



TRANSPORT FOR THE NORTH

Annual Summary of Assignments Completed

**Presented at the meeting of the Audit and
Governance Committee: 13 June 2019**

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1 INTRODUCTION AND SCOPE

RSM Risk Assurance Services LLP was appointed by Transport for the North (TfN) to deliver a series of internal audit assignments, addressing areas where management and/or the Audit and Governance Committee required coverage or testing to inform their decisions and knowledge of the governance, risk and control environment.

1.1 Scope of our work

These assignments are just one of the elements of Transport for the North's assurance framework and, if used properly, the results of our work can help management to inform and update the organisation's risk profile.

The purpose of this report is to provide a summary of our work delivered during the year. Our work has been planned and delivered as a series of 'agreed upon procedures', delivering reviews and testing in areas at the request of management and the Audit and Governance Committee.

This report is prepared solely for the use of the board and senior management of Transport for the North.

This report does not provide a formal annual internal audit opinion that would accord with Public Sector Internal Audit Standards, and should not be taken to provide such an opinion.

The work we have undertaken during the year is set out overleaf.

2 SUMMARY OF WORK COMPLETED

2.1 Assignments completed in 2018/19

Assignment	Opinion	Management actions agreed by priority		
		High	Medium	Low
Risk Management Framework (1.18/19)	Substantial assurance	0	1	4
Payment Authorisation Processes, Expenses and Use of Procurement Cards (2.18/19)	Substantial assurance	0	0	2
Procurement Framework (3.18/19)	Substantial assurance	0	1	3
IT Audit – Cyber Security Controls (4.18/19)	Reasonable assurance	0	4	6
Core Financial Controls – Payroll (5.18/19)	Substantial assurance	0	0	1

The approved internal audit plan included an allocation for an advisory review of TfN's suite of Human Resources policies, to be carried out by our specialist consulting colleagues within RSM HR, and an allocation for advice and support in relation to Business Planning. These reviews have been deferred for coverage during 2019/20 and are incorporated within our internal audit plan for this year.

FOR FURTHER INFORMATION CONTACT

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The matters raised in this report are only those which came to our attention during the course of our review and are not necessarily a comprehensive statement of all the weaknesses that exist or all improvements that might be made. Actions for improvements should be assessed by you for their full impact. This report, or our work, should not be taken as a substitute for management's responsibilities for the application of sound commercial practices. We emphasise that the responsibility for a sound system of internal controls rests with management and our work should not be relied upon to identify all strengths and weaknesses that may exist. Neither should our work be relied upon to identify all circumstances of fraud and irregularity should there be any.

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We have no responsibility to update this report for events and circumstances occurring after the date of this report.

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