

Detailed TfL 2024/25 Internal Audit Plan: April 2024 to September 2024

Enterprise Risk 1	Inability to deliver safety objectives and obligations		
Audit Title	Rationale and Outline Audit Scope		Chief Officer/directorate/client
Medical Assistance Programme (Business led)	Why now?	The Medical Assistance Programme can provide early intervention in sickness management by funding investigations and/or treatment, which can reduce the time it takes for an employee to return to work. The programme was last audited in 2019 and was rated as requires improvement.	Lilli Matson (Chief Safety, Health and Environment Officer)
	Audit objective	To provide assurance on the adequacy and effectiveness of key controls for managing the Medical Assistance Programme.	
Bus Safety Programme (Risk driven)	Why now?	TfL missed its 2022 Vision Zero target of reducing the number of people killed on or by a bus by 75 per cent compared to the 2005-2009 baseline. The Bus Safety Programme is an important contributor to TfL achieving its targets and it is therefore essential that it is delivered effectively.	Glynn Barton (Interim Chief Operating Officer)
	Audit objective	To provide assurance on the adequacy and effectiveness of key controls to deliver the Bus Safety Programme.	
Quality, Security and Safety Assurance will deliver a portfolio of second line reviews relating to safety assurance in addition to the SHE and Engineering assurance teams.			

Enterprise Risk 2	Attraction, retention, wellbeing and health of our employees		
Audit Title	Rationale and Outline Audit Scope		Chief Officer/directorate/ client
Learning and Development (Risk driven)	Why now?	The TfL Learning and Development team supports learning opportunities to help increase the capability of all employees. Wherever possible, the team will provide internal solutions to meet learning needs, however, often, access to specialist learning from external providers is required. TfL's Learning Advisors manage the procurement of external learning solutions via a framework agreement.	Rebecca Crowther (Interim Director of Business Services)
	Audit Objective	To provide assurance on the adequacy and effectiveness of framework agreements with external suppliers of specialist learning.	
Action on Inclusion Strategy (Risk driven)	Why now?	<p>Action on Inclusion is TfL's long-term promise to its people, setting out how it can create a truly inclusive organisation reflective of the city it serves. Action on Inclusion has clear actions and ambitions to address the issues that are important to staff and how it will make positive changes across the organisation.</p> <p>Everyone has a part to play in creating this change by becoming an active ally. The leadership team will be accountable for role modelling allyship behaviours and for driving positive changes in their business areas to deliver on the actions and ambitions set out in the strategy.</p>	Patricia Obinna (Director of Diversity and Inclusion)
	Audit Objective	To provide assurance on how effectively the Action on Inclusion strategy is being embedded and realised.	

Enterprise Risk 3	Environment including climate adaptation		
Audit Title	Rationale and Outline Audit Scope		Chief Officer/directorate/client
Carbon reduction management (Risk driven)	Why now?	It is essential that TfL reduce both operational and project/programme carbon to meet the Mayor's net zero target by 2030. There will be a series of audits that will look at how the processes and guidance for reducing whole life carbon have been embedded (in projects and operations) and how we ensure that this delivers effective, lower carbon, lower cost solutions. Our work will focus on operational carbon reduction and will complement the work being done by Independent Investment Programme Advisory Group on carbon management in programmes/projects.	Lili Matson (Chief Safety, Health and Environment Officer)
	Audit Objective	To provide assurance on the adequacy and effectiveness of controls in place to reduce operational and capital carbon emissions.	
Impact of extreme weather - Elizabeth line (Risk driven)	Why now?	This is the final audit in a series undertaken on extreme weather across TfL. The Elizabeth line currently has its own weather plans and responses to extreme weather that are not covered by the TfL Network Management Control Centre.	Howard Smith (Director of the Elizabeth line)
	Audit Objective	To provide assurance on the adequacy and effectiveness of controls in place to deal with the impact of extreme weather on the Elizabeth line.	

Enterprise Risk 4	Significant Security Incident including cyber security		
Audit Title	Rationale and Outline Audit Scope		Chief Officer/directorate/ client
<p>Datacentre network refresh</p> <p>(Business led)</p>	<p>Why now?</p>	<p>Datacentre network equipment is either out of support or will be out of support within the next 12 months. This equipment needs to be replaced to maintain the availability and security of the business services being delivered. Inability to replace this critical infrastructure could lead to network failures and or security breaches which cannot be escalated to the manufacturer.</p> <p>Legacy equipment accounts for significantly more consumption of power and rack space than replacement equipment. Replacement would also have the advantages of lower energy consumption and freeing up rack space.</p>	<p>S hashi Verma (Chief Technology Officer)</p>
<p>Audit Objective</p>	<p>To assess and evaluate the adequacy of plans to replace out of support network infrastructure in datacentres.</p>		
<p>Obsolescence of critical software assets</p> <p>(Risk driven)</p>	<p>Why now?</p>	<p>Several instances of Unix, Windows and Oracle DB are out of support. These assets need to be replaced to maintain the availability and security of the business services being delivered.</p> <p>Inability to replace these critical software assets could lead to loss of productivity, reputation, safety and/or revenue because of the inability to effectively deliver mission critical services.</p>	<p>S hashi Verma (Chief Technology Officer)</p>
<p>Audit Objective</p>	<p>To assess and evaluate the adequacy of plans to replace unsupported software assets.</p>		

Review of station cabinets containing Wi-Fi equipment (Business led)	Why now?	Prior to the 2012 Olympic Games, station cabinets containing network switches were installed by Technology and Data in London Underground (LU) stations to provide Wi-Fi in stations. The networks and hosting team in Technology and Data have expressed concerns around the physical security and environmental controls for the technology within the cabinets.	Shashi Verma (Chief Technology Officer)
	Audit Objective	To provide assurance on the adequacy and effectiveness of the controls in place to ensure the integrity of the technology used to provide Wi-Fi in stations. This will include strategy, environment, security and access controls.	
Effectiveness of monitoring and patching of TfL's supply chain (Capita) (Core)	Why now?	Any Technology and Data managed or contracted system may experience a cyber security incident resulting in, among others, operational, financial and reputational loss. Capita is responsible for the management of TfL's network infrastructure.	Shashi Verma (Chief Technology Officer)
	Audit Objective	To assess and evaluate the adequacy and effectiveness of the key controls, in relation to the monitoring and patching of the network infrastructure managed by Capita on behalf of TfL.	
Business Continuity (Core)	Why now?	It is important that TfL has robust Business Continuity plans in place, and these are embedded across the organisation. This area has not been reviewed by Internal Audit since the coronavirus pandemic.	Carl Eddleston (Director of Network Management and Resilience)
	Audit Objective	To provide assurance on the adequacy of TfL's Business Continuity process.	

Quality, Security and Safety Assurance will deliver a portfolio of second line compliance engagements relating to the Payment Card Industry Data Security Standard.

Enterprise Risk 5	Efficient and high performing supply chains and effective procurement		
Audit Title	Rationale and Outline Audit Scope		Chief Officer/directorate/client
<p>Procurement of the new advertising contract – phase 2</p> <p>(Risk driven)</p>	<p>Why now?</p>	<p>This is a high financial value procurement which may lead to challenges by bidders. It is important to ensure that risks to challenges are minimised by continuing to provide real-time assurance on the procurement to ensure it complies with TfL policies as well as procurement legislation.</p>	<p>Emma Strain (Customer Director)</p>
<p>Audit Objective</p>	<p>To provide assurance on the procurement of the new advertising contract (real-time audit).</p>		
<p>Procurement of the Professional Services Framework (real time audit) – phase 1</p> <p>(Risk driven)</p>	<p>Why now?</p>	<p>This suite of frameworks can be used across TfL, Greater London Authority and London boroughs and covers a variety of Project Management and Consultancy Services including Railway Engineering, Health and Environmental Services and Transport Planning. The first of the procurements is scheduled to commence in Quarter 1 of 2024/25. It is essential that procurement is conducted in an open, fair and transparent manner minimising risks to challenge. The audit will follow the procurement timeline in real-time.</p>	<p>Jonathan Wharfe (Director of Procurement and Commercial – Operations)</p>
<p>Audit Objective</p>	<p>To ensure the adequacy and effectiveness of the procurement of the Professional Services Framework.</p>		

Readiness for the new Procurement Act (Risk driven)	Why now?	The Government is reforming United Kingdom procurement rules via the new Procurement Act 2023. It will reform the way public authorities purchase goods, services and public works. The Cabinet Office has confirmed that it is now looking at a go-live date of October 2024. It is important that TfL is prepared and has sufficient time to address any issues identified.	Luke Jarvis (Director of Procurement and Commercial – Capital)
	Audit Objective	To provide assurance over Procurement and Commercial's readiness for complying with the new Procurement Act 2023.	
Management of conflicts of interest for procurements (Risk driven)	Why now?	It is very important to ensure that conflicts of interest are managed effectively during procurements to minimise challenges from suppliers.	Jonathan Wharfe (Director of Procurement and Commercial – Operations)
	Audit Objective	To provide assurance on the adequacy of controls for managing conflicts of interest during the procurement process.	Luke Jarvis (Director of Procurement and Commercial – Capital)
Supplier contract management audits 1 and 2 (Risk driven)	Why now?	<p>Good contract management is vital to ensure value for money and a good service from TfL's suppliers. This includes the management of sub-contractors by the main contractor.</p> <p>This is part of the suite of contract management audits to be carried out across TfL as part of the annual audit plan.</p>	Jonathan Wharfe (Dir Procurement and Commercial – Operations) Luke Jarvis (Director of Procurement and Commercial – Capital)
	Audit Objective	To provide assurance on the effectiveness of sub-contractor contract management.	

Enterprise Risk 7	Financial Sustainability		
Audit Title	Rationale and Outline Audit Scope		Chief Officer/directorate/ client
TfL Scorecard - Year-End (Core)	Why now?	<p>The TfL Scorecard is the organisations primary tool for tracking progress against its strategic objectives. S tructured to align to the vision, values and strategy, it plays an important role in keeping the organisation on track.</p> <p>The Senior Manager Reward Framework is TfL’s performance-based pay framework for Senior Managers. The framework is used to reward individual contribution on an annual basis using a non-consolidated performance award element. The TfL Scorecard results determine the budget across delivery business and Professional S ervices.</p>	Patrick Doig (Group Finance Director)
	Audit objective	To provide assurance that the 2023/24 year-end results on the TfL Scorecard are being accurately reported.	
Management of sectors - Arches (Places for London) (R isk driven)	Why now?	<p>There are around 850 commercial railway arches valued at over £220m. It is essential that the management of this sector is effective to ensure that it yields the expected returns of over £11.6m per year. This constitutes for over 10 per cent of Places for London’s portfolio value and 18 per cent of rental income. The current focus is to re-purpose and redevelop key arch estates. Assurance at this time would be valuable as Places for London are looking to grow this sector, address the historical underspend on maintenance through significant</p>	Dan Lovatt (Director of Asset Management) (Places for London)

		capital investment to modernise and improve the estate, and for it to have a greater impact on their portfolio.	
	Audit objective	To provide assurance that the management of the Arches Sector is effective.	
London River Service revenue (Core)	Why now?	London River Services generates revenue by charging a fee to commercial companies for the use of its piers. The fee amount is based on passenger numbers and Oyster card payments. This is one of the business areas that is audited on a cyclical basis to ensure that the financial controls are operating as intended. The last audit was carried out in 2014 and was rated as requires improvement.	Trish Ashton (Director of Rail and Sponsored Services)
	Audit Objective	To provide assurance on the adequacy and effectiveness of key controls for the financial management of River Operators' accounts.	
Use of consultants (Risk driven)	Why now?	TfL use consultants for a variety of reasons across its business areas at significant cost to the organisation. TfL need to ensure that the use of consultants represents good value for money through clear contract arrangements, deliverables and timescales.	Patrick Doig (Group Finance Director)
	Audit objective	To provide assurance on the adequacy and effectiveness of the arrangements in place to appoint, manage and ensure that outcomes are clear and delivered.	
Payroll (Core)	Why now?	This is one of the core areas of the business which are audited on a cyclical basis. These tend to be key financial, people and procurement controls. This	Rebecca Crowther (Interim Director of Business Services)

		area was last audited in 2018 and was rated as requires improvement.	
	Audit Objective	To provide assurance on the adequacy and effectiveness of key controls within the payroll process.	
Supplier bank accounts (Core)	Why now?	There are continuous attempts at 'account diversion fraud', both successful and unsuccessful, whereby a fraudster submits a request to change a supplier's bank account details so that subsequent payments to the supplier go to the fraudster. This area was last audited in 2014 and was rated as requires improvement.	Rebecca Crowther (Interim Director of Business Services)
	Audit Objective	To provide assurance on the adequacy and effectiveness of key controls for supplier bank accounts.	
Department of Culture Media and Sport (DCMS)/Wolfson Museums and Galleries Improvement Fund (Business led)	Why now?	In line with the conditions of the grant, this audit will certify costs in respect of funding towards the Covent Garden Photography Gallery.	Elizabeth McKay (London Transport Museum Director)
	Audit Objective	To certify costs claimed in respect of funding from DCMS/Wolfson Museums and Galleries Improvement Fund comply with conditions of this grant.	
Arts Council England (ACE): Museum Estate and Development Fund Round 1 (Business led)	Why now?	In line with the conditions of the grant this audit will certify costs in respect of funding towards the Covent Garden lift and chiller works.	Elizabeth McKay (London Transport Museum Director)
	Audit Objective	To certify costs claimed in respect of funding from ACE comply with conditions of this grant.	

Procurement at the London Transport Museum (LTM) (Business led)	Why now?	LTM manage their procurements mostly through SAP Ariba, however a separate procurement system is utilised to support their niche retail operations. It is important LTM procurement activities are conducted in line with existing TfL policies, to ensure adequate management of suppliers and contracts.	Elizabeth McKay (London Transport Museum Director)
	Audit Objective	To provide assurance on the adequacy and effectiveness of controls for procurements conducted by LTM. This will include compliance with TfL policy, management of suppliers and contracts.	
Enterprise Risk 8	Delivery of TfL key investment programmes and projects		
Value Management (VM) (Risk driven)	Why now?	The concept of value is based on balancing the meeting of TfL's objectives and the resources required to achieving them. As funding is reduced, TfL must find ways of doing more with the funding available. VM provides an avenue to do this in a cost-effective way.	Stuart Harvey (Chief Capital Officer)
	Audit Objective	To provide assurance on the adequacy and effectiveness of processes in place governing the use of VM in the Capital Programme.	
Project Assurance and Quality, Security and Safety will deliver a portfolio of second line assurance reviews in addition to work undertaken by SHE and PMO teams.			

Enterprise Risk 10	Governance and Controls Suitability		
<p>Privacy and data protection: Automated Number Plate Recognition (ANPR) cameras</p> <p>(Risk driven)</p>	<p>Why now?</p>	<p>TfL's use, management and control of ANPR cameras in road user charging and enforcement operations is an area not audited before. Recordings are also provided to TfL staff to facilitate responses to Subject Access Requests, as well as requests from law enforcement.</p> <p>Closed Circuit Television (CCTV) recordings are classified as personal data under General Data Protection Regulation (GDPR) and the Data Protection Act 2018, and therefore, are subject to compliance with the associated requirements, as well as other relevant laws and code of practice. Under GDPR, data controllers and processors are obliged to return or delete all personal data after the end of services, or on expiry of a contract or agreement, unless it is necessary to retain the data by law. A breach of GDPR can result in significant fines and reputational damage.</p>	<p>Shashi Verma (Chief Technology Officer)</p> <p>Richard Bevins (Head of Information Governance and Data Protection Officer)</p>
	<p>Audit objective</p>	<p>To provide assurance that TfL's use, management and control of ANPR cameras are in accordance with the relevant TfL policies, laws and codes of practice.</p>	
<p>Temporary agency recruitment</p> <p>(Core)</p>	<p>Why now?</p>	<p>These are core areas of the business which are audited on a cyclical basis. These tend to be key financial, people and procurement controls. The last time this area was audited it was rated as requires improvement.</p>	<p>Rebecca Crowther (Interim Director of Business Services)</p>
	<p>Audit objective</p>	<p>To provide assurance on the adequacy and effectiveness of key controls in place for temporary agency workers.</p>	

Enhanced Station Accounting Facility (Business Led)	Why now?	<p>The delivery of an electronic accounting system for ticket offices, forms part of the Prestige contract and gives us a much more modern system of accountancy.</p> <p>The Enhanced Station Accounting Facility (ESAF) is the accountancy process for stations. It replaced the previous manual accountancy system carried out by all LU ticket offices. The one big advantage is that this is a virtually paperless ticket office process, with staff spending less time on onerous “back office” processes. ESAF takes away the need to “balance” accounts.</p>	Nick Dent (Director of Customer Operations – LU)
	Audit objective	To provide assurance on the adequacy and effectiveness of key controls governing the ESAF in LU.	
Cubic risk management (Business Led)	Why now?	Under the Revenue Collection Contract (RCC), Cubic is responsible for the management of risk management activities on behalf of TfL. Risk management aims to provide a clear overview and strategy to mitigate risks impacting services provided under the RCC.	Shashi Verma (Chief Technology Officer)
	Audit objective	To assess and evaluate the adequacy and effectiveness of key controls, in relation to risk management undertaken by Cubic on behalf of TfL.	

