

# Minutes of Irish Fiscal Advisory Council Meeting (14th and 16th September 2022)

Online

3.00-5.30pm, Wednesday 14th September 2022

## 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<sup>o</sup> 4 only)

Representatives Department of Finance,  
Economic and Budget Division

## Proceedings

### 1. Admin/Financial

- **Declarations of interest:**

There were no declarations of interest.

- The Council **approved the minutes** of the meeting of the Council held on 18 August 2022. Alessandro proposed and Adele seconded them.

The Council **approved the minutes** of the meeting of the Council held on 6 September 2022. Adele proposed and Alessandro seconded them.

- **Matters arising**

There were no matters arising.

- **Audit and Risk Committee Minutes**

The A&RC met on 2 September 2022 primarily to facilitate the finalisation of the annual audit process, Dawn gave a summary of the meeting as follows:

- Georgina O'Mahony (Deputy Director of Audit) and Robert Lawlor (Auditor) presented the OCAG interim report on the **Fiscal Council 2021 audit** to the Audit & Risk Committee (A&RC). Based on this report, the A&RC recommended the audited Financial Statements 2021 for approval subject to no material changes. The Council at its meeting on 6 September 2022 reviewed and agreed the audited financial statements and the Letter of Representation and it was noted that signed copies have been submitted to the OCAG and the C&AG's auditor report is awaited.
- The A&RC reviewed the draft of the **2021 Annual Report** and the draft of the **Chairperson's Comprehensive Report** and recommend both reports to the Council. The Council reviewed and agreed the current drafts and the finalised reports will be circulated on receipt of the C&AG's Auditor Report prior to submission to the Department.
- The A&RC reviewed the **draft 2023 budget** in advance of its consideration by the Council and recommends this to the Council. The Council reviewed, discussed and approved the draft 2023 budget, subject to making an annual provision in respect of the implementation of system enhancements and recommendations arising out of the Cyber Security internal audit.
- The A&RC reviewed Section 4 (Governance and Structure) of the **Risk Register** and the Council agreed with the recommended updates to both 4.1 and 4.2 in respect of risk owner(s) and proposed mitigating actions.

The next meeting of the A&RC is scheduled for 16 November 2022.

- **Standing items:**

- **Purchases and Receipts book:** The Council reviewed the Purchases and Receipts book August 2022.
- **Recruitment Update:** The Council advertising campaign in respect of the recruitment of a new

Research Assistant ended on 2 September, candidates are currently being shortlisted for interview which are planned for Wednesday 21 September.

- The Council received one **Parliamentary Question** since the last meeting.
- **FOI Update:** The Council received no FOI requests since the last meeting.
- **Management Accounts:** The management accounts for Q3 2022 will be available in mid-October.
- **Info Security/GDPR:** The implementation of recommendations arising out of the Cyber Security internal audit is in progress.
- **EU IFIs**  
An update was provided in respect of recent EU IFI activity. Sebastian and Kevin will be attending the next EUNIFI and EU IFI Meeting in Brussels 20 & 21 September 2022.
- **Recent and Forthcoming Meetings:**
  - Recent:**
    - A&RC meeting: 2 September
    - Council meeting: call 6 September
    - Council appearance before the Oireachtas Budgetary Oversight Committee: 7 September
    - DoF meeting with Secretariat: 13 September
  - Forthcoming:**
    - Sebastian and Eddie attending and presenting at the Dublin Economic Workshop: Wexford, 16 & 17 September
    - Sebastian and Kevin attending the EUNIFI Meeting: Brussels, 20 September 2022
    - Sebastian and Kevin attending the EU IFI Meeting: Brussels, 21 September 2022
    - Eddie presenting to Citizen's Assembly on BioDiversity re: Fiscal Framework: Dublin 25 September 2022

- Budget Day: 27 September
- Forthcoming Council meetings 2022 @ 9.00am: 14 October
- Forthcoming Audit and Risk Committee meetings 2022 @ 9.30am: 16 November.
- An update was provided in respect of recent and potential **communication** activity.

## 2. Endorsement Preparations

The Council prepared for the forthcoming endorsement discussion. The Council discussed the draft Budget 2023 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.

### AOB

There was no other business. The meeting will reconvene on Friday 16 September 2022 @ 9.00am.

ESRI Ground Floor Conference Room  
9.00am-1.00pm, Friday 16th September 2022

3. Council Discussion ahead of DoF Presentation

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

4. 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 2023 forecasts and responded to questions raised by the Council. The Council thanked the Department of Finance representatives who then left the meeting.

5. 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, 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 2023 covering the years 2022 and 2023

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

6. Flash Budget Release and FAR plans

The Council discussed plans for its release of a visual summary of Budget 2023 shortly after the publication of the budget.

It is planned to have an outline of the FAR available approximately three weeks after budget day i.e. mid-October with a view to publication in November.

7. AOB

There was no other business. The next meeting of the Council will take place on Friday 14 October 2022.

Signed:

\_\_\_\_\_  
Sebastian Barnes (Chairperson)

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