

Minutes of Irish Fiscal Advisory Council (IFAC) Meeting

5th-floor meeting room, ESRI building

9:30pm–3:15pm, Thursday 24th January 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. Closed Session/Matters for Decision for the Board

The Council discussed matters for decision of the board.

2. Admin/Financial

- **Declarations of interest:**

There were no declarations of interest.

- The Council **approved the minutes** of the previous meeting (5th December 2018). Michael proposed and Martina seconded them.
- **Matters arising. Audit and Risk Committee (ARC) Composition:** Noted that the Council, at its meeting on 5 December 2018, on the recommendation of the ARC agreed that Michael Kelly be re-appointed to the ARC on the cessation of his current term which ends on 11th February 2019.

Performance Review External Evaluation: Terms of Reference will be drawn up for agreement aiming to complete the review in late 2019 or early-2020.

- **Internal Audit.** Mazars has completed two internal audits –

- (i) Review of IFAC's compliance with Data Protection/GDPR (November 2018). The draft report, January 2019, indicates nine findings - 4 medium-level and 5 low-level findings.
- (ii) IFAC's System of Internal Financial Control 2018, including follow up on the 2017 System of Internal Control (January 2019). A draft report is awaited.

The final report in respect of each of these audits will be reviewed initially by the Audit & Risk Committee at its meeting on 21 March 2019 and will then be reported to the Council.

- **HR Briefing.** Topics for the Annual HR briefing, to include broader staff planning and retention, were discussed. E Casey will ascertain the availability of the ESRI HR with a view to scheduling the briefing on a mutually agreeable Council meeting date.
- **Standards in Public Office (SIPO) and Register of Interest.** Information was circulated in mid-January to Council Members detailing requirements in respect of (i) An annual SIPO return and (ii) Updating IFAC's Register of Council Member interests. The SIPO return date is 28 January 2019, information from one council member is outstanding.
- **Policies for Approval.**
 - Anti-Fraud Policy: Council reviewed and approved the Anti-Fraud Policy.
 - Bring Your Own Device Policy: Council reviewed and approved the Bring Your Own Device Policy.
 - Business Continuity and Disaster Recovery Plan Policy: Council reviewed and approved the Business Continuity and Disaster Recovery Plan Policy.
 - Confidential Disclosures Policy: Council reviewed and approved the Confidential Disclosures Policy.
 - Recruitment Policy and Procedures: Council reviewed and approved the Recruitment Policy and Procedures.
- **Review of COSMO Licence:** S Coffey and E Casey are meeting with Alan Barrett in ESRI on Tuesday 29 January 2019 in this regard.

- **Standing items:**

- The Council reviewed the **Purchases and Receipts book** (November – December 2018).
- **Management Accounts Q4 2018** were reviewed and discussed by the Council.
- **Recruitment Update:** It was agreed to advertise the summer internships programme shortly, with the intention of creating a panel. The two project based internships will be for a defined 6-8week period – Project 1 (Long-Term Fiscal Work), Project 2 (Computer Science/Data Science).
- The Council received five **Parliamentary Questions** since the last meeting.
- **FOI Update:** Two FOIs have been received and will be 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 Nº 1 (“**Reputation and Role**”) and additions agreed as follows:-

Sub heading	Suggested updates
1.1 Reputation	None
1.2 Impact/Effectiveness	More traction needed – enhance communication – must be clear and concise, sharp summary, visually appealing, improve on twitter success.
1.3 Publication	Summary of peer reviewed comments on one drive. A Council member should be assigned to review a particular chapter of the FAR rather than the entire publication.
1.4 Conflicts of Interest	None
1.5 Compliance with legislation	None

Recent and Forthcoming Meetings:

- There were no recent meetings attended.

Forthcoming:

- The Chairperson will attend an EU Commission meeting in Brussels, for members of national Independent Fiscal Institutions, on Friday, 25th January 2019.
- The Chairperson will attend a Department of Finance Seminar on Friday, 30th January 2019.
- The Chairperson will present his perspective on corporation tax at the NERI Seminar on Friday, 30th January 2019.
- The Chairperson will attend the OECD PBO IFI Conference in Lisbon from 03-05 February 2019, concluding with a meeting of the EU Independent Fiscal Institutions Network.
- Mongolian Delegation visit to IFAC: Monday, 18th February 2019
- 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 Thursday, 27th February 2019 (10:00-11:30)
- Forthcoming Council Meetings 2019: 21st February at 9:30am; Conference call in March; Thursday 4 April at 12:00noon & Friday 5 April at 09.30am-12.30pm and Friday 26 April @ 9:30am.

Audit & Risk Committee Meeting Minutes

The last Audit & Risk Committee was held 3 December 2018, its report was discussed at the Council meeting on 5 December 2018.

Information Security/GDPR Briefing

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

3. Revised MoU for the Endorsement

The Council discussed the changes to the Memorandum of Understanding (MOU) between IFAC and the Department of Finance relating to the “Endorsement Function” of the Council under the Fiscal Responsibility Acts 2012 and 2013. The MOU was reviewed and a number of amendments in respect of the ‘Coverage of the Macroeconomic Projections’ agreed. E Casey will circulate the revised MOU to the Council for final feedback.

4. Multipliers Paper

The Multipliers Paper, authored by E Casey, N Conroy and K Ivory, was provided with the papers for the meeting. Subject to a number of small amendments it was agreed that this paper should be published on IFAC’s website.

5. A Principles-Based Approach to the Fiscal Rules

Feedback was provided on the paper - ‘A Principles-Based Approach to the Fiscal Rules’ - an updated version of the document will be uploaded to the Council Member resource on OneDrive.

6. IFAC Annual Conference Plans

Friederike provided an update on the IFAC Annual conference which is taking place in Dublin Castle on 22 February 2019. There are currently 110 registered, delegates include a number of Secretary Generals, Principal Officers, TDs and representatives from 8 overseas IFIs. Quotations from three catering companies were reviewed and it was agreed to go with the most competitive catering provider and that there would be a dinner for speakers on Thursday 21 February.

7. Long-Term Sustainability Work Update

Friederike gave a presentation on the Long-Term Sustainability work plan update.

Ainhoa presented research on '*Predicting Migration in Ireland: a Gravity Model Approach*', which she will also present during Session 1 (Demographic Changes) at the IFAC Conference.

8. Alternative Supply Side Estimates

The Council reviewed two Department of Finance 2018 Economic Policy papers– (i) Estimating Ireland's output gap; an analysis using selected statistical filters, and (ii) Measuring an economy's cyclical position; a review of selected statistical and economic methods. Members of staff of the Department of Finance presented their work on alternative supply side estimates. After the Department staff left, the meeting, the Council continued its discussion.

9. AOB

There was no other business.

Signed:

Seamus Coffey (Chairperson)

Dated: _____