

Date: 18 October 2022

Item: TTL Properties Limited Assurance Update

This paper will be considered in public

1 Summary

- 1.1 This paper reports on progress with programme assurance activity across TTL Properties Limited (TTLP) during Quarter 2 of 2022/23 (26 June to 17 September 2022) (Q2).
- 1.2 A paper is included on the Part 2 agenda which contains supplementary information that is exempt from publication by virtue of paragraph 3 of Schedule 12A of the Local Government Act 1972 in that it contains information relating to the business affairs of TfL. Any discussion of that exempt information must take place after the press and public have been excluded from this meeting.

2 Recommendation

- 2.1 **The Committee is asked to note the paper and the exempt supplementary information in Part 2 of the agenda and approve the Integrated Audit and Assurance Schedule at Appendix 1.**

3 Background

- 3.1 The TTLP Integrated Assurance Framework is based on a Three Lines of Defence model comprising:
 - (a) Line 1 – Management functions of TTLP and key interfaces;
 - (b) Line 2 – Project and Programme Assurance (PPA) and Quality, Safety and Security Assurance; and
 - (c) Line 3 – TfL Internal Audit and a sub-group of the Independent Investment Programme Advisory Group (IIPAG-TTLP).
- 3.2 This paper reports specifically on Line 2 (PPA), Line 3 (Internal Audit) and Line 3 (IIPAG-TTLP) assurance progress. Priorities for Lines 2 and 3 assurance are set out in Appendix 1. This plan will be updated quarterly. Updates on development of TTLP Enterprise Risks will also be provided.

4 Line 2 (PPA) Assurance

- 4.1 Briefings have taken place with the TTLP senior leadership team to identify key issues.

- 4.2 Continuous assurance will be undertaken for development projects which interface with the operational business.

5 Enterprise Risk Management

- 5.1 A risk workshop has been held with seven Level 0 (L0) Enterprise Risks identified:
- (a) TTLP-L0-1 – Inability to deliver safety and legal obligations;
 - (b) TTLP-L0-2 – Attraction, retention, health, wellbeing and capability of our employees;
 - (c) TTLP-L0-3 – Financial sustainability;
 - (d) TTLP-L0-4 – Stakeholders and partnerships;
 - (e) TTLP-L0-5 – Environment including climate adaptation;
 - (f) TTLP-L0-6 – Inability to react to external market forces; and
 - (g) TTLP-L0-7 – Procurement including supply chain.
- 5.2 Further work will be undertaken to develop each of the risks identified at the workshop. The Committee will receive an update on each risk once a year.

6 Line 3 (Internal Audit) Assurance

- 6.1 In Q2 we have one audit in progress and we have one audit due to start in Quarter 4 of 2022/23 (11 December 2022 to 31 March 2023), these are detailed in Appendix 1.

Audit Delivery

- 6.2 No audits were completed in Q2.

Management Actions

- 6.3 The team will monitor the implementation of all Internal Audit management actions and confirm whether they have been adequately addressed. There are currently no overdue actions from previous audits.

7 Line 3 (IIPAG-TTLP) Assurance

- 7.1 It is proposed that IIPAG-TTLP will focus on the key areas identified as part of the Integrated Audit and Assurance Schedule set out at Appendix 1 and support continuous assurance; the Committee's approval of that schedule of activity is, therefore, sought. Recruitment has been completed for the IIPAG sub-group with a start date of 3 October 2022.
- 7.2 A member of IIPAG has been involved in the leadership team briefings and new members of the TTLP sub-group will be briefed on key issues and participate in

the appropriate assurance reviews set out in the Integrated Audit and Assurance Schedule.

List of Appendices:

Appendix 1: Integrated Audit and Assurance Schedule

Exempt supplementary information is contained in a paper on Part 2 of the agenda.

List of Background Papers:

None

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