

**Date: 6 June 2022**

**Item: Elizabeth Line Programme Assurance Quarter 4 Report  
2021/22**

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**This paper will be considered in public**

## **1 Summary**

1.1 This paper provides an overview of programme assurance activity in relation to the Elizabeth line during Quarter 4 of 2021/22 (12 December 2021 to 31 March 2022) (Q4).

## **2 Recommendation**

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

## **3 Background**

3.1 The Elizabeth Line Integrated Assurance Framework (IAF) is based on a Three Lines of Defence (3LoD) model comprising:

- (a) Line 1 – Management functions of Crossrail, Rail for London (Infrastructure) Limited and key interfaces;
- (b) Line 2 – Project and Programme Assurance Elizabeth line (PPA-EL); and
- (c) Line 3 – TfL Internal Audit and a sub-group of the Independent Investment Programme Advisory Group (IIPAG-EL).

3.2 This paper reports specifically on Line 2 (PPA-EL), Line 3 (Internal Audit) and Line 3 (IIPAG-EL) assurance progress.

3.3 The teams meet periodically with a panel of advisers and the Project Representative to ensure that assurance is carried out by the right team, at the right time and to avoid duplication and minimise overlap of effort.

## **4 Line 2 (PPA) Assurance**

4.1 Good progress has been made since the last report. The train and overall system performance continues to improve following recent additional train and signalling software drops and other interventions, further improving operational performance in advance of Revenue Service.

- 4.2 Based upon the Line of Defence 2 (LoD2) Period 13 assessment, and with the positive reliability performance trajectory, LoD2 supported the decision for the Elizabeth line to enter into Revenue Service on 24 May 2022.
- 4.3 LoD2 Assurance has continued to provide assurance on an ongoing continuous basis as well as carrying out a series of Targeted Assurance Reviews on key areas where there are risks identified, which could have impacted Revenue Service. We have already identified areas of focus for next stages. Formal reporting will continue to be through the LoD2 Periodic Assurance Review (PAR) Reports.
- 4.4 Since the last meeting of the Committee, LoD2 has issued PAR Reports covering Periods 12 and 13 of 2021/22 (6 February to 31 March 2022), which have provided input to the periodic Integrated Assurance Report to the Elizabeth Line Delivery Group and the Elizabeth Line Committee.
- 4.5 Regarding cost to complete, although potential new cost pressures are being prudently recognised in the Anticipated Final Crossrail Direct Cost (AFCDC) as they arise, the Programme continues to maintain provision and contingency budgets. Actions are ongoing across all areas to identify opportunities to reduce the AFCDC and mitigate cost pressures.
- 4.6 The project has made significant progress since the last report, key progress highlights include:
- (a) the introduction of a new release of signalling software ELR200 over Easter 2022, and new train software H5.6 continue to improve the overall system reliability performance;
  - (b) Trial Running in the Central Operating Section continued and increased the periods of 12 trains per hour running and the first 20 trains per hour trials were carried out successfully;
  - (c) station works continue at Bond Street working towards bringing into use later this year;
  - (d) maintenance productivity and access continued to improve and supported the Revenue Service requirements; and
  - (e) Trial Operations phase 2 exercises were completed, and lessons learned for the Operations teams have been embedded.
- 4.7 Key indicators of maintenance performance continue to be monitored to provide greater clarity around the average fault identification and diagnosis interval and the overall fault-to-fix cycle time, both of which are improving week on week.

## **5 Line 3 (TfL Internal Audit) Assurance**

- 5.1 This section covers the Internal Audit activities that were agreed in the Integrated Assurance schedule shared at the last meeting.
- 5.2 In Q4 we issued three reports, we have one in progress and there are four audits planned to commence in Quarter 1 of 2022/23 (1 April to 25 June 2022) (Q1).

## **Audit Delivery**

- 5.3 Summary information of the three reports issued in Q4 are set out below.
- 5.4 The audit of the Accounts of the Crossrail Complaints Commissioner provided assurance that figures in the accounts are accurate. On the basis of the work carried out, it was confirmed that the accounts of the Crossrail Complaints Commissioner, in all material respects, accurately reflect the receipts and payments during the financial period ended 31 March 2021.
- 5.5 The Disposal of Temporary Assets audit was rated as 'Requires Improvement'. Three high priority issues and two medium priority issues were raised. The high priority issues relate to temporary asset guidance not having been routinely followed and clarification required on its application, temporary asset registers being out of date, and temporary asset disposal approval forms not being consistently completed.
- 5.6 The audit of Procurement and Supply Chain's (now Procurement and Commercial) capacity to take on the procurement of Elizabeth line's activities was rated as 'Adequately Controlled'. Two medium priority issues were raised that related to a lack of clarity amongst staff on how the new organisation will operate in practice, and job descriptions for Bands 1-3 not having been reviewed and updated to reflect Procurement and Supply Chain's reorganisation.
- 5.7 A full list of audit reports issued in Q4 is included as Appendix 1. Audits in progress at the end of Q4 are included as Appendix 2, work planned to start in Q1 is included as Appendix 3, and details of changes to the Audit Plan is included as Appendix 4.

## **Management Actions**

- 5.8 The team monitors the implementation of all Internal Audit management actions and confirms whether they have been adequately addressed. There are currently three overdue actions, but none of which are more than 60 days overdue. Progress towards closing out these actions has regularly been discussed with stakeholders, and there are valid reasons for those that are overdue.

## **Changes to the Audit Plan**

- 5.9 TfL Internal Audit regularly review and update the Audit Plan throughout the year, in liaison with management, to reflect changing business priorities. Changes, which include one cancellation and one deferral, are included in Appendix 4.

## **6 Line 3 (IIPAG-EL) Assurance**

- 6.1 The terms of reference of the IIPAG-EL sub-group require the group to provide a 'look ahead' of its proposed areas of interest and work. The previous work plans have been completed and a new list of areas of interest has been proposed as part of the revised Integrated Audit and Assurance Schedule and supports the 'continuous assurance' process established by Line of Defence 3 (LoD3). This schedule is maintained by LoD2 and reviewed within the Elizabeth Line Programme Assurance Group which is co-ordinated by LoD2/PPA.

6.2 The overall assessment by LoD3 (IIPAG-EL sub-group) is that the overall assurance framework has continued to operate effectively over the last quarter.

**List of Appendices:**

Appendix 1: Line 3 (TfL Internal Audit) Reports issued by the end of Q4 2021/22  
Appendix 2: Line 3 (TfL Internal Audit) Work in progress at the end of Q4 2021/22  
Appendix 3: Line 3 (TfL Internal Audit) Work due to start in Q1 2022/23  
Appendix 4: Line 3 (TfL Internal Audit) Changes to the 2021/22 Audit Plan

**List of Background Papers:**

None

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