Transport for London

Minutes of the Audit and Assurance Committee

Conference Rooms 1 and 2, Ground Floor, Palestra, 197 Blackfriars Road, London, SE1 8NJ
10.00am, Wednesday 5 March 2014

Members

Keith Williams	Chair
Steve Wright	Member, Vice Chair
Richard Barnes	Member
Charles Belcher	Member
Brian Cooke	Member
Baroness Grey-Thompson	Member

Present

Steve Allen	Managing Director, Finance
Simon Bicknell	Head of Financial Services Centre (for part)
Nigel Bignall	Licensing Manager (for part)
Howard Carter	General Counsel
David Goldstone	Chief Finance Officer
Graham Robinson	Head of Licensing (for part)
Clive Walker	Director of Internal Audit

In Attendance

Robert Brent	Audit Partner, KPMG
Malcolm Footer	Senior Manager, KPMG
Sue Riley	Secretariat Officer

92/03/14   Apologies for Absence

There were no apologies for absence.

93/03/14   Declarations of Interest

Charles Belcher declared an interest as a member of Atos Origin Advisory Council on Transport. Baroness Grey-Thompson declared an interest as a member of the London Legacy Development Corporation.

94/03/14   Minutes of the Meeting of the Audit and Assurance Committee Held on 18 December 2013

The minutes of the meeting held on 18 December 2013 were approved as a correct record and signed by the Chair.

95/03/14   Matters Arising and Actions List

The Committee noted the Actions List.

96/03/14   Management Actions Report

Clive Walker introduced the report which set out recommendations to management which had not been actioned. There were no recommendations more than 60 days overdue.

The Committee noted the report.

97/03/14   Crossrail Audit Committee

Clive Walker introduced this report on matters discussed at the Crossrail Audit Committee meeting held on 16 December 2013.

It was agreed that future reports would include additional information regarding the overall assurance arrangements in respect of Crossrail and a statement from the Director of Internal Audit confirming that there were no issues for concern. KPMG would also include a similar statement in the External Audit reports.   **[Action: Clive Walker]**

Officers would confirm whether Committee Members could receive a copy of the Crossrail Audit Committee minutes for information.   **[Action: Secretariat]**

The Committee noted the report.

98/03/14   Internal Audit Quarter 3 Reports 2013/14

Clive Walker presented the Internal Audit Quarter 3 report informing the Committee of the audit work completed in the third quarter of 2013/14, work in progress and work planned for Q4 2013/14.

The Committee discussed the Final Audit Report in respect of the London Transport Museum stock, which had not yet been closed due to some outstanding management actions.

It was agreed that the frequency of the Vehicle Maintenance Schedule in place for Dial a Ride would be checked and confirmed.   **[Action: Clive Walker]**

A follow up report on cyber security would be submitted to the next meeting as a Part 2 item.   **[Action: Steve Townsend]**

The Committee noted the report.

99/03/14   TfL Integrated Assurance Framework

Clive Walker introduced the revised TfL Integrated Assurance Framework.

The Committee noted the Framework.

100/03/14 Integrated Assurance Plan 2014/15

Clive Walker presented the 2014/15 Integrated Assurance Plan 2014/15.

The Committee discussed how the over-arching success and benefits realisation of projects in the long term could be monitored and measured. A report would be submitted

to a future meeting on the sustained delivery of TfL's programme of savings and efficiencies.   **[Action: David Goldstone]**

The Committee approved the Plan.

101/03/14   Update: Strategic Risk Management Quarter 3 2013/14

David Goldstone presented the update on the status of TfL's Non Project Strategic Risks and proposed mitigations at the end of Quarter 3, as reflected in the Strategic Risk Register. A further paper on Part 2 of the agenda set out TfL's Quantified Risk Schedule.

It was agreed that the recruitment and retention of skilled staff be added to the People Strategy risk, and that timescales be included in all future reports.
                                          [Action: David Goldstone]

The Committee noted the paper.

102/03/14   Review of TfL's Independent Reporting Lines for Year Ended 31 December 2013

Howard Carter presented this paper providing an update on reports to the independent staff reporting lines during 2013.

It was agreed that any relevant information arising from Confidential Incident Reporting and Analysis System (CIRAS) reports be included in future Safety, Accessibility and Sustainability Panel reports.   **[Action: Jill Collis]**

The Committee noted the paper.

103/03/14   National Fraud Initiative 2012/13 Update

Simon Bicknell, Nigel Bignall and Graham Robinson introduced the update report on the National Fraud Initiative exercise for 2012/13. A detailed Appendix to the report was considered on Part 2 of the agenda.

The regulation of Blue Badge Parking Permits was the responsibility of each individual local authority, and TfL was only able to validate requests in relation to congestion charging exemptions.

Further information was provided on the National Fraud Initiative matching of Taxi and Private Hire licences against UK Border Agency records of right to work in the UK. Where the matching process indicated that a driver had no right to work, further enquiries were then made by TfL, with individuals being written to and requested to provide evidence of right to work. On the basis of responses to these enquiries, licenses were either confirmed or revoked.

The Committee noted the paper.

104/03/14 Any Other Business the Chair Considers Urgent

It was reported that as a result of a complaint regarding the use of personal Oyster card data, and following an internal investigation, a TfL employee had resigned. The information Commissioner had been advised of the case, and management controls of such data were being assessed.

There was no business that the Chair considered urgent.

105/03/14 Date of Next Meeting

The next meeting would be held on Wednesday 18 June 2014.

106/03/14 Exclusion of Press and Public

The Committee agreed to exclude the press and public from the meeting, in accordance with paragraphs 3, 5 and 7 of Schedule 12A to the Local Government Act 1972 (as amended), in order to consider the following items of business, which contained information relating to the financial or business affairs of a person or authority and contained issues where a claim to legal professional privilege could be made.

107/03/14 Matters Arising

There were no additional matters arising.

108/03/13 Strategic Risk Management Quarter 3 2013/14

David Goldstone presented the report updating the Committee on the status of TfL's Non Project Strategic Risks and proposed mitigations, as set out in the Quantified Strategic Risk Schedule.

The Committee noted the paper.

109/03/14 National Fraud Initiative 2012/13 Update - Appendix

Simon Bicknell, Nigel Bignall and Graham Robson introduced the report containing detailed supplementary information to the paper already discussed on Part 1 of the agenda.

The Committee noted the paper.

The meeting closed at 11.30am.

Chair: _____

Date: _____