

# Minutes of Irish Fiscal Advisory Council Meeting (30th April 2021)

Online

09.00am-1.00pm, Friday 30<sup>th</sup> April 2021

## Present

Mr Sebastian Barnes (Chair)

Dr Michael McMahon

Ms Dawn Holland

Dr Adele Bergin

Mr Alessandro Giustiniani

## Attending

Dr Eddie Casey

Mr Niall Conroy

Mr Kevin Timoney

Mr Killian Carroll

Mr Elliott Jordan-Doak

Ms Karen Bonner

## Proceedings

### Declarations of Interest

There were no declarations of interest.

### 1. Closed Session

The Council discussed the annual Board Self Assessment Evaluation Questionnaires which were returned to the Chairperson.

### 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 31<sup>st</sup> March and 1<sup>st</sup> April 2021. Adele proposed and Dawn seconded them.

- **Matters arising**

There were no matters arising.

- **Items for approval**

The Secretariat gave an overview of the draft Annual Report for 2020. The Council approved, subject to some minor amendments, the draft of the Annual Report for submission to the C&AG at audit stage.

- **Annual review of the effectiveness of internal controls**

The Council is satisfied with the effectiveness of controls for 2020, having reviewed:-

- (i) the draft unaudited Financial Statements including the Governance Statement and the Statement on Internal Control;
- (ii) the minutes of all meetings of the Audit & Risk Committee;
- (iii) the internal and external audit reports, progress on implementation of recommendations and the reasonable assurance in respect of the Statement of Internal Financial Control;
- (iv) the risk register at each meeting;
- (v) ESRI letter of attestation;
- (vi) the 2020 annual Board Self-Assessment Evaluation Questionnaires; and
- (vii) agreed the 2020 draft Annual Report.

- **Standing items:**

- **Purchases and Receipts book:** The Council reviewed the Purchases and Receipts book for March 2021.
- **Management Accounts:** The management accounts for Q1 (January – March 2021), as reviewed and recommended by the A&RC, were reviewed and approved by the Council.
- **Recruitment Update:** Interviews with the shortlisted candidates for two positions on the summer internship programme took place in mid-April. Contracts have been exchanged with the two preferred candidates who will commence employment on 31 May for a twelve week period.
- The Council received ten **Parliamentary Questions** since the last meeting.

- **FOI Update:** The Council received no FOI requests since the last meeting.

- **Audit and Risk Committee Minutes**

Dawn, Chairperson of the A&RC, reported on the meeting held on 21 April 2021.

- Reviewed Management Accounts for Q1 2021;
- Reviewed and provided feedback on the management responses in respect of the OCAG Audit guidance on the impact of Covid-19 on the control environment;
- Reviewed and recommend changes to Section 3 (Financial) of the Risk Register;
- Four policies were reviewed and are recommended to the Council and were agreed and actioned by the Council as follows:

**Anti-Fraud Policy** – the Council reviewed and agreed the changed policy, updated in respect of cyber financial fraud;

**Process for Setting Strategy** - the Council reviewed and agreed the unchanged policy;

**Business Continuity and Disaster Recovery Plan** – the Council reviewed and agreed the changed policy;

**Remote Working Policy** – the Council reviewed and agreed the changed policy, updated in respect of internet speed and taxation matters.

- As Mazars has completed its schedule of internal audits, the Council needs to engage in a procurement process for an outsourced internal audit function for a further period. In this regard the A&RC reviewed and recommend to the Council the draft documents for submission to the OGP to

engage in a mini competition in respect of the OGP multi lot framework, lot 3, 'Auditing Services Estimated Contract Value between €25,000 and €144,000'.

- The Council reviewed and agreed with the A&RC's recommendations in respect of updates to Section 3 (Financial) of the **Risk Register** as follows .

3.2 Inadequate Funding – expansion of mitigating actions and escalation of likelihood to the highest level;

3.5 Fraud – expansion of risk, current controls and change of likelihood level.

- **Info Security/GDPR:** A number of improvements have been implemented following an analysis of the O365 infrastructure.

- **Recent and Forthcoming Meetings:**

**Recent:**

- Eddie gave a presentation to NUI Galway students on the financial crisis on 28 April
- Eddie, Kevin and Elliott met with European Commission staff on 28 April to discuss their forecasts (focusing on the public finances)

**Forthcoming:**

- OECD Network of Parliamentary Budget Officials and Independent Fiscal Institutions Annual Network meeting: April/May - (date tbc)
- Niall is presenting a paper at the IEA Conference, 6-7 May
- Sebastian and Eddie are appearing before the Finance Committee of the Northern Ireland Assembly, 19 May regarding NI Fiscal Council
- Forthcoming Council Meetings 2021: Two calls re FAR w/c 10 May; full meeting tbc 27 May or 3 June to coincide with an Oireachtas appearance

- Forthcoming Audit & Risk Meetings 2021: 14 July @ 9.30am

### 3. Lessons from the past endorsement

The Council reviewed the most recent endorsement process and discussed some potential considerations and solutions to improve the process.

### 4. Fiscal Assessment Report

The Council discussed the FAR production plan and provided feedback on the first draft to include the supporting information sections, main messages and the four individual sections. A further draft of the FAR is due to issue to the Council on 7 May. The planned release for the FAR is 26 May, with the press briefing on 25 May.

### 5. OECD Review – Implementation update

The Council was provided with an update on the implementation of recommendations to include:-

- update on preliminary audit meeting with the OCAG;
- update on meeting with the PBO resulting in a draft letter of understanding and reciprocal website update;
- review of draft text regarding right to information to assist in drafting a statement of data needs in respect of access to information;
- agreement of draft budget proposal, addressing the current funding model challenges and additional funding requirements in respect of addressing and implementing the review recommendations, for submission to the Department.

### 6. Communications Strategy and Relationship with Others

This item was deferred to a future meeting.

## 7. AOB

There was no other business. The date of the next meeting will be arranged in late May/early June to coincide with an Oireachtas appearance.

Signed:

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Sebastian Barnes (Chairperson)

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