



## Minutes of the 5<sup>th</sup> Audit & Risk Committee meeting

**Date:** Tuesday 3<sup>rd</sup> October 2023  
**Time:** 4pm, Boardroom, ArCLabs Research & Innovation Centre, SETU West Campus, Carriganore, Co. Waterford

**Chairperson:** Mr Jim Bergin

**Attendees:** Ms Nora Widger  
Ms Imelda Buckley  
Ms Kathleen Holohan  
Mr Sean Quigley  
Mr Kevin Lewis

### In attendance under the Code of Governance:

Ms Elaine Sheridan, Vice President for Corporate Affairs and Finance  
Mr Cormac O'Toole, Vice President for Corporate Affairs

### In attendance by invitation for Agenda Item 2:

Professor Veronica Campbell, President

### In attendance for Agenda Item 3 (via MS Teams):

Ms Brenda Nelson, Deloitte

### In attendance for Agenda Item 4:

Ms Susan Green, Risk & Compliance Officer  
Ms Sarah Morrissey, Corporate Governance Integration Lead

**Secretariat:** Ms Mary Clare Coogan

| Item Title |   |
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|            | <p><b>Private Meeting - without Management</b></p> <p>The Chairperson advised that under the Code of Governance, the Audit &amp; Risk Committee are required to meet once a year without members of the Executive present to discuss any matters that are deemed relevant, and to ensure there are no matters of concern to the committee.</p> <p>A discussion followed. It was noted that meeting Agendas were quite substantial and the work that the committee had done to-date was very significant. It was also noted that there was a lot of documentation for members to digest, and while it was preferable to the committee that papers pertaining to the agenda be circulated well in advance of meetings, it was acknowledged that this was not always possible. The committee indicated they were satisfied that meetings were conducted in an open and transparent manner and that they had full access to information as and when required.</p> |

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|   | <p>The Risk Register was discussed and the fact that it was quite substantial. Although this was a standing item on the ARC agenda, the committee felt that more time should be assigned to it, and it was suggested that a meeting be scheduled once a year dedicated to the Risk Register. It was also noted that inherent and residual risks were classified as being the same, and something that the ARC should monitor.</p> <p>A discussion took place with regard to the pace of integration and the fact that both campuses still have different approaches in certain areas. It was noted that once the Executive structures have been approved and put in place, this will influence the pace of integration.</p>  |
| <p><b>1.</b></p> <p>1.1</p> <p>1.2</p> <p>1.3</p> <p>1.4</p> <p>1.5</p> | <p><b><u>Chairs Welcome:</u></b></p> <p><u>Chairs opening notes</u><br/> NOTED The Chairperson opened the meeting and welcomed all. Confirming the meeting was quorate, he commenced the business of the meeting.</p> <p><u>Conflict of Interest Declaration</u><br/> NOTED Ms Holohan declared a perceived conflict, however it was deemed that this was not associated with items on the agenda for the meeting.</p> <p><u>Disclosure Matters - update</u><br/> NOTED Ms Sheridan reminded the committee they had been advised at a previous meeting that the university had received two perceived Protected Disclosure issues, one of which was deemed not to be a Protected Disclosure. Ms Buckley had been nominated by the committee to independently review the other matter on its behalf. Ms Buckley informed the committee that she had completed this review and gave a verbal report on the process she had undertaken which included reviewing documentation, and meeting with the relevant Head of School. She stated that while the concerns raised by the individual were valid and quite factual, she concluded that the matter was not deemed to be a Protected Disclosure. Ms Buckley indicated that she did find a lapse or absence of robust processes. A number of actions have been put in place as a result of the matter raised, which Ms Buckley considered appropriate.</p> <p>Ms Buckley also made the some suggested recommendations following her review:-</p> <ul style="list-style-type: none"> <li>➤ put in place a more robust internal processes and control environment.</li> <li>➤ the process to be clearly communicated to staff and students so that there is more transparency in relation to the processes.</li> <li>➤ amendments to the Terms of Reference for the TLA for the School of Engineering.</li> <li>➤ add this risk to the audit universe as part of the audit review.</li> </ul> <p>After an extensive discussion had taken place, the committee were satisfied with Ms Buckley's conclusion.</p> <p>AGREED The university to respond to the individual who raised the perceived disclosure to advise that while the university does not deem the matter raised to be a Protected Disclosure, their concerns have been taken on board, and actions have been put in place.</p> <p><u>Approval of Minutes 11 May 2023</u><br/> <u>Approval of Minutes 29 May 2023</u><br/> AGREED To approve the minutes of 11<sup>th</sup> and 29<sup>th</sup> May 2023 and publish on the website.</p> <p><u>Terms of Reference</u><br/> NOTED A query was raised in relation to the Secretary for the Audit &amp; Risk committee and when the position was likely to be filled. The committee was informed that when the management structure is</p> |

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| <p>1.6</p> | <p>finalised, the intention is that an internal staff member would take up this position.</p> <p><u>Matter arising (Action Log)</u><br/> NOTED The Chairperson provided an update regarding the items on the Action Log.</p> <p>AGREED To organise induction days for members of the committee on all SETU campuses. Annette to create a Doodle Poll for this.</p>  |
| <p>2.</p>  | <p><b><u>Presidents Address:</u></b></p> <p><u>Update from the President</u><br/> NOTED The President was welcomed to the meeting and provided updates of relevance to the Audit &amp; Risk Committee regarding the following:</p> <ol style="list-style-type: none"> <li><b>1. Capital Projects</b> <ul style="list-style-type: none"> <li>➤ Corporate Services Building:- the President advised that there are disputed claims in relation to this project that the university is working through. The Finance &amp; Capital Investment committee have been fully informed and updated on this issue at their last meeting on the 27<sup>th</sup> September, and will continue to be updated as will the Governing Body.</li> <li>➤ Waterford Crystal site acquisition:- the President advised that the due diligence process is complete and approval obtained from the Finance &amp; Capital Investment Committee to proceed to the next stage of the acquisition. This will be brought to the Governing Body at their next meeting, and if approved, will then require Ministerial approval.</li> <li>➤ Wexford Campus site Compulsory Purchase Order (CPO):- almost complete. The President advised that the university has followed the public spending code around capital investment and governance procedures. A full strategy and SETU business case will need to be developed, and in terms of risk mitigation, the university will need to ensure that it has adequate human resource, including external advices.</li> </ul> </li> <li><b>2. Student Intake and Retention:-</b> links to financial risk and ability to deliver for the region; similar student numbers to 2022/2023; competitive market; need to consider issues around retention.</li> <li><b>3. Data:-</b> aim to enhance use of data in decision making; comprehensive SETU data; management accounts schedule agreed; institutional data and research to sit within President’s Office.</li> <li><b>4. Executive Structures and Leadership roles:-</b> required for delivery of Strategic Plan and unified SETU; 3 posts will require sanction from DFHERIS (risk); other leadership roles to be recruited; Executive structures to be considered by Governing Body on 4<sup>th</sup> October; Professor grade within TUs not yet sanctioned (DEPR).</li> <li><b>5. Funding:-</b> TSAF (on-going integration and strategic activities); TU-RISE (Research capacity building with enterprise); Budget 2024 and €307m annual funding gap for higher education in Ireland.</li> </ol> <p>The President also gave an update to the committee on the Strategic Plan.</p> <p>The Chairperson indicated he wished to raise two items that arose from the meeting that had taken place earlier without members of the Executive present - one was the pace of integration and the other was the very comprehensive Risk Register. He stated he had made the point to the committee that the President was leading a risk assessment process as part of the Strategic Plan, and it had been suggested that the ARC should have a meeting dedicated to the Risk Register. With regard to the pace of integration, the President pointed out that while there was still a huge amount of work to be done, SETU is one of the first Technological Universities to move ahead with the integration of a number of things. It was noted that once the Executive structure has been approved and the leadership is aligned, that will have a fundamental impact on the pace of integration. Mr K. Lewis made the point that fast integration</p> |

was not necessarily the way to progress, as it can be counter-productive and needs to be done in a controlled structured manner.

The Chairperson thanked the President for her update and she left the meeting.

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**Internal Audit:**

Ms Sarah Morrissey, Ms Susan Green and Ms Brenda Nelson were welcomed to the meeting at this point.

Ms Nelson acknowledged and thanked the staff who supported Deloitte in completing the audits, and presented a summary of the following draft reports, outlining Deloitte's scope, approach and processes for both reviews.

**Review of Conflict of Interest**

NOTED The internal audit review of the Conflict of Interest process identified three findings in total - one moderate and two minor findings. The findings noted related to the Conflict of Interest committee, Conflict of Interest training attendance, and the Conflict of Interest register. Ms Nelson summarised the findings and recommendations that have been accepted by management.

A discussion followed in relation to the Conflict of Interest forms that each staff member had to complete. It was noted that the completion rate to-date was 69% and a query was raised in relation to what the university considers a good level of compliance with the process, and if there was a benchmark by which the university could base the compliance figures on. Ms Nelson confirmed she would speak with her colleagues who work with other Technological Universities and see if there is a benchmarking figure that she could advise the university of.

**Review of Data Protection**

NOTED The review of Data Protection identified nine findings in total - one serious, four moderate and four minor finding. Ms Nelson referred to the one serious finding which related to the absence of an individual Data Protection Officer (DPO) at the SETU level at the time of the report. It was confirmed that a single DPO for the university has been appointed and therefore this finding has now been closed off.

The other issues identified relate to governance, policies, training and records retention. A summary was given on the findings and Deloitte have recommended that the university remediate these findings and establish centralised processes across both campuses.

A discussion also took place around the importance of training on GDPR and Data Protection matters, and the committee were informed that the university has engaged the services of Legal Island to roll out GDPR and Cyber Security training that all staff must complete by the 10<sup>th</sup> October. This is an online training and staff are required to also complete an assessment when they have completed the training.

The Chairperson indicated that the position of DPO was such a pivotal role and requested that the DPO job specification be circulated to the committee. A robust discussion took place around the role and responsibilities of the DPO. The VP for Corporate Affairs & Finance reminded the committee that the university was currently in the process of finalising the organisational structure at Executive level, and when this is in place, appropriate resourcing under areas will be considered. She also advised that the DPO is currently putting a work plan in place which will incorporate all of the issues identified in the audit that need to be remediated, along with the day-to-day workload.

The Chairperson referred to the GDPR and Cyber Security training that staff are required to complete and he suggested that the Audit & Risk committee also undertake this training. A query was raised as to whether the university had an emergency plan in place in the event of a data breach. It was confirmed

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|                                 | <p>that the DPO has procedures in place and these are outlined in the Data Protection policy. The issue of Data Protection Insurance was raised and whether the university currently had this type of insurance . It was confirmed that the university does not have this insurance as part of their policies, and it was suggested that this be explored.</p> <p>The Chairperson closed the discussion and the following actions were noted:</p> <ol style="list-style-type: none"> <li>1) DPO job specification to be circulated to the committee.</li> <li>2) SETU emails to be set up for all members of the committee, and a link to the GDPR and Cyber Risk training be sent circulated for members to complete.</li> <li>3) Mary Clare to contact the university’s insurance company and explore the possibility of adding Data Protection Insurance to its policies.</li> </ol> <p>The Chairperson thanked Ms Nelson for her presentation and she left the meeting.</p>   |
| <p>4.</p> <p>4.1</p> <p>4.2</p> | <p><b><u>Annual Reports:</u></b></p> <p><b><u>Subsidiary compliance reports</u></b></p> <p>NOTED The Chairperson suggested the committee take the five subsidiary compliance reports as read and Ms Morrissey provided summary on both the Governance of the SETU subsidiaries, and the annual compliance reports from the subsidiaries to SETU. She informed the committee that SETU is the parent organisation of the five subsidiaries, one of which is significantly larger in scale and operations. The other four subsidiaries were established as Designated Activity Companies (DACs) and she outlined the purpose and objective of each subsidiary.</p> <p>In relation to annual compliance reports, Ms Morrissey explained that the SETU Interim Code of Governance requires the Chair of the Board of each subsidiary to formally report to the Governing Body on an annual basis. This assists the Governing Body in assessing the consolidated system of internal control which feeds into the Governing Body reporting to the HEA via the Annual Governance Statement. There is also a Code of Governance for subsidiary companies in place that outlines a template for each compliance report, and which all of the subsidiaries have now adopted. The period in scope is 1 May 2022 to 31 August 2023 to correspond with the first SETU financial statement reporting period. Ms Morrissey advised that following consideration by the Audit &amp; Risk committee of the draft compliance reports, they be recommended to the Governing Body for approval.</p> <p>A lengthy discussion took place where various queries were raised and clarified by the VP’s for Corporate Affairs. The committee were informed that final signed copies of all of the compliance reports presented would be distributed to the committee.</p> <p>AGREED To recommend the five subsidiary compliance reports to the Governing Body for approval at their next meeting.</p> <p><b><u>ARC Annual Report to Governing Body</u></b></p> <p>NOTED Ms Sheridan advised that the ARC Annual Report to Governing is a report that is required to be presented to the Governing Body every year. The report is in the standard format that is required by the C&amp;AG, and outlines the work carried out by the committee during the year.</p> <p>AGREED The Chairperson to present the ARC Annual Report to the Governing Body at its next meeting on behalf of the committee.</p> |
| <p>5.</p> <p>5.1</p>            | <p><b><u>Compliance &amp; Risk matters:</u></b></p> <p><b><u>Risk Management Update</u></b></p> <p>NOTED Ms Green provided an update on the Risk Management report. She advised that the Risk Management Policy has been updated to reflect the risk appetite approved by the Audit &amp; Risk committee, and the policy has been approved by the Governing Body with a review date of September 2026.</p>  |

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| <p>5.2</p> | <p>Ms Green also provided a summary of the following:-</p> <ol style="list-style-type: none"> <li>1) Blank Page exercise</li> <li>2) Decision Time</li> <li>3) Risk Report Semester 2 academic year 2022-2023</li> <li>4) Emerging Risks</li> <li>5) Update on the Strategic Risk Register</li> </ol> <p>A query was raised in relation to the Risk Management Policy with regard to the September review date being 2026. The committee were advised that the Governing Body had requested a standard three-year review period for policies unless legislation changed in the interim. It was also clarified that risk registers are reviewed every semester. A discussion took place in relation to the risk management software Decision Time and the committee were advised that this had been very well received by all schools, faculties and departments. The committee noted that this was a huge step forward and the work done by Ms Green and Ms Morrissey in rolling this out was acknowledged.</p> <p>AGREED That a demonstration on the Decision Time software be given at a future ARC meeting.</p> <p><u>Internal Audit: In-house follow up</u></p> <p>NOTED The committee were advised that the purpose of this document was to provide an update to the ARC with regard to the internal audit recommendations and this was taken as read.</p> <p>The Chairperson thanked Ms Green and Ms Morrissey for their presentations and they left the meeting.</p> |
| <p>6.</p>  | <p><b><u>AOB:</u></b></p> <p><u>Effectiveness/Self-Assessment Review</u></p> <p>NOTED The VP for Corporate Affairs &amp; Finance advised that under the Code of Governance and ARC terms of reference, committee is required to periodically review its own effectiveness and report the results of that review to the Governing Body annually. This is done through a self-assessment process and subsequently reported to the Governing Body on completion. The link to the questionnaire which members are asked to submit on or before Friday 13<sup>th</sup> October is included on the paper that has been circulated to members.</p> <p>On receipt of all questionnaires, an analysis will be undertaken which will be presented to the ARC with recommendations if required.</p>  |