

Date: 17 December 2014

Item: Internal Audit Quarter 2 Report 2014/15

**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 second quarter of 2014/15, the work in progress and work planned for Quarter 3.

**2 Recommendation**

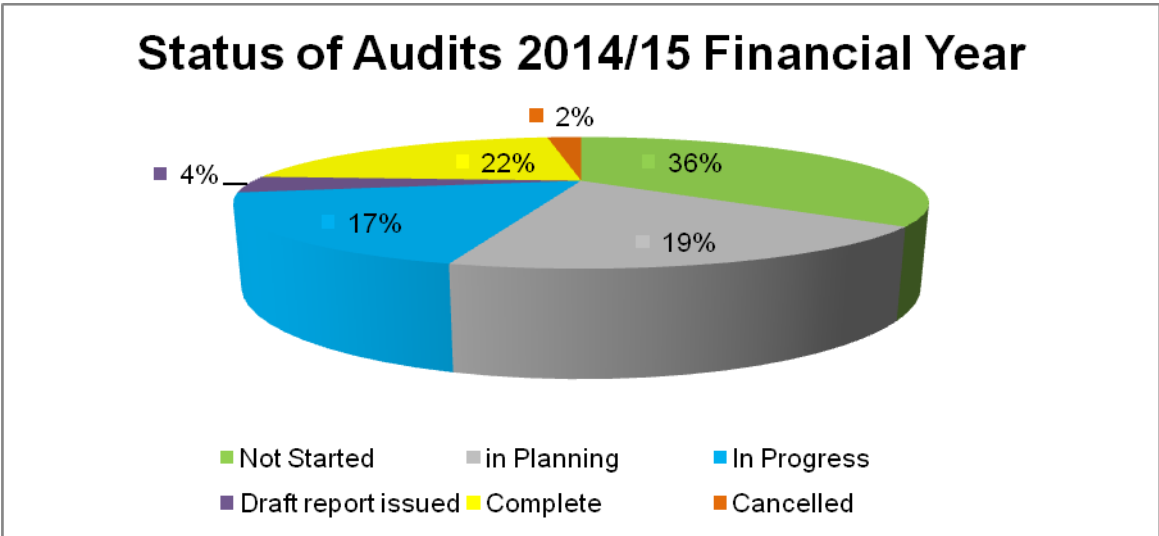
2.1 The Committee is asked to note the report.

**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 2014/15 audit plan, including work in progress brought forward from 2013/14.



4.2 There were 13 Final Audit Reports 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. 30 Final Audit Reports have been issued in the year to date (2013/14 YTD: 21).

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 and in the year to date, together with comparative year to date figures for 2013/14.

	Interim Audit Reports					Health, Safety & Environment and Technical (HSE&T) Audit Reports*					Other Outputs (Advisory Reports/ Memos)	Total
	WC	AC	RI	PC	Total	WC	AC	RI	PC	Total		
	WC – well controlled AC – adequately controlled RI – requires improvement PC – poorly controlled											
This Quarter	2	7	3	0	12	1	17	9	1	28	13	53
YTD	5	11	5	1	22	1	32	14	2	49	19	90
YTD 2013/14	2	10	11	4	27	n/a	n/a	n/a	n/a	35	15	77

\* - HSE&T Audit Reports did not carry overall conclusions in 2013/14

- 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:
- (a) our review of NEC3 compensation events in LU noted that the limitations of the database used to manage them hindered effective analysis and reporting. We also found that some compensation events could be avoided with better planning. Management is taking forward actions to address the issues found;
  - (b) our audit of the Commercial Development Business Plan found that good progress had been made in establishing a robust Business Plan but highlighted a number of areas where governance around delivery of the plan could be strengthened. We will carry out further audit work in the course of the year to provide assurance on particular elements of plan; and
  - (c) real time audits of the procurements of the Professional Services Frameworks; the Traffic Control Equipment Maintenance and Related Services 2 Contract; and the Crossrail Train Operating Concession found that in each case the procurement was being effectively managed.
- 4.6 Summaries of the HSE&T Audit reports issued during Quarter 2 are set out in Appendix 6. One HSE&T report issued during the quarter had a 'poorly controlled' conclusion. The audit of management of Communication Equipment Rooms in LU identified a number of weaknesses in the control arrangements including issues over ownership, procedures, inspection and fault reporting. Management action is being taken forward to address the issues found.
- 4.7 Work in progress at the end of Quarter 2 is shown in Appendix 1 and work due to start in Quarter 3 is shown in Appendix 2.
- 4.8 Seven pieces of work were added to the plan during the quarter in response to management requests. These included:

- (a) work requested by the Crossrail Fraud Assurance Group to provide assurance against the risk of duplicate payments;
  - (b) a consultancy review using six sigma techniques to identify improvements to the Applications Process used by the Commercial Centre of Excellence Procurement Operations team; and
  - (c) reviews of safety critical licensing in JNP and SSL to follow up on the embedding of actions arising out of audits carried out last year.
- 4.9 Nine audits were cancelled or postponed during the period. The majority of these were HSE&T audits, and included three in relation to aspects of the Trams contract which were cancelled as the contract with Bombardier was not being renewed. Other cancellations were typically due to retiming of the business activity subject to review, or to allow prioritisation of other work.

## **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 2.

### **Project assurance**

- 5.2 The TfL Programme Management Office 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, are not assured to the same depth as a project with novel engineering for the same cost. All projects with an Estimated Final Cost (EFC) over £50m are reviewed under the same IAR process but with additional input from the Independent Investment Programme Advisory Group (IIPAG).
- 5.3 In Quarter 2, 22 IAR reviews were conducted, with the IIPAG providing oversight and guidance on nine reviews, all of projects with an EFC of over £50m. Issues arising from the reviews are presented to the operating boards with agreed actions, owners and timescales.
- 5.4 The reviews are normally conducted using an External Expert (EE). However, significant effort is being applied to deliver a number of Peer Reviews, where internal review teams carry out the IAR in place of the EE. This initiative will promote knowledge sharing and collaborative working across the project community. Small financial savings are also anticipated. In 2013/14, fourteen reviews were conducted using Peer review teams, approximately 12 per cent of the total, and this initiative is continuing in 2014/15, with five peer reviews carried out during Quarter 2 (YTD: nine).
- 5.5 Some of the more significant reviews during Quarter 2 were: a Close IAR of Cycle Hire Implementation Programme; Contract Award of Northern Line Extension to Battersea; and Option IAR of Jubilee Line World Class Capacity.

## **Crossrail Assurance Providers**

- 5.6 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 Quarter 2 is summarised in the following paragraphs.
- 5.7 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. Six audit reports were issued during the quarter covering: Signalling System Design Strategy; Technical Assurance; Assurance Information and Building the Digital Model; Completion of the Running Tunnels; Engineering Safety Management; and Materials Compliance Procedure. There were no significant issues arising from these audits, although in two of them concerns were raised over documents in the Management System not being up to date.
- 5.8 Contractor HSQE Audits – There is a programme of over 150 contractor audits for 2014/15 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; electrical safety; management of work equipment; materials compliance and occupational health. There were no particular trends arising from this work.
- 5.9 Contractor Commercial Reviews – This team carries out commercial assurance reviews 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.

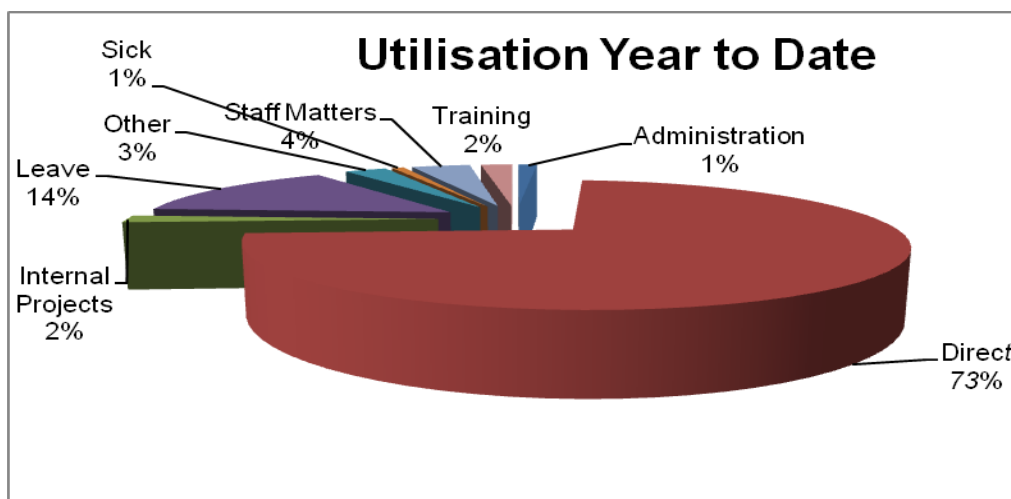
## **Embedded assurance**

- 5.10 In addition to HSE and Technical audits carried out by Internal Audit, a number are carried out during the year by staff 'embedded' throughout TfL for whom auditing is just a part of their role. At this time, we are aware of audits being carried out in the following areas:
- (a) Surface Transport;
  - (b) London Overground; and
  - (c) LU Capital Programmes Directorate.
- 5.11 Embedded audit work in relation to Surface Transport and London Overground was incorporated in the Integrated Assurance Plan for 2014/15, approved by the Audit and Assurance Committee in March, and progress is reported below. Information from the LU Capital Programmes Directorate, and other areas that may be identified, will be incorporated into reports in due course.

- 5.12 Surface Transport – 11 contractor audits were completed by embedded auditors within Surface Transport, consisting of management system audits at four bus operators and two boat operators, and physical condition audits at five non-TfL piers. There were no significant issues identified, but one of the bus operators was found not to have closed out some actions from a previous audit. Following a meeting with the Bus Operator, involving the TfL Director of Buses, action is being taken to address the outstanding issues and the Surface Transport Safety Team will be monitoring to ensure they are completed.
- 5.13 London Overground – Three audit reports were delivered during Quarter 2 including reviews of Standards Management and Fleet Operator Recognition Scheme Compliance, and a supplier audit of Carillion. One CAR (Corrective Action Report) was raised in the latter audit in relation to maintenance of a register of temporary speed restrictions.

## 6 Resources

- 6.1 One HSE&T Auditor left the department during the quarter to take up a post in Crossrail. Following a recruitment process, the resulting vacancy has recently been filled.
- 6.2 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, continued to meet on a quarterly basis. Current areas of focus include the development of assurance maps for a number of business areas; assurance progress reporting to the operating businesses; ongoing development of TfL's Control Self Assurance processes; and improving the linkages between assurance and the strategic risk management process.
- 7.2 We continue to meet regularly with the Head of the TfL PMO to discuss upcoming work and ensure that any potential areas of overlap are properly managed. We are currently piloting with the PMO an assurance database that will enable relevant managers in the business to easily access copies of audit and project assurance reports and information on upcoming assurance work.

- 7.3 We are working with the Commercial Directorate on development of a Management Consulting Commercial Category, which aims to promote the use of internal resources (including Internal Audit) to meet some of TfL's management consultancy needs, as an alternative to using external suppliers.
- 7.4 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. Recently, the Department for Transport has sent representatives to the CIAG with a view to obtaining insight into how it adds value to the assurance process, and potentially adopting a similar approach for HS2 and Thames Tideway Tunnels.

## **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 2 2014/15  
Appendix 2: Work Planned for Quarter 3 2014/15  
Appendix 3: Final Reports Issued in Quarter 2 2014/15  
Appendix 4: Interim Reports Issued in Quarter 2 2014/15  
Appendix 5: Consultancy Reports and Memoranda Issued in Quarter 2 2014/15  
Appendix 6: HSE and Technical Reports Issued in Quarter 2 2014/15  
Appendix 7: Customer Feedback Form – Summary of Responses for Quarter 2

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

Audit reports.

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<b>Transport for London</b>	<b>Appendix 1</b>
<b>Internal Audit plan 2014/15 by directorate</b>	
<b>Approved by the TfL Audit and Assurance Committee 5 March 2014</b>	<b>Work in Progress-as of the end of Quarter 2 2014/15</b>
<b>Audit</b>	<b>Objective</b>
<b>Pan TfL</b>	
<b><i>Maintaining a long term strategic, balanced Plan within the constraints of available resources</i></b>	
Horizon Follow Up Review	To provide ongoing support to the Project Horizon follow up review led by the Chief Finance Officer.
<b><i>Delivery of capital investment portfolio</i></b>	
Business cases	To review the use of business cases to provide a sound basis for decision-making, focusing in particular on options appraisals; the extent to which the wider implications of projects (e.g. crime & disorder, fraud risk, social value and equality & inclusion) are compliant with TfL requirements, consistently addressed and captured; and the inclusion of appropriate levels of detail.
<b><i>Environmental impact of delivering a transport service</i></b>	
Implementation of Environmental Strategy / Initiatives	To review the processes and controls around TfL's environmental strategy / objectives.

Audit	Objective
<b>Rail and Underground</b>	
<b><i>Delivery of capital investment portfolio</i></b>	
Transfer of West Anglia services	To provide assurance that the project to transfer the Contracting Authority for West Anglia Services from DfT to TfL is being managed in an efficient and effective manner.
LU estimate review and validation process	To provide assurance that the estimate review and validation process within London Underground is carried out effectively.
Asset Registers and Asset Information	To assess effectiveness of processes and practices for ensuring that products are accepted and registered (S1041 and S1011).
Bank Project Technical Team	To provide assurance over the Bank Project technical team's compliance with the Railways and Other Guided Transport Systems (Safety) Regulations (ROGS) and associated LU Standards and processes, and identify any improvement opportunities that could be adopted by the Bank project and other parts of LU.
Signalling Configuration Management	To provide assurance in relation to configuration management of signalling and control systems such that disruption to service is avoided and traceability of assets is maintained.
Procurement of the new DLR Franchise	To ensure that the procurement process employed for Refranchising of Docklands Light Railway Operations and Maintenance is in accordance with approved procedures and EU directives and is open, fair and transparent.
Procurement of the Crossrail Train Operating Concession (CTOC)	To ensure that the procurement processes employed for the CTOC are in accordance with approved procedures and EU directives, and are open, fair and transparent.
Depot Equipment Maintenance	To provide assurance that assets in depots are owned and maintained.



<b>Audit</b> Bridges and Structures and Deep Tube Tunnels Maintenance Regime	<b>Objective</b> To examine the maintenance regimes for these assets across LU to ensure that the assets remain in a condition not affecting safety and railway operations and prevent later costly interventions.
Management of Rolling Stock Information	Assess systems for ensuring the update and accuracy of drawings and process instructions, particularly resulting from rolling stock modifications.
<b>Security</b>	
Security of LU Tenants	To review LU Station tenancies from a security risk management perspective and the process supporting personnel security arrangements in respect of tenants.
Anti Money Laundering (Dyed bank notes) Governance Procedures - LOROL	To review the current procedures supporting the identification of dyed bank notes that have been obtained through crime and the evidence gathering process to support this.
<b>Major incident - external</b>	
Modular Incident Control Command System (MICCS) - LU	Post Implementation Review of the MICCS to ensure that the auditee has established effective processes to review and verify the adequacy of the project outcome and results, identify lessons learned, and develop an action plan where appropriate.
BCV Fleet HSE Management and Safety Critical Licensing	Follow up on last year's audit to ensure actions have been embedded. Also to ensure environment control is in compliance with ISO 14001 standards and the Management System.
SSL Fleet HSE Management and Safety Critical Licensing	Follow up on last year's audit to ensure actions have been embedded. Also to ensure environment control is in compliance with ISO 14001 standards and the Management System.
LU Power Competence	To assess arrangements for ensuring the adequate competency, training and licensing of staff.
Power Maintenance Team HSE Management	To assess compliance and effectiveness of management arrangements designed to ensure legal compliance, health and safety of employees and minimise impacts on the environment.
Review of the Commercial Centre of Excellence Procurement Operations Team 'Applications Process'	To provide Consultancy support regarding the 'Applications Process' identifying improvements to ensure clear information is provided to suppliers and requests for clarification are answered within the timeframe permitted.

Audit	Objective
<b>Surface Transport</b>	
<b><i>Delivery of capital investment portfolio</i></b>	
<b>Procurement of Bus stops and Shelters</b>	To ensure 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.
Traffic Control Equipment Maintenance and Related Services 2 (TCMS2)	Provide assurance that the decision making process in place for governing the letting and implementation of the TCMS2 contract ensures the objectives of the contract are achieved.
<b><i>Major incident - external</i></b>	
Modular Incident Control Command System (MICCS) - Surface	Post Implementation Review of the MICCS to ensure that the auditee has established effective processes to review and verify the adequacy of the project outcome and results, identify lessons learned, and develop an action plan where appropriate.
Change Control - Surface Transport Organisational Change	An audit of how well the HSE implications of the Surface Integration Programme were identified, assessed and mitigated.
Enforcement and On-Street Operations (EOS) Taxi and Private Hire compliance	To provide assurance and advice to EOS on the TPH Compliance control environment.
<b><i>Financial and Governance Controls</i></b>	
LRS Healthcheck	Healthcheck audit of general financial and business controls at LRS.
<b>Finance</b>	
<b><i>Maintaining a long term strategic, balanced Plan within the constraints of available resources</i></b>	
Commercial Development - Use of space at stations (e.g. 'Click-and-Collect')	To provide assurance that the introduction of secondary revenue commercial enterprises efficiently and effectively maximise income from station space, through initiatives such as Click-and-Collect and Kiosks.

<b>Audit</b> Commercial arrangements for sponsorship	<b>Objective</b> To provide assurance that the tender for the new Cycle Hire Scheme sponsor is being developed and governed in a controlled manner and likely to provide optimum benefit to TfL.
Procurement of Pan-TfL Advertising Services Contract	To provide assurance that the procurement of the Pan-TfL advertising services contract is managed effectively, in accordance with the approved procedures, with appropriate management oversight and governance.
<b><i>Delivery of capital investment portfolio</i></b>	
Run Better Programme	Provide assurance that the transformation projects delivered under the Run Better Programme in the current financial year achieve effective solutions in line with TfL's strategic objectives and business requirements.
Transforming Information Management (TIM)	Provide assurance on the effectiveness of the programme of work, approach and processes involved in defining and implementing the TIM strategy and delivery of the programme objectives.
Management of the Commercial Transformation Programme	To obtain assurance that the management of the changes proposed adhere to an agreed process and that the process to achieve the changes is adequately considered so as to ensure an accurate, robust and measurable change.
<b><i>Risk of an Information or Cyber Security incident on key services that support business and/or network operations</i></b>	
Information Security Model (including Framework)	Working with the Chief Information Security Officer (CISO) to provide assurance on the effectiveness of the approach and plan that has been implemented to establish and maintain a formalised and consistent information security model.
Third Party Access to SAP Systems	Provide assurance on the design and effectiveness of the controls that have been implemented to manage third party access (e.g. contractors, non-employees) to SAP and other systems.

<b>Audit</b>	<b>Objective</b>
<b><i>Financial and Governance Controls</i></b>	
Specialist Services Risk Management	To review the effectiveness of risk management processes in operation within Specialist Services for identifying, assessing, managing & reporting on risk.
Scorecards	Review controls over scorecards and indicators and provide assurance on accuracy and integrity.
JNP - Payroll Data Integrity	To provide assurance on the processes, procedures and controls that have been implemented to ensure the integrity, availability and confidentiality of the JNP payroll data maintained in the Axiom solution.
<b>Customer Experience, Marketing and Communications</b>	
<b><i>Maintaining a long term strategic, balanced Plan within the constraints of available resources</i></b>	
TfL web hosting arrangements	Provide assurance that the hosting arrangements of TfL web solutions incorporate appropriate logical controls and that data is secured in accordance with relevant legislation and commercial requirements.
<b><i>Delivery of capital investment portfolio</i></b>	
Procurement of the Ticketing and Fare Collection Services Contract	Real time audit of the procurement of a new contract (or contracts) for a suite of work packages for the provision of the Oyster ticketing system, in time for the expiry of the existing contract with Cubic.
<b>HR</b>	
<b><i>People Strategy</i></b>	
Staff Travel	Review of process and controls over issue use and recovery of staff travel passes and nominee passes.
<b>Crossrail</b>	
Whole Life Asset Costing	To review how Crossrail is able to demonstrate that it has met the requirements of Whole Life Asset Costing.

<b>Audit</b>	<b>Objective</b>
Pension Scheme	To review: 1) The affordability of the Pension Scheme, and, 2) The effectiveness of 'auto-enrolment'.
Contractor Insurance Claims PAYE and NIC legislation changes	To review the changes in PAYE and NIC legislation that may result in additional costs incurred by contractors being passed through to Crossrail.
Contract close out	To provide assurance that the management of contract close out by Crossrail is efficient, effective and covers all relevant areas.
London Underground Delivery and Assurance of Complex Systems	To review the effectiveness of London Underground delivery against the Crossrail project schedule, including the provision of assurance information to support delivery.
CDM Compliance - Construction plans and asset maintenance information	To provide assurance that CRL is discharging its H&S CDM duties appropriately, focusing on: <ul style="list-style-type: none"> <li>• the construction plans on new contracts; and</li> <li>• Operation and Maintenance (O&amp;M) manuals and the maintenance of assets.</li> </ul>
Fujitsu service performance	To review how the revised performance indicators are established and are working, including the Fujitsu service delivery centres, service desk response times, monitoring and reporting processes.
Fujitsu contract governance	To review the effectiveness of the commercial management and controls around the Fujitsu contract.
Fraud Assurance Work on Duplicate Invoices, Charging and Vendors	To provide assurance against the risk of fraud as a result of duplicate invoicing, duplicate charging or the duplication of vendor details.

Transport for London	Appendix 2
<b>Internal Audit plan 2014/15 by directorate</b>	
<b>Approved by the TfL Audit and Assurance Committee 5 March 2014</b>	<b>Work Planned - for Quarter 3 2014/15</b>
<b>Audit</b>	<b>Objective</b>
<b>Pan TfL</b>	
<b><i>Risk of an Information or Cyber-Security Incident</i></b>	
Cyber Security	Provide assurance on the effectiveness of the processes, procedures and controls that have been established across the organisation to identify and manage the risks associated with cyber security.
<b><i>Disruption to quality of service</i></b>	
Procurement and Management of Software Licences in TfL	Provide assurance on the effectiveness of the processes and controls involved in the procurement and management of software licences in TfL.
<b><i>Financial and Governance Controls</i></b>	
TfL Management System	To review the controls and processes in place for developing and introducing the TfL Management System.
<b>Rail and Underground</b>	
<b><i>Delivery of capital investment portfolio</i></b>	
Value for money in small contracts	A review of a sample of small works contracts to assess their value for money.
Heathrow PFI contract	To audit controls over management of the Heathrow PFI contract.
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.
Procurement of Managed Services contract for the supply of track labour	To ensure that the procurement processes employed for the Managed Services contract are in accordance with approved procedures and EU directives and are open, fair and transparent.
Process for Learning Lessons from Past Projects	Follow up on previous audit findings and action to ensure a robust process is in place.
Verification Activity Plans (VAPs)	To assess the production of VAPs in compliance with the Pathway standard and whether activities are tracked and completed.

<b>Audit</b> Bond Street Station Upgrade (BSSU) 'One Team' organisational change	<b>Objective</b> To assess whether the recent BSSU "One Team" organisation change impacts on the project's ability to meet LU Project Management Framework (PMF) requirements, including those relating to the Construction, Design and Management (CDM) Regulations.
REW - Overhaul of Signal Assets and Management of Asset Traceability	To confirm that the overhaul of signal assets has been undertaken and records are in place to demonstrate compliance with Signal Equipment Overhaul (S1202 issue A2) in accordance with the Quality Management System.
<b>Disruption to quality of service</b>	
Mobilisation of the new DLR franchise	To provide assurance over the transfer of DLR services to the new franchisee and of TfL's readiness for operations.
Operation of R&U Programme Boards	To review operation of the Boards with a view to identifying best practice, lessons learned and continuous improvement.
Quattro supply of road rail vehicles	To assess systems for ensuring the quality of maintenance of road rail vehicles supplied.
Alstom – Northern Line	To provide assurance that the self certification by Alstom is maintaining Northern Line Rolling stock to the required standard, as well as being robust and effective.
Taylor Woodrow Bam Nuttall (TWBN) - Victoria Station Upgrade (VSU) handover of assets	To provide assurance that TWBN have the appropriate ISO9001 processes to ensure completeness of handover documentation to LU.
MJ Quinn	Audit MJ Quinn's / TLL Operations team's ability to co-ordinate and deliver the combined obligations
Accord Lifts	To provide assurance that the supplier is effectively managing health, safety and quality in keeping with good business practices and LU Standards.
Kone Lifts	To review control of design management for lift replacements.
Thales	Audit of supplier's competence management system.
Knorr Bremse (supplier quality assurance)	To provide assurance that the supplier is effectively managing health, safety and quality in keeping with good business practices and LU Standards.
Signalling Emergency Response to Incidents	To assess the arrangements for management of lean stores and on-call roster implementation and incident support.
Tube Lines Escalator Services (TLES) organisational change and remote monitoring	To assess effect of re-organisation including availability of resources and also the effectiveness of remote monitoring.

<b>Audit</b>	<b>Objective</b>
Lifts and Escalators Maintenance Regimes	To ensure appropriate programming, completion and change control of maintenance regimes by competent people.
SSL Track Maintenance	To assure that the inspection and maintenance programme is being managed and to ensure that specific inspection, maintenance and management activities of concern are being undertaken in accordance with specified standards.
BCV Track Maintenance	To assure that inspection and maintenance programme is being managed and to ensure that specific inspection, maintenance and management activities of concern are being undertaken in accordance with specified standards.
Central Line Compressor Overhaul	To provide assurance that appropriate competence, work instructions and quality management systems are in place to deliver the overhaul of Central Line Compressors.
Piccadilly Line Life Extension Project	Ensure suitable quality processes and competencies are in place to ensure bogie refurbishment and vehicle floor upgrade are to requirements.
72 Stock Life Extension Project	Ensure suitable quality processes and competencies are in place to ensure bogie refurbishment and vehicle floor upgrade are to requirements.
Rolling Stock Calibration process BCV,SSL,JNP	Ensure an effective process is in place to manage and control the calibration of tools to be used on rolling stock, including addition and removal from the asset equipment section of Ellipse.



<b>Audit</b>	<b>Objective</b>
Management of third party supplied safety critical parts	Audit the processes and provisions in place for ensuring suppliers of safety critical parts are sufficient and robust to ensure risks are properly controlled.
Inspection and Maintenance of Station Structures	To examine the plans for the inspection and preventative maintenance of station premises structures, particularly ceilings and cladded systems.
<b>Major incident - external</b>	
London Overground Signal Sighting	Provide Independent assurance of London Overground systems for Signal Sighting.
LU Track Delivery Unit Work Planning	To assess compliance with CDM Regulations, including focus on new activities such as the grinding programme and integration of JNP.
Temporary Works (Vauxhall)	To assess the design and installation of temporary works including hoardings to provide assurance of compliance with LU Cat 1 standards and that risk is minimised.
<b>JNP Fleet HSE Management and Safety Critical Licensing</b>	
Signalling Competence (IRSE)	To assess processes, capabilities and competencies for the delivery of IRSE Licenses and review closure of previous findings.
Service Control Local Training and Familiarisation	To assess effectiveness of systems for ensuring service control staff are familiar with line specific knowledge and procedures
Change Control - Access Transformation Programme	To assess effectiveness of systems in ensuring risks to operational railway are identified and mitigated.
Change Control Project Works	To assess the effectiveness of revised processes aimed at ensuring that short notice changes to project works, including compensation events, are suitably reviewed for impact on health and safety.
Station Works and Improvements Programme (SWIP) - Principal Contractor (PC) Duties	To assess demonstration of compliance with PC duties, particularly around ensuring competence of contractors and LU not undertaking duties of the PC and thereby importing responsibility.

<b>Audit</b>	<b>Objective</b>
Station Upgrades - STAKE arrangements	To assess arrangements whereby Station Upgrades discharge their Principal Contractor duties, particularly around management of contractors.
Major Incident plan and readiness	To assess the accuracy and readiness of the Major Incident Plan including the processes for review.
<b>Environmental impact of delivering a transport service</b>	
LU Asset Support Waste Management	To assess the effectiveness of arrangements for ensuring that waste is disposed of appropriately in accordance with internal systems, legislative requirements and best industry practice.
Environmental Management through Pathway	To assess the effectiveness of the environmental management content of Pathway as an integrated part of project management.
Lost Time Injury (LTI)	To assess the suitability of the current LTI Policy in terms of adequate time off post incidents.
<b>Surface Transport</b>	
<b>Major incident - external</b>	
Embedment of HSE Requirements of TfL Management System - Dial a Ride	To assess how effectively the HSE element of the TfL Management System has been communicated and embedded.
Embedment of HSE Requirements of TfL Management System - London River Services	To assess how effectively the HSE element of the TfL Management System has been communicated and embedded.
<b>Financial and Governance Controls</b>	
LBSL Healthcheck	Healthcheck audit of general financial and business controls at LBSL.
<b>Finance</b>	
<b>Maintaining a long term strategic, balanced Plan within the constraints of available resources</b>	
Financial modelling of property developments	A review of the financial models used to forecast potential income from Commercial Development schemes, for use in business planning.

<b>Audit</b>	<b>Objective</b>
<b><i>Delivery of capital investment portfolio</i></b>	
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>Failure of Critical IT Systems</b>	
Data Centre Management	Provide assurance on the effectiveness of the controls that have been designed and implemented to organise, manage, support and secure TfL Data Centres.
<b>Security</b>	
Mail Screening Security Audit	To provide assurance that mail screening procedures and equipment are fit for purpose, and mitigate identified security risks.
<b>Financial and Governance Controls</b>	
Payroll	To review controls over payroll.
Accounts Receivable	To review risks and associated controls over collection of secondary revenue.
<b>General Counsel</b>	
<b><i>Ability to prioritise short-term deliverables in response to external factors</i></b>	
Preparation for Elections	To review TfL preparations for the 2015 general election and the 2016 Mayoral election.
<b>Customer Experience, Marketing and Communications</b>	
<b><i>Maintaining a long term strategic, balanced Plan within the constraints of available resources</i></b>	
Lessons learned from ticketing system(s) procurement	A review of TfL's processes for learning lessons from the procurement of new ticketing services, and how those lessons are being applied.
<b>Major Incident - Ticketing systems failure</b>	
Contactless Ticketing	To provide assurance that the applications and infrastructure are being developed and implemented in an efficient manner providing TfL with adequate protection for its data.

Audit	Objective
<b>HR</b>	
<b>People Strategy</b>	
Movers / Leavers	To assess the controls and processes in place over movers and leavers.
<b>Crossrail</b>	
Resource Management and Organisational Change	To review: 1) the strategy for how key people will be retained when approaching demobilisation dates, and 2) the management of the organisational changes to take place when the main work switches from civil engineering to systems engineering and station fit-out.
Fraud Management by Contractors	To review fraud awareness within the supply chain.
Management of Tunnelling and Underground Construction Academy (TUCA)	To assess how TUCA management has improved since the previous audit in 2013.
IT infrastructure management	To review the controls and processes being used by Fujitsu to manage the security of the back-end infrastructure components.
Mobile computing and accessibility	To review the security and controls around the growing estate of mobile devices and the data stored thereon.
Crossrail Site Security	To review the effectiveness of processes to reduce the theft of equipment and materials from Crossrail sites, including sites developing into 'fit out' rather than construction.
<b>London Transport Museum</b>	
LTM Sponsorship	To review process and controls over sponsorship including conformance with guidelines, governance, accounting and process.
LTM Fixed Assets	Review of fixed asset financial controls.

<b>Finals</b>
WC= Well Controlled
ANC= Audit Not Closed
ACL= Audit Closed
AC/ACL = Adequately Controlled and Audit Closed

Reference	Report Title	Interim Report Issued	Original Objective	Summary of Findings	Final Report Issued
<b>Rail and Underground</b>					
<b>Delivery of Capital Investment Portfolio</b>					
IA_13_627 F	LU Materials Management Strategy	<b>13/11/2013 AC</b>	To review the arrangements put in place to ensure the planned benefits from the contracts awarded as part of the Materials Management Strategy are realised.	Our Interim Audit Report dated 13 November 2013 entitled LU Materials Management Strategy identified three priority 2 issues and one priority 3 issue, resulting in four management actions.  We have now completed a follow up audit of the agreed management actions, and concluded that all the actions have been satisfactorily addressed. This audit is now closed.	<b>30/06/2014 ACL</b>
<b>Managing External Stakeholder Interests</b>					
IA_13_615	Implementation of the Performance Data Warehouse	<b>21/01/2014 RI</b>	To provide assurance that the delivery of the PDW programme (Phase One) is being managed in an efficient and effective manner	Our Interim Audit Report dated 31 January 2014, entitled 'Implementation of the Performance Data Warehouse', identified a Priority 1 issue regarding concerns about the stability of resources due to reliance on non-permanent labour, as well as two Priority 2 issues and two Priority 3 issues.  Management have implemented all the recommendations made in respect of these findings, with the exception of one action which is substantially complete but requires some further work. This audit is now closed.	<b>08/08/2014 ACL</b>
<b>Surface Transport</b>					
<b>Disruption to Quality of Service</b>					
IA_13_013 F	London River Services Security Risk Management	<b>28/03/2014 RI</b>	To assess the effectiveness of the physical security controls at LRS piers and confirm that all relevant security risks have been identified and appropriately mitigated.	Our Interim Audit Report dated 28 March 2014 entitled London River Services Security Risk Management identified the following priority 1 issues: <ul style="list-style-type: none"> <li>a number of weaknesses associated with the physical security access controls.</li> <li>a number of risks relating to the LRS operation had been identified, however, these had not been captured on a security risk map or register, assessed and mitigated in detail.</li> </ul>	<b>25/06/2014 ACL</b>

Reference	Report Title	Interim Report Issued	Original Objective	Summary of Findings	Final Report Issued
				<ul style="list-style-type: none"> <li>there were a number of security related documents in circulation throughout the LRS but no comprehensive manual that captured all associated security procedures.</li> <li>The Close Circuit Television (CCTV) system and associated processes required improvement to ensure the appropriate areas were protected.</li> <li>There was no regular security awareness training provided to LRS staff and as a result they were not familiar with all security procedures and security threats that may affect the LRS operation.</li> </ul> <p>Eight other issues were raised. Two were rated Priority 2 and six were rated Priority 3.</p> <p>We have now completed our follow up and can confirm that all of the issues raised have been satisfactorily addressed. This audit is now closed.</p>	
IA_13_117 F	Dial-a-Ride Healthcheck	<b>28/11/2013 AC</b>	To provide assurance on the adequacy and effectiveness of internal controls in place within the five main regional Dial-a-Ride (DaR) depots, focussing on a small number of key activities.	<p>Our Interim Audit Report dated 28 November 2013 entitled Dial-a-Ride Healthcheck identified two Priority 2 and one Priority 3 issues resulting in six management actions.</p> <p>We have now carried out a follow up review of the agreed management actions and can confirm that five have been satisfactorily addressed. One remains partially addressed, but an appropriate action plan is in place to ensure this is completed in the near future.</p>	<b>19/08/2014 ACL</b>
<b>Finance</b>					
IA_13_404	Operation and Effectiveness of the IM Governance Model	<b>23/01/2014 RI</b>	To provide assurance that the established IM governance model ensures that IM related decisions are made in line with TfL's business objectives and strategies and that IM governance processes are overseen effectively and transparently	<p>Our Interim Audit Report dated 23 January 2014 entitled Operation and Effectiveness of the IM Governance Model identified one Priority 1 issue and one Priority 2 issue. The Priority 1 issue noted that all of the IM boards and groups except the Finance and Investment Review Board have been unsuccessful in delivering their expected outcomes, including continual improvements within their respective scopes.</p> <p>We have now carried out a follow-up audit which has identified that all of the management actions have been satisfactorily addressed.</p> <p>This audit is now closed.</p>	<b>25/07/2014 ACL</b>
IA_13_152	Bank Reconciliations	<b>31/03/2014 Memo</b>	To provide assurance that there is effective control over the revised bank reconciliations process.	<p>Our memorandum dated 31 March 2014 entitled Bank Reconciliations identified four issues resulting in six management actions.</p> <p>We have now carried out a follow up review of the agreed management actions and can confirm that five have been satisfactorily addressed. One remains partially</p>	<b>29/07/2014 ACL</b>

Reference	Report Title	Interim Report Issued	Original Objective	Summary of Findings	Final Report Issued
				addressed, but an appropriate action plan is in place to ensure this is completed in the near future.  Therefore this audit is now closed.	
IA_14_431 F	Security Review of Palestra	<b>12/09/2014 WC</b>	To assess the effectiveness of the physical security arrangements operating at Palestra, to ensure that all relevant security risks have been identified and mitigated.	See Interim Audit Report Summary in Appendix 4	<b>12/09/2014 ACL</b>
IA_14_423 F	Security at Head Office Buildings	<b>12/09/2014 WC</b>	To assess the effectiveness of the physical security arrangements and supporting processes operating at Head Office Buildings and to ensure that all relevant security risks have been identified and mitigated.	See Interim Audit Report Summary in Appendix 4	<b>12/09/2014 ACL</b>
<b>London Transport Museum</b>					
IA_13_415 F	Ticket Selling System	<b>06/06/2014 RI</b>	To provide assurance over the security, availability and resilience of the SR04 ticket selling system.	Our Interim Audit Report dated 6 June 2014 identified that: <ul style="list-style-type: none"> <li>• There was no documented leaver process in place so LTM IT may be unable to disable unused accounts on a timely basis and;</li> <li>• The password management capability does not meet the TfL password standard with regard to password complexity and duration of change</li> </ul> <p>We have now carried out a follow up review of the agreed management actions and can confirm that one issue has been fully addressed and the other, requiring a software fix from the supplier, is partially addressed.</p> <p>LTM IM will ensure that the missing functionality is delivered and we will confirm this during our audit of the On-line Shop later this year.</p> <p>This audit is now closed.</p>	<b>27/08/2014 ACL</b>
IA_13_143 F	LTM Financial Controls	<b>06/02/2014 AC</b>	To provide assurance on the adequacy and effectiveness of the key financial controls at the LTM.	Our Interim Audit Report dated 6 February 2014 entitled LTM Financial Controls identified two Priority 2 and five Priority 3 issues resulting in nine management actions.	<b>20/08/2014 ACL</b>

Reference	Report Title	Interim Report Issued	Original Objective	Summary of Findings	Final Report Issued
				We have now carried out a follow up review of the agreed management actions and can confirm that all have been satisfactorily addressed. Therefore this audit is now closed.	
<b>One HR</b>					
IA_13_141	Make a Difference Employee Recognition Scheme	18/03/2014 AC	To provide assurance on the adequacy and effectiveness of controls over the Make a Difference employee recognition scheme.	<p>Our Interim Audit Report dated 18 March 2014 entitled Make a Difference Employee Recognition Scheme identified three Priority 2 issues and one Priority 3 issue which resulted in 16 agreed management actions.</p> <p>The Priority 2 issues identified were:</p> <ul style="list-style-type: none"> <li>• The controls over Instant awards, particularly the log, were not applied consistently</li> <li>• There were weaknesses in the monitoring arrangements for awards</li> <li>• The process in place for LU JNP was not consistent with the rest of TfL</li> </ul> <p>We have now carried out a follow up review and can confirm that 15 actions have been satisfactorily addressed and one is partially addressed. We are satisfied that plans are in place to complete the partially addressed action.</p> <p>This audit is now closed.</p>	30/07/2014 ACL
<b>Crossrail</b>					
IA_13_516 F	Effectiveness of Reporting	31/03/2014 AC	To provide assurance that there is effective management and reporting of the Crossrail programme budget and schedule.	<p>Our Interim Audit Report dated 31 March 2014 identified one Priority 3 issue.</p> <p>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.</p>	11/07/2014 ACL
IA_13_524 F	Contractor Incentives	21/05/2014 AC	To provide assurance on the effectiveness of the processes and controls for assessing incentive payments for contractors.	<p>Our Interim Audit Report dated 21 May 2014 identified two Priority 2 and three Priority 3 issues.</p> <p>We have carried out a follow up review of the status of the agreed management actions and found that four of the actions have been addressed satisfactorily. The remaining action, to produce guidance on incentive payments, has been partially addressed, but we are confident that the guidance, which has been drafted, will be approved by the Commercial Sub-Committee in early September. This audit is therefore closed.</p>	29/08/2014 ACL



<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>Rail and Underground</b>						
<b>Delivery of Capital Investment Portfolio</b>						
IA_13_635	Capital Programmes Director	Effective use of gate and design reviews in Rail and Underground	30/07/2014 AC	To provide assurance that gate and design reviews in Rail and Underground projects are conducted in accordance with Pathway and that they are effective in contributing to project success.	25/10/2014	<p>The following areas of good practice were noted:</p> <ul style="list-style-type: none"> <li>Some of the programmes / projects have developed Terms of Reference (TORs) for their gate reviews that provide a more in depth structure to the process and ensure that the project team and stakeholders are aware of their roles and responsibilities.</li> <li>Some of the programmes / projects have developed stage gate trackers that provide visibility of SGs and their outcomes. It would be beneficial if such trackers were developed for technical and design reviews as well.</li> </ul> <p>Overall we found the Pathway gate review process to be effective. In particular:</p> <ul style="list-style-type: none"> <li>Roles and responsibilities were well understood</li> <li>The quality of documentation was good</li> <li>The decision making process was clear</li> <li>The majority of managers we interviewed found that Pathway was a useful tool for managing their projects.</li> </ul> <p>The audit identified no Priority 1 issues. However, one Priority 2 issue, in relation to projects proceeding to the next stage despite not passing a gate review, and one Priority 3 issue were noted.</p>

Reference	Responsible Director	Report Title	Interim Report Issued	Original Objective	Follow-up Audit	Summary of Findings
<b>Surface Transport</b>						
<b>Delivery of Capital Investment Portfolio</b>						
IA_13_616	Director of Asset Management	Management of the London Highways Alliance Contract (LoHAC)	23/06/2014 RI	To provide assurance that the contract management structures and processes in place to manage the London Highways Alliance Contracts are efficient and effective.	31/10/2014	<p>We found the following example of good practice:</p> <ul style="list-style-type: none"> <li>• There are workflow maps and pro-formas in place to assist staff in following the process in the correct manner</li> </ul> <p>There are two Priority 1 issues arising from this audit, as follows:</p> <ul style="list-style-type: none"> <li>• There are a number of issues currently being discussed with the contractors that may result in increased costs to TfL but these issues have not been fully recorded on the relevant NEC register. Consequently, it is difficult to assess the potential impact these issues may have on TfL resources.</li> <li>• Each of the four areas maintains a separate and distinct register of Early Warning Notices (EWN) and Notifications of Compensation Events, but with little uniformity between them and significant gaps in the information recorded in some instances.</li> </ul> <p>Three Priority 2 issues and one Priority 3 issue were also raised.</p>
<b>Financial and Governance Controls</b>						
IA_14_101	Chief Operating Officer	Blue Badge Congestion Charge Discount (BBCC)	16/07/2014 AC		31/10/2014	<p>We identified the following areas of good practice:</p> <ul style="list-style-type: none"> <li>• Detailed procedure manuals, automated systems and quality control procedures for processing additions, changes and deletions to the Discount Register</li> <li>• Effective monitoring and analysis of the Discount Register by CCO</li> <li>• A collaborative approach with IBM and effective follow up of issues and exceptions</li> <li>• Analysis and stratification of the National Fraud Initiative (NFI) data matches to facilitate the investigation process. This provides a useful methodology for addressing NFI data matches going forward.</li> </ul> <p>In the past, CCO did targeted checks on continued eligibility for the BB discount, such as using an enforcement team and annual confirmations. These measures did not cost-effectively achieve the required objective. Apart from the National Fraud Initiative (NFI) process, there are now very limited checks to confirm continued</p>

Reference	Responsible Director	Report Title	Interim Report Issued	Original Objective	Follow-up Audit	Summary of Findings
						<p>eligibility. However, the risk associated with this is small.</p> <p>The audit did not identify any Priority 1 issues. One Priority 2 issue and two Priority 3 issues were identified. The Priority 2 issue relates to the process for following up NFI data matches.</p>
<b>Finance</b>						
<b>Delivery of Capital Investment Portfolio</b>						
IA_13_405	Chief Information Officer	Cost Planning and Control of IM Initiatives	12/08/2014 AC	To provide assurance that the approach to budgeting and controlling costs on IM initiatives was undertaken in a structured and consistent manner within IM that allowed the business to make informed decisions.	31/07/2015	<p>During our audit we identified the following positive aspects:</p> <ul style="list-style-type: none"> <li>• Clear financial authority over the IM budget and resources is exercised by the Finance and Investment Review Board; and</li> <li>• The process for approving budgets varies depending on the type and size of the IM initiative, but in all cases appropriate level of management is involved.</li> </ul> <p>No priority 1 issues were identified. However, we did raise three priority 2 issues as follows:</p> <ul style="list-style-type: none"> <li>• A comprehensive review of the differences between the actual cost and the cost authorised within the original budget for IM initiatives is not performed. A review against the estimate of costs that is given to customers before the feasibility study is also not performed;</li> <li>• A process that would enable consistent estimate of the cost of small works or SIPs has not been mandated; and</li> <li>• The Project Estimating Tool uses a parameter that gives a 90% accurate estimation and not the desired 95%. This issue was addressed whilst the audit fieldwork was in progress.</li> </ul> <p>We also raised one priority 3 issue.</p>
<b>Disruption to Quality of Service</b>						
IA_13_100	Chief Information Officer	Mobile Technology	14/07/2014 RI	To provide assurance on the adequacy and effectiveness of the controls in place over the provision and use of mobile technology across TfL.	30/11/2014	<p>We identified a number of positive findings:</p> <ul style="list-style-type: none"> <li>• Telephone Services has grouped all appropriate guidance for mobile phones and BlackBerrys onto one page on Source. The guidance was easy to understand and contained useful tips for staff, for example, on how to minimize spend;</li> <li>• We reviewed a sample of mobile device purchases via Telephone Services, and found that they had all been authorised by persons with appropriate authority;</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>• We tested the issuing of mobile devices under the Mobile Technology Programme, and found that all of the sample of devices tested had correct records, and all their users had received training;</li> <li>• For a sample of cancellation requests, Telephone Services had arranged a prompt disconnection for all.</li> </ul> <p>A new mobile technology strategy has been developed by IM with the aim of consolidating the various types of device deployed within the business and to provide TfL a stable mobile technology platform going forward. The strategy was endorsed by the IM Steering Group (IMSG) in January 2014. The existing security guidance and security policies are currently being reviewed and updated by the IM Chief Information Security Officer (CISO) with the aim of improving the security posture within the business. We will continue to review the implementation of the mobile strategy together with the refresh of security guidance and policies as part of our real time audit of the End User Computing Programme in 2014/15.</p> <p>The audit identified one Priority 1 issue, together with four Priority 2 issues and one Priority 3 issue.</p> <p>The Priority 1 issue concerned the fact that TfL made unnecessary monthly tariff charge payments for approximately 3,250 iPads and iPhones in storage with O<sub>2</sub> over a considerable period of time. Once the overpayments had been identified, there was further delay in stopping the overpayments and recovering the cash, although this has now been done.</p>
<b>Financial and Governance Controls</b>						
IA_13_105	Chief Finance Officer	Management Accounts	10/07/2014 AC	To review the adequacy and effectiveness of the period end management accounting process.	31/12/2014	<p>Controls over the management accounts process are generally effective, with some particular examples of good practice noted in certain business areas.</p> <p>The audit did not identify any Priority 1 issues. Two Priority 2 and four Priority 3 issues were identified.</p> <p>The Priority 2 issues are:</p> <ul style="list-style-type: none"> <li>• Crossrail (CRL) and LU JNP do not report intercompany transactions periodically and do not comply with the Intercompany Policy. Invoicing is delayed between CRL and LU JNP and the rest of TfL, leading to un-matched amounts, potentially unresolved</li> </ul>

Reference	Responsible Director	Report Title	Interim Report Issued	Original Objective	Follow-up Audit	Summary of Findings
						<p>disputes and extra work load at year end</p> <p>BCS needs to be adapted to make sure it meets the current needs of the International Financial Reporting Standards (IFRS) and allow an effective drill down to source data for traceability and transparency.</p>
<b>Security</b>						
IA_14_431F	Director of Commercial	Security Review of Palestra	12/09/2014 WC & ACL	To assess the effectiveness of the physical security arrangements operating at Palestra, to ensure that all relevant security risks have been identified and mitigated.	N/A	<p>There are well developed processes associated with the physical security arrangements for Palestra’s operation. The processes are regularly tested and reviewed by the building management team to ensure any changes to the premises are commensurate with the threat environment.</p> <p>All aspects of technical security equipment (including CCTV, access control and Intruder Detection System (IDS)) were found to be operating effectively, and are well understood by those using them. Our review found that there are good supporting procedures which are documented and include a regular regime for training and awareness for staff using the security equipment.</p> <p>The process associated with the management of visitor registration and access control is commensurate with the building’s function. The building management team review the processes and procedures on a regular basis and, in addition, when a security event relating to the access control system occurs. We were able to confirm through a review of incident reports and subsequent management action that incidents were appropriately addressed by the building management team and contract provider on a timely basis.</p> <p>There were no issues identified by this audit.</p>
IA_14_423F	Director of Commercial	Security at Head Office Buildings	12/09/2014 WC & ACL	To assess the effectiveness of the physical security arrangements and supporting processes operating at Head Office Buildings and to ensure that all relevant security risks have been identified and mitigated.	N/A	<p>The audit found effective controls to be in place across all areas reviewed. In particular:</p> <ul style="list-style-type: none"> <li>• Registers of risks and mitigating controls are in place.</li> <li>• There are documented policies and procedures, including clear roles and responsibilities for security activities.</li> <li>• A suitable programme of planned maintenance for security equipment is in operation.</li> <li>• There are appropriate building access controls using either</li> </ul>

Reference	Responsible Director	Report Title	Interim Report Issued	Original Objective	Follow-up Audit	Summary of Findings
						building passes or pass –code system.  <ul style="list-style-type: none"> <li>There is an incident management process in place, with evidence of appropriate follow up of all incidents.</li> </ul> There were no issues identified by the audit.
<b>Customer Experience, Marketing and Communications</b>						
<b>Risk of an Information or Cyber Security Incident on Key Services that Support Business and/or Network Operations</b>						
IA_14_100	Director of Customer Experience	Access to Oyster Data	04/07/2014 RI	To provide assurance on the adequacy and effectiveness of internal controls in place for access to Oyster data via the OCTA and OCTAgone systems.	31/12/2014	A number of control weaknesses were identified by the Privacy and Data Protection Manager prior to the audit commencing. Appropriate controls were agreed with senior management, and implemented during the course of the audit: <ul style="list-style-type: none"> <li>The DPA wording which appears on the OCTAgone log on screen was revised.</li> <li>The 'User Access Request Form' was amended to include the requester's business unit, so that it could be more easily identifiable why the individual needed access.</li> <li>All shared usernames were removed.</li> <li>A quarterly audit of users by the Infrastructure Service Delivery Manager revokes access for users who have not accessed the system in over five months.</li> </ul> The Priority 1 issues are: <ul style="list-style-type: none"> <li>OCTAgone should have been fully implemented over 12 months ago, however, due to various issues and setbacks, OCTA is still being used.</li> <li>No role-based restrictions on system access are currently in place. All employees have varying degrees of access, all of which are open-ended. A number of additional restrictions on accounts should be implemented including giving temporary access for a defined period of time.</li> <li>There is an absence of monitoring by management of what Oyster data is being accessed by staff. It is the responsibility of line management within departments to complete the monitoring; however they have neither the time nor capability to carry this out. No alerts or triggers are in place to notify management of potential</li> </ul>

Reference	Responsible Director	Report Title	Interim Report Issued	Original Objective	Follow-up Audit	Summary of Findings
						<p>misuse of the system. In addition, there is no reporting to senior management of issues and investigations.</p> <ul style="list-style-type: none"> <li>Roles and responsibilities for employees involved with OCTA/OCTAgone are not entirely clear. The lack of clarity and ownership has resulted in key controls not operating effectively. In addition, not all staff have a thorough understanding of the areas for which they are responsible.</li> </ul> <p>Three Priority 2 and one Priority 3 issues were also identified.</p>
<b>One HR</b>						
<b>People Strategy</b>						
IA_14_138	HR Director	Equality & Inclusion Programmes	04/08/2014 AC	To provide assurance over the effectiveness of controls operating over the E&I programme and spend.	30/04/2015	<p>Equality &amp; Inclusion objectives are integrated within TfL organisational plans, and business plans. These are subsequently captured, monitored and reviewed as part of the Single Equality Scheme.</p> <p>The HR E&amp;I Team provides support to the business on any projects/ initiatives that have an E&amp;I element. These projects are generally led and owned by the respective business area, which is responsible for developing the strategy/action plan, and delivery of the project/initiative.</p> <p>The Staff Network Groups (SNGs) help to ensure that inclusive structures are in place to engage and involve staff, whilst providing a forum for staff to share their views on what is important to them. Actively engaged SNGs help to drive business improvements in employment and service transformation and in developing new roles and ways of working.</p> <p>Fostering good relations and active engagement with external E&amp;I organisations can help TfL achieve its equality priorities through helping to ensure that changing customer needs are identified and met whilst sharing good practice. We noted the following examples of good practice with external partners, which are helping to shape services:</p> <ul style="list-style-type: none"> <li>The 'Big Day Event'; a series of three engagement events during the year for people with learning difficulties</li> <li>Development of 'Sub Regional Mobility Forums', which are strategic level forums advising Transport Planning on projects.</li> </ul> <p>In the current financial environment it is important to secure value for</p>

Reference	Responsible Director	Report Title	Interim Report Issued	Original Objective	Follow-up Audit	Summary of Findings
						<p>money from sponsorship/ membership. Consequently a core group of organisations has been clearly identified to provide unique services to employees and managers supporting the TfL E&amp;I agenda.</p> <p>Our audit did not identify any Priority 1 issues. However we identified one Priority 2 issue. The monitoring arrangement for SNG spend is ineffective with no recording or review of actual spend in real time. Two Priority 3 issues were also noted.</p>
<b>Crossrail</b>						
IA_14_505	Crossrail	Directors' and Senior Managers' Performance Awards	<b>22/07/2014 AC</b>	To provide assurance that Crossrail has effective processes and controls in place for determining Directors and Senior Managers' performance awards in accordance with the agreed framework and performance objectives	<b>30/11/2014</b>	<p>There are robust governance arrangements for reviewing and approving performance awards. The awards for Executive Directors are approved by the Remuneration Committee and awards for other Directors and Senior Managers are approved by the Executive Committee.</p> <p>A sample of reported KPIs that were reviewed were found to be accurate and supported by underlying data.</p> <p>The approved performance awards had been correctly implemented.</p> <p>The audit did not identify any Priority 1 issues, but did identify two Priority 2 issues and one Priority 3 issue.</p>
IA_13_511	Crossrail	Management of On Network Undertakings and Assurances	<b>12/08/2014 AC</b>	To provide assurance that management of undertakings and assurances by Network Rail (NR) and relevant contractors is effective, and that Crossrail undertakes sufficient monitoring and verification to adequately discharge its responsibilities as the nominated undertaker.	<b>28/11/2014</b>	<p>The following examples of good practice were identified:</p> <ul style="list-style-type: none"> <li>• Relevant NR staff have been granted access to CDT, the CRL commitments database, reducing duplication of effort and the potential for errors introduced by integrating data from multiple systems</li> <li>• CRL and NR staff interviewed during this audit were knowledgeable and experienced and demonstrated a thorough understanding of the commitments management process and their roles and responsibilities within it.</li> </ul> <p>The audit did not identify any Priority 1 issues, but did identify two Priority 2 issues and two Priority 3 issues.</p>



Reference	Report Title	Date Issued	Report Type	Objective	Summary of Findings
<b>Rail and Underground</b>					
IA_13_633	Contractor Management of Labour Resources at Victoria Station Upgrade Project	01/07/2014	<b>Memo</b>	The objective of this audit was to provide assurance that the management of employment practices and labour relations by London Underground (LU) contractors complies with contractual obligations, is effective, and is applied consistently down the supply chain.	<p>The TWBN consortium has policies and procedures in place to manage labour resources. These appear to be reasonable, and in line with TfL contractual requirements. TfL requirements are also flowed down to subcontractors and labour only suppliers and are reflected in their contracts with TWBN and their own policies and procedures.</p> <p>The induction process is thorough and access to site is controlled and limited to trained personnel. Health, safety and environmental policies appear to be well publicised and prominently displayed on site and in the offices.</p> <p>Training is well managed and is tracked via a skills matrix which is used as a planning tool for current and future labour deployment.</p> <p>We have been informed that TWBN was awarded the “BE Fair” Bronze accreditation in May 2014 after the audit fieldwork was completed.</p> <p>We note that there are areas where improvements could be made and our recommendations are summarised below.</p> <p>We recommend that:</p> <ul style="list-style-type: none"> <li>• Equality and Diversity Workshops should be held within the coming year to reinforce the “BE Fair” message and raise personnel awareness.</li> <li>• CSCS cards should be logged by card number or expiry date in the training matrix rather than a tick in the relevant box.</li> <li>• The training matrix should be reviewed to ensure that any mandatory qualifications are kept up to date and are accurately reflected in the document.</li> <li>• An audit timetable for auditing subcontractors and labour only suppliers should be developed and provided to the LU contracts team.</li> </ul>
IA_13_632	Crossrail Train Operating Concession	13-Aug-2014	<b>Memo</b>	To ensure that the procurement process employed for the Crossrail Train Operating Concession (“the CTOC”) is in accordance with approved procedures and EU directives, and is open, fair and transparent.	Based on our work to date, we are satisfied that effective controls have been applied to the procurement of an operator of the Crossrail trains and stations, to this stage.
IA_13_603	NEC3 Compensation Events (CEs) In LU	15/08/2014	<b>Memo</b>	The objective of this joint work with the Rail & Underground Commercial Directorate was to analyse CEs to develop a better understanding of why they occur.	<p>The main findings from the review were as follows:</p> <ul style="list-style-type: none"> <li>• The ASITE database used to record CEs has significant limitations in its functionality, making analysis of and reporting on CEs both difficult and time-consuming</li> </ul>

Reference	Report Title	Date Issued	Report Type	Objective	Summary of Findings
					<ul style="list-style-type: none"> <li>ASITE is also not always fully populated with relevant data to enable the causes of CEs to be readily understood</li> <li>Although the same contract mechanisms were available on all the contracts we reviewed, there was wide variation between contracts on how these were used, with some contracts making use of many different CE clauses, whilst others used just a few. There would be benefit in further analysis of how the approach to contract management influences the use of CEs, with a view to developing best practice guidance.</li> <li>There was evidence that a significant proportion of CEs could have been avoided with improved initial planning of the works.</li> </ul> <p>Management is taking forward actions to address the issues found.</p>
<b>Surface Transport</b>					
IA_13_624	Procurement of the Traffic Control Equipment Maintenance and Related Services 2 Contract (TCMS2)	26/06/2014	<b>Memo</b>	To provide assurance that the decision making process in place for the letting and implementation of the TCMS2 contract ensures the objectives of the contract are achieved. This Memorandum sets out our findings up to the point at which the recommendation for award of contract was prepared.	We found no issues during this phase of the audit. The organisation and governance was found to be as expected for a well-managed project with clear objectives and ownership of deliverables stated. We are satisfied that the risks and controls in procuring the TCMS2 contract are being managed appropriately at this stage.
<b>Finance</b>					
IA_13_416	Data Interrogations on SAP Vendor Master Data and Related Procure-to-Pay Transactions	22-Jul-14	<b>Memo</b>	To obtain assurance over SAP vendor master data and related procure-to-pay transactional data and identify any instances of control weaknesses and irregular transactions within the procure-to-pay process.	<p>The tests performed did not identify any significant areas of concern. However, three potential control improvements were noted.</p> <ul style="list-style-type: none"> <li>A large number of vendor records with blank or incomplete address and contact information.</li> <li>Dormant vendors that have not been appropriately blocked to prevent further payments or marked for deletion.</li> <li>Default payment terms from the vendor master file were not consistent with those within the purchase order.</li> </ul>
IA_14_124	Cubic payment misdirection	13/08/2014	<b>Memo</b>	To review the circumstances that led to an incident whereby a payment to Cubic was directed to another, incorrect, Cubic bank account, to identify any control issues.	Although this incident did not result in any loss to TfL, we identified a number of areas where specified controls were not followed. Management action to address this is being taken forward.

Reference	Report Title	Date Issued	Report Type	Objective	Summary of Findings
IA_12_632	Procurement of the Professional Services Frameworks	20/08/2014	<b>Memo</b>	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.	<p>This memorandum sets out our observations on the procurement since the issue of our first memorandum for this audit dated 23 December 2013. To date, the tenders for Frameworks 2 and 5 have been evaluated, consensus meetings are taking place for Framework 3 tender evaluation and the PQQs for Framework 6 are being evaluated.</p> <p>We highlighted a number of observations relating to the consensus meetings, and action was taken in real time to mitigate any associated risks. Overall we found that the consensus process has helped evaluators clarify their thought process for scoring bids and has provided consistency in the way bids have been evaluated. We were satisfied that the risks and controls in relation to procurement of the PSF are being managed appropriately at this stage.</p>
IA_13_610	Commercial Development Business Plan	27/08/2014	<b>Memo</b>	To provide assurance that the process for production of the Commercial Development Business Plan is robust and effective.	<p>Commercial Development has produced a ten year business plan that will form the baseline against which future delivery can be monitored. The Asset Management figures have been extrapolated from existing data and where this was not available, estimates have been made using documented assumptions and the revenues and costs have been risk weighted to reflect degrees of uncertainty. Property Development figures have been developed by Deloitte Real Estate, working with TfL staff, using industry standard tools and specialist market knowledge. Various scenarios have been developed in line with Group Business Planning requirements and while there are significant risks to delivery, these have been documented and mitigating actions identified. There is uncertainty regarding the validity of the Project Management projections and these are currently subject to a detailed review by Deloitte to investigate the 2014/15 baseline and growth assumptions.</p> <p>Commercial Development is currently undergoing a transformation programme at Band 5 level, with further changes to be proposed later in the year. These changes should provide greater clarity of roles and responsibilities and promote ownership of results. This will be supported by the performance monitoring and reporting systems that are in the process of being established. The governance structure has been improved within Commercial Development and plans are in place to ensure there is appropriate scrutiny, challenge and decision-making at senior management level across the organisation.</p> <p>The Commercial Development Team have accepted our findings and recommendations.</p> <p>Commercial Development is going through a period of significant change, in its structure, processes and resources. There will also be a shift in focus as more of the initiatives move from the planning phase to trial schemes, through project management to delivery.</p> <p>To reflect the risks of this ongoing change, further audit work is planned for 2014/15 across Commercial Development to provide assurance over the new processes and ways of working and that intended benefits are delivered efficiently and effectively.</p>

Reference	Report Title	Date Issued	Report Type	Objective	Summary of Findings
<b>Customer Experience, Marketing and Communications/London Transport Museum</b>					
IA_13_602	Revenue Collection Services Contract	15/07/2014	<b>Memo</b>	To provide real time assurance over the procurement of the Revenue Collecting Services Contract. This memorandum sets out our observations of the procurement up to and including the point at which the tender submissions from suppliers had been evaluated and a recommendation for the award of the contract has been made.	We are satisfied that the risks and controls in procuring the Revenue Collection Services contract are being managed appropriately at this stage.
<b>London Transport Museum</b>					
IA_13_144	LTM Efficiencies	15-Aug-2014	<b>Memo</b>	To review LTM's progress in delivering its programme of efficiencies in the light of previous Internal Audit work in this area and recent consultancy work.	Management has demonstrated the commitment to achieving a sustainable future with a significantly reduced cost base. Whilst it is early days, appropriate steps are being taken in a number of areas to achieve the required savings.
<b>Crossrail</b>					
IA_14_507	Internal Audit Review of the Accounts of the Crossrail Complaints Commissioner	01/07/2014	<b>Memo</b>	The review aimed to provide assurance that: <ul style="list-style-type: none"> <li>The figures in the accounts were accurate. This was achieved by agreeing the figures to underlying invoices and other supporting documentation;</li> <li>The accounts complied with the Accounts Direction issued on behalf of the Crossrail High Level Forum.</li> </ul>	The accounts of the Crossrail Complaints Commissioner, in all material respects, accurately reflected the receipts and payments during the financial period ending 31 March 2014. In addition, in all material respects, the accounts complied with the Accounts Direction issued on behalf of the Crossrail High Level Forum.
IA_14_516	Ilford Yard Management - Commercial	19/08/2014	<b>Memo</b>	To provide assurance that contract administration of Ilford Yard contract C828 is effective.	The Commercial Assurance Function (CAF) team have a robust process for evaluating and reporting the performance of the delivery teams and the 1 <sup>st</sup> Tier contractors. The preparation for the reviews is comprehensive and the framework used is robust. Evidence was required either during or after the meetings, that required controls were in place. Corrective actions were assigned to Crossrail and contractor team members to address any deficiencies found during the review.  Assurance can be placed on the reporting which is contributing to the progressive assurance regime. However, the CAF team should consider adding completion dates to the actions in its review reports.
IA_14_512	Commercial assurance of the new Systemwide Contracts	20/08/2014	<b>Memo</b>	To provide assurance that contract administration of the Systemwide contract C620 is effective.	The audit confirmed the opinion established in our review of Ilford Yard contract administration (above) that the CAF team have robust arrangements in place for evaluating and reporting the performance of the delivery teams and 1 <sup>st</sup> tier contractors.

<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
<b>Rail and Underground</b>				
<b>Disruption to quality of service</b>				
IA_13_757	The Management of Communication Equipment Rooms	27/08/2014 PC	To assess the effectiveness of processes in ensuring the integrity of Communication Equipment Room (CER) environments to the requirement of associated standards	<p>A sample of CERs was visited during the audit, many of which presented the same or similar risks to equipment and or services.</p> <ul style="list-style-type: none"> <li>There was no clearly defined owner of CERs. This has contributed to the other issues found.</li> <li>The control environment of CERs has deteriorated over time. Many of the procedures and work instructions prescribing control requirements for CERs are out of date.</li> <li>The number of faults that can be found within CERs indicates that both the inspection and fault reporting processes in these environments is ineffective.</li> <li>Health and safety issues exist within a number of CERs, including tripping hazards, disconnected earth cables, and breaches of fire resistant walls.</li> </ul> <p>Signalling Equipment Rooms operate a system of control and ownership that would appear to be good practice that may be adopted for the control of CERs</p>
IA_14_737	Geomount Limited	27/06/2014 RI	To provide assurance to TfL and London Underground that Geomount Limited has implemented and is working in compliance with acceptable business procedures	<p>The significant issues identified were:</p> <ul style="list-style-type: none"> <li>The status of Geomount's Lloyds' ISO 9001:2008 quality management system registration by SAI Global could not be evidenced.</li> <li>The company's quality and contract records management processes are paper based. Details regarding REW orders and parts rejection notices were unable to be evidenced.</li> <li>REW reject forms for goods supplied had been retained by Geomount, the status of follow up action by Geomount could not be established.</li> <li>A significant stock of LU machined components are held by Geomount. The parts identification and the status post manufacture is unknown for the majority of items held.</li> </ul>
IA_14_725	TWBN – Victoria Station Upgrade (VSU) Technical Compliance	07/07/2014 RI	To determine the effectiveness of Taylor Woodrow BAM Nuttall (TWBN) Management Systems and processes, as outlined in key TWBN management plans that are intended to ensure that new assets delivered by TWBN meet LU technical, quality	<p>Significant issues identified were:</p> <ul style="list-style-type: none"> <li>The current versions of the Project Assurance Plan (PAP) and the Design Management Plan (DMP) have not been accepted by LU, and the Systems Engineering Management Plan (SEMP) and the Safety Improvement Plan (SIP) have only recently been submitted.</li> <li>The TWBN PAP and DMP require space proofing (spatial fit) and clash checks to be performed, but do not clearly state how this is to be documented, and design compliance submissions do not reference or contain evidence to confirm that space proofing and clash detection activities have taken place.</li> <li>Design compliance submissions contain endorsement statements; however, a number of endorsement</li> </ul>

Reference	Report Title	Report Issued	Original Objective	Summary of Findings
			and assurance requirements and specifications.	<p>statements have not been signed, instead referring to signatures on the lists of drawings included in the submission.</p> <ul style="list-style-type: none"> <li>The TWBN DMP states that NG Bailey is responsible for co-ordinating mechanical, electrical and communication systems designs. The DMP reviewed during the audit does not provide details as to how this is done, and concerns identified during the audit meant that compliance could not be verified</li> <li>There are inconsistencies between the TWBN PAP and the design compliance submission for escalators relating to the stage at which spatial co-ordination should or did take place.</li> <li>TWBN has not received a DMP from Schindler, and evidence was not available to demonstrate that TWBN had received and accepted DMPs from MMD, Atkins, NG Bailey, T Clarke and EMICO.</li> <li>Atkins and EMICO have not submitted Quality Plans to TWBN, and the Quality Plans submitted by NG Bailey and T Clarke have not been approved by TWBN.</li> <li>MMD signs endorsement statements in design compliance submissions instead of issuing compliance certificates that are referred to in the PAP.</li> </ul>
IA_14_726	Bond Street-CoLOR	<b>25/07/2014 RI</b>	To examine the implementation of the requirements contained in Costain Laing O'Rourke (CoLOR) key management plans that are intended to ensure that LU requirements are being met and that new assets are being delivered to specification.	<p>The significant findings from the audit were:</p> <ul style="list-style-type: none"> <li>CoLOR management plans contain generalised requirements relating to quality control, approving assurance deliverables and compliance assessments during the construction phase, but do not specifically state how these requirements will be put into effect or how they will be documented.</li> <li>During the audit sessions, it was not clear how often the Mandatory Asset Information Deliverables (MAID) spreadsheet was being updated and submitted to LU for agreement, and it was not clear whether LU Asset Performance (Maintenance) had been consulted (BW).</li> <li>Evidence was not provided during the audit to demonstrate that the Project Assurance Plan had been reviewed and updated as required.</li> <li>An up to date competence matrix with supporting competence evidence was not available during the audit for construction phase Assurance Assessors.</li> <li>Evidence was not available to demonstrate that an Issues Register was being maintained during the construction phase and recorded through the stage gates.</li> </ul>
IA_14_727	Track and Protection Services (TPS)	<b>07/08/2014 RI</b>	To provide assurance in the effectiveness of the Competency Management System of sub contracted signal staff provided by Track and Protection Services (TPS). The audit also included the management of fitness, drugs, alcohol, fatigue, eligibility to work in the UK, incident follow up and audit arrangements.	<p>TPS have a comprehensive documented Safety Management System (SMS). The SMS is generally well managed including effective controls over:</p> <ul style="list-style-type: none"> <li>Training and ongoing monitoring of employees' competence and fitness.</li> <li>Working hours, shift patterns and control of fatigue.</li> </ul> <p>However a number of issues were noted, as follows:</p> <ul style="list-style-type: none"> <li>The maintenance of safety critical employees' logbooks is not being effectively managed.</li> <li>Annual drugs and alcohol testing is being managed, but unannounced drugs and alcohol testing is not being completed.</li> <li>Incidents and near misses are not being tracked and investigated.</li> </ul>
IA_14_736	AVS Engineering and Maintenance Limited	<b>26/06/2014 AC</b>	To provide assurance to TfL and London Underground that AVS Engineering and Maintenance Limited has implemented and is working in compliance with acceptable business	<p>The key findings for this audit were:</p> <ul style="list-style-type: none"> <li>The company does not operate a formal accredited management system, but does have procedures for the core activities of the company.</li> <li>The company has published appropriate Health &amp; Safety, Environmental and Quality policies for the organisation.</li> <li>All staff employed or sub contracted to deliver products or services to LU and Transport for London have</li> </ul>

Reference	Report Title	Report Issued	Original Objective	Summary of Findings
			procedures	attended appropriate training and have in date LUCAS cards  No issues were raised during this audit.
IA_14_724	Handover of Assets – Tottenham Court Road Station Upgrade (TCRSU)	<b>27/06/2014 AC</b>	To review Taylor Woodrow Bam Nuttall's (TWBN) internal asset handover processes and assess completeness / progress and suitability of handover documentation for assets to be handed over to LU in January 2015 (Phase 1).	The key findings of this audit were: <ul style="list-style-type: none"> <li>• TWBN have well defined systems &amp; processes (Handover Strategy) to deliver asset documentation as required.</li> <li>• TWBN's Handover Strategy document was found to be comprehensive. This document however requires a 'final version' update and approval.</li> <li>• Handover minus (H-) meeting minutes between LU, TWBN and other stakeholders have not been uploaded onto A-Site.</li> <li>• A Good Practice was noted in grouping disciplines and contractor Section Managers as the basis for assets and sub-assets' documents to handover within Phase 1.</li> </ul>
IA_13_744	Competence and Fitness of Tram Operations Limited (TOL) Tram Operators	<b>02/07/2014 WC</b>	To assess the arrangements for ensuring the competence and fitness of tram operators, and auditing arrangements, in accordance with Railway and Other Guided Transport Systems (Safety) Regulations (ROGS) 2006, and Tram Operations Limited's (TOL's) local procedures.	No issues were identified with Tram Operations Limited systems and their implementation.  Procedures meet the requirements of legislation and were found to be implemented effectively with regard to: <ul style="list-style-type: none"> <li>• Training and licencing</li> <li>• Competence assessment</li> <li>• Fitness and fatigue management</li> <li>• Drugs and Alcohol testing</li> </ul> In addition TOL has adequate arrangements for auditing its own systems and ensuring actions are implemented and tracked
IA_14_738	Cleshar Contract Services Limited – Assurance of Drug and Alcohol Test Arrangements	<b>12/08/2014 AC</b>	To provide assurance that Cleshar Contract Services Limited is delivering the effective management of its drug and alcohol policy and their employee drug and alcohol testing regime.	The findings of the audit were: <ul style="list-style-type: none"> <li>• Cleshar has an established drug and alcohol (D&amp;A) regime that includes policy, procedures and records management. D&amp;A performance reporting was satisfactory and there was adequate evidence of regular liaison with the client, LU Commercial.</li> <li>• Cleshar are proactively and continually improving their D&amp;A management regime such that a high level of assurance is delivered to TfL that their employees will continue to be compliant with TfL policy.</li> <li>• An intensive programme of random D&amp;A testing commenced during July 2014 that is presently ongoing and designed to capture 10% of all 1654 operatives. The programme is designed to run for a month.</li> <li>• Management of the annual random 5% D&amp;A test regime was supported by adequate procedures and site attendance practice to ensure that employees randomly selected for test do complete their test. Failure to complete a test or a positive test result, results in immediate suspension, with the potential for termination of employment.</li> </ul>

Reference	Report Title	Report Issued	Original Objective	Summary of Findings
IA_14_739	Morson International Assurance of Drug and Alcohol Test Arrangement	15/08/2014 AC	To provide assurance that Morson International, via its subsidiary business Vital Human Resources Ltd is delivering the effective management of its drug and alcohol testing regime.	<p>The findings of the audit were:</p> <ul style="list-style-type: none"> <li>• Morson International employees who test positive or refuse a D&amp;A test have their employment terminated. If the employee is licensed in a Safety Critical role the LU Compliance and Licensing Team is advised of test failure and the employee's certification is suspended.</li> <li>• Vital Human Resources has adopted the Morson International Drug and Alcohol Policy.</li> <li>• The company had implemented an initiative of random unannounced D&amp;A test during July 2014. On the date of audit 46 staff had been tested and none had resulted in a failure. The business plan is to capture 30% of the company's 700 rail staff in this initiative.</li> <li>• Management of the annual unannounced 5% D&amp;A test regime was supported by an established practice compliant with the Morson International D&amp;A policy. Adequate management control had been established to ensure that employees complete a scheduled annual or random selection D&amp;A test.</li> <li>• The company had established adequate supervisory practices to deliver effective D&amp;A testing compliant with the Morson policy. This was not supported by a documented management system procedure that detailed the management regime, identifying responsible persons and the procedure and process used.</li> </ul>
IA_14_763	Ultrasonic Inspections	08/09/2014 AC	To confirm appropriate management systems are in place to ensure compliance against Category 1 Standard S1158 with regard to track ultrasonic inspections	<p>Effective controls were found in a number of areas as follows:</p> <ul style="list-style-type: none"> <li>• There is a risk based approach to determining the maximum intervals between inspections</li> <li>• Delivery schedules are monitored and reported on, including to senior management</li> <li>• Adequate records, including defects identified are maintained</li> <li>• Equipment is adequately calibrated for use</li> <li>• Arrangements are in place to ensure inspectors are competent</li> </ul> <p>One particular area of good practice was noted. The frequencies of inspections in the JNP Ultrasonics Inspections programme includes resilience to unforeseen events so that the maximum intervals between inspections can still be met even if an inspection cannot be undertaken as planned.</p> <p>However, we also noted two issues:</p> <ul style="list-style-type: none"> <li>• For BCV/SSL lines there were instances where the maximum intervals allowed between inspections had been exceeded, albeit only by a few days.</li> <li>• For BCV/SSL lines the roles and responsibilities for completing Temporary Approved Non-compliance (TANC) forms in the event of maximum interval frequencies not being met were not in accordance with Work Instructions.</li> </ul>



Reference	Report Title	Report Issued	Original Objective	Summary of Findings
IA_14_740	Supplier Audit - Kelly Integrated Transport Services	12/09/2014 AC	To provide assurance in the effectiveness of the Safety Management System for Kelly Integrated Transport Services (Kelly ITS) for work carried out on APJNP signals. The audit also included the management of fitness, drugs, alcohol, fatigue, eligibility to work in the UK, incident follow up and audit arrangements.	All the scope areas were examined during the audit. Kelly ITS has a documented Safety Management System with effective management in the following areas. <ul style="list-style-type: none"> <li>• Training and ongoing monitoring of employee's competence and fitness.</li> <li>• Working hours, shift patterns and risk of fatigue.</li> <li>• Annual, and unannounced, drugs and alcohol testing.</li> <li>• Incidents and near misses are being tracked and investigated.</li> <li>• Audits are undertaken by Kelly ITS to review the effectiveness of the Safety Management System.</li> <li>• The eligibility of employees to work in the United Kingdom.</li> </ul> One issue was noted in relation to the maintenance of safety critical employees' logbooks to ensure they accurately reflect completed assessments.
<b>Delivery of Capital Investment Portfolio</b>				
IA_14_714	Track Installation and Handover	07/08/2014 RI	To provide assurance that there were suitable processes in place and records available to meet the requirements of the relevant LU standards for the assessment and sign off of replaced track for use in passenger service.	Areas of effective control were as follows: <ul style="list-style-type: none"> <li>• Work Instructions produced by Track Partnership were seen to reflect the requirements of LU Category 1 Standards</li> <li>• The competence of those undertaking track hand back activities was well controlled with assessments being undertaken more frequently than required and regular familiarisation with new and updated processes.</li> <li>• Equipment used was well managed with appropriate asset numbers, inspection and calibration labels.</li> <li>• All aspects regarding the installation of Composite Conductor Rail were undertaken in accordance with requirements</li> </ul> Significant Issues identified were <ul style="list-style-type: none"> <li>• Track Partnership work instructions recognise the need to subject rails to 1000lbf tensor stress as welds are poured. This was not undertaken for the work observed, potentially affecting the integrity of the rail</li> <li>• Temporary Rail joint forms were not completed to show that extensions to the use of temporary rail joints have been applied for by the Site Engineers and approved by the LU Track Asset Engineer. Inspection records were also found not to record that loose clamps had been found and tightened.</li> </ul>
IA_14_707	Baker Street to Bond Street Tunnel Works	27/06/2014 AC	To ensure design and construction change processes are being followed correctly on site, including accurate record keeping of all processes including materials certification through the installation process and sign off.	The findings of the audit were: <ul style="list-style-type: none"> <li>• There are effective management processes in place for the relining works project on the Jubilee line between Baker Street and Bond Street.</li> <li>• There is a demonstrable understanding of all standards, procedures and project plans, ensuring effective management of the Baker Street to Bond Street tunnel relining works.</li> <li>• Evidence was available to demonstrate compliance with specifications for each component used on the project. Records are being kept to demonstrate the progress of work undertaken, management reviews and the decision making regarding ongoing work.</li> <li>• There has been one Reporting of Injuries, Diseases and Dangerous Occurrence Regulation (RIDDOR) reportable incident.</li> <li>• There has been effective communication between all interested parties, including the Office of Rail Regulation, throughout the project.</li> </ul>

Reference	Report Title	Report Issued	Original Objective	Summary of Findings
IA_14_713	Track Cube Testing Process (Track Delivery Unit and Holliday Concrete Testing Ltd)	15/07/2014 AC	To assess the process for concrete cube testing and confirm compliance with the testing regime, adequacy of record production and effectiveness of actions taken based on results supplied following approved procedures.	<p>Overall, the process for the manufacture and compressive testing of concrete cubes is adequate. Cubes are tested at an independent laboratory with accreditation from the United Kingdom Accreditation Service (UKAS). This accreditation is reassessed annually and in greater depth every three years. Testing is conducted in a controlled manner and ensure any impacts from the following do not impact significantly on the strength of the track concrete.</p> <ul style="list-style-type: none"> <li>• There are a number of work instructions and forms covering the process but no single document captures the whole process. Those that are in place contain anomalies and inconsistencies.</li> <li>• It is a requirement of British Standard 12390-2 that test specimens are left in the moulds for at least 16 hours and no longer than 3 days. Due to collection /delivery arrangements this may be exceeded in some cases.</li> <li>• Manufacturer work instructions indicate that during cement mixing the mixing bucket should be clean and a second bucket of water should be used for cleaning the paddle mixer. During two site visits neither work gang were seen to use a second bucket to clean the paddle. In addition the mixing buckets had some concrete residue.</li> <li>• Cement from different batches was seen to be mixed together without being recorded as mixed on the Inspection and Test Plan.</li> <li>• A pre-calibrated water measure was not being used correctly which could result in the pre-calibration not being effective.</li> <li>• Documentation accompanying the cubes in transit is inconsistent between JNP and BCV sites. Documentation is not always completed and the accuracy of content is variable.</li> <li>• Technical specification T0417 contains a requirement for when cubes should be taken which may be erroneous and would not generate a representative sample.</li> </ul>
<b>Major Incident – External</b>				
IA_14_779	Tramlink Infrastructure Safety Management	18/07/2014 RI	To examine the systems and processes in use for ensuring the systematic control of safety risks to London Tramlink employees.	<p>The findings of the audit were:</p> <ul style="list-style-type: none"> <li>• The full requirements of the TfL HS&amp;E and TL Management System are not being met to ensure risk assessments are suitable and sufficient.</li> <li>• Risk assessments are in place but the majority were found to be generic in nature and lack relevant detail particularly with regards to identifying necessary controls to reduce risk to as low as reasonably practicable.</li> <li>• A number of topic specific risk assessments sampled had not been carried out as required by the TfL HS&amp;E and TL Management System.</li> <li>• Observations made during site visits confirmed that safe systems of work were being implemented and followed by TL employees.</li> <li>• Planning of works and co-ordination with third parties was found to be well managed.</li> <li>• There is no comprehensive competency management system in place for staff carrying out safety critical activities. A Strategy defining the actions required has been prepared and there are some local regimes in place to manage the competence of staff.</li> </ul>

Reference	Report Title	Report Issued	Original Objective	Summary of Findings
IA_14_822	Track SSL and Maintenance Infrastructure Services (MIS) Health, Safety, Environmental Management and Safety Critical Licensing	25/07/2014 RI	To assess effectiveness of arrangements to ensure that HSE risks, including safety critical licensing, are controlled via existing documented requirements.	<p>A number of effective areas of control were noted:</p> <ul style="list-style-type: none"> <li>Safety Critical Licensing is managed and controlled as per the Management System</li> <li>Manual Handling is assessed in accordance with the management system to support legislative requirements. New lighter products have been sourced to reduce risk</li> <li>Hazardous Substance (COSHH) assessments are undertaken in accordance with the management system to support legislative requirements</li> <li>New lighting has been sourced to use on sites that are battery operated. By not using a generator there is no noise source and no fuel use to improve the environmental impact</li> </ul> <p>However, two significant issues were identified:</p> <ul style="list-style-type: none"> <li>Planned General Inspections are undertaken. Safety Tours are undertaken but not by senior managers as required and System Checks are not planned or undertaken. This weakens senior management visibility on HSE and management assurance that control systems are working as planned.</li> <li>Hazardous and non-hazardous waste was not segregated at some sites.</li> </ul>
IA_14_792	Bank Station Group HSE Management	04/08/2014 RI	To assess compliance and effectiveness of critical elements of the TfL HSE Management System, London Underground (LU) Managers Handbook, LU Rule Books and the effectiveness of local arrangements.	<p>A number of areas of effective control were noted:</p> <ul style="list-style-type: none"> <li>Workplace Risk Assessments are being undertaken and reviewed as required</li> <li>Emergency plans are current and control measures for foreseeable emergencies are in place</li> <li>Competence including safety critical licensing is managed and monitored to ensure staff meet licensing requirements</li> <li>Incident trends are monitored and individual incidents investigated in line with corporate procedures.</li> </ul> <p>However, a number of significant issues were identified:</p> <ul style="list-style-type: none"> <li>Pro-active monitoring is not being completed as required via GSM Safety Systems Checks.</li> <li>Station checks not being completed/documented as required including platform edge CCTV, Lift &amp; Escalator and station fire panel checks</li> <li>Station tenants do not sign in with the Station Supervisor as required and visitors were not being given safety briefings.</li> </ul>
IA_14_786	Track BCV Health, Safety, Environmental Management and Safety Critical Licensing	05/08/2014 RI	To assess effectiveness of arrangements to ensure that HSE risks, including safety critical licensing, are controlled via existing documented requirements.	<p>Areas of effective control included:</p> <ul style="list-style-type: none"> <li>The use of a dedicated cabinet for storage of site files on the Bakerloo/Victoria Lines is good practice</li> <li>Safety Critical Licensing is managed and controlled as per the Management System</li> <li>Waste and Pollution risk is controlled, effective and in accordance with the Management System</li> </ul> <p>Significant findings of the audit were:</p> <ul style="list-style-type: none"> <li>Manual Handling and Hazardous Substance assessments are not being completed in accordance with management system requirements to support compliance with legislation and ensure control of risk. The need for these has been previously identified in Workplace Risk Assessments but the action not completed.</li> <li>Planned General Inspections are undertaken. Safety Tours are undertaken but not by senior managers as required and System Checks are not planned or undertaken. This weakens senior management visibility on HSE and management assurance that control systems are working as planned.</li> </ul>
IA_13_762	Workload Planning	27/06/2014 AC	To assess the extent to which resources and timescales are effectively managed to ensure that CPD project works do not have an adverse impact on the safety of the operational railway.	<p>The key findings of this review were:</p> <ul style="list-style-type: none"> <li>Planning / scheduling within the sampled CPD areas is undertaken with well established methodologies, aligned to TfL Pathway which are monitored at planned review and stage gates.</li> <li>Perceptions from employees regarding their workload and planning in general are that: <ul style="list-style-type: none"> <li>Workload planning is improving.</li> <li>Further attention is needed to minimise the frequency of changes to the scope of works and to maintain more realistic timescales accordingly.</li> <li>Delivery dates need to be adapted where missed deadlines from previous project stages impact upon subsequent works.</li> </ul> </li> </ul>

Reference	Report Title	Report Issued	Original Objective	Summary of Findings
				<p>Employees were consistent in that the quality of works undertaken by suppliers and assured by LU is under no circumstances compromised, even if this requires a steep increase in workload.</p> <p>It was concluded that the sampled areas of CPD are working at a Railway Management Maturity Model (RM3) Level 3 (standardised). There is some evidence of working at RM3 Level 4.</p>
IA_14_790	London Bridge Station Group HSE Management	02/07/2014 AC	To assess compliance and effectiveness of critical elements of the TfL HSE Management System, London Underground (LU) Managers Handbook, LU Rule Books and the effectiveness of local arrangements.	<p>Issues identified were:</p> <ul style="list-style-type: none"> <li>60% of users of Display Screen Equipment (DSE) have not undertaken an assessment to identify any health impacts</li> <li>Station tenants are not signing in with the Station Supervisor as required by the LU Rule Book. This is designed to ensure they can be accounted for in the event of an evacuation</li> <li>Pro-active checks of emergency equipment, including public help points, is happening but not to the frequency required by the LU Rule Book</li> <li>There are a significant number of individual competence assessments that have not been undertaken in the planned timescales. However, this is recoverable if those individual assessments are undertaken within their assessment cycle.</li> </ul>
IA_14_791	Baker Street Station Group HSE Management	03/07/2014 AC	To assess compliance and effectiveness of critical elements of the TfL HSE Management System, London Underground (LU) Managers Handbook, LU Rule Books and the effectiveness of local arrangements.	<p>Issues identified were:</p> <ul style="list-style-type: none"> <li>40% of users of Display Screen Equipment (DSE) have not undertaken an assessment to identify any health impacts</li> <li>The lone working risks for the group have not been assessed</li> <li>Station tenants are not signing in with the Station Supervisor as required by the LU Rule Book. This is to ensure they can be accounted for in the event of an evacuation.</li> <li>There are a significant number of individual competence assessments that have not been undertaken in the planned timescales. However, this is recoverable if those individual assessments are undertaken within their assessment cycle</li> </ul>
IA_14_789	Provision and Implementation of High Voltage and Low Voltage Safety Rules	03/07/2014 AC	To determine whether appropriate management systems were in place to ensure compliance against the relevant Electricity at Work Regulations 1989.	<p>Overall, the implementation of High Voltage (HV) and Low Voltage (LV) Safety Rules process is being adequately managed.</p> <p>One issue was identified:</p> <ul style="list-style-type: none"> <li>There is no Work Instruction in relation to HV/LV training Itinerary for new trainers.</li> </ul>
IA_14_805	London Overground Change Control	30/07/2014 AC	To provide assurance that London Overground (LO) has arrangements in place to manage change and complies with the requirements of The Railway and other Guided Transport Systems (Safety) Regulations (ROGS) 2006, TfL HSE Managements System and the London Overground Procedure for Change Management (LO-MS-102-01-0001	<p>A number of areas of effective control were noted:</p> <ul style="list-style-type: none"> <li>The requirements of ROGS and the TfL HSE Management System are translated into the London Overground management system</li> <li>A register of changes and categorisations is owned and maintained</li> <li>Roles and responsibilities when making a change are clear and understood</li> <li>Interested parties are consulted on potential changes</li> <li>Proposed changes are monitored and tracked through to completion</li> </ul> <p>One issue was identified:</p> <ul style="list-style-type: none"> <li>There was an awareness to consider safety risks from changes and the Change Control Manager and Change Owners could describe the safety risks and controls considered for the changes sampled. However, a risk assessment is not recorded as required by the London Overground</li> </ul>

Reference	Report Title	Report Issued	Original Objective	Summary of Findings
				procedure and means that it may not be possible to demonstrate that all risks have been systematically considered and controlled
IA_14_783	Buried Services Management, Victoria and Vauxhall Station Upgrades	08/08/2014 AC	To examine the processes in place for Victoria and Vauxhall Station Upgrade projects for identifying buried services and ensuring the risk of service strikes are minimised.	<p>The findings of the audit for Vauxhall Station Upgrade Project are:</p> <ul style="list-style-type: none"> <li>Overall there are effective processes in place for managing the risks from buried services at the Vauxhall Station Upgrade Project.</li> <li>The combined LU/Bechtel Safety Tours are not being consistently undertaken every period as scheduled.</li> <li>Arrangements for ensuring LU receive assurance that actions from inspections/tours are being closed out need to be implemented.</li> </ul> <p>The findings of the audit for Victoria Station Upgrade Project are:</p> <ul style="list-style-type: none"> <li>There are robust processes in place for managing the risks from buried services at the Victoria Station Upgrade Project.</li> <li>TWBN have a comprehensive procedure in place for the management of risks associated with buried services which includes clearly defined roles and responsibilities.</li> <li>TWBN have extensive and wide-ranging arrangements in place for the communication of the risks from buried services.</li> </ul>
IA_14_793	Northfields Traincrew HSE Management	15/08/2014 AC	To assess compliance and effectiveness of critical elements of the TfL HSE Management System, London Underground (LU) Managers Handbook, LU Rule Books and the effectiveness of local arrangements.	<p>Areas of effective control were as follows</p> <ul style="list-style-type: none"> <li>Workplace Risk Assessments are being undertaken and reviewed as required</li> <li>Emergency plans are current and control measures for foreseeable emergencies are in place</li> <li>Competence including safety critical licensing is managed and monitored to ensure staff meet licensing requirements</li> <li>Safety System checks and Plan General Inspections are being completed to programme and actions tracked to completion</li> <li>Incident trends are monitored and individual incidents investigated in line with corporate procedures</li> </ul> <p>Issues identified were:</p> <ul style="list-style-type: none"> <li>Assessments and agreements on working arrangements for medically restricted staff are being recorded in e-mails and not being recorded and stored in staff files as per TfL standards. This means that this important information would not be available for future reference.</li> <li>Late Notice Boards contained notices one month old when they should be moved after 72 hours. Managers were not aware of the requirements. They were briefed during the audit by the TOM and the notices moved</li> <li>Debriefs following evacuation drills were not being recorded on the appropriate form to record who was involved and any lessons learnt. Managers were briefed by the TOM during the audit on the requirements</li> <li>Speed checking has not been ongoing on the Piccadilly Line, however this was identified by a TOM system check in May 2014 and a resourced programme was due for commencement in August.</li> </ul>
IA_14_787	Track JNP Health, Safety, Environmental Management	28/08/2014 AC	To assess the effectiveness of arrangements to ensure that HSE risks are controlled via existing documented requirements	<p>Overall, JNP Track was found to be following existing JNP procedures as part of the TfL Management System. In particular:</p> <ul style="list-style-type: none"> <li>Workplace risk assessments are completed for all activities seen to TfL standards</li> <li>Controls are communicated to the workforce via methods statements and on site briefings</li> </ul>

Reference	Report Title	Report Issued	Original Objective	Summary of Findings
				<ul style="list-style-type: none"> <li>• Control measures were seen to be implemented on site</li> <li>• Management is monitoring controls via safety tours and inspections</li> <li>• Waste and pollution risk is managed to TfL standards</li> </ul> <p>One area of good practice was noted. A dedicated well managed cabinet for waste files was in place at Edgware Depot Stores This ensures that the date, type and quantities of waste brought to Edgware Depot from all lines are recorded and accounted for.</p> <p>Only one issue was identified:</p> <ul style="list-style-type: none"> <li>• Musculo-skeletal injury is a common risk to track workers and manual handling training is provided. Manual handling is identified as a risk within workplace risk assessments and specific manual handling assessments completed to the former Tube Lines management system. These assessments do not comply with the Manual Handling Operations Regulation 1992 and also do not meet all requirements of a 'suitable and sufficient' risk assessment.</li> </ul> <p>Compliant assessments are being undertaken for track workers in BCV/SSL to the TfL format which could also be applied to the JNP workforce.</p>
<b>Crossrail</b>				
IA_14_521	Network Rail's (Great Western) Line Closures for Crossrail Works	27/08/2014 AC	To focus on Network Rail's (Great Western) Line Closures planning process and interfaces with Crossrail.	<p>The audit identified that:</p> <ul style="list-style-type: none"> <li>• OVERRUNS (hours) by Network Rail (NR) have decreased since December 2012. It was demonstrated that NR have undertaken Formal Investigations after overruns, identifying the 'primary and contributory' causes (NR terminology) and apply the lessons learnt to subsequent possessions.</li> <li>• The auditees had identified a trend in 'primary causes' for overruns related to power failures and power supplies during testing and commissioning of signalling works. Closer monitoring in this area has been applied by Crossrail to subsequent possessions during planning.</li> <li>• Crossrail had clearly defined mechanisms / processes for interfacing and working collaboratively with NR during possession-planning and during the works.</li> </ul>

**INTERNAL AUDIT CUSTOMER FEEDBACK FORM  
SUMMARY OF RESPONSES FOR 2014/15  
Quarter 2**

Understanding our customers' needs and expectations and ensuring we are meeting them is an important part of the continuous improvement we strive for in Internal Audit. We have recently conducted an assignment in your area and would be grateful if you could complete this customer feedback questionnaire, **and return it to us by email**. This will help us identify ways in which we can improve our service to the business. Please select the rating for our performance ranging from 1 (very poor) to 5 (very good) for the areas below. An additional 'Comments' section is provided for you if you wish to make any specific comments on what went well or could be improved, and on your overall opinion of the assignment conduct and usefulness. Your feedback will be shared with the audit team, and also summarised on a quarterly basis for the Audit Committee. We may contact you to discuss your feedback if we feel that gaining a better understanding of it would be beneficial.

**Customer Feedback Forms Sent: Q2 = 60 (Q1=49 )**

**Customer Feedback Forms Returned; Q2 = 21(Q1 = 17)**

	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>4.5 (4.2)</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(0)	2(3)	6(4)	13(10)	
The assignment was completed and the report issued within appropriate timescales	0(0)	0(1)	0(2)	2(3)	9(1)	10(10)	
<b>COMMUNICATION</b>							<b>4.3 (4.3)</b>
Communication prior to the assignment was appropriate, including the dates and objectives	0(0)	0(0)	0(0)	1(2)	10(6)	10(9)	
Throughout the assignment I was informed of the work's progress and emerging findings	0(0)	0(0)	1(1)	3(2)	7(7)	10(7)	
<b>CONDUCT</b>							<b>4.5 (4.3)</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	1(0)	0(0)	0(0)	4(5)	4(3)	12(9)	
The Internal Audit team acted in a constructive, professional and positive manner	0(0)	0(0)	0(0)	1(3)	6(4)	14(10)	
<b>RELEVANT AND USEFUL ADVICE AND ASSURANCE</b>							<b>4.2 (4.2)</b>
A fair summary of assignment findings was presented in the report	0(1)	0(0)	1(0)	4(3)	8(6)	8(7)	
Assignment recommendations were constructive, practical and cost-effective	1(0)	0(0)	0(0)	4(4)	7(6)	9(7)	
My concerns were adequately addressed and the review was beneficial to my area of responsibility and operations	0(0)	0(0)	0(0)	4(5)	9(6)	8(6)	
<b>Overall assessment</b>							<b>4.3 (4.3)</b>

Other comments including suggested improvements and areas of good performance:

*The auditor did an excellent job of initially informing me of the process and then during the audit of keeping me informed at each stage.*

*My experience dealing with the audit team was a positive one and every effort was made to meet the tight timescales that were required in order to support the project.*

*Auditor did an excellent job showing depth of knowledge of their subject and explaining each step and the outcome.*

*I felt that the auditor was very fair and the auditor worked well with us to understand issues from both a business and operational perspective.*

*Auditor provided High quality service; agreed dates in exceptionally quick timeframe; Final Audit report clear and concise*

*There was insufficient time to review changes to the audit report and issue of final report.*

*Scope of Audit too extensive to be effective - would have been better if concentrated on Design, Assurance or Quality as opposed to all three.*

*I feel that some items were explained and did not need to be on the report*