, or not meeting the quality criteria through the use of the associated templates, is creating risks to safety, environmental and commercial deliverables.</p> <p>In our opinion, the commonplace application of 'professional judgement' to Pathway Products and Templates that are defined as being applicable to all projects needs to be addressed. This may include:</p> <ul style="list-style-type: none"> <li>• Reviewing and clarifying the message provided by the Pathway Manuals, and those who provide guidance and support, regarding mandatory products</li> <li>• Improving the level of compliance monitoring, especially the quality of products produced. For a example, a previous audit which looked at the implementation of Pathway (13 612) resulted in Surface Transport implementing a Compliance Checker.</li> </ul>
<b>Crossrail</b>					
IA_15_504	Accounts of the Crossrail Complaints Commissioner	29/05/2015	<b>Memo</b>	<p>This was a review of the accounts of the Crossrail Complaints Commissioner for the period ending 31 March 2015. The objective was to provide assurance that:-</p> <ul style="list-style-type: none"> <li>• The figures in the accounts were accurate; and</li> <li>• The accounts complied with the Accounts Direction issued on behalf of the Crossrail High Level Forum.</li> </ul>	It was concluded that the accounts of the Crossrail Complaints Commissioner, in all material respects, accurately reflected the receipts and payments during the financial period ending 31 March 2015. The accounts also complied with the Accounts Direction issued on behalf of the Crossrail High Level Forum.

<b>Finals</b>
WC= Well Controlled
AC= Adequately Controlled
RI= Requires Improvement
PC= Poorly Controlled

Reference	Report Title	Report Issued	Original Objective	Summary of Findings
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**Rail and Underground**

**Disruption to quality of service**

IA_14_774	Management of 3 <sup>rd</sup> Party Supply of Safety Critical Rolling Stock Parts	29/04/2015 RI	To provide assurance that engineering and technical detail relating to the supply of Safety Critical parts and equipment is maintained by LU in material data records and communicated to supply organisations by LU Commercial as an integral part of the purchase order placement and contract award process.	<p>Purchase Orders recently completed or being processed were sampled and it was found that for the examples assessed, the auditees had managed the process in compliance with Commercial established practices and the requirements of the BCV/SSL SAP or JNP Oracle order format used.</p> <p>Areas of Effective Control:</p> <ul style="list-style-type: none"> <li>• Auditee awareness of Commercial management system procedure relating to their Commercial business area.</li> <li>• Auditee familiarity with and use of SAP and Oracle electronic Purchase Order generation systems.</li> <li>• Auditee liaison with Fleet Engineering to clarify technical requirements, specification and correct drawing issue.</li> <li>• Material changes are proposed by a supply organisation and its management via the LU or JNP Commercial and Engineering departments.</li> </ul> <p>There are four Priority 2 findings that relate to the following areas:</p> <ul style="list-style-type: none"> <li>• Weakness involving the issue of formal Commercial documentation for the management of Purchase Orders using Oracle and Maximo data management systems.</li> <li>• Weakness identified for the management of Safety Critical materials data records and the process of advising Safety Critical rating information to supply organisations via SAP, Oracle and Maximo data management systems.</li> </ul>
IA_14_765	SSL Track Maintenance	08/06/2015 RI	To assess compliance with LU Category 1 standards in relation to a sample of track inspections, maintenance and management activities.	<p>Areas of Effective Control:</p> <ul style="list-style-type: none"> <li>• Locations and types of switches and cast crossings were known and documented</li> <li>• Competence of staff was maintained to standard</li> <li>• Equipment used for inspections was maintained and calibrated correctly</li> <li>• Identified defects were corrected within the stipulated risk based timescales</li> <li>• Rail joint inspections were being managed effectively and the use of temporary rail joints is minimised</li> <li>• SSL South has implemented the requirements for switch inspections following the expiry of a concession in December 2014</li> </ul>

Reference	Report Title	Report Issued	Original Objective	Summary of Findings
				<p>Priority 1 Issues</p> <ul style="list-style-type: none"> <li>• SSL North is yet to fully implement the requirements for inspection of switches following the expiry of a concession against the LU standard in December 2014</li> <li>• Examples were found of track geometry faults not correctly categorised because two or more defects in one location identified by Track Recording Vehicles(TRVs) are not being linked and uplifted to Safety Standard as required</li> <li>• Rolling Contact Fatigue faults were partially recorded (SSL South) and not recorded (SSL North) in the asset database (Ellipse)</li> </ul> <p>Priority 2 issues:</p> <ul style="list-style-type: none"> <li>• Commonality of approach across all lines could be developed. Issues for attention include the timely communication of TRV results, registering areas where the TRV is not practicable, mitigating risk from missed TRV runs and managing corrugation values on the rail head.</li> <li>• Whilst evidence was seen that Temporary Rail Joints are generally removed within 24 hours, registers of their location and duration of use together with unique identification numbers were not maintained across the lines as required.</li> <li>• In SSL North some completed forms including Track Inspection reports and Cast Crossing Inspection forms did not meet quality requirements.</li> <li>• The latest Track Tonnage Data had not been received by the lines.</li> <li>• Whilst all Safety Standard faults identified by the TRV were recorded in Ellipse, Maintenance Level faults were not recorded by SSL North.</li> </ul>
IA_14_756	Management of Temporary Approved Non-Compliance (TANC) for Signal Asset Planned Maintenance	29/04/2015 WC	This audit is a reassessment audit for the management of Temporary Approved Non-Compliance (TANC) by SSL Signalling Asset Planned Maintenance.	<p>Signals Planning Management at the Baker Street SSL North and Earl's Court SSL South demonstrated adequate control of the processes and records used for identifying Signals assets that will exceed the maintenance due date. The authorisation and issue of an asset TANC and the subsequent management of maintenance and TANC closure including associated Works Order issue and maintenance delivery was also found to be adequately managed.</p> <p>Areas of effective control were:</p> <ul style="list-style-type: none"> <li>• Performance of TANC management and maintenance delivery has improved significantly and less assets are being TANCed compared with the March 2014 audit. No 'Not TANCed' and 'Expired TANCs' for assets were noted during our testing.</li> <li>• Planning staff were aware of the LU TANC management standard, instruction and guidance documentation and had access to document copies.</li> <li>• Signals assets requiring a TANC were identified in advance of the maintenance due date.</li> <li>• Appropriate records were seen to be maintained.</li> <li>• Daily reports compiled by each North and South area were an accurate record of TANC issue and performance management.</li> </ul>
IA_15_728	Quality Management System within Track Manufacturing Division	19/05/2015 AC	To provide assurance in relation to quality management within Track Manufacturing Division (TMD).	<p>The evidence seen demonstrated that there were established processes in operation that were understood and ensured risks to the operational railway were controlled. Some of these processes were not formalised in procedures and this would prevent full compliance with ISO 9000.</p> <p>Areas of Effective Control:</p>

Reference	Report Title	Report Issued	Original Objective	Summary of Findings
				<p>Resource management including:-</p> <ul style="list-style-type: none"> <li>• Competence of staff and training provided. Also the awareness by staff of the controls and processes in place.</li> <li>• Infrastructure – suitability of the buildings and equipment provided.</li> <li>• Work environment provided to achieve a quality product.</li> </ul> <p>Product realisation including:-</p> <ul style="list-style-type: none"> <li>• Determination and review of customer and product requirements.</li> <li>• Customer communication.</li> <li>• Purchasing activities.</li> <li>• Control of production activities and processes.</li> <li>• Identification and traceability of rail.</li> <li>• Product handling.</li> <li>• Monitoring and measuring equipment.</li> </ul> <p>Priority 3 issues:</p> <ul style="list-style-type: none"> <li>• The Quality Policy did not accurately reflect the policy, principles and scope in place across Track Manufacturing Division. This was addressed during the audit.</li> <li>• For full compliance with ISO 9000 additional procedures and resources would be required</li> <li>• Track Manufacturing Division have no means to disseminate detailed information on the P&amp;C layouts they produce across London Underground or have access to similar information where P&amp;C layouts are manufactured by others.</li> <li>• There were no formal records to demonstrate review and reporting of Quality performance within Track Manufacturing Division.</li> </ul>
IA_15_735	Management of Materials	15/06/2015 AC	To provide assurance that the processes for receiving, issuing, rotating, disposing and cycle counting of materials are effectively managed by the stores and the materials control teams. The audit also provided assurance that the processes for material non conformances are being managed.	<p>Areas of Effective Control:</p> <ul style="list-style-type: none"> <li>• Material control is being managed in accordance with the Material Control Supply Planning Handbook requirements.</li> <li>• Stores operations are being managed with the exception of the issues identified below that could strengthen the control environment.</li> </ul> <p>Priority 2 and 3 issues:</p> <ul style="list-style-type: none"> <li>• Stores local processes do not fully meet the requirements of W8900 – Operating stores - in the areas of goods inward inspections and goods issuing.</li> <li>• W8900 does not detail the processes for non conformances or managing Bombardier owned stock.</li> <li>• The requirement that old stock is rotated to the front was not being fully met.</li> <li>• Materials are being removed from stores at times when the stores are unmanned and therefore not recorded.</li> <li>• Checks are not being carried out to ensure that Vendor Managed Inventory (VMI) maximum stock levels are not being exceeded or that the delivery notes match the delivered items.</li> </ul>

Reference	Report Title	Report Issued	Original Objective	Summary of Findings
				<ul style="list-style-type: none"> <li>• Bar coding equipment is available at each of the stores audited but is not being fully utilised.</li> <li>• Due to Information Management issues SAP generated cycle count sheets were not being utilised at two of the stores audited.</li> <li>• Audits of the material management processes are not being carried out at three of the stores audited.</li> </ul>
IA_14_764	JNP Track Maintenance	26/06/2015 AC	To assess compliance with LU Category 1 standards in relation to a sample of track inspections, maintenance and management activities.	<p>Good Practice:</p> <ul style="list-style-type: none"> <li>• At Edgware depot (Northern Line) the full location details; dates installed and welded, date to be re-inspected and the applicable work order number for temporary rail joints were being recorded. This is the only location across the LU Network where the standard is being fully met</li> </ul> <p>Areas of Effective Control:</p> <ul style="list-style-type: none"> <li>• Locations and types of switches and cast crossings were known and documented</li> <li>• Switches were being inspected in accordance with LU Standards</li> <li>• Competence of staff was maintained to standard</li> <li>• Equipment used for inspections was maintained and calibrated correctly</li> <li>• Identified defects were corrected within the stipulated risk based timescales</li> <li>• Rail joint inspections were being managed effectively and the use of temporary rail joints is minimised</li> <li>• There is an established procedure and documentation to be followed when the Track Recording Vehicle (TRV) does not run</li> </ul> <p>Priority 1 Issues</p> <ul style="list-style-type: none"> <li>• Examples were found of track geometry faults not correctly categorised because two or more defects in one location identified by TRV are not being linked and uplifted to Safety Standard as required</li> </ul> <p>Priority 2 issues:</p> <ul style="list-style-type: none"> <li>• Registers of the location and duration of use of temporary rail joints together with unique identification numbers are not maintained for Piccadilly and Jubilee Lines as required</li> <li>• Track Tonnage Data being used for reference was not the most current available</li> <li>• Form TLF-886-V1 did not require a record of the date an Amber trolley was used to mitigate non-running of the TRV.</li> <li>• Across the lines there were variable measures in place to manage corrugation values on the rail head</li> </ul>
<b>Delivery of Capital Investment Portfolio</b>				
IA_14_701	Change Control of Engineering Asset Information	27/05/2015 PC	To provide assurance that the asset information held within the asset database Ellipse is complete and that the processes for updating the Ellipse asset database are being complied with	<p>The process for the update of asset engineering data as defined in category 1 Standard S1041, Pathway and other supporting documentation contains the necessary requirements to govern and assure the process.</p> <p>The audit found that the processes and practices used are not being applied effectively to ensure that the asset database is complete and current. This undermines LU's efforts to maximise reliability as assets may not be subject to asset maintenance and management through the asset database, thereby increasing the risk of asset failure</p> <p>Priority 1 Issues:</p>

Reference	Report Title	Report Issued	Original Objective	Summary of Findings
				<ul style="list-style-type: none"> <li>• Only one third of completed projects sampled (7 from 21) could be confirmed as having the relevant asset data updated in the Ellipse asset register. This is despite Project Handover Completion Certificates being completed which are designed to be an assurance that this has happened.</li> <li>• Commonly there are no agreed, monitored or enforced timescales for uploading asset data as required by LU Standards. There are significant time lags in excess of 360 days between asset data being available and the uploading to the asset register.</li> <li>• The Asset Database Team is routinely not informed of project works being undertaken. Commonly, if the Asset Database Team does not have the project work registered in their tracker spreadsheet, the new asset data fails to reach Ellipse.</li> </ul> <p>Priority 2 Issues</p> <ul style="list-style-type: none"> <li>• Pathway documentation required to be signed and submitted to the Asset Data and Reliability Manager is not being processed as required.</li> </ul>
IA_14_708	Railway Engineering Workshop (REW) – Overhaul of Signal Assets and Management of Asset Traceability	07/04/2015 RI	To review processes for the overhaul of signal assets, including follow up of the agreed actions from our previous audit in this area to ensure they have been successfully implemented and are effective.	<p>A number of the actions to address the deficiencies identified during the previous audit had been implemented and were effective, whilst improvement is still required in some areas.</p> <p>Areas of Effective Control:</p> <ul style="list-style-type: none"> <li>• A number of the actions to address the deficiencies identified during the previous audit had been implemented and were effective. These included training and competence, calibration controls, control of non-conforming product.</li> </ul> <p>Priority 1 Issues:</p> <ul style="list-style-type: none"> <li>• The DEV relay overhaul manual is still in draft. This type of relay previously caused a wrong side failure at Embankment and so having a defined and communicated method for their overhaul is critical.</li> </ul> <p>Priority 2 Issues:</p> <ul style="list-style-type: none"> <li>• REW audits its processes for compliance. However there was no evidence to demonstrate a regular systematic review of the overhaul process to identify any potential errors or deviations that might occur and confirm that the defences in place continue to ensure specified integrity levels of the overhaul process as required by LU Standards.</li> <li>• Emergency Change Forms which provide details of the initial cause of a failure are not received by REW and so are not used to review processes to mitigate the possibility of future failures.</li> <li>• The agreed actions identified to address the business improvement action from the previous audit regarding traceability of Signal assets, had not been communicated to the Network Signals Repairable Section when responsibilities for these assets were transferred from REW.</li> </ul>
IA_14_711	Management of Signalling Materials	09/04/2015 RI	To provide assurance that the processes for introducing new or changed signalling materials are effectively managed.	<p>The areas examined were being managed with the exception of the following:</p> <p>Priority 2 and 3 issues:</p> <ul style="list-style-type: none"> <li>• Signalling products submitted to the Signalling Products Approval Forum Meeting (SPAFM) should be submitted via the Approved Products Register (APR). Of the 78 products sampled on the SPAFM register 53 did not include an APR number.</li> <li>• The signalling product approval process, and applications for products to be included on the APR, do not formally consider if the supplier has been approved for signalling products including safety critical products (as appropriate).</li> <li>• There is no process, when requesting that products are added to the SPC, to ensure that the product</li> </ul>

Reference	Report Title	Report Issued	Original Objective	Summary of Findings
				<p>has been approved and registered on the APR.</p> <ul style="list-style-type: none"> <li>The APR and SPC do not form a “single source of truth” for signalling products, use common part numbering systems, and cannot be used to identify which products are safety critical.</li> <li>Limitations to usage, trial parts and any concessions are recorded in the conditions section of the APR. There is no process for ensuring these conditions are adhered to.</li> <li>JNUP will be handed over from Projects to Asset Performance in October 2015. The product change control process, post October 2015, has not been determined.</li> </ul>
IA_14_832	Civil Engineering Inspection and Test Plans	24/06/2015 RI	To assess the overall effectiveness of Inspection and Test Plan (ITP) processes in the Civil Engineering areas of Stations projects. ITPs are of major importance in ensuring that the design intent is met during delivery, and that assets being delivered are fit for purpose throughout their lifecycle.	<p>The project areas examined were Kings Cross Escalators (KCE), Tottenham Court Road (TCR) Tunnels and Fitout, and Station Works &amp; Improvements Programme (SWIP) Projects.</p> <p>The results of this audit indicate that the application of the ITP process has been adequately controlled in the KCE project area, but requires improvement in the TCR and SWIP project areas. A number of opportunities to improve the effectiveness and efficiency of the ITP process in Stations projects have also been identified.</p> <p>Priority 1 Issues:</p> <ul style="list-style-type: none"> <li>KCE, TCR and SWIP - A number of concerns were identified relating to ITP and Check Sheet correlation. In some cases for TCR and SWIP, work has taken place without approved ITPs being in place. ITP Schedules were not available and it was not clear whether they were contractually required.</li> <li>SWIP - The intent and requirements of the Purchase Order, Contract and Works Information relating to ITPs have not been fully implemented, and problems with TfL Pathway Product Management Plans (PPMPs) were identified.</li> </ul> <p>Priority 2 Issues:</p> <ul style="list-style-type: none"> <li>TCR - The Contractor (Taylor Woodrow BAM Nuttall) has produced several ITP Trackers, and LU has prepared its own ITP Tracker. There are also separate TWBN and LU Trackers for Non-Conformance Reports (NCRs).</li> <li>KCE and SWIP - Evidence was not provided to demonstrate that Non-Conformance Reports (NCRs) were being used if and as appropriate.</li> <li>TCR and SWIP - It was not clear during the audit and evidence was not provided to demonstrate if and how Hold Points marked by LU had been attended or waived and signed off prior to the work proceeding.</li> <li>TCR - It was not clear during the audit and evidence was not provided to demonstrate if and how the TWBN Assurance Team undertakes the “targeted surveillance and routine monitoring” of the ITP process.</li> <li>TCR and SWIP - Numerous concerns for TCR (in particular Fitout Phase 1) and some concerns for SWIP relating to quality records have been identified in the audit report and audit session notes.</li> </ul>
<b>Major Catastrophic Incident</b>				
IA_14_836	Apprentice Health and Safety in Depots	08/05/2015 RI	To establish whether there is a documented process or procedure for the management of Apprentices' health and	<p>At the time of this audit the integration of the JNP Apprentice training scheme with the BCV and SSL Apprentice training scheme was in progress. Therefore there were some differences in how the Apprentices were managed in the two areas of the organisation.</p> <p>Areas of Effective Control:</p>

Reference	Report Title	Report Issued	Original Objective	Summary of Findings
			<p>safety at training and placement locations, and whether the procedure is being complied with by the training staff, depot staff and the Apprentices</p>	<ul style="list-style-type: none"> <li>• The supervision of Apprentices by suitably competent persons was found to be effectively controlled.</li> <li>• The 2014/15 Fleet Apprentice Placement Plan, for BCV /SSL and JNP Apprentices was evidenced at the depots and at Acton Training Centre.</li> <li>• There was evidence of emails from the Signals Apprentice Controller (BCV/SSL) to the Signals Placement Managers, alerting them about the imminent arrival of the Apprentices for placements, the course they have completed, what they are expected to cover at the location and the duration of the placement.</li> </ul> <p>Priority 1 Issues:</p> <ul style="list-style-type: none"> <li>• The 'Engineering Apprentice Handbook' used for managing Apprentices' health and safety at their placement locations is not currently in the company document management system.</li> <li>• The set objectives for Fleet Apprentices at Cockfosters and Northumberland Park depots were evidenced, but are not aligned to the National Vocational Qualification (NVQ). There were no set objectives evidenced for Apprentices at Neasden depot.</li> <li>• There was no evidence of documented communications between the Fleet Apprentice Controller (BCV/SSL) or Apprentice Manager (JNP) and the respective Placement Managers; informing them of the imminent arrival of and the arrangements for the Fleet Apprentice placement.</li> </ul> <p>Priority 2 issues:</p> <ul style="list-style-type: none"> <li>• The newly integrated 'Engineering Apprenticeship Handbook' does not explicitly identify the Depot Manager as the Placement Manager; therefore the Duty Depot Manager at Cockfosters depot was unaware that he is the Placement Manager. He was not aware of the forthcoming Apprentice placements in the depot.</li> <li>• The 2014/15 Placement Plan for JNP Apprentices did not cover 3rd year Apprentices.</li> </ul> <p>The hazards in the risk assessment at Cockfosters depot were not broken down into individual ratings for severity and likelihood, with identified risk controls against each hazard. It is therefore not possible to determine which controls are effective or to prioritise each hazard in terms of risk.</p>
IA_14_807	Health and Safety Change Control in LU Capital Programmes	<p style="text-align: center;"><b>18/05/2015</b> <b>RI</b></p>	<p>To provide assurance that the health and safety implications of changes to project baselines are adequately identified, assessed and controlled.</p>	<p>All the scope areas were examined during the audit, in addition to broaden the sample, Victoria Station Upgrade (VSU) and Station Upgrades were included.</p> <p>Areas of Effective Control:</p> <ul style="list-style-type: none"> <li>• Project Managers and HSE Managers were aware of the general principles of change control and Integrated Project Control as detailed in Pathway</li> <li>• Specific examples were seen where scope changes had occurred and safety implications had been identified and new safe methods of work produced</li> <li>• There was an awareness by Project Managers of the need to consult HSE Managers on scope changes to ensure that any safety implications are managed</li> </ul> <p>Priority 1 Issues:</p> <ul style="list-style-type: none"> <li>• Specific changes were made to Pathway in 2014. These related to keeping records to show assessment of baseline scope changes to ensure that resources were adequate to ensure work could be done safely, and that HSE Managers and other stakeholders are consulted. These changes were provided to the Office of Rail Regulation by LU as corrective actions following a safety incident where safety impacts for a scope change were not assessed. The templates provided in Pathway to ensure these records are kept are not used by projects and instead forms and records</li> </ul>

Reference	Report Title	Report Issued	Original Objective	Summary of Findings
				<p>retained are the same as before the changes were made.</p> <ul style="list-style-type: none"> <li>Changes that are not baseline changes are not governed by the Change Control Register Product. It is likely that the change that led to the Earls Court incident would not have been considered a baseline change in scope</li> </ul> <p>Priority 2 Issues:</p> <ul style="list-style-type: none"> <li>The Project Controls Handbook states that the Project Manager must “adhere to the quality criteria set out in the Change Control Register Product description”. However, the product description PD 0012 does not contain a Quality Criteria.</li> </ul>
IA_14_831	Management of Short Circuited Devices	22/05/2015 RI	To provide assurance of the correct manufacture, usage and storage of Short Circuit Devices (SCD) in regards to the category 1 standards and the LU Rule Books; it was also to gain assurance that the maintenance and inspection of the equipment is undertaken at the agreed intervals.	<p>Good Practice:</p> <ul style="list-style-type: none"> <li>The Jubilee line fleet and Emergency Response Unit maintenance schedules operate at a greater frequency than that required by the standard. This provides for contingency and ensures compliance should an inspection be missed.</li> </ul> <p>Areas of Effective Control:</p> <ul style="list-style-type: none"> <li>The manufacture and testing of SCDs by WECS is compliant with LU standards</li> <li>Those required to use SCDs are adequately trained in their use including a practical assessment.</li> <li>The CPD Protection Services Stores and ERU both maintain logs and records of the location and status of their SCDs.</li> <li>With the exception of 92TS, the SCD maintenance regimes applied by the fleet teams are effective.</li> </ul> <p>Priority 1 Issues:</p> <ul style="list-style-type: none"> <li>The SCDs sampled from the 92TS fleet were found to be out of date; an effective SCD maintenance regime was not in place.</li> </ul> <p>Priority 2 and 3 issues:</p> <ul style="list-style-type: none"> <li>SCDs are not recorded on the Ellipse or Maximo asset databases, the location and condition of SCDs is not recorded.</li> <li>There is no work instruction regarding the inspection of SCDs that may have been used and possibly exposed to traction current.</li> <li>The maintenance intervals for S-Stock and therefore SCDs is mileage based, which does not easily align with the calendar based requirements of standard S1116.</li> <li>The S-Stock SCD labels had not been updated following the most recent inspections.</li> <li>The CPD Protections Services Stores have not documented their inspection and maintenance regime.</li> </ul>
IA_14_816	Environmental Management through Pathway	19/06/2015 RI	To provide assurance that the environmental requirements required by TfL project management system Pathway are being delivered as required.	<p>Areas of Effective Control:</p> <p>The design of Pathway is such that it has the capability to assist the project teams to deliver its environmental obligations. Each project was able to provide some evidence and documentation that, either individually or as a suite of documents, environmental aspects of the project had been addressed.</p> <p>Priority 1 issues:</p> <ul style="list-style-type: none"> <li>None of the projects reviewed were fully compliant with the requirements of Pathway. Pathway was not the single consistent project management system used for the management of the projects sampled.</li> </ul>

Reference	Report Title	Report Issued	Original Objective	Summary of Findings
				<ul style="list-style-type: none"> <li>Specific environmental records required by Pathway were not being filed and archived as per the Pathway document 'Management System Requirements'</li> </ul> <p>Priority 2 issues:</p> <ul style="list-style-type: none"> <li>Listed recipients of Sustainability Assessment and Carbon and Energy Efficiency Plan data were unaware that a return is required from a project. There is a risk that intended recipients would be unaware should a data submission be omitted.</li> </ul>
IA_14_834	Northfields Depot Health and Safety Management	19/06/2015 RI	To provide assurance that health and safety legislation is being complied with through the local implementation of the TfL HSE management system and risk controls.	<p>During the audit, there were areas where improvements were identified. The business is aware of the most significant of these and plans are underway to address them as noted below.</p> <p>Areas of Effective Control:</p> <ul style="list-style-type: none"> <li>Statutory inspections of lifting equipment are being carried out to the required frequencies.</li> <li>Competence, including safety critical licensing, is managed and monitored to ensure staff meet licensing requirements.</li> <li>Effective processes exist for ensuring planned general inspections (PGIs) and tours are programmed, escalated where needed and that issues for remediation are allocated and tracked.</li> <li>Robust processes are in place for the management of contractors.</li> <li>Incident trends are monitored and individual incidents investigated in line with procedures.</li> </ul> <p>Priority 1 issues:</p> <ul style="list-style-type: none"> <li>It could not be evidenced that all activities have been suitably risk assessed and risks controlled to as low as is reasonably practicable. Northfields Depot are currently undertaking a project to review work instructions and provide associated risk assessments. Electrical safety is being prioritised and work on this is progressing well.</li> <li>Lifting activities are not covered by suitable lifting plans. A project is underway across London Underground COO to address this.</li> </ul> <p>Priority 2 and 3 issues:</p> <ul style="list-style-type: none"> <li>Manual handling risk assessments are limited to train maintenance activities only; manual handling operations which may be taking place within the wider depot activities have not been assessed.</li> <li>The majority of COSHH risk assessments have passed their three year review date.</li> <li>Maintenance arrangements have not been defined or implemented for some items of workshop equipment.</li> <li>There is a lack of clarity regarding where former Tubelines processes have been replaced by TfL HSEMS requirements.</li> </ul>
IA_14_803	LU Service Delivery Competence Management System	22/04/2015 AC	To assess key elements of the LU Competence Management System (CMS) in relation to LU Service Delivery to ensure it meets the requirements of legislation and guidance provided by the Office of	<p>Areas of Effective Control:</p> <ul style="list-style-type: none"> <li>There are defined objectives for the CMS and its implementation is measured through reports and targets</li> <li>Roles and responsibilities are defined and Assessors' competence is ensured through an NVQ Level 3 Award and internal assessment</li> <li>Records of assessments always include the date, time, location, standard met and method of assessment to demonstrate compliance with ORR requirements</li> </ul>

Reference	Report Title	Report Issued	Original Objective	Summary of Findings
			Rail Regulation (ORR)	<ul style="list-style-type: none"> <li>• Changes to the CMS are being identified and progressed in response to the Fit for Future Stations Change Programme</li> <li>• The CMS Team communicate changes, performance of the CMS and progress of actions plans to Employing Managers and assessors</li> <li>• Sub standard competence is being identified and addressed through action plans</li> </ul> <p>Issues:</p> <ul style="list-style-type: none"> <li>• 30% of assessor notes sampled did not contain qualitative information such as how the assessment was undertaken and any feedback given. These are designed to support the validity of the assessments. Verification checks are undertaken by CMS-Co-ordinators in line with written LU guidelines, but these were not available on the LU Competence Management Sharepoint site.</li> <li>• A number of CMS documents have not been reviewed for a number of years and there is no written process detailing how documents are periodically reviewed and in response to changes where required</li> <li>• Whilst it was found that the CMS team undertake a number of communication activities, there is no defined communication process.</li> </ul>
IA_14_835	The Maintenance of Water Systems to Control Legionella	27/05/2015 AC	To provide assurance that maintenance of water systems to control legionella bacteria contamination was being undertaken to specified requirements in compliance with the HSE Approved Code of Practice (L8).	<p>Data and records from maintenance activities carried out on behalf London Underground by M.J. Quinn were sampled from the following areas;</p> <ul style="list-style-type: none"> <li>• Heathrow Terminals 1,2,3 (APJNP)</li> <li>• Hammersmith Depot (AP SSL)</li> <li>• Golders Green Depot (APJNP)</li> <li>• Northumberland Park (AP BCV)</li> <li>• Sample of other sites to confirm the consistent application of requirements.</li> </ul> <p>Good Practice:</p> <p>The APJNP team made changes to the sampling programme and the subsequent improvement in data allowed for a more efficient treatment of the bacteria. These changes should be communicated to other teams so that they may benefit from them. (See paragraph 6.2)</p> <p>Areas of Effective Control:</p> <p>There was evidence of a good working relationship with the contractor, with information gathered from the maintenance sheets, returned by M.J. Quinn, forming part of the management information needed to monitor performance.</p> <p>Evidence was provided to demonstrate that a programme of water storage tank removal is nearing completion. New installations were being designed and installed taking into account best design practices and using Water Regulation Advisory Services (WRAS) approved materials. (See paragraph 4.2)</p> <p>Four priority three issues were identified:</p> <ul style="list-style-type: none"> <li>• Records associated with the management and control of Legionella were not stored on Livelink or a similar shared drive environment.</li> <li>• Complete traceability of inspection and test equipment utilised in the management and control of Legionella is not maintained.</li> <li>• Several management system documents make reference to the control of Legionella and</li> </ul>

Reference	Report Title	Report Issued	Original Objective	Summary of Findings
				<p>compliance to ACOP L8, but there is no single document that prescribes the process.</p> <ul style="list-style-type: none"> <li>Changes to water system usage brought about by organisational change at Heathrow 1, 2, 3 did not prompt a timely review of the Legionella risk assessment.</li> </ul>
IA_15_739	HSE Management in Bakerloo Line	19/06/2015 AC	This audit was part of a rolling programme of HSE Management Audits aimed at providing assurance regarding compliance with HSE legislation and that TfL/LU HSE Management System requirements were being followed and were working effectively.	<p>Areas of Effective Control:</p> <ul style="list-style-type: none"> <li>Roles and responsibilities for the new Area Managers are clear and defined</li> <li>Workplace Risk Assessments were undertaken and reviewed</li> <li>Noise Assessments have been completed where required</li> <li>Competence, including safety critical licensing was managed and monitored</li> <li>Periodic medicals were planned and attended at the required intervals</li> <li>Staff hours were monitored and changes recorded</li> <li>Suitable processes were in place for managing staff and tenants familiarisation</li> <li>Current Station Security Programmes were available and adequate checks were completed</li> <li>Pro-active monitoring programmes were undertaken, findings reported and remedial actions implemented</li> <li>Incident trends were monitored and individual incidents investigated</li> </ul> <p>Priority 1 Issues:</p> <ul style="list-style-type: none"> <li>Display Screen Equipment (DSE) training and assessments were not completed for all users</li> </ul> <p>Priority 2 or 3 Issues:</p> <ul style="list-style-type: none"> <li>Changes to Workplace Risk Assessments for medically restricted staff were not recorded on F1030 to ensure there is a recorded agreement between the manager and member of staff</li> <li>Evacuation Safety briefings were not provided to the auditor on arrival at stations</li> <li>Sub-surface stations were not in compliance with the Operation Standard No. LF24 which reflects an agreement between LU and the LFEPA for annual live evacuations</li> <li>Fire call point testing at Elephant &amp; Castle's Train Crew Depot did not meet requirements</li> <li>The Health &amp; Safety and Train Operator Notice Cases at Elephant and Castle's booking on point were not suitably managed</li> <li>A Line Speed Checks Risk Assessment was not completed. The frequency of current speed checks did not meet minimal requirements</li> <li>There were no records that night worker health questionnaires were issued</li> <li>Working Exceedance Authority forms were not completed when working hours are exceeded.</li> <li>First Aid provision arrangements have not been assessed at all locations</li> </ul>
IA_15_745	LU Emergency Response Unit (ERU) HSE Management	24/06/2015 AC	This audit is part of a rolling programme of HSE Management Audits aimed at providing assurance regarding compliance with	<p>Good Practice:</p> <ul style="list-style-type: none"> <li>There is an app on the team's iPads that directs the user to all current risk assessments so there is no need to carry hard copies to site.</li> </ul> <p>Areas of Effective Control:</p>

Reference	Report Title	Report Issued	Original Objective	Summary of Findings
			<p>HSE legislation and that TfL/LU HSE Management System requirements are being followed and are working effectively.</p>	<ul style="list-style-type: none"> <li>• All generic risk assessments are in date and are easily accessible by all ERU staff</li> <li>• The training matrix is monitored and managed to a high standard ensuring that licences and competence is maintained</li> <li>• Reactive monitoring is well controlled and actions followed through to closure</li> <li>• All PGIs are completed within the timeframe set and actions tracked</li> <li>• There is good staff awareness on all HSE issues, especially regarding electricity at work and manual handling.</li> </ul> <p>Priority 2 and 3 issues:</p> <ul style="list-style-type: none"> <li>• There is a lack of consistency of how dynamic risk assessments are being used. Some teams are completing them for every task and others by exception.</li> <li>• The Management System (Working at TfL – Safety Tours) requires senior managers to complete safety tours at all their locations. There was no evidence that the Head of AP JNP or Stations Manager had completed any tours in ERU</li> <li>• Equipment stored on the higher drawers of the ERU van was not easily accessible. A specialist company, dorsaVi, have been procured to undertake a Manual Handling assessment.</li> <li>• Although first aid equipment and trained first aiders were provided there was no first aid risk assessment completed showing how the levels had been determined</li> <li>• Where staff are on medically restricted duties, there was evidence showing what duties can be completed. However, the Management System form was not being used to record agreements between the manager and the member of staff.</li> </ul>

**INTERNAL AUDIT CUSTOMER FEEDBACK FORM**  
**SUMMARY OF RESPONSES FOR 2015/16**  
**Quarter 1**

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: Q1 = 49 (Q4=81 )**

**Customer Feedback Forms Returned: Q1 = 13 (Q4 = 39)**

	No score given	Very poor	Poor	Satisfactory	Good	Very good	Average Score
ASSIGNMENT ASSESSMENT CRITERIA	1	2	3	4	5		
<b>PLANNING AND TIMING</b>							<b>4.0(4.5)</b>
The assignment timing was agreed with me and there was appropriate consideration of my other commitments as the work progressed	0(0)	0(0)	0(1)	3(2)	4(14)	6(22)	
The assignment was completed and the report issued within appropriate timescales	0(0)	1(0)	2(1)	2(2)	3(13)	5(23)	
<b>COMMUNICATION</b>							<b>4.0(4.4)</b>
Communication prior to the assignment was appropriate, including the dates and objectives	0(0)	1(0)	0(0)	3(2)	2(15)	7(22)	
Throughout the assignment I was informed of the work's progress and emerging findings	0(0)	0(0)	2(0)	2(7)	4(10)	5(22)	
<b>CONDUCT</b>							<b>4.3(4.5)</b>
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)	3(3)	3(17)	7(19)	
The Internal Audit team acted in a constructive, professional and positive manner	0(0)	0(0)	1(0)	1(1)	4(14)	7(24)	
<b>RELEVANT AND USEFUL ADVICE AND ASSURANCE</b>							<b>4.2(4.4)</b>
A fair summary of assignment findings was presented in the report	0(0)	1(1)	0(0)	1(5)	4(10)	7(23)	
Assignment recommendations were constructive, practical and cost-effective	0(0)	0(0)	1(0)	3(7)	1(12)	8(20)	
My concerns were adequately addressed and the review was beneficial to my area of responsibility and operations	0(1)	0(0)	1(0)	3(6)	3(14)	6(19)	
<b>Overall assessment</b>							<b>4.1(4.4)</b>

Other comments including suggested improvements and areas of good performance:

*Very professional approach, the opening meeting agreed the terms of the audit and then the audit followed those terms*

*A good understanding was achieved in a short timescale.*

*Agreeing the 'management actions' protracted the process somewhat*

*As this was a follow up to an audit recorded as poorly controlled, the auditor had a good understanding of the subject and was able to fully appreciate the improvements*

*Findings were dealt with as they arose*

*Interviews, attendance at workshops and meetings built up the required knowledge*

*After the initial auditor left on maternity leave, there was a delay of approximately 6 weeks with no replacement in place.*