

# Minutes of Irish Fiscal Advisory Council (IFAC) Meeting

5th Floor boardroom, ESRI building  
9.30am-3.30pm, Tuesday 16th July 2019

## Present

Mr Seamus Coffey  
(Chairperson)  
Mr Sebastian Barnes  
Mr Michael G. Tutty  
Dr Martina Lawless  
Dr Michael McMahon

## Attending

Dr Eddie Casey  
Mr Niall Conroy  
Ms Ainhoa Osés Arranz  
Ms Friederike Vogler  
Mr Killian Carroll  
Ms Karen Bonner  
Ms Yifei Fang  
Mr Eannán Monaghan

## Proceedings

### 1. Admin/Financial

- **Declarations of interest:**

There were no declarations of interest.

- The Council **approved the minutes** of the previous meeting 11<sup>th</sup> & 12th June 2019. Michael Tutty proposed and Michael McMahon seconded them.

- **Matters arising**

- **Council vacancy (Jan 2020):** Feedback was provided to the Department of Finance in respect of the Council vacancy notice which will shortly be advertised on Stateboards.ie.
- **Peer Review:** Eddie is meeting Marlene Madsen, Head of Unit **Structural Reform Support** Service at EU Commission, to explore possible funding options in respect of the peer review.
- **Strategic Plan:** Eddie provided an update on the template document which incorporated the feedback and points of discussion from the last meeting. Some

further amendments were proposed and an updated version will be circulated in advance of the next meeting.

- **Annual Report & Financial Statements 2018:**

Paula O'Connor and Richard Lawlor presented the OCAG interim report on the Fiscal Council 2018 audit to the A&RC at its recent meeting. Based on this report, the A&RC recommended the circulated documents for approval, subject to the conclusion of the audit. However, K Bonner advised that the OCAG had sought clarification on a number of matters by email on 15 July. Therefore, the Council agreed to the circulation of the final documents for approval when the audit is satisfactorily concluded.

- **Standing items:**

- **Purchases and Receipts book** The Council reviewed the Purchases and Receipts book for May and June 2019.
- **Management Accounts:** The Council reviewed the Q2 (April-June 2019) management accounts which were reviewed by the Audit & Risk Committee at its meeting on 10 July 2019.
- **Recruitment Update:**

Two interns have been employed for summer projects. Yifei Fang (17/06-26/07), a computer science postgraduate, is developing a Macro-Fiscal Dashboard and exploring options for automating work. Eannán Monaghan (01/07-09/08), an Economics undergraduate, is researching pensions data for the Council's work on long-term fiscal sustainability.
- The Council received seven **Parliamentary Questions** since the last meeting.
- **FOI Update:** The Council received one FOI request since the last meeting which will be responded to shortly.
- The presentation on the **Risk Register** took into account the recommendation of the A&RC that the

continued review should provide a risk status update and then a “deep-dive” into the particular sub section. The Council discussed item N<sup>o</sup> 6 (Relationship with Government) and suggested some amendments to 6.2, 6.4 and 6.5.

- **Audit & Risk Committee Meetings:** Michael Tutty, Chairperson of the A&RC reported on the meeting held on 10 July 2019, in particular the matters/topics not included on the Council agenda as follows.
  - the **Council Member Fees/Time buyouts** (Jan-June 2019) were approved and signed;
  - the wording of the Statutory Instrument (S.I.), necessary to formalise the model **pension scheme** for staff who are part of a pre-existing civil/public pension scheme, was noted. The draft S.I. was prepared by the Public Authority Pension Service (PAPS) as per DPER guidelines and will be submitted to the relevant Minister.
  - The Record Retention Policy has been updated to a comprehensive **Record of Processing Activity Policy** to comply with Article 30 of the GDPR regulations which also addresses a Mazars audit recommendation.
  - An update to the appendix in both the **Travel Policy** and **Payments Procedures Policy** regarding the DEPER circular 13/18 updating the Domestic Subsistence Allowances was noted.
  - The countersigned **Oversight & Performance Delivery Agreement** has been received back from the DoF.
  - The draft copy of the **Chairpersons’ Comprehensive Report to the Minister** will be circulated to the Council with the finalised

2018 Annual Report and Financial Statements  
for approval.

- **Info Security/GDPR:** There were no matters to report.
- **Recent and Forthcoming Meetings:**

**Recent:**

- The Chairperson attended the International conference of councils on economic policy, in CAE in Paris on 17 June 2019.
- The Chairperson and Chief Economist/Head of Secretariat attended the EU IFI Network meeting in Madrid on 27 June 2019.

A summary of the conclusion from this meeting was included with the papers. The Fiscal Council Chairperson, Seamus Coffey, will chair the EU IFI Network for a period of two years from November 2019. A multi-party agreement has been drawn up in respect of the joint funding of a Brussels based Secretariat between CEPS and the Network, with each member country paying a fee relative to its size and importance. It was agreed that the job description would be circulated to the Council Members.

- Martina & Niall attended the National Economic Dialogue (NED) on 26 & 27 June.

**Forthcoming:**

- The Chairperson is presenting at the MacGill Summer School in Donegal on 25<sup>th</sup> July.
- Forthcoming Council Meetings 2019: Friday 30 August @ 9:30am. The two day Endorsement meeting tentatively scheduled for 26 & 27 September needs to be confirmed as do the meetings to the remainder of the year.
- The Chairperson and Chief Economist/Head of Secretariat will attend the EUNIFI meeting in Brussels on 17 September
- The Chief Economist/Head of Secretariat will present at the EU Commission workshop on Fiscal Forecasting in Brussels on 19 September 2019.

## 2. FAR Review

Eddie provided an update on the Web/Media analytics related to the *Fiscal Assessment Report June 2019*.

## 3. Summer Economic Statement

Eddie gave a presentation on the Summer Economic Statement (SES) which was published on 25 June. The presentation covered Budget 2020 plans, SPU 2019 projections, corporation tax, medium-term spending and fiscal space.

## 4. Budget Flash Release & Pre-Budget Statement Plans

The Council discussed options for a flash release on the Budget.

## 5. Macro-Fiscal Dashboard (Intern Project)

Yifei Fang gave a presentation on the Macro-Fiscal Dashboard which is being developed and some automation of analytical work.

## 6. Macro update

The Secretariat gave a brief update on recent macro-fiscal developments in Ireland.

## 7. Update on other Summer Work

Eddie gave a presentation on the work being undertaken this summer, which includes: three Working papers; Output Gap Working Group backtesting work; automation work; budget flash release preparation; progressing the Long-Term Sustainability Report; a New Debt Sustainability Analysis tool; and a planned Office 365 migration. Niall gave an update on a new Elasticities Paper.

## 8. FIR-GEM – A new fiscal model for Ireland

Eddie gave a presentation on FIR-GEM (Fiscal Irish General Equilibrium Model), developed as part of a joint research programme between the ESRI, Dof and Revenue.

It was suggested that the Secretariat review and present its findings to the Council at a later date.

#### 9. Long-Term Sustainability Report update

Friederike gave an update on progress on the Long-Term Sustainability Report which will see the introduction and methodology concluded by mid-September and the report by year end.

#### 10. IFAC Conference plans for 2020

Potential topics and speakers were discussed for the forthcoming IFAC Conference which is taking place in Dublin Castle on 28 February 2020.

#### 11. Any Other Business

There was no other business.

- The next meeting will take place on 30 August 2019 @ 9.30am.

Signed:

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Seamus Coffey (Chairperson)

Dated: \_\_\_\_\_