

Minutes of Irish Fiscal Advisory Council Meeting (22nd January 2021)

Online

09.00am-1.30pm, Friday 22nd January 2021

Present

Mr Sebastian Barnes (Chair)
Ms Dawn Holland
Dr Adele Bergin
Mr Alessandro Giustiniani
Dr Michael McMahon (for item N^o 1)

Attending

Dr Eddie Casey
Mr Niall Conroy
Mr Kevin Timoney
Mr Killian Carroll
Mr Elliott Jordan-Doak
Ms Karen Bonner

Proceedings

The Chairperson, Sebastian Barnes, introduced newly appointed Council Members Dr Adele Bergin and Alessandro Giustiniani and welcomed them both to their first meeting.

1. Closed Session

The Council met in closed session.

2. Admin/Financial

- **Declarations of interest:**

There were no declarations of interest.

- The Council **approved the minutes** of the meeting of the Council held on 14th December 2020. Dawn proposed and Sebastian seconded them.

- **Matters arising**

It was noted that as one Member of the Council was re-appointed in December 2020, it was not necessary to temporarily change the quorum, which remains as at least

three Council Member, as stated in the **Formal Schedule of Matters** in respect of the decision making of the Council

- **FRA Amendment and Council Appointments**

The Finance (Miscellaneous Provisions) Bill 2020 was signed into law on 16 December 2020. Part 3, Section 14 of the Bill amends the **Fiscal Responsibility Act 2012** (FRA) Schedule, paragraph 2(2) changing the number of consecutive terms that a Member of the Fiscal Council may serve from two to three.

In this regard on 17 December 2020 Sebastian Barnes was re-appointed for a third term as a Member and Chairperson of the Fiscal Council for 4 years effective 1 January 2021.

In addition, following conclusion of the Public Appointments Service (PAS) competition process a further two **Members of the Fiscal Council** were appointed.

Dr Adele Bergin was appointed as a Member of the Fiscal Council for four years effective 1 January 2021.

Mr Alessandro Giustiniani was appointed as a Member of the Fiscal Council for four years effective 1 January 2021.

This brings the Council to its full complement of five Members.

- **SIPO declarations:**

It was confirmed that the Council Members have submitted the necessary information in respect of (i) An annual **SIPO** return and (ii) Updating the Fiscal Council's Register of Council Member interests in advance of the SIPO return date of 31 January 2021.

- **Standing items:**

- **Purchases and Receipts book:** The Council reviewed the Purchases and Receipts book for December 2020.
- **Management Accounts:** The Council reviewed the management accounts for Q4 2020 which were reviewed by the Audit & Risk Committee (A&RC) by email in advance of the meeting.

- **Recruitment Update:** There was nothing to report.
- The Council received two **Parliamentary Question** since the last meeting.
- **FOI Update:** It was confirmed that the FOI request notified to the Council at its meeting on 14 December has been responded to.
- **Audit & Risk Committee Meetings:** A meeting of the A&RC will be scheduled in mid-February.

The Council appointed Adele Bergin as a Member of the Audit & Risk Committee (22nd January 2021-21st January 2024). At its meeting on 14 December 2020 the Council appointed Dawn Holland as Chairperson of the A&RC. The Charter and Terms of Reference of the Fiscal Council Audit and Risk Committee were updated to incorporate these changes.

With the change in the composition of the Council the Banking Policy was reviewed and changes to the signatories of the bank mandate agreed as both Dr Adele Bergin (Council Member, Audit & Risk Committee Member) and Dr Eddie Casey (Chief Economist and Head of Secretariat).

- **Info Security/GDPR:** There were no matters to report.
- The Council reviewed and updated Section 1 (Reputation and Role) of the **Risk Register**.
- **Recent and Forthcoming Meetings:**

Recent:

There were no recent meetings.

Forthcoming:

- ECFIN Commission workshop webinar: 28 January 2021 (3-5.45pm)
- Fiscal Council's 5th annual "Path for the Public Finances" conference: delivered online on 8th – 9th of February over two afternoons (2pm–4pm).

- European Fiscal Board 2021 Annual conference: 26 February (9am-4.30pm)
- OECD Network of Parliamentary Budget Officials and Independent Fiscal Institutions Annual Network meeting: April/May - (date tbc)
- Forthcoming Audit & Risk Meetings 2021: mid-February @ 9.30am - (date tbc).
- Forthcoming Council Meetings 2021: 25 February @ 9.00am.

3. Conference plans

Eddie confirmed the speakers for the Fiscal Council's 5th annual "Path for the Public Finances" conference which will be delivered online over two afternoons (2pm-4pm) on 8th – 9th of February. Over 150 attendees have pre-registered for the conference and a more detailed programme will issue in early February.

4. OECD Review

Feedback was provided in early January to the OECD in respect of the first main draft of its report. The launch of the final report in respect of the OECD review of the Fiscal Council, which is in the process of being finalised, will take place on 16 February.

5. Update on Research Activity

The Council reviewed the Secretariat updates in respect of current research activities, as follows.

- The background and overview of the Fiscal Space Calculator was provided by Eddie and Kevin and planned updates discussed;
- Killian discussed potential presentation opportunities in respect of the Long-run tax and spending papers;
- Niall gave an overview of the updates to the working paper – 'The role of elasticities in forecasting revenue'.
- Eddie gave an update on a joint working paper, with David Purde (NTMA), 'Maq - A Macro Fiscal stress test model for Ireland' with a view to finalising for publishing shortly;

- Eddie gave an overview of the presentation on 'Managing government debt at high altitude: velocity, instability and headwinds'. The Council will provide any additional feedback by 29 January to finalise for presenting at the Fiscal Council's conference on 9 February.

The update on Interpreting the Fiscal Monitor was deferred to a future meeting.

6. AOB

There was no other business. The next meeting will take place on Thursday 25 February 2021 @ 9.00am.

Signed:

Sebastian Barnes (Chairperson)

Dated: _____