

Minutes of the Irish Fiscal Advisory Council Meeting

5th floor meeting room, ESRI building

12.00pm–3.30pm, Thursday 26th September 2019

10.00am-1.00pm, Friday 27th September 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 (for items Nº 2-9)
- Mr Kevin Timoney (for items Nº 2-9)
- Ms Ainhoa Osés Arranz (for items Nº 2-9)
- Ms Friederike Vogler (for items Nº 2-9)
- Mr Killian Carroll (for items Nº 2-9)
- Ms Karen Bonner (for items Nº 2-9)

Proceedings

Sebastian Barnes initially chaired the meeting as the Chairperson, Seamus Coffey, was slightly delayed.

1. Closed Session

2. Admin/Financial

- **Declarations of interest:**

There were no declarations of interest.

- The Council **approved the minutes** of the previous meeting 30th August 2019. Michael Tutty proposed and Martina Lawless seconded them.

- **Matters arising**

There were no matters arising.

- **Peer Review:** The current funding application form has been received and will be completed and submitted shortly to the **Structural Reform Support** Service at EU Commission.

- **Strategic Plan:** Some feedback was provided on the draft Strategic Plan 2020-2022 which will be incorporated and a final draft available for the next meeting.

- **Standing items:**
 - **Purchases and Receipts book** The Council reviewed the Purchases and Receipts book for August 2019.
 - **Management Accounts:** The Q3 (July-September 2019) management accounts will be reviewed at the next Council meeting.
 - **Recruitment Update:**

Recruitment of a new Council Member for 2020 - Eddie provided an update on the options in respect of the PAS process.

The Council received one **Parliamentary Question** since the last meeting.
 - **FOI Update:** The Council received no FOI requests since the last meeting.
 - The Council deferred the review of the **Risk Register** and **Risk Policy** until the next meeting.

The Chairperson, Seamus Coffey, thanked Sebastian Barnes and took over the chairing of the meeting.

- **Audit & Risk Committee Meetings:** Michael Tutty, Chairperson of the A&RC reported on the meeting held on 19 September 2019.
 - The A&RC reviewed, discussed and recommended the draft Budget for 2020 to the Council. The Council approved and adopted the draft 2020 Budget and also agreed to write to Scline Scott regarding the Fiscal Council's funding structure.

- The A&RC reviewed a number of policies and charters which the Council reviewed and approved as follows:-
 - The **Internal Audit Activity Charter**.
 - The **Charter and Terms of Reference of the Audit & Risk Committee**.
 - The **Gifts and Hospitality Policy**.
 - The reviewed and updated **Social Media Policy**.
 - The reviewed and updated **Media Relations Policy**.

- The A&RC reviewed and recommends the draft **Governance Handbook**, a guide for members and staff on the governance of the Fiscal Council. The Council adopted the handbook which sets out the legislative basis, the roles, functions and organisational structure of the Fiscal Council and articulates the processes, procedures and documentation in place to address the requirements of the 2016 Code of Practice for the Governance of State Bodies.

- The **Risk Policy** was reviewed, and updated in respect of the Council's Risk Register review process. The Risk Policy and Risk Register will be reviewed by the Council at its next meeting.

- **Info Security/GDPR:** There were no matters to report.

- **Recent and Forthcoming Meetings:**

The Council discussed **recent** meetings:

 - Appearance before the Budgetary Oversight Committee Meeting 11 September 2019.
 - The Chairperson attended the Dublin Economic Workshop's Annual Economic Policy Conference in Wexford on 13 & 14 September 2019
 - The Chairperson and Chief Economist/Head of Secretariat attended the EUNIFI meeting in Brussels on 17 September

- The Chief Economist/Head of Secretariat attended the IMF annual fiscal workshop in Brussels on 18 September 2019.
- The Chief Economist/Head of Secretariat presented at the EU Commission workshop on Fiscal Forecasting in Brussels on 19 September 2019.

The Council discussed **forthcoming** meetings:

- Forthcoming Council Meetings 2019: 29 October @ 09:30 and the 4 December @ timings to be confirmed, as this will incorporate a meeting with the Oireachtas Committee on either the 3 or 4 December.
- Forthcoming Audit & Risk Committee Meetings 2019 @ 9.30am: Monday 2 December.
- Forthcoming Council Meetings 2020: 24 January @ 09:30 and 27 February @ 10:30, to coincide with the Fiscal Council Conference on 28 February.

3. Endorsement Preparations

The Council discussed the draft Budget 2020 forecasts received from the Department of Finance. As part of its decision-making process, it compared the Department's macroeconomic forecasts to the Council's Benchmark projections and other agencies forecasts; it considered the methodology used to produce the forecasts; and it reviewed past forecast errors for evidence of systematic bias.

4. Flash Budget Release Plans

The Council discussed plans for its release of a visual summary of Budget 2020 shortly after the publication of the budget.

The meeting concluded at 4pm on Thursday 26th September and recommenced at 10.00am on Friday 27th September

5. Council Discussion ahead of DoF Presentation

The Council discussed some further aspects of the Department's forecasts.

6. DoF Presentation

The Department presented its forecasts to the Council and responded to questions from the Council.

7. Council Endorsement Discussion

The Council held further discussions related to the forecasts presented by the Department of Finance. The Irish Fiscal Advisory Council endorsed as within the range of appropriate forecasts the set of macroeconomic projections prepared by the Department of Finance for Budget 2020 for the years 2019 and 2020, emphasising, that this endorsement comes at a time of exceptional uncertainty for the Irish economy.

8. Migration Paper

Ainhoa presented a draft working paper based on her research on '*Predicting Migration in Ireland: a Gravity Model Approach*'. The paper is currently in the final stages of the peer process and it is anticipated that the final draft should be available for the Council to review at its next meeting.

9. Any Other Business

There was no other business.

- The next meeting will take place on Tuesday, 29 October 2019 @ 9.30am.

Signed:

Seamus Coffey (Chairperson)

Dated: _____