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# AUDIT

## Programme Assurance Strategy

Document Number: CR-XRL-O4-GPL-CR001-00001

### Document History:

Revision	Prepared Date:	Author:	Reviewed by:	Approved by:	Reason for Issue
1.0	11/12/10	[REDACTED]	[REDACTED]	[REDACTED]	1 <sup>st</sup> standalone issue
2.0	26/05/11				organisational change
3.0	14/09/12				co-ordinated approach to assurance
4.0	14/09/14				Document refresh

<b>Business Owner (if different to Author):</b>	
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Accepted as being approved through the CRL electronic document management system.
Signe d: [REDACTED]

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## **1 Purpose**

This strategy and other plans referenced from it mandates how Crossrail will satisfy the requirements for progressive assurance as required by the Project Development Agreement (PDA).

## **2 Scope**

This strategy applies to all aspects of activities across Crossrail.

## **3 Definition of Assurance**

Assurance is the provision of confidence, to those with the right to receive it, that the Crossrail Project will be delivered:

- In compliance with all formal and agreed sponsor requirements, as detailed in the Crossrail Act 2008 and elsewhere;
- Using controlled processes; and
- By competent persons.

Assurance evidence will be built up in a progressive manner necessary to hand over the completed railway in a timely and efficient way.

## **4 Assurance Chain**

Crossrail will deliver assurance using the assurance chain shown in figure 1. This model will be applied to all assurance requirements wherever they arise within the Project.

The Crossrail client, acting through the functional departments, sets the project requirements in compliance with the sponsors requirements. This is shown in Figure 1 within 'Assured Delivery'. The delivery of these requirements is shown in Figure 1 as 'Delivery' which is the process by which the requirements are provided.

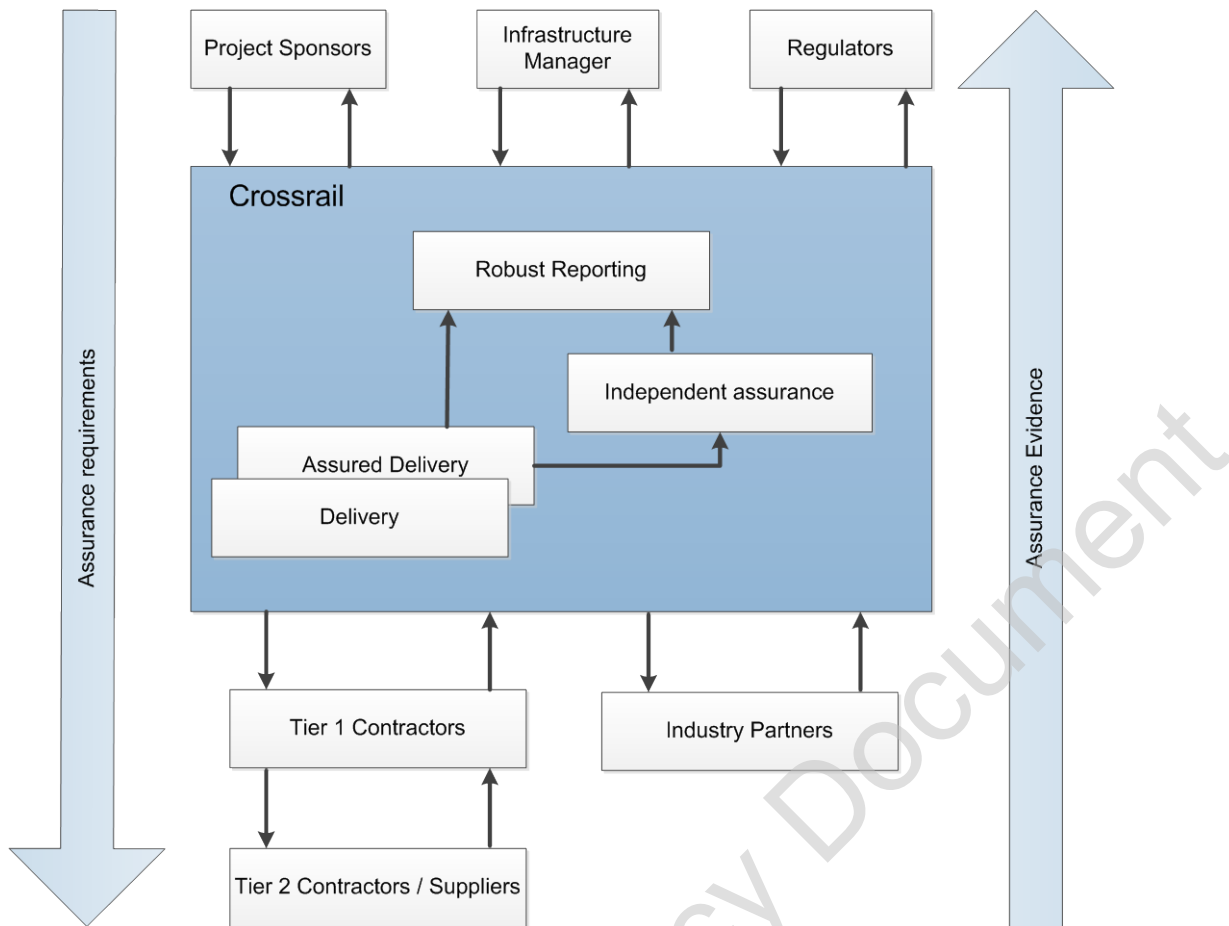


Figure 1 Crossrail Assurance Chain

#### 4.1 Assured Delivery

Assured Delivery describes the assurance provided during the execution of the works. Assurance activities are carried out by the functional departments in compliance with the Crossrail Management System. It includes reviews and assessments conducted to verify that the works are completed in compliance with the specified requirements. Assurance evidence produced to support the Assured Delivery will be built up in a progressive manner during the lifecycle of the works.

#### 4.2 Independent Assurance

Independent Assurance verifies compliance with the documented management system and assesses the effectiveness of the management system to deliver the against the specified requirements. It includes audits carried out by Crossrail and by third parties as well as surveillance activities conducted by the Project Representative (P-Rep).

### **4.3 Suppliers and Industry Partners**

Suppliers and Industry Partners have their own management systems that generate assurance evidence against defined Crossrail requirements using the following processes:

- Surveillance;
- Control self-assessment;
- Review; and
- Audit

Suppliers and Industry Partners report assurance evidence to Crossrail, including delivery, surveillance, control self-assessment, reviews and audit activity.

### **4.4 Robust Reporting**

Crossrail receive directly engaged contractors and Industry Partners reports, which are collated with Crossrail functional department reports into period and semi-annual reports. These reports are the primary mechanism for providing progressive assurance that the Programme is progressing as required.

These reports include an assessment of the suitability and effectiveness of the management system, to deliver the works in compliance with the specified requirements.

### **4.5 Assurance Receivers**

The key bodies with the right to receive assurance evidence are:

- Project Sponsors – the Department for Transport (DfT) and Transport for London (TfL);
- Infrastructure Managers – Rail for London (RfL) and London Underground (LU)
- Regulators, including the London Fire Brigade (LFB), the Health and Safety Executive (HSE), the Office of Rail Regulator (ORR), and the London Boroughs.

Assurance takes the form of:

- Period reports and the Semi-Annual Construction Report (SACR); and
- Independent audit that is coordinated through the Crossrail Integrated Assurance Group (CIAG).

## 5 Assurance Process

The following demonstrates that Assured Delivery is delivered through the 'V' cycle. Independent Assurance accumulates assurance evidence throughout the process.

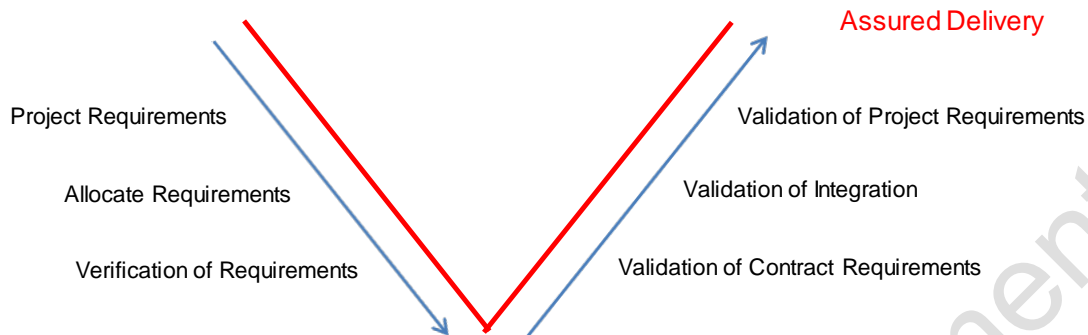


Figure 2 Crossrail Assurance Model

Crossrail's assurance processes and procedures are developed and maintained by the appropriate programme delivery or corporate functions. This ensures that all facets of assurance identified in the PDA are adequately controlled.

## 6 Levels of Assurance

Crossrail's approach is based on five levels (sometimes referred to as lines of defence):

### 6.1 Level One – Crossrail Management System (CMS)

The CMS mandates the processes and procedures that provide progressive assurance evidence. Documents within the CMS detail the assurance requirements to be met by the Project.

### 6.2 Level Two – Compliance and Contract Audits

Compliance and contractor audits verify that:

- Crossrail complies with its documented management system; and that
- Principal Contractors comply with the Works Information.

### 6.3 Level Three – Crossrail Internal Audit

The Crossrail Internal Audit process focuses on the governance structure and financial controls that have been developed to mitigate risk to the Project.

#### **6.4 Level Four – Independent Audit**

Independent audit is provided by TfL Internal Audit, The Project Representative (P-Rep), KPMG (financial audits) and LRQA (management system certification audits).

#### **6.5 Level Five – National Audit Office**

The National Audit Office (NAO) reviews public spending on behalf of Parliament. The NOA will report on whether the taxpayer is receiving value for money from the Crossrail project.

### **7 Audit**

The Audit Manager chairs the Audit Co-ordination Group and maintains an integrated programme showing all planned Crossrail audit activity.

The Audit Strategy details how audits are identified, published and allocated within the different audit types.

### **8 Reference Documents**

<b>Ref:</b>	<b>Document Title</b>	<b>Document Number:</b>
1.	Audit Strategy	CRL1-XRL-O-STP-CR001-50003
2.	Audit Procedure	CR-XRL-O-GPD-CR001-50002

### **9 Standard Forms / Templates**

<b>Ref:</b>	<b>Document Title</b>	<b>Document Number:</b>
A.		
B.		