

Appendix 1 – Internal Audits Completed in Quarter 2 of 2024/25

ER05 Supply Chain disruption and ineffective procurement and contract management

Chief Officer	Ref	Engagement Name	Objectives	Conclusion	Summary of Findings
Chief Operating Officer	24 018	Management of Lifts and Escalator Contract	Provide assurance on the effectiveness of Lifts and Escalator contract management.	Requires Improvement	Although the Delivery of Planned Preventative Maintenance services and fault repair under the Lift Asset Management Services contract is closely monitored by the TfL Lifts, Pumps and Vents team, the quality of management information being presented by the supplier and its consistency with individual job tasking, documented services, dates and time recording, needs to be improved.
Chief Customer and Strategy Officer	24 014	Procurement of the TfL Advertising Concessions Contract (Live audit) Phase 2	Provide assurance on the procurement of the new Advertising contract (Real-time audit).	Memo	The procurement of the New Advertising Concessions Contract up to the Contract Award Recommendation stage has been well managed despite some resourcing issues at the start of the procurement. The working group has been very diligent in making sure everything stayed on track and risks were managed and mitigated as far as is possible.
Chief Finance Officer	23 042	SAP Ariba - Source to Contract	Provide assurance on the adequacy and effectiveness of controls governing the Source to Contract element of SAP Ariba.	Requires Improvement	The Source to Contract (S2C) element of SAP Ariba has been implemented but needs further work for the effectiveness to be fully evaluated. The accountability and responsibility for SAP Ariba is spread across several teams. The Global Process Owner for S2C sits in Procurement and Commercial, along with most users, but other key responsibilities sit within the Business Services Function and Information Technology. The approval workflow process is effective but not always fully utilised.

ER07 Financial Resilience

Chief Officer	Ref	Engagement Name	Objectives	Conclusion	Summary of Findings
Chief Customer and Strategy Officer	24 025	Arts Council England: Museum Estate and Development Fund Round 1	Verify that project income and expenditure on chillers and lifts is in accordance with the conditions and requirements of the grant.	Memo	We confirmed that London Transport Museum (LTM) income and expenditure accounted for reflects the chargeable project work.
Chief Finance Officer	24 022	Use of Consultants	Provide assurance on the adequacy and effectiveness of controls in place over the procurement, management and monitoring of consultants.	Poorly Controlled	The procurement, management and monitoring of consultants across TfL is unclear. This has resulted in a lack of assurance of the effectiveness of existing controls in managing and mitigating associated risks.
Chief Customer and Strategy Officer	24 021	Management of sectors - Arches (Places for London)	Provide assurance that the Arches sector is managed effectively.	Requires Improvement	Significant capital expenditure is needed to modernise and refurbish these units but due to resourcing constraints workloads are unable to be prioritised. This can lead to a significant time lag in returning units back to the market, a loss of revenue and prolongs project completion.
Chief Customer and Strategy Officer	24 019	Procurement at the LTM	Provide assurance on the adequacy and effectiveness of controls for LTM procurements. This will include compliance with TfL policy, management of suppliers and contracts.	Poorly Controlled	LTM management were unable to provide information regarding the number of supplier contracts it has, where the documents are kept or if they were procured in-line with the policy. There was insufficient evidence of who had approved a sample of supplier invoices for payment.

Chief Officer	Ref	Engagement Name	Objectives	Conclusion	Summary of Findings
Chief Operating Officer	23 045	Fraud controls in Licensing and Regulation	Provide assurance on the adequacy and effectiveness of fraud controls in place within Licensing and Regulation.	Requires Improvement	Licensing is generally well managed; staff are knowledgeable and well informed but more real time checks and balances are needed.