

Date: 11 March 2024

Item: Places for London Assurance Update

This paper will be considered in public

1 Summary

- 1.1 This paper reports on progress with assurance activity across Places for London during Quarter 4 of 2023/24 (10 December 2023 to 31 March 2024) (Q4) and provides the status of all open assurance recommendations at the end of Period 11 (3 February 2024).
- 1.2 A paper is included on Part 2 of the agenda which contains exempt supplementary information. The information is exempt 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 on Part 2 of the agenda.**

3 Background

- 3.1 The Places for London Integrated Assurance Framework is based on a Three Lines of Assurance model comprising:
- (a) Line 1 – Management functions of Places for London and key interfaces;
 - (b) Line 2 – Project Assurance (PA) and Quality, Safety and Security Assurance (QSSA); and
 - (c) Line 3 – TfL Internal Audit and a sub-group of the Independent Investment Programme Advisory Group (IIPAG-Places).
- 3.2 This paper reports specifically on Line 2 (PA), Line 3 (Internal Audit) and Line 3 (IIPAG-Places) assurance progress and provides an update on Enterprise Risk management. Work in progress for Line 2 and Line 3 is set out in Appendix 1 and work starting in Quarter 1 (1 April to 22 June 2024) (Q1) and Quarter 2 (23 June to 14 September 2024) of 2024/25 is set out in Appendix 2.

4 Line 2 (Project Assurance) Assurance

- 4.1 PA continues to provide assurance on an ongoing basis as well as carrying out targeted assurance reviews (TARs) on key areas and supporting IIPAG-Places to deliver third line assurance. We continue to have good engagement from the Places for London team in all assurance activities.
- 4.2 Planning continues for two TARs, a review of the operational works relating to the Southwark over-station development and a review of the property development pipeline and prioritisation process. We will report on the Southwark over-station development at the next meeting of the Committee. Places for London has just concluded a site prioritisation exercise so timing of the pipeline review can now be agreed.
- 4.3 PA continues to build understanding of major developments within the property development portfolio and other significant investment programmes including electric vehicle charging hubs and solar. PA has also supported IIPAG-Places with assurance activities on the Limmo development procurement and the emerging digital strategy.
- 4.4 The PA team is pleased to see continued progress in strengthening first line assurance activities and developing governance arrangements, including the introduction of a Minor Investment Group to consider lower value authority requests. PA will undertake a targeted assurance review of the new first line assurance in Q1.
- 4.5 PA continues to monitor all PA and IIPAG-Places recommendations made over the last 12 months. Nine recommendations were closed in Periods 9 to 11 (12 November 2023 to 3 February 2024). A total of 20 recommendations, from both PA and IIPAG-Places TARs, were still open at the end of Period 11 and none is overdue (see Figures 1 and 2 below).

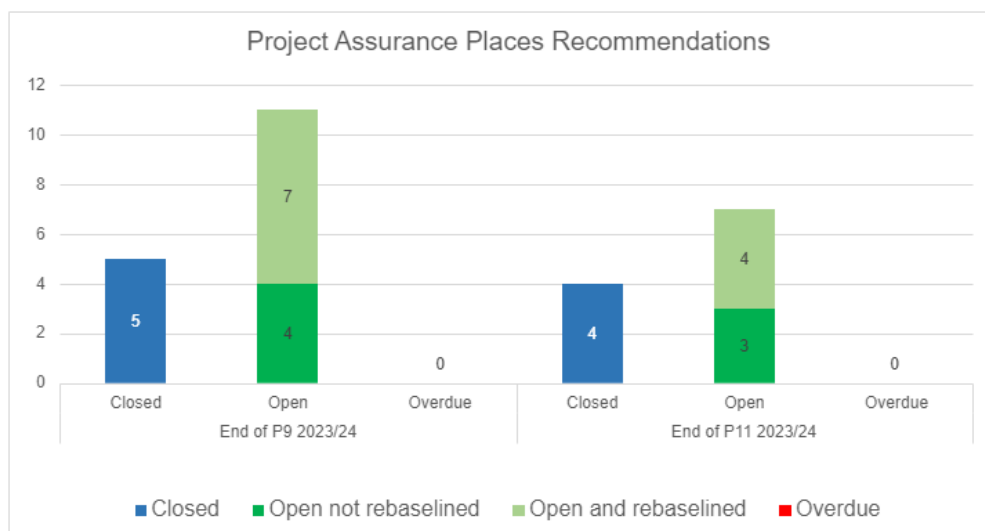


Figure 1 – Project Assurance Open Recommendations (end of Period 11)

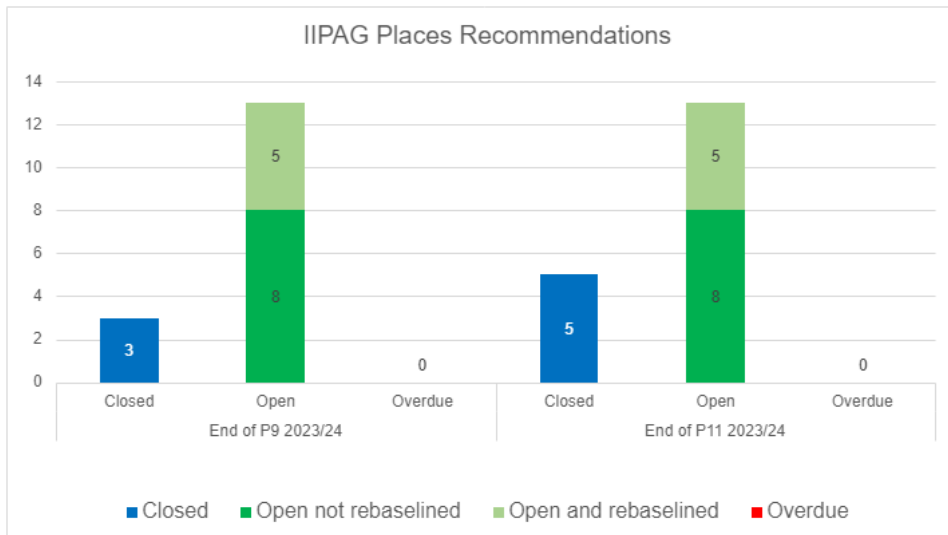


Figure 2 – IIPAG-Places Open Recommendations (end of Period 11)

5 Line 3 (Internal Audit) Assurance

- 5.1 The final audit reports for Revenue Collection and Debt Management, and the Due Diligence Process (new tenants) were issued in Q4. Both audits were rated as 'requires improvement'. The audit of the Management of Property Voids started in Q4 and is due to report by the end of the financial year.
- 5.2 Internal Audit monitors the progress of management actions and consequent closure. There are no overdue Places for London audit actions.

6 Line 3 (IIPAG-Places) Assurance

- 6.1 IIPAG-Places activity has focussed on continuous assurance and has received detailed briefings on the Limmo partner procurement strategy and the Places for London digital strategy and associated workstreams.

7 Enterprise Risk Management

- 7.1 Details of the seven Places for London Level 0 (L0) risks are set out in Appendix 3.
- 7.2 The update on Places-L0-3 (Financial Sustainability) has been deferred to the next meeting of the Committee and will be presented alongside the update on Places-L0-5 (Environment including climate adaptation).

List of appendices to this report:

- Appendix 1: Places for London Integrated Assurance and Audit Schedule – Work in Progress
- Appendix 2: Places for London Integrated Assurance and Audit Schedule – Forward Plan
- Appendix 3: Places for London Level 0 Enterprise Risks

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

List of Background Papers:

None.

Contact Officer: Lorraine Humphrey, Director of Risk and Assurance
Email: lorraine.humphrey@tube.tfl.gov.uk