

Minutes of Irish Fiscal Advisory Council (IFAC) Meeting

5th-floor meeting room, ESRI building

10:30pm–4:30pm, Thursday 21st February 2019

Present

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

Attending

- Mr Eddie Casey
- Mr Niall Conroy
- Mr Kevin Timoney
- Ms Ainhoa Osés Arranz
- Ms Friederike Vogler
- Mr Killian Carroll
- Ms Karen Bonner

Proceedings

1. Admin/Financial

- **Declarations of interest:**

There were no declarations of interest.

- The Council **approved the minutes** of the previous meeting (24th January 2019). Michael proposed and Martina seconded them.

- **Matters arising**

E Casey is liaising with ESRI HR with a view to scheduling the Annual HR briefing on a mutually agreeable Council meeting date.

- **DOF – Draft Oversight Agreement/Draft Performance Delivery Agreement.**

The Council reviewed and approved, subject to one amendment, the updated draft Oversight and Performance Delivery Agreement for submission to the Department of Finance for comment.

- **Annual Review of the effectiveness of internal controls and draft Financial Statements 2018.**

The Council will complete the annual Board Self-Assessment Evaluation Questionnaire and submit these to the Chairperson by w/e 8 March 2019.

- The Council discussed the **draft unaudited Financial Statements** including the Governance Statement and the Statement on Internal Control for the year ended 31st December 2018.

It was agreed, subject to a small number of amendments in the notes as outlined to the Secretariat, that these are approved for submission to the C&AG by 28th February.

- **Review of COSMO Licence:** An update was provided in respect of the meeting on 29 January between E Casey & S Coffey (IFAC) and A Barrett (ESRI), this matter is still ongoing.
- **Performance Review External Evaluation:** The Council discussed the planned peer review, the timing, funding avenues and potential panellists. Terms of Reference will be drawn up for review and agreement, with a view to the external evaluation taking place over the period December 2019-January 2020.
- **Draft ceiling letter:** The nature of IFAC's funding and the current budget ceiling was discussed.
- **Standing items:**
 - The Council reviewed the **Purchases and Receipts book** (January 2019).
 - **Management Accounts:** The Q1 (Jan-March 2019) management accounts will be reviewed in April 2019.
 - **Recruitment Update:** The summer internships programme has been advertised with a closing date of 12 March 2019. To date there has been 8 applicants for Project 1 (Long-Term Fiscal Work) and no applicants for Project 2 (Computer Science/Data Science).
 - The Council received two **Parliamentary Questions** since the last meeting.
 - **FOI Update:** One FOI has been received and is being responded to.

- The Council intend to review one item from the **Risk Register** at each meeting, as they did last year. The Council discussed item № 2 ("**Staff and Resources**"). With a small secretariat issues such as - staff being indisposed, staff retention and succession planning are potential risks. These areas will be addressed by ESRI HR in the Annual HR briefing.

Audit & Risk Committee Meeting Minutes

The next meeting of the ARC is scheduled to take place on 21 March 2019.

Information Security/GDPR Briefing

Noted that an update will be provided after the next Audit & Risk Committee meeting.

Recent and Forthcoming Meetings:

- The Chairperson attended an EU Commission meeting in Brussels, for members of national Independent Fiscal Institutions, on Friday, 25th January 2019.
- The Chairperson attended a Department of Finance Seminar on Friday, 30th January 2019.
- The Chairperson presented his perspective on corporation tax at the NERI Seminar on Friday, 30th January 2019.
- The Chairperson attended the OECD PBO IFI Conference in Lisbon from 03-05 February 2019, concluding with a meeting of the EU Independent Fiscal Institutions Network.
- A Mongolian Delegation visited IFAC on Monday, 18th February 2019 to discuss the establishment of a fiscal council.

Forthcoming:

- IFAC annual conference: Friday, 22nd February 2019
- The Chairperson will attend the Irish Tax Institute President's Dinner 2019: Friday 22nd February 2019

- European Parliament ECON Affairs Committee - Visit to Ireland: Eddie, Martina and Michael meeting delegation on Friday, 1st March 2019 (10:00-11:00)
- Forthcoming Council Meetings 2019: Conference call in March; Thursday 4 April at 12:00noon & Friday 5 April at 09.30am-12.30pm and Friday 26 April @ 9:30am.

2. Long-Term Sustainability Report Update

Friederike gave a presentation and update on the Council's work relating to its planned Long-Term Sustainability Report.

3. Path for the Public Finances Conference

Friederike provided an update on the IFAC Annual conference which is taking place in Dublin Castle on 22 February 2019.

4. Brexit/Macro Update

Staff gave a presentation on the Macro update – 'Brexit and the Benchmarks'.

5. Forthcoming Endorsement

The Council discussed the timeline and plans for the forthcoming endorsement process.

6. Alternative Output Gap Budgetary Semi-Elasticities

There was a presentation on the 'Budgetary Semi-Elasticity' by Killian Carroll.

7. AOB

- A draft paper "Estimating Ireland's Tax elasticities, a policy-adjusted approach" authored by Niall Conroy was discussed.
- On behalf of IFAC, the Chairperson Seamus Coffey thanked Íde Kearney, whose term of office ends on 10 March 2019, for her invaluable input and expertise over the past four years.

Signed:

Seamus Coffey (Chairperson)

Dated: _____