

Board



Date: 7 June 2023

Item: Report of the Meeting of the Audit and Assurance Committee to be held on 5 June 2023

This paper will be considered in public

1 Summary

- 1.1 This paper provides a summary of the items to be considered by the Audit and Assurance Committee at its meeting on 5 June 2023 (after the date that the papers for this meeting of the Board are published).

2 Recommendation

- 2.1 **The Board is asked to note the report.**

3 Committee Agenda and Summary

- 3.1 The papers for the meeting of the Committee to be held on 5 June 2023 were published on 25 May 2023, with a supplementary agenda containing the items relating to the Annual Report and Statement of Accounts (listed at paragraph 3.2 (b), (c) and (d) below) due to be published on 31 May 2023. The papers are available on the [TfL website](#) with a link to the video recording of the meeting on [TfL's YouTube channel](#).

- 3.2 The main matters to be considered by the Committee are:

- (a) Matters Arising, Actions List and Delegated Authority;
- (b) TfL Annual Report 2022/23;
- (c) EY Report to Those Charged with Governance;
- (d) TfL Statement of Accounts for Year Ended 31 March 2023;
- (e) EY Letter on Independence and Objectivity;
- (f) EY Report on Audit and Non-Audit Fees for Six Months Ended 31 March 2023;
- (g) Annual Audit Fees 2023/24;
- (h) Risk and Assurance Annual Report and Assurance Statement 2022/23;
- (i) Risk and Assurance Quarter 4 Report 2022/23;

- (j) Independent Investment Programme Advisory Group (IIPAG) Quarterly Report;
- (k) Elizabeth Line Programme Assurance Report Quarter 4 2022/23;
- (l) TTL Properties Limited Assurance Update;
- (m) Review of Governance and the Annual Governance Statement for the Year Ended 31 March 2023;
- (n) Legal Compliance Report (1 October 2022 – 31 March 2023);
- (o) Finance Control Environment Trend Indicators; and
- (p) Register of Gifts and Hospitality for Members and Senior Staff.

3.3 A summary of the items to be considered and decisions to be taken is provided below. The more detailed minutes of the meeting will be published ahead of the meeting of the Committee on 20 September 2023.

4 Issues to be Discussed

Matters Arising, Actions List and Delegated Authority

4.1 The Committee is asked to note an update on Chair's Action taken since the previous meeting, including approval of the 2022/23 TfL Scorecard Assurance Review.

TfL Annual Report 2022/23

4.2 The Committee is asked to note the Annual Report and the delegation to the Chief Customer and Strategy Officer to make any adjustments prior to submission to the Board.

EY Report to Those Charged with Governance

4.3 The Committee is asked to note the key risks identified by EY and the status of the audit work completed during the course of their audit of the Statement of Accounts for the Transport for London Group for the year ended 31 March 2023.

TfL Statement of Accounts for Year Ended 31 March 2023

4.4 The Committee is asked to note the draft Statement of Accounts and the delegation to the Chief Finance Officer to make any adjustments arising from the ongoing audit work prior to submission to the Board.

EY Letter on Independence and Objectivity

- 4.5 The Committee is asked to note the independence and objectivity of EY, taking into account guidance including the National Audit Office's Code of Practice.

EY Report on Non-Audit Fees for six-months ended 31 March 2023

- 4.6 The Committee is asked to note fees billed by EY for non-audit services.

Annual Audit Fees 2023/24

- 4.7 The Committee is asked to note the annual audit fee for the audit of Transport for London, Transport Trading Limited Group, Crossrail Limited and TTL Properties Limited (TTLP) Group for the year ending 31 March 2024.
- 4.8 The fees for the TfL audit are currently under consultation by the Public Sector Audit Appointments Limited, which is due to be published in November 2023. This is in line with the Local Audit (Appointing Person) Regulations 2015.

Risk and Assurance Annual Report and Assurance Statement 2022/23

- 4.9 The Committee is asked to note the annual report and assurance statement of the Risk and Assurance Directorate, which comprises the Enterprise Risk Management, Internal Audit, Quality, Safety and Security Assurance, Project Assurance and Counter-fraud and Corruption teams.

Risk and Assurance Quarter 4 Report 2022/23

- 4.10 The Committee is asked to note the work completed by the Risk and Assurance Directorate during Quarter 4 of 2022/23 (11 December 2022 to 31 March 2023) (Q4), the work in progress and planned to start, and other information about the Directorate's activities.

Independent Investment Programme Advisory Group Quarterly Report

- 4.11 The Committee is asked to note the IIPAG Quarterly Report and the management response and approve the IIPAG Workplan for 2023/24.

Elizabeth Line Programme Assurance Report Quarter 4 2022/23

- 4.12 The Committee is asked to note the overview of programme assurance activity in relation to the Elizabeth line during Q4.

TTL Properties Limited Assurance Update

- 4.13 The Committee is asked to note progress with assurance activity across TTLP during Q4.

Review of Governance and the Annual Governance Statement for the Year Ended 31 March 2023

- 4.14 The Committee is asked to approve the Annual Governance Statement for signing by the Chair of TfL and the Commissioner, for inclusion in the 2022/23 Annual Report and Accounts and note the progress against the 2022/23 improvement plan and the improvement plan for 2023/24.

Legal Compliance Report (1 October 2022 - 31 March 2023)

- 4.15 The Committee is asked to note information provided by each TfL Directorate for the Legal Compliance Report for the period 1 October 2022 to 31 March 2023.

Finance Control Environment Trend Indicators

- 4.16 The Committee is asked to note the update on the Financial Control Environment Trend Indicators and the dashboard for Q4 which includes a metric on payment targets to small and medium enterprises, as previously requested by the Committee.

Register for Gifts and Hospitality for Members and Senior Staff

- 4.17 The Committee is asked to note details of the gifts and hospitality declared by the Board and senior staff for the three-month reporting period, covering 1 February to 30 April 2023. During that period, there were no declarations by Members and 45 declarations made by senior staff, of which 27 were declined and 18 were accepted.

List of appendices to this report:

None

List of Background Papers:

Papers submitted to the Audit and Assurance Committee on 5 June 2023

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