



**Minutes of Audit Committee, Tuesday 28 January 2020**

*Present* Mr D McCarthy (Chair), Professor A Burke, Professor R Reilly

*Apologies* Professor L Hogan

*(ex officio)* Internal Auditor/Secretary (Mr F Sheeran), Secretary to the College (Mr J Coman)

*In Attendance* Deputy Internal Auditor (Ms F McAuliffe), Deputy Internal Auditor (Ms A Cooney), Ms M Thompson

Ms Y Coutts, Senior Internal Auditor attended for item AD/19-20/22

(Items of specific interest to the Board are denoted by **XXX**)

**AD/19-20/18 Statements of Interest**

The Chair invited members to declare any potential conflict of interest they may have in relation to items on the Agenda.

The Secretary to the College declared that he is a director of Trinity Asia Services Ltd. The Committee agreed that this would not preclude the Secretary from attending while the Committee discuss the report by Internal Audit.

**AD/19-20/19 Minutes**

The draft Minutes of the meeting held on 10 December 2019 were approved, subject to two minor amendments.

**AD/19-20/20 Call-over**

The Committee noted the actions that had been implemented since the previous meeting and those that remained outstanding.

**SECTION A and B - Policy & Implementation Issues**

**AD/19-20/21 Draft Annual Report to Board 2019/2020**

Introducing the item, the Internal Auditor reminded members that a preliminary draft of Part I of the Committee's Annual Report to Board for 2019/20 will need to be considered at the meeting of 18 February 2020 so that a final draft can be brought to the March meeting. The Committee noted that the practice to date has been to draw Board's attention to key issues of concern to the Committee and its recommendations in relation to same in Part I and that Part II is a report of record, setting out a summary of work carried out during the year, as reported in the Committee minutes.

The Chair invited the Committee to reflect on the issues and topics it would like to highlight in the Annual Report for 2019/2020.

During a detailed discussion, members considered a number of points for possible inclusion in the draft, including the following:

- Climate Change
- Risks including funding of sector and Brexit actions
- Clarify Internal Audit and Audit Committee roles especially in regard to Risk Analysis
- Benchmarking/Sharing Risks
- Streamlining and Controls in devolved structure
- Governance Groups

**Action:**

The Internal Auditor to draft a preliminary Part I of the Annual Report for consideration at the next meeting of the Committee on 18 February 2020.

**AD/19-20/22 Health and Safety Oversight Report**

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The Chair welcomed Ms Coutts to the meeting for consideration of the Health and Safety Oversight Report, which had been circulated.

Introducing the Report, Ms Coutts advised the Committee that the importance of this area is well understood and Trinity takes very seriously its obligations to protect the health and safety of its staff, students and visitors. She advised that, as well as the preventive obligations, there are also significant compliance requirements with a range of legislation. Safety, Health & Welfare at Work Act 2005 ('Act') is the primary legislation governing the management of health and safety ("H&S") in the workplace and the Act sets out a preventive approach. Ms Coutts advised that under the Act, the Board of Trinity has ultimate responsibility for health and safety across the University. She advised that day-to-day responsibility is devolved widely across the University and that Board must rely on an effective 2<sup>nd</sup> line to monitor H&S procedures and to be assured that they are both adequately protective and fully compliant. She advised that the College Safety Committee, which is a compliance committee of the Board and Council has the key role in this regard.

Ms Coutts advised that the scope of the audit was to review and assess the 2<sup>nd</sup> line of defence and oversight arrangements that have been put in place to assure Board that it is fulfilling its obligations.

Ms Coutts summarised the main findings and she advised members that the College Safety Committee is not in possession of all the data it needs to fulfil its role and function as a fully effective 2<sup>nd</sup> line of defence. Ms Coutts advised that the audit found that the College Safety Committee's oversight and monitoring arrangements need to be significantly expanded and strengthened. As a result, the assurance currently available to senior management and Board in regard to H&S compliance across the University is limited. In addition, Ms Coutts advised of the need to take action in regard to the University parent and local safety statements.

The Committee noted that the absence of recorded incidents or lack of serious accidents to date might be seen as a source of comfort but agreed that equally it could be fortuitous and there was a risk of complacency arising.

The Committee noted that the College Safety Committee does not have a formal monitoring process in place to assess whether key H&S obligations are being met by those with devolved responsibility. The Committee noted that there is a very high reliance on individuals in faculties and school with no formal expertise or knowledge that after undergoing a low level of training may then be replaced. During a detailed discussion, the Committee reflected that many of the issues highlighted echo those in other audit reports and that the University's complex governance structure requires strong 2<sup>nd</sup> line defences to provide appropriate monitoring and oversight so that Board can be assured it is meeting its obligations. The Committee also noted that the obligations of such committees can be unclear or misunderstood and consequently an effective 2<sup>nd</sup> line of defence can be absent.

In conclusion, the Committee welcomed and endorsed the findings of the Report, noting that its findings and recommendations had been accepted by management.

The Chair thanked Ms Coutts for her contributions to discussions and she withdrew from the meeting.

The Secretary to the College was invited to join the meeting.

#### **AD/19-20/23 Trinity Asia Services Ltd**

The Chair drew the Committee's attention to the audit report on Trinity Asia Services Ltd, which had been circulated. The Committee noted that the Secretary to the College is a director of the company.

Introducing the Report, Ms McAuliffe reminded members that the Trinity Asia Services Ltd is a Singapore based subsidiary of Trinity and the audit was undertaken as part of Internal Audit's thematic review of non-core entities. Ms McAuliffe advised that the audit found that Trinity Asia Services Ltd is operating well but there are a number of areas for improvement that would enhance controls and increase assurance, which she outlined in detail.

Following discussion, the Committee welcomed the report and in response to a query, the Secretary to the College undertook to consult with the University's external auditors in regard to any potential reporting implications in Singapore. In conclusion, the Committee queried what procedures are in place to assess potential international partnerships international and the Internal Auditor advised that he recalled some discussion on this at time Trinity Asia was being established but would follow it up with Global Relations and advise the Committee at a future meeting.

#### **Action:**

- 23.1 The Secretary to the College to consult with the external auditors regarding any potential reporting implications in Singapore.
- 23.2 The Internal Auditor to advise the Committee at a future meeting about possible guidelines in place for international partnerships.

#### **AD/19-20/24 Internal Audit Work-Plan**

The Internal Auditor invited the Committee's attention to his

memorandum of 28 January 2020, which had been circulated. He advised that the main purpose of the memo is to outline for the consideration and approval of the Committee, a proposed work schedule for 2020/21 for Internal Audit and invited Ms McAuliffe to give a brief overview of the schedule.

Ms McAuliffe advised that the work schedule is a risk-based plan based on past experience and an assessment of risks which takes in to account also the University Risk Register as presented to the Committee by the Chief Risk Officer on 10 December 2019. The Committee noted that the work continues to include a significant focus on the 2<sup>nd</sup> line of defence and that as with all plans, it is fluid and dynamic. Ms McAuliffe advised that the Work-Plan will be reviewed in light of any revisions to the Risk Registers and after the new University Strategic Plan becomes available.

During a discussion, the Committee welcomed the updated Work-Plan, noting in particular the areas for prioritisation. The Internal Auditor confirmed that the Work-Plan would be communicated to the Chief Risk Officer for information.

The Committee approved the Work-Plan for 2020/21 as presented.

**AD/19-20/25 Audit Function Risk Register**

The Committee noted the memorandum from the Deputy Internal Auditor dated 28 January 2020, together with the updated Audit Function Risk Register, which had been circulated. Following a brief discussion, the Committee agreed some minor amendments to the Internal Audit Risk Register.

**Action:**

The Deputy Internal Auditor to make amendments to the Audit Function Risk Register as discussed.

**Section C - For Noting**

**AD/19-20/26 Cyber Security**

The Committee noted the Article entitled “The Cyber Security Challenge” Audit Committee Institute, Quarterly 38 dated December 2019.

**AD/19-20/27 Board Papers**

The Committee noted the Board Agenda and Minutes which had been circulated for noting.