Institute of Art, Design + Technology Dún Laoghaire

Audit & Risk Committee of Governing Body

Minutes of 31st March 2025

Present: Bernadette Costello (Chairperson), Dr Eimear Cotter, Sam Dunwoody, Colm O'Callaghan, Prof. Paul Moore

In Attendance: David Smith, Michael Farrell, Conor Logan, Sinead Keane, Gemma Jethwa (Minute-taker)

Invitees: Angela Ireri (Deloitte) and Colm Hennesy (Head of Information Services, IADT)

The Meeting (held remotely via MS Teams) commenced at 14:00hrs and concluded at 16.11hrs.

1. Adoption of Agenda

The Agenda was adopted as circulated.

2. Conflicts of Interest

There were no conflicts of interest to report.

3. Adoption of Audit & Risk Committee Minutes of 19th February 2025

The Minutes of the meeting of 19th February 2025 were adopted as circulated.

Proposed: CO'C Seconded: EC

4. Matters Arising

4.1 Space Utilisation Report (Survey No.3) – the Committee members were briefed on the findings of the Space Utilisation Survey No.3. It was confirmed that a report was completed at the end of March, which indicated that the level of occupancy in the Institute is 10%-20% below sectoral best practice. It was noted that this matter had been discussed at the IADT management meeting held that morning and that the Estates & Campus Services (E&CS) Manager had advised that the findings coincide with those arising from similar sectoral surveys. It was proposed that rooms be re-profiled, with bookings of office and meeting spaces being included in a centralised system, to include the new Digital Media Building. The President will circulate the Space Utilisation Survey No.3 Report, to Committee members.

<u>Action:</u> The President to provide an update re Space Utilisation Survey No. 3 at the next Committee meeting in May 2025. [DS]

4.2 IADT Protected Disclosures Policy Training – it was noted that the Chairperson of the Audit & Risk Committee, the President and the Governance Lead attended the Protected Disclosures training delivered by a representative of Arthur Cox Solicitors on 12th March 2025.

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4.3 **Induction Training for Audit & Risk Committee –** it was reported that two quotations for Audit & Risk Committee Induction Training have been received to date; the Institute is awaiting receipt of a third quotation prior to a decision being made in relation to the provision of such training. It is envisaged that training will take place online, will last approximately 2/3 hours, and will be delivered, if possible, post the Governing Body meeting on 14th May 2025.

Action: The Governance Lead will source a third quote prior to a decision being made on the preferred provider. [SK]

4.4 **Cyber Security Benchmarking Exercise** – it was reported that the proposal to carry out a benchmarking exercise against the Public Sector Cyber Security Baseline Standards has been discussed with the Head of IT at IADT, and the Governance Lead is in the process of contacting the Office of Government Procurement (OGP) regarding a possible mini competition in this regard. If the OGP do not plan to run a mini competition, then the Institute will request three quotations from relevant service providers.

Action: OGP to be contacted regarding a mini competition, and failing that, three quotations to be requested from relevant service providers. [SK]

4.5 **IADT Risk Management Policy** – it was reported that the updated IADT Risk Management Policy will be brought to Governing Body on 14th May 2025 for approval.

5. Financial Matters

5.1 **IADT Budget Submission 2025 –** the Committee members were briefed on the IADT Budget Submission 2025 as circulated. It was noted that the document provided to the meeting is based on a template provided by the HEA which is submitted annually in March. This year's submission covers:

- 2024 Calendar year outturn
- 2025 calendar year financial projection
- Academic year financial actuals
- Staff and student numbers – actual and projections
- Capital expenditure
- Bank balances and cashflow data

Based on the provisional grant allocation for 2025, notified by the HEA and assumptions made under the main headings, a deficit of €397k [1% of income] is projected for the year. The full allocation letter for 2025 has not yet, been received, therefore, definitive information on the funding of core pay costs is not available. It was noted that the projected deficit is a worst-case scenario with additional funding based on "end of year" allocations made in previous years likely to follow from the HEA. The Institute will work towards reducing the deficit figure over the course of the year regardless of any additional funding.

The budget projection will be discussed at a meeting with the HEA during the Institute's Annual Budget and Accountability meeting during the week following the Audit & Risk Committee meeting. The uncertainty around overall funding at the beginning of each year is unsatisfactory from a planning and governance perspective and this matter had

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previously been raised with the HEA. The Committee will be advised of the content of the full allocation letter from the HEA once received.

The IADT Budget Submission for 2025 was approved by the Committee members.

Proposed: SD Seconded: PM

Action: Update to be provided to Audit & Risk Committee once the full allocation letter for 2025 is received. [CL]

5.2 **Update re Financial Statements for year ended 31st August 2024** – the Committee was informed that the Office of the C&AG will commence the audit of the Institute's Financial Statements for year ended 31st August 2024 in the week beginning 14th April 2025.

5.3 **Ancillary Activities Report September 2024 to February 2025** – the Ancillary Activities Report September 2024 to February 2025 was discussed as circulated. The report which included research, externally funded projects (which fall outside of the recurrent grant allocation received from the HEA), and other activities (non-core operations) was based on a layout previously circulated. In the report, the top 15 most active and/or significant activities were reported for the period September 2024 to February 2025. The projects represented 87% of total ancillary expenditure and are thus a good representation of the profile of IADT's ancillary income. Some of the most notable projects and any in deficit were highlighted. The total expenditure on ancillary activities for the period was €3.845m. The report was noted by the Committee.

6. Internal Audit

Angela Ireri (Assistant Manager – Risk Advisory, Deloitte) joined the meeting at 14:11hrs to brief the Committee members on internal audit matters.

6.1 **IADT Internal Audit Recommendations Tracker (March 2025)** – the Interim Secretary briefed the Committee members on the status of Recommendations resulting from previous internal audits. It was confirmed that this tracker document will be circulated for every Committee meeting, with the most recent recommendations and those not yet closed being listed at the top, with resolved/closed issues included at the end of the document for information. 'Closed' will be used to indicate that a recommendation has been fully implemented, or the risk has been accepted. As a result, the Committee will be provided at every meeting with an ongoing view of the status of implementation of internal audit recommendations.

6.2 **Internal Audit Follow-up Review Report** – Ms. Ireri briefed the Committee on the Internal Audit Follow-up Review Report as circulated, outlining the most recent updated status in relation to outstanding and closed internal audit findings. A total of 19 recommendations had been examined: 10 have been implemented, 8 are in progress, and 1 has been closed. It was noted that regarding Recommendation 2.1, the issue of Culture is difficult to quantify, and should perhaps be recorded as a separate recommendation. Several outstanding items such as third-party contract management, risk management training and the updating of the remote working policy were discussed. It was noted that items such as the Business Continuity Plan (BCP) were previously dealt with collectively by THEA; however, with the formation of the Technological Universities each institution is now required to create and maintain their own BCP.

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The Committee noted the Deloitte review. Progress on implementation of internal audit recommendations will be tracked at future meetings using the tracker discussed under item 6.1.

6.3 Internal Audit Reviews for 2025-2026 – a discussion was held regarding possible audits to be carried out by Deloitte during 2025/2026. The GITC review start date was discussed. Ms. Ireri confirmed that she had met with the Head of IT, Colm Hennessy, and other members of staff to discuss a potential start date in early May, or alternatively June/July 2025. It was proposed that the Terms of Reference for the GITC review be circulated to the Committee members for approval and should include dates for the commencement, finishing and reporting of findings to the Committee. Following a discussion, the following was agreed:

2025 - 2026

(i) **Audit No.1 – Desktop Review of Budgeting and Financial Reporting:** scheduled for June 2025.

(ii) **Audit No. 2 – Internal Financial Controls and Statement of Internal Controls**: scheduled for September/October 2025.

(iii) **Audit No.3 – Cyber Security Review:** Timing to be confirmed- a discussion was held regarding the appropriateness of a Cyber Security Review, given that it is intended to conduct both the GITC review and the benchmarking cyber security exercise this year. Concern was expressed regarding a potential overlap of some elements of these audits. It was agreed that the Interim Secretary would provide a memo to the Committee outlining the elements of the Cyber Security Benchmark review.

Ms Ireri confirmed that Deloitte would conduct the Annual Governance Review in November or early December 2025. It was requested that this date be finalised in order to include same in the Committee schedule for 2025.

Action: Terms of reference for all internal audits to be circulated to the Committee. Terms of Reference for the GITC review, including all relevant dates to be circulated to ARC in the following week. [SK to follow up]

Action: Deloitte to update the Internal Audit Plan 2025/2026 with all dates and timelines, to include the Annual Governance Review. [Deloitte]

Action: MF to provide a memo to the Committee regarding the elements of a benchmarking review of IADT's Cyber Security. [MF]

Ms. Ireri, and Dr Eimear Cotter left the meeting at 14.57hrs.

7. Corporate Procurement

7.1 Summary Corporate Procurement Plan (CPP) 2025 – this item was introduced by the Finance Manager, who advised that the Code of Governance of IOTs (2018) requires the development and publication of an annual CPP. The IADT CPP sets out the Institute's objectives with regard to procurement, and its commitment to compliance with the centralised national procurement model. The report to the Committee indicated the breakdown of procurement methodology with regard to contracts in excess of the €50k procurement threshold, and the key performance indicators with regard to compliance and the use of national frameworks. Following a discussion, the proposed procurement framework was approved by the meeting.

Proposed: BC Seconded: SD

7.2 **Contracts Control Report (March 2025) -** the updated Contracts Control sheet was discussed as circulated. It was noted that all contracts listed on the Control Sheet are up to date, except for the following:

(i) **Computer Supplies – Apple Products (14/04/2025) –** tender process completed by HEAnet; official details of contract to be released in early April 2025.

(ii) **Design & Print (11/06/2025) –** a mini competition will be held, with RFT completed and sent to the OGP in late-April/early-May 2025.

(iii) **Cleaning (13/07/2024) –** E&CS Manager currently in discussions with the OGP regarding a multi-supplier framework agreement.

(iv) **Grounds Maintenance (31/12/2023) –** with the completion of the Digital Media Building, tender documentation has been prepared, and the process will be completed during 2025; in the interim, the existing contract with SAP Landscapes will continue a rolling monthly basis.

(v) **Pest Control (12/02/2020) –** no OGP framework is currently available; IADT is in the process of preparing tender documentation in this regard.

(vi) **Plant Maintenance (30/06/2024) –** a 3-year contract (with 2 x 12-month extensions) to be awarded to Thermodial; service provider's insurance certificate is currently being reviewed by IPB Insurance; start date of contract to be confirmed.

(vii) **Security (30/09/2023) –** OGP tendering process completed, with Bidvest Noonan awarded a 3-year contract (with 1 x 12-month extension); the OGP are preparing the outcome letters; start date of contract to be confirmed.

The following contracts were previously listed as "expired":

(i) **Fire Extinguisher Equipment (31/03/2026) –** original contract with DB McLarnon allowed for a 1 x 1-year extension, which will be applied on 01/04/2025.

(ii) **Utilities – Gas (31/08/2027) –** OGP awarded a 3-year contract to SSE Airtricity, commencing 01/09/2024**.**

A query was raised regarding the inclusion of the new Digital Media Building (DMB) in the Institute's Insurance Policy. It was confirmed that all the equipment in the DMB is covered by IADT insurance; however, as the building was constructed under a PPP, insurance on the building will be confirmed with IPB Insurance Ltd.

Action: CL to confirm the status of the building insurance arrangements for the DMB – whether covered under IPB property cover, or by the PPP company.

Prof. Paul Moore left the meeting at 15:47hrs.

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8. Risk Management

8.1 IADT Corporate Risk Register – there was nothing to report in relation to the Corporate Risk Register; the register will be included on the May Audit & Risk Committee Meeting Agenda.

Colm Hennessy, Head of IT, joined the meeting at 15:54hrs.

8.2 Cyber Security Report (March 2025) – the Cyber Security Report (March 2025) was discussed as circulated. The Head of IT had been requested to join the meeting due to the level of detail in the circulated report and the listing of some items following HEAnet review as 'critical'.

The Committee members were briefed on the various items identified in the HEAnet Network Scanning/Vulnerabilities/Penetration Report, as circulated. It was noted that the resolution of most of issues is in progress, with the exception of the Blackrock Education Centre (BEC), where a number of critical and high-risk findings were identified by HEAnet in relation to the network cable from IADT to BEC. It was reported that if the issues cannot be resolved, the Institute may need to sever the connection. The Committee were briefed on the status of the PaperCut student printing SSL issue; the Head of IT will provide a further update in the next report. It was noted that the issues relating to the NFS Stores/ Equipment Server and the DNS were resolved as of that morning.

It was reported that phishing training has been completed, and that testing began in January 2025. Concern was expressed that a number of staff members had failed to recognise the email as a potential phishing threat, despite having completed training. The Head of IT will provide a further update at the next meeting with regard the full outcome of the test.

It was reported that IADT's ICT team had conducted an internal benchmarking test against Public Sector Cyber Security Baseline Standards. The importance of external validation of IADT's cyber security status was noted and in that regard the possibility of a baseline standard review by external consultants, already discussed, will be progressed.

Action: The Head of IT to provide an update on any unresolved findings from the HEAnet review at the next Committee meeting in May, and to arrange for an external benchmarking exercise to be carried out against Public Sector Cyber Security Baseline Standards.

Colm Hennessy, Head of IT, left the meeting at 16:07hrs.

9. Statutory Reporting

Since the Committee meeting of 19th February 2025, no statutory reports were required to be made to TUSLA/Gardaí, the Health & Safety Authority, or the Data Protection Commission. In addition, there were no new Staff Grievances/Complaints to report since the last meeting. In relation to other Statutory Reporting, the following updates were noted:

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(i) **Student Complaints**:
- **January 2025** - a student lodged a formal complaint regarding two other students; the matter was investigated, with complaint partially upheld and addressed by the Faculty; complainant has since submitted an appeal which was accepted by the Registrar; Complaints Appeal Board had been scheduled for 27th March 2025.

(ii) **General Complaints**:
- **February 2025 –** a member of the public lodged a complaint about a member of the IADT Students Union; complaint was upheld, and a letter of apology was issued to the complainant on 21st March 2025. The matter is considered closed.

(iii) **Management of IADT Records –** it was reported that the President has been in discussions with the external records management company, and an offer has been made to write-down the historic liability. If the offer is not accepted by the records management company, the Institute is prepared to enter into mediation; however, it is expected that both parties are willing to come to an agreement.

10. Equality, Diversity & Inclusion Implications

There were no matters to be discussed in relation to EDI Implications.

11. A.O.B.

11.1 Audit & Risk Committee Meeting Schedule 2025/2026 – the 20th May 2025 was agreed as the next Committee meeting date.

Action: ED/SK to contact EC and PM in order to confirm the date of the May Committee Meeting

The next meeting of the Audit & Risk Committee is scheduled for **Tuesday, 20th May 2025 @ 14:00hrs**.

Signed: ________________________ Date: ______________

Bernadette Costello
Chairperson