

Minutes of Irish Fiscal Advisory Council Meeting (3rd February 2023)

Online

9.00am-1.00pm, Friday 3rd February 2023

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 Brian Cronin

Ms Karen Bonner

Proceedings

1. Closed Session

The Council met in closed session and reviewed and discussed the Formal Schedule of Matters Reserved for the Decision of the Irish Fiscal Advisory Council and made a minor amendment regarding press releases.

The Council also reviewed the terms of office of the Council Members, noting that the term of two Council Members end in 2023 and that both are eligible for Ministerial re-appointment.

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 30th November 2022. Michael proposed and Adele seconded them.

- **Matters arising**

It was noted that the Strategic Plan 2023-2025, as agreed by the Council, is published on the website.

- **For approval**

- The Council, reviewed and agreed for signature the 2023 Shared Services Agreement (SSA) with the ESRI, covering the period 1 January to 31 December 2023. The SSA increases relate to a rise in energy costs and the application of incremental salary increases in respect of ESRI personnel providing services under the SSA.

- **Board**

- It was confirmed that each Council Member 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 2023
- Each Council Member will complete and submit to the Chairperson an annual **Board Self-Assessment**.
- An update was provided on progress with the Department in respect of some of recommendations, arising out of the **OECD review**, requiring legislation change.

- **Standing items:**

- **Purchases and Receipts book:** The Council reviewed the Purchases and Receipts book December 2022.

- **Recruitment Update:**

Recruitment for the **Summer Internship Programme** 2023, two temporary posts lasting up to twelve weeks, will commence shortly.

Other potential options for recruitment were discussed and will be explored further.

- The Council received two **Parliamentary Question** 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 Q4 2022 management accounts, to include the annual outturn against the budget, and recommend these to the Council. The Council reviewed and approved the Q4 2022 management accounts.

The next meeting of the A&RC is scheduled to take place on 16 February 2023. At this meeting Mazars will report on the internal audit in respect of the 2022 Systems of Internal Control (SIC) and the A&RC will also review and make a recommendation to the Council in respect of the 2022 draft unaudited financial statements. The Council agreed to subsequently review and approve the financial statements, to include the SIC, prior to its next scheduled meeting as it is a requirement that these are submitted to the C&AG by no later than 28 February 2023.

- The A&RC will review the **Risk Policy** and Section 1 (Reputation and Role) of the **Risk Register** at its next meeting.
- **Info Security/GDPR:** There were no matters to report.
- An update was provided in respect of recent **EU IFI** activity. Sebastian and Eddie attended the EU IFI meeting on 27 January 2023.

- **Recent and Forthcoming Meetings:**

- **Recent:**

- The Council appeared before the Oireachtas Select Committee on Budgetary Oversight on 30 November
 - Eddie attended the ECFIN 2022 Conference in Brussels on 13 December
 - Sebastian and Eddie attended the EU IFI Meeting on 27 January
 - Sebastian and Eddie attended the ECFIN Workshop on 31 January

- **Forthcoming:**

- Eddie presenting at an OECD workshop on long-term fiscal reporting: 10 February

- EFB Annual Conference: 3 March
- Fiscal Council Path for the Public Finances Conference: Royal Irish Academy: 30 March (9am-1pm)
- Forthcoming Council meetings 2023: The Council discussed plans for the forthcoming endorsement process and timeline. There will be a benchmark call (20 March) and the endorsement meetings on 29 March (remote) & 31 March (in person with the Department presenting).

Additional calls and meeting dates were agreed - FAR call 27 April, meeting 8 May (remote), FAR calls 15 & 16 May and meeting 7 June (in person).
- Forthcoming Audit and Risk Committee meetings 2023 @ 9.30am: 16 February.
- An update was provided in respect of recent **communication** activity.

3. Conference plans

An update was provided in respect of the Fiscal Council's 7th annual Path for the Public Finances conference which is taking place at the Royal Irish Academy on 30 March from 9am-1pm. The theme is saving today's revenues for use by current and future generations. The speakers are confirmed and the panel is currently being finalised and the programme will be advertised on the website shortly.

4. Recession probability paper

Eddie and Niall provided an update on the Recession probability paper, exploring ways to predict future recessions in Ireland, which is in the process of being finalised for publication shortly.

5. Corporation tax paper

Brian provided an on progress of the Corporation Tax paper.

6. SIF paper

Killian gave a presentation on Pension Fund Modelling and gave an outline of the working paper looking at building a sustainable framework to fund the State Pension which will be published and presented at the Council's conference.

7. GNI* paper

Kevin provided an update on the GNI* working paper and will upload a copy for review in the next few weeks.

8. Climate note

An update was provided in respect of ongoing work on the Climate change analytical note.

9. Macro-fiscal update

The Secretariat gave an update in respect of Macro, Fiscal and Long-term forecasting.

10. AOB

Eddie advised that Elliott is finalising the tax multiplier paper for journal submission and the potential of also publishing this as a Working Paper was discussed.

The Fiscal Council's Path for the Public Finances Conference will take place in the Royal Irish Academy on 30 March (9am-1pm).

The forthcoming Council meetings surrounding the endorsement process include a benchmark call (20 March); endorsement meetings on 29 March (remote) and on 31 March (in person).

There was no other business.

Signed:

Sebastian Barnes (Chairperson)

Dated: _____