

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 17 December 2014

Members

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

Present

Steve Allen	Managing Director, Finance
Sarah Bradley	Head of Group Financial Accounting
Rob Brooker	Fraud Investigation Manager (for 166/12/14)
Howard Carter	General Counsel
Stephen Field	Director of Pensions and Reward (for 165/12/14)
Siwan Hayward	Deputy Director, Enforcement and On-Street Operations (for 168/12/14)
Sebastien Losq	Head of Customer Technology (for 169/12/14)
Andrew Pollins	Interim Chief Finance Officer
Mike Tuckett	Head of Transformation Delivery (for 169/12/14)
Clive Walker	Director of Internal Audit
Sue Riley	Secretariat

In Attendance

Robert Brent	Audit Partner, KPMG
--------------	---------------------

158/12/14 Apologies for Absence

There were no apologies for absence.

159/12/14 Declarations of Interest

Charles Belcher declared an interest as a member of Atos Origin Advisory Council on Transport. Baroness Grey-Thompson, DBE declared an interest as a member of the London Legacy Development Corporation. Steve Wright declared an interest as Chair of the Licensed Private Hire Car Association regarding any matters concerning private hire vehicles.

160/12/14 Minutes of the Meeting of the Audit and Assurance Committee Held on 8 October 2014

The minutes of the meeting held on 8 October 2014 were approved as a correct record and signed by the Chair.

161/12/14 Matters Arising and Actions List

It was agreed that cyber security would be a standing item on future agendas and the item would include any updates on IT issues which had occurred during the previous quarter.

[Action: Steve Townsend]

The Surface Transport Panel was scheduled to consider a review of social needs transport at its meeting on 11 February 2015. Once the findings from this review had been implemented, the Committee requested that internal audit conduct a review of the effectiveness of Dial-A-Ride.

[Action: Clive Walker]

The Committee noted the Actions List.

162/12/14 Management Actions List

Clive Walker presented the report on recommendations to management which had not been actioned and were more than 60 days overdue.

The Committee noted the report.

163/12/14 Internal Audit Quarter 2 Report 2014/15

Clive Walker introduced the report of audit work completed in quarter 2 of 2014/15, work in progress and work planned for quarter 3.

A report would be submitted to a future meeting of the Committee on improvements made to taxi and private hire compliance towards implementing intelligence led, risk based approach to the tasking and deployment of compliance officers, and the early results.

[Action: Steve Burton]

The Director of Internal Audit would carry out a further audit on enforcement and on-street operations once the changes to the compliance regime had been implemented.

[Action: Clive Walker]

The Committee noted the paper.

164/12/14 Crossrail Audit Committee

Clive Walker presented the paper on matters discussed by the Crossrail Audit Committee on 6 October 2014.

The Committee noted the report.

165/12/14 Strategic Risk Management Update – Quarter 2, 2014/15

Andrew Pollins presented the update on TfL's Non-Project Strategic Risk and proposed mitigations at the end of quarter 1 2014/15 and the supplementary paper on Part 2 of the agenda. Stephen Field was in attendance to answer questions on people risk and human resource issues.

An informal briefing session would be held for Board Members on the Industrial Relations Strategy, the implementation plan, and feedback from the staff survey 'Viewpoint'.

[Action: Tricia Riley]

The Committee noted the updates.

166/12/14 Half Yearly Fraud Report 2014/15

Rob Brooker introduced the Half Yearly Fraud Report 2014/15 and the supplementary paper on Part 2 of the agenda.

Members raised the issue of 'cash for crash' fraud cases and it was agreed that further information on any known cases would be provided to Members. **[Action: Clive Walker]**

Future reports would include the names of successfully prosecuted individuals for fraudulent activities, confirm whether press releases had been issued, and include more detailed information on the numbers of suspects involved. **[Action: Rob Brooker]**

The Committee noted the reports.

167/12/14 Legal Compliance Report (1 April 2014- 30 September 2014)

Howard Carter presented the report summarising information provided by each TfL Directorate for the Legal Compliance Report for the period 1 April - 30 September 2014.

TfL continued to have good performance in responding to requests made under the Freedom of Information Act and the Environmental Information Regulations within the statutory time limit.

The Committee welcomed the continuous reduction in the number of Employment Tribunals and thanked General Counsel for improvements in this area.

Further information would be provided on the claims for personal injury against Surface Transport. **[Action: Andrew Pollins]**

The Committee noted the report.

168/12/14 Personal Data Disclosure to Police and Other Law Enforcement Agencies

Siwan Hayward introduced the paper on the operation of TfL's disclosure of personal data policy to the police and other law enforcement agencies.

There had been a significant increase in data requests received, and these had been managed with no additional resource. TfL was actively contributing to the reduction in crime on the transport system overall through collaboratively working with the police and other enforcement agencies. The proportion of rejected requests for data and information had declined due to improvements in the quality of requests.

A further report would be submitted to a future meeting of the Committee on TfL's revised policy for the disclosure of personal data to police and other law enforcement agencies, to support crime reduction in London. **[Action: Steve Burton]**

Members would be provided with a breakdown by type of crime/ incidents for low volume data requests (fewer than 100 of a crime type in a year). **[Action: Steve Burton]**

Members requested that future reports include a breakdown of data requests by taxi and private hire licensees. **[Action: Steve Burton]**

The Committee noted the paper.

169/12/14 Contactless – Security Controls in Place to Protect Payment Card Data

Sebastien Losq and Mike Tuckett presented the paper on security controls in place to protect payment card data in use on contactless travel and the supplementary paper on Part 2 of the agenda.

In future, the Committee would receive a six monthly high level report on security controls. **[Action: Shashi Verma]**

The Committee noted the paper.

170/12/14 External Auditor Appointment

Sarah Bradley presented the update of the outcome on the process for selecting and appointing external auditors for TfL and for Transport Trading Limited (TTL) and its subsidiaries for the two years ending 31 March 2016 and 2017.

The Committee noted the paper.

171/12/14 Any Other Business the Chair Considers Urgent

There was no urgent business.

172/12/14 Date of Next Meeting

The next meeting would be held on Wednesday 4 March 2015 at 10.00am.

173/12/14 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 exempt information in relation to the items on: Matters Arising; Effectiveness Review of the External Auditors; Cyber Security and Strategic Risk Management Update – Quarter 1. These papers 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.

The meeting closed at noon.

Chair: _____

Date: _____