

Minutes of Irish Fiscal Advisory Council (IFAC) Meeting

ESRI Boardroom (5th floor),

9:30am–1:20pm, Monday 19th January 2018

Present

- Mr Seamus Coffey
(Chairperson)
- Mr Sebastian Barnes
- Dr Íde Kearney
- Dr Martina Lawless
- Mr Michael G. Tutty

Attending

- Mr Eddie Casey
- Mr Niall Conroy
- Mr Alan Dalton (for item N^o 1)
- Ms Kate Ivory
- Ms Ainhoa Osés Arranz
- Mr Kevin Timoney

Proceedings

1. Admin/Financial

- **Declarations of interest:** none.
- The Council **approved the minutes** of the previous meeting (6th December 2017) . Sebastian **proposed** and Michael **seconded**.
- **Matters arising:** The Secretariat explained that SIPO (Standards in Public Office Commission) had clarified to them that Designated Directors who have no interests to disclose do not need to complete a Statement of Interest form. The Council chose to fulfil their obligations as they did in 2017: all Council members will disclose to the Chairperson whether they have interests to declare, and the Chairperson will disclose to the Chairperson of the Council's Audit and Risk Committee whether he has interests to declare.
- **Annual self-assessment evaluation of Council and ARC performances:** Council members returned completed annual self-assessment evaluations to the Chairperson.

- **COSMO access update:** The Council discussed the expected timelines for accessing the ESRI's COSMO (COre Structural MOdel of the Irish economy).
- Standing items:
 - The Secretariat presented the **Purchases and Receipts Book for December 2017**.
 - The Secretariat updated the Council about **recruitment**: they will seek sanction for a new Research Assistant position, and will look at options for office space necessary for summer internships.
 - The Secretariat received three **Parliamentary Questions**.
 - The Secretariat received no **FOI requests**.
 - The Council intend to review one item from the **Risk Register** at each meeting, as they did last year. The Council discussed item N^o 1 ("**Reputation and Role**").
 - **Recent and forthcoming meetings:**
 - The Fiscal Council of Slovenia met some Council members and Secretariat staff members The Chairperson intends to attend the EUNIFI network's February meeting in Brussels.
 - Seamus will attend the meeting of the EU Network of Independent Fiscal Institutions (EUNIFI) in February.
 - Seamus will attend CSO's "Globalisation in Ireland" seminar in February.
 - The 10th Annual Meeting of the OECD Parliamentary Budget Officials and Independent Fiscal Institutions will take place in Seoul in July 2018.
 - The Secretariat explained options for procuring internal audit services for Q1 of 2018. The proposed supplier have suggested a full review of internal financial control for 2017 as well as an Internal Control Questionnaire. Following the Audit and Risk Committee's advice, the Council approved the Secretariat asking the proposed supplier to provide a lighter review this year, as well as an Internal Control

Questionnaire, subject to first determining whether the proposed supplier had a particular reason for suggesting a full review. The Secretariat plan to procure internal audit services for a 2½-year contract starting later in 2018. The Council agreed to a conference call in late March to review the effectiveness of internal control for 2017.

2. Long-Term Report Plans

The Council discussed the structure of the report, the publication/work plan, and appropriate deflators.

3. Fiscal Assessment Report Discussion

The Council carried out a follow-up review of the November 2017 release, and discussed the Minister's response to the FAR, and infographics. The Council also discussed the June 2018 FAR, including structure of chapters, a separate macro publication, and a separate stand-still scenario publication.

4. Fiscal Rules Update

The Council discussed freezing for assessments, the two-year output gap approach as used by the CPB, where changes are headed; the Preventive Arm, and the EC Directive transposing the Fiscal Compact into EU law.

5. Output Gap Alternatives

Members of staff of the Department of Finance presented their work on alternatives. After the Department staff left, the meeting, the Council continued their discussion. They also discussed publication plans for the IFAC Output Gap working paper and the IFAC conference in March.

6. Macro Update

The Council discussed recent macro developments.

7. AOB

None

Signed:

Seamus Coffey (Chairperson)