

Appendix 1 – Internal Audits Completed in Quarter 4 (10 December 2023 to 31 March 2024) of 2023/24 against ER05, ER07 and ER09

ER07 Financial resilience

Chief Officer	Ref	Engagement Name	Objectives	Conclusion	Summary of Findings
Chief Finance Officer	23 015	Journals	Provide assurance on the adequacy and effectiveness of controls in place for processing journals.	Adequately Controlled	<p>The Record to Account team are part of the Business Services Function and post journals that are prepared by their team and Finance Business Partners.</p> <p>We found that there is a robust control framework in place to support the preparing, review and posting of journals. Key controls and process/control owners have been identified, and there is a clear segregation of duties when processing journals.</p> <p>The audit evaluation and sample testing identified minor weaknesses in the preparation of the journal template.</p>
Chief Finance Officer	23 046	Group Treasury	Review the adequacy and effectiveness of controls in place to manage Group Treasury activities in TfL.	Well Controlled	We found that treasury management controls were adequately designed and operating effectively.
Chief Finance Officer	23 047	National Rail Reimbursement Pay As You Go (PAYG) scheme	Provide assurance on the adequacy and effectiveness of controls in place governing the National Rail PAYG Scheme.	Adequately Controlled	There are adequate controls in place for processing staff travel reimbursement claims within the National Rail PAYG scheme. There is a risk of errors, omissions and delays due to the manual processes involved in recording and calculating amounts due to employees. While there are already some quality checks in place, management have agreed to introduce a more rigorous assurance process to verify the accuracy of claims and compliance with policies and procedures.
Chief Customer and Strategy Officer	23 043	Management of Property Voids in Places for London	Provide assurance on the adequacy and effectiveness of controls in place to manage property voids.	Requires Improvement	There was not always a clear audit trail to support the required activity and process. Asset Managers are to be recruited and will prepare and manage the Asset Management Plans and Asset Management

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					Strategy. Responsibilities for void management were inconsistent with the process. There was a lack of checks being performed on the voids periodic data reports. Moving forward, the process has been mapped and along with iAuditor will improve the audit trail, ensuring all the required activities are performed.
Chief Customer and Strategy Officer	23 007	Ultra Low Emission Zone (ULEZ) Expansion Scrappage Scheme	Provide assurance on the adequacy and effectiveness of the key controls governing the ULEZ Expansion Scrappage Scheme.	Requires Improvement	Applications for funds to scrap, replace or retrofit non-compliant ULEZ vehicles, with cleaner motorcycles, cars, vans and minibuses requires applicants to provide satisfactory supporting documents. TfL had not instructed the contractor, who process the applications, to verify these supporting documents with the issuing organisations. Additional checks have been introduced to identify duplicate claims.
Chief People Officer	23 044	Cost of Change	Provide assurance that planned financial benefits of change and return on investment are being realised across the change landscape.	Requires Improvement	There is a defined methodology for executing change programmes, key aspects of which are a governance regime and documented procedures. These ensure the existence of key controls for the efficient and effective management of programmes. In addition, continuous improvements are being made to the processes in order to further strengthen the control environment. We identified that the controls for identifying and recording financial and non-financial benefits and calculating costs need to be improved in order to accurately determine the viability of programmes.