

Minutes of Irish Fiscal Advisory Council Meeting

5th Floor boardroom, ESRI building
9.30am-4.30pm, Wednesday 4th December 2019

Present

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

Attending

Dr Eddie Casey
Mr Niall Conroy
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 29th October 2019. Martina Lawless proposed and Michael Tutty seconded them.

- **Matters arising**

There were no matters arising.

- **Future Council Appointments**

Ms Dawn Holland was appointed as a Member of the Irish Fiscal Advisory Council on 22 November 2019 for a four year period effective 1 January 2020.

Seamus Coffey, Chairperson of the Fiscal Council, has advised the Department of Finance and the Council that he has decided not to extend his term when it expires on 31 December 2019.

- **Council Fees (July-December 2019)**

The fees and time buy-outs for July-December 2019, as agreed in letters of appointment (and approvals set by Department of Public Expenditure and Reform), were approved.

- **Strategic Plan 2020-2022**

The Council reviewed and agreed the final version of the **Strategic Plan 2020-2022**.

- **Peer Review**

E Casey advised that a Request for Support was submitted via DEPER to the **Structural Reform Support Programme** at the European Commission. An informal update is expected by year end.

- **Budget Ceiling**

The Fiscal Council's current funding structure, with the budget ceiling currently linked to HICP inflation was discussed. It was agreed that Eddie would attempt to ascertain what options may be open to the Fiscal Council to review its funding structure with the Department.

- **Conference plans**

The Council discussed the focus and potential speakers for the next **Fiscal Council Path for the Public Finances Conference** on 28 February 2020, which will be on the climate change and the potential budgetary challenges associated with it. Seamus and Eddie will issue invitations to speakers in the next few weeks.

Eddie provided an update on the **OECD IFI/PBO meeting** which will be taking place in Dublin on 15, 16 & 17 April 2020.

- **Standing items:**

- **Purchases and Receipts book** The Council reviewed the Purchases and Receipts book for October 2019.
- **Management Accounts:** The Council reviewed the Q3 (July-September 2019) management accounts.
- **Recruitment Update:**

Recruitment of a Research Assistant is in the process of being finalised with the preferred candidate. Seamus, on behalf of the Council, wished Ainhoa well in her next position and thanked her for her contribution to the Fiscal Council Secretariat.

- The Council received five **Parliamentary Question** since the last meeting.
- **FOI Update:** The Council received no FOI requests since the last meeting.
- An update was provided to the Audit & Risk Committee (A&RC) on the Council's review of the **Risk Register** and **Risk Policy**. In preparation for the Council review of the Risk Register in 2020, the A&RC reviewed Section 1: Reputation and Role. No changes were suggested and the Council will review this section at its next meeting.
- **Audit & Risk Committee Meetings:** Michael Tutty, Chairperson of the A&RC reported on the meeting held on 2 December.
 - **Internal Audit.** Mazars attended the A&RC meeting to report on the 'High Level Review of Compliance with specific revisions of the Code of Practice for the Governance of State Bodies' audit, conducted in Autumn 2019. Mazars advised that the audit results indicate that substantial assurance can be placed on the adequacy of the Fiscal Council's corporate governance policies and procedures. There were no high-level or medium-level finds and 3 low-level observation findings. The observations recommend an update to the Code of Conduct and Governance handbook, updates to the Risk Policy and a 3 year Board performance external assessment. Michael Tutty advised that on discussion on the recommendation on the External Assessment of the Board's Performance, Mazars indicated

that this three year assessment would be more limited, focusing on the performance of the Board rather than the organisation.

- The **Internal Audit Plan** for 2020 and 2021 was noted as follows:-

2020 January 6 th	System of Internal Financial Controls follow up review
2020 September	Public Procurement Compliance
2021 January/February	Human Resources Review

- The A&RC reviewed four **Policies** which the Council approved as follows:
 - o Bring Your Own Device Policy: Council reviewed and approved the updates to the Bring Your Own Device Policy
 - o Business Continuity and Disaster Recovery Plan – Council reviewed and approved the unchanged Business Continuity and Disaster Recovery Plan.
 - o Confidential Disclosures Policy – Council reviewed and approved the unchanged Confidential Disclosures Policy.
 - o Fixed Asset Policy & Procedures– Council reviewed and approved the unchanged Fixed Asset Policy & Procedures.

- The Council re-appointed Martina Lawless to the Audit & Risk Committee (A&RC), as her **membership of the A&RC** ceases on 19 January 2020. It was noted that her current term of office as a Member of the Council is until 31 December 2020, but, that she is eligible for re-appointment for a further term.

- **Info Security/GDPR:** There were no matters to report.
- **Recent and Forthcoming Meetings:**
 - Forthcoming:**
 - A meeting with the Budgetary Oversight Committee will take place on 4 December @ 2pm.
 - Sebastian is presenting to the IIEA's Economists Group on 5 December.
 - Eddie is attending the European Commission workshop on Fiscal rules in Europe: Design and Enforcement in Brussels on 28 January.
 - Forthcoming Council Meetings 2020: 24 January @ 09:30 and 27 February @ 10:30, to coincide with the Fiscal Council Conference on 28 February.
 - Forthcoming Audit & Risk Meetings 2020: 20 February @ 09:30, 15 April @ 09:30, 24 June @ 09:30 and 16 September @ 09:30

2. Fiscal Assessment Report

The Secretariat presented information about the reception of the recent Fiscal Assessment Report and additional details in advance of the Oireachtas Meeting beginning at 2pm.

The A&RC is tasked with reviewing the Fiscal Council policies at least annually and will consider creating or amending an existing policy to incorporate the breaching of an embargo.

3. Long-Term Sustainability Report

Friederike presented the first draft of the Long-Term Sustainability report. A further update on the report should be available for the next meeting.

4. Oireachtas Preparations

The Council prepared for its appearance before the Oireachtas.

5. Oireachtas Budgetary Oversight Committee

The Council appeared before the Oireachtas Budgetary Oversight Committee from 2.30-4.30pm.

6. Any Other Business

On behalf of the Fiscal Council, the Chairperson Seamus Coffey, thanked Michael Tutty, whose term of office ends on 31 December 2019, for his expertise and contribution both as a Member of Council and as Chairperson of the Audit and Risk Committee (A&RC).

The Council acknowledged the invaluable Leadership, insight and commitment that the outgoing Chairperson, Seamus Coffey brought to the role of Chairperson of the Fiscal Council.

Seamus Coffey acknowledged the invaluable inputs and strong support system afforded to him during his time as Chairperson by the Council Members and the Secretariat and commented on the high quality of output in the Fiscal Council's publications.

Signed:

Chairperson

Dated: _____