

Len Duvall AM
City Hall
The Queen's Walk
London
SE1 2AA

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Email: khavers@uk.ey.com

Dear Len

Garden Bridge

We are writing in response to your letter dated 6 July 2018, in which you requested assurance that there is clarification on relationships between Mayoral Directions (MDs) and Transport for London's (TfL's) board structures/decision making processes and that all are now reported to the Board.

In providing our response to you, we have considered the proposed changes that TfL agreed to implement in their response to the Hodge review, which was considered by the Audit and Assurance Committee in July 2017, this is set out below.

We have noted the other points raised in your letter, and at our meeting. These issues have been subject to significant review, both by ourselves in previous years, by internal audit and in the external review by Dame Margaret Hodge MP. Given the level of previous review and recommendations made, we have therefore not undertaken any additional review into these matters. We understand the point you are making, and given the transactions were in the distant past we do not think there is further merit in incurring additional cost in investigating the matters further. We think the procedures put in place following the previous reviews should be sufficient to prevent a similar situation in the future.

Our review of the changes made by TfL in response to the Hodge Review included the following;

- **Publish Mayoral decisions or direction on the TfL website**

All Mayoral Directions are published in Mayoral Decisions on the GLA website. As of July 2018, TfL implemented the action to also publish Mayoral Decisions and Directions to TfL on the TfL website by publishing a list at <https://tfl.gov.uk/corporate/about-tfl/how-we-work/how-we-are-governed> with links back to the MDs on the GLA website.

- **Have greater scrutiny and discussion of Mayoral Directions by the board, this would be through consideration of MDs at the Finance Committee or Programmes and Investment committees when issued**

We have found that all of the directions issues since July 2017 have been considered by the Board, through the Commissioner's update, and where relevant other papers.

The Finance Committee terms of reference have been updated to include consideration of MDs. One direction, MD 2183 - Direction to TfL concerning its Affordable Housing Programme 201 7/18 was considered at the 5 March 2018 Finance Committee.

• Consideration of current MDs annually by the Audit and Assurance Committee as part of its consideration of the annual audit plan to make sure there is sufficient resource to review the implementation, and this would be reviewed at each quarterly meeting of the Committee

To date no MDs have been included on the agenda for consideration by the Audit and Assurance Committee. In response TfL confirmed that, following the recent publication of Mayoral Decisions and Directions relevant to TfL on the TfL website, a report listing the MDs will be provided at each meeting of the Audit and Assurance Committee from September 2018. TfL has advised us that there is no provision in the current Audit Plan for audit work specifically relating to Mayoral Directions because none of the current directions are matters that were likely to require audit work. From review of the directions issued to date, we conclude that this is the case as none were large scale projects or decisions.

However, TfL has confirmed that the report to the September 2018 Audit and Assurance Committee will invite the Committee to consider whether it wishes to have any work included in the proposed audit work for the remainder of 2018/19.

More generally, we have also noted that TfL provided a list of all the actions agreed following the Dame Margaret Hodge Garden Bridge Review to the TfL Board on 19 July 2017 and an explanation was given of the actions taken in response to each recommendation.

We hope that this provide sufficient reassurance that TfL have or are in the process of implementing additional processes to clarify the relationship between Mayoral Decisions and the TfL's Board decision making processes, and to improve the discussion and scrutiny within TfL.

Yours sincerely



Karl Havers
Partner
Ernst & Young LLP
United Kingdom