

Minutes of Irish Fiscal Advisory Council Meeting (22nd and 24th September 2021)

Online

12.00-2.30pm, Thursday 22nd September 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

Attending (for item N^o 5 only)

Representatives Department of Finance,
Economic and Budget Division

Proceedings

1. Endorsement Preparations

The Council prepared for the forthcoming endorsement discussion. The Council discussed the draft Budget 2022 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.

2. Flash Budget Release and FAR plans

The Council discussed plans for its release of a visual summary of Budget 2022 shortly after the publication of the budget.

Discussion surrounding the FAR included reducing the supporting information sections and considering the advance release of some boxes and supporting analytical note(s). It is planned to have a first draft of the FAR available for the Council meeting on 29 October with a view to publication in late November.

AOB

There was no other business. The meeting will reconvene on Friday 24 September 2021 @ 9.00am.

Online

9.00am-1.00pm, Friday 24th September 2021

3. Admin/Financial

- **Declarations of interest:**

There were no declarations of interest.

- The Council **approved the minutes** of the meeting of the Council held on 27 August 2021. Dawn proposed and Alessandro seconded them.

- **Matters arising**

There were no matters arising.

- **OECD Review implementation update**

An update was provided regarding a recent meeting with the Department regarding the OECD's recommendations in respect of the Council's budget and Access to Information.

- **For approval – Draft Budget 2022**

The A&RC reviewed the budget in advance of its consideration by the Council and recommends the draft Budget 2022 to the Council, but, advises that with a narrow budget gap to expenditure ceiling that the Council is mindful of funding challenges. The Council reviewed and discussed the draft budget. It was agreed

that it was not in a position to make a financial contribution towards the 2022 OECD IFI/PBO Dublin meeting. The Council adopted its draft 2022 budget.

- **Standing items:**

- **Purchases and Receipts book:** The Council reviewed the Purchases and Receipts book August 2021.
- **Management Accounts:** The management accounts for Q3 2021 will be available in mid-October.
- **Recruitment Update:** There was nothing to report.
- The Council received five **Parliamentary Questions** since the last meeting.
- **FOI Update:** The Council received no FOI requests since the last meeting.
- **Audit and Risk Committee Minutes.**
The A&RC reviewed the draft budget 2022 via email and recommend it to the Council. The next regular meeting of the A&RC is scheduled for 7 October 2021.
- **Info Security/GDPR:** There were no matters to report.
- **Risk Register:** The A&RC will review Section 6 (Relationship with Others) and the Risk Policy at its meeting on 7 October 2021 which will then be reviewed by the Council.
- **Recent and Forthcoming Meetings:**
 - Recent:**
 - Dublin Economics Workshop: 13-17 September
Sebastian presented at DEW on 15 September
 - EUNIFI DSA Session on 21 September
 - Eddie presented at the EUNIFI meeting on 22 September
 - Eddie presented at the Commission EU IFI Network meeting on 23 September

- Forthcoming:**

- OECD Network of Parliamentary Budget Officials and Independent Fiscal Institutions Annual Network meeting tbc
- Eddie, Sebastian and Killian attending EU IFI Network meeting: 30 September
- Sebastian presenting at the 6th International Conference of Councils on Economic Policy: 1 October
- Dawn and Michael will present at Talking Economics, Economics Observatory and Bristol Festival of Economics: 17-19 November
- Forthcoming Audit & Risk Meetings 2021: 7 October @ 9.30am
- Forthcoming Council Meetings 2021: 29 October @ 9am

4. Council Discussion ahead of DoF Presentation

The Council continued its discussions and preparations for the forthcoming endorsement discussion

5. Department of Finance presents its forecasts

John McCarthy, Chief Economist/Assistant Secretary General and colleague(s) from Department of Finance's Economic and Budget Division joined the meeting and presented its draft Budget 2022 forecasts and responded to questions raised by the Council. The Council thanked the Department of Finance representatives who then left the meeting.

6. Council discussion on endorsement decision

The Council held further discussions related to the Department of Finance's forecasts in the context of a decision regarding endorsement. In this regard, clarification on the final forecasts and a draft of the text of the endorsement letter will be circulated for review and final approval.

The Council was satisfied that the final forecasts are within an endorsable range, taking into account the methodologies used and the plausibility of the judgements made. The Council endorsed as within the range of appropriate forecasts the set of macroeconomic

projections prepared by the Department of Finance for Budget 2022 covering the years 2020 and 2021

The Council will discuss the endorsement process and assess the macroeconomic projections in its forthcoming FAR.

7. AOB

There was no other business. The next meeting of the Council is planned to take place 'in person' in Dublin on Friday 29 October 2021.

Signed:

Sebastian Barnes (Chairperson)

Dated: _____