

Date: 3 July 2024

Item: Places for London Assurance Update

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**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 1 of 2024/25 (1 April to 22 June 2024) (Q1) and provides the status of all open assurance recommendations at the end of Period 2 (25 May 2024) (P2).
- 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 2 (23 June to 14 September 2024) (Q2) and Quarter 3 (15 September to 7 December 2024) of 2024/25 is set out in Appendix 2.

## 4 Line 2 (Project Assurance) Assurance

- 4.1 In addition to continuous assurance activities, PA has been planning a number of targeted assurance reviews (TARs). We continue to have good engagement from the Places for London team in all assurance activities.
- 4.2 Two TARs, one focussing on the schedule for the operational works to enable the Southwark over-station development, and the other a review of first line assurance, are underway. Both will report to the next meeting of the Committee. The PA planned review of the property development pipeline and prioritisation process has been cancelled due to overlap with other reviews. Relevant elements will be covered in the PA review of first line assurance and the IIPAG-Places review of the investment appraisal process and metrics.
- 4.3 PA continues to monitor progress with major developments within the property development portfolio and other significant investment programmes including electric vehicle charging hubs. We have had several discussions on the Network Rail (NR) collaboration and the initial schemes which are being considered, including Victoria. We will be commencing a TAR in Q2 to consider current arrangements for the Victoria scheme and will consider emerging plans for the wider NR partnership at an appropriate time.
- 4.4 PA has also continued to support IIPAG-Places with third line assurance activities. In addition to the regular assurance discussions for each of the Places for London directorates, we have arranged for IIPAG-Places to be updated on the Platinum Portfolio, the West London Partnership, the electric vehicle charging hub procurement and the property disposal strategy.
- 4.5 PA continues to monitor all open PA and IIPAG-Places recommendations. Fifteen recommendations were closed in Periods 12 (2023/24) to P2 (2024/25) (4 February to 25 May 2024). A total of five recommendations were still open at the end of P2 and none are overdue (see Figures 1 and 2 below).

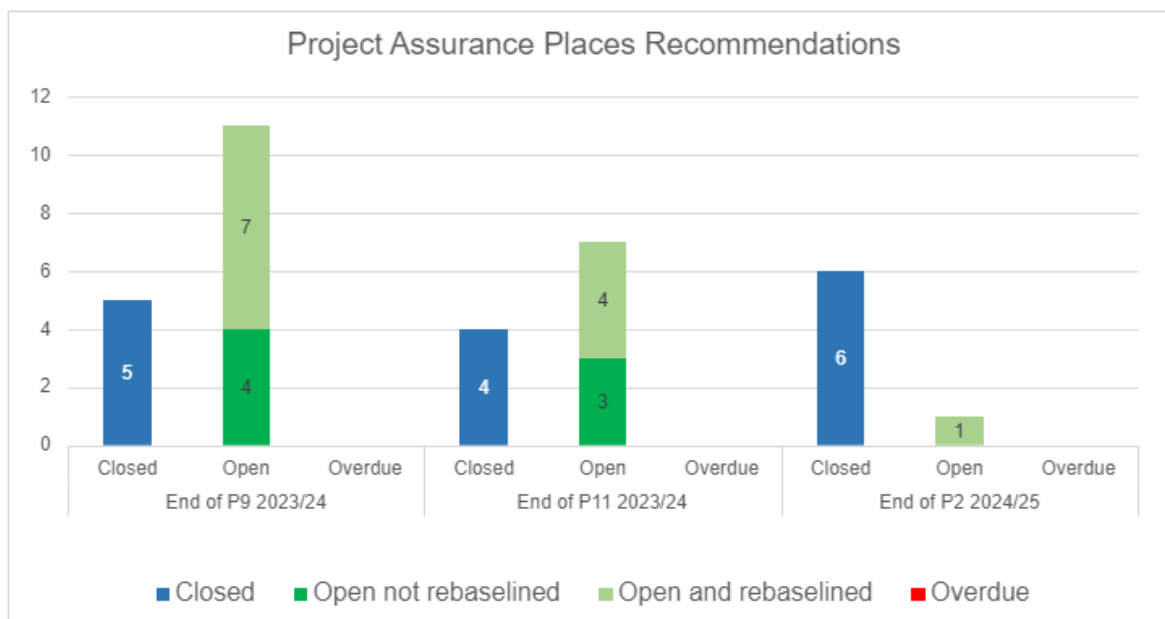
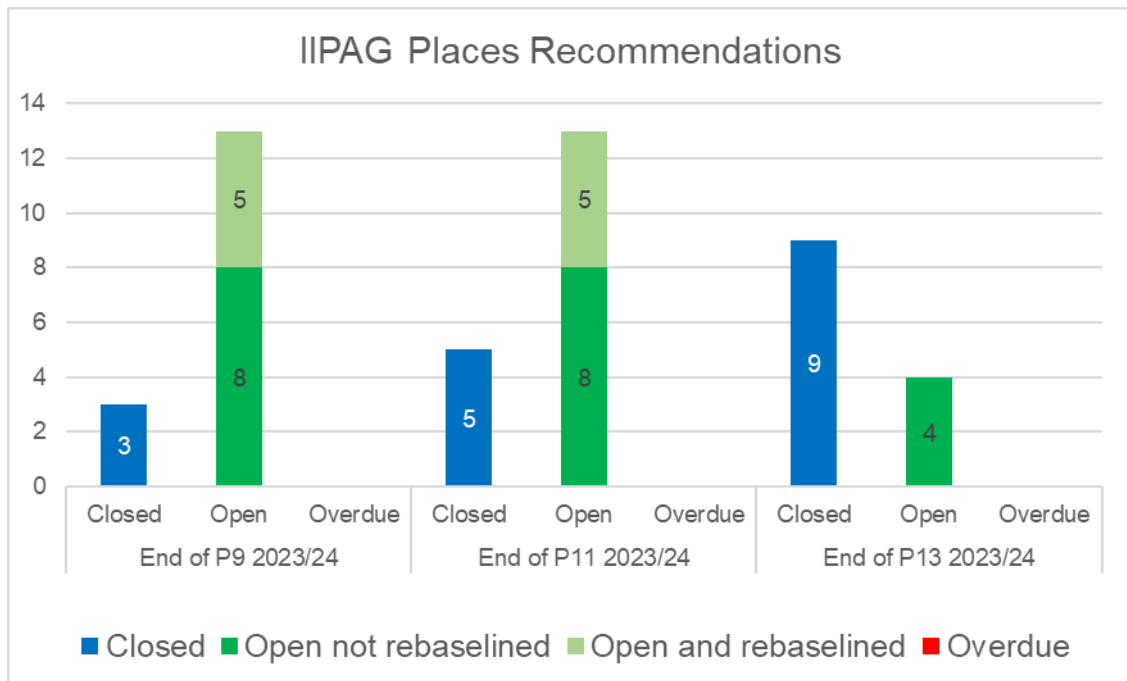


Figure 1 – Project Assurance Open Recommendations (end of P2)



**Figure 2 – IIPAG-Places Open Recommendations (end of P2)**

## 5 Line 3 (Internal Audit) Assurance

- 5.1 The final audit report for the Management of Voids was issued in Q1 and was rated as 'requires improvement'. All actions are agreed and being actioned by the Places for London team. The audit of the Management of Arches started in Q1 and is due to report in Q2.
- 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 As set out in section 4 IIPAG-Places has recently been updated on a number of key developments and received a number of more general updates on activities within the property development, asset management and operations directorates.
- 6.2 IIPAG-Places for London is pleased that recommendations from targeted reviews continue to be implemented and use these briefings to track progress with remaining recommendations and inform future targeted assurance activities.

## 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 review of two L0 risks, Places-L0-3 (Financial Sustainability) and Places-L0-5 (Environment including climate adaptation), is now complete and updates on each risk are provided elsewhere on the agenda for this meeting for consideration.
- 7.3 Work will commence to develop Places for London's Risk Appetite and Tolerance approach now that the TfL equivalent has been finalised.

**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

**List of Background Papers:**

None

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