

Minutes of Irish Fiscal Advisory Council Meeting (31st January 2024)

Online

9.00am-1.00pm, Wednesday 31st January 2024

Present

Dr Michael McMahon (Acting Chair)

Dr Adele Bergin

Mr Alessandro Giustiniani

Attending (Item N^o 2-7)

Mr Niall Conroy

Mr Kevin Timoney

Mr Killian Carroll

Mr Brian Cronin

Ms Karen Bonner (Item N^o 2 only)

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. The Council agreed a change to its quorum to at least two Council Members on 19 December 2023.

The Council also discussed some board matters:

- 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 2024.
- Each Council Member will complete and submit to the Chairperson an **annual Board Self-Assessment**.
- The Council also reviewed the terms of office of the Council Members, noting that the term of two Council Members end in 2024 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 13 December 2023. Adele proposed and Alessandro seconded them.

The Council **approved the minutes** of the meeting of the Council held on 26 January 2024. Alessandro proposed and Adele seconded them.

- **Matters arising**

The Minister's response to the FAR December 2023 was received on 23 January 2024 and is published on the Council's website.

- **Items for approval**

- The **Council Member's Fees and Time Buyouts** for the January 2024, as set out in letters of appointment (and approvals set by Department of Public Expenditure and Reform), were reviewed and approved.
- It was confirmed that the two Bank of Ireland Business online (BOI BOL) administrators have been changed and that Niall Conroy has been set up on BOI BOL to facilitate online banking, approval and authorisation of payments and debit card transactions. However, it will also be necessary to update the bank mandate to facilitate the use of the debit card where additional verification or authentication is required. The Council agreed to change the signatories of the **bank mandate** to both Dr Adele Bergin (Council Member, Audit & Risk Committee Chairperson) and Niall Conroy (Acting Chief Economist and Head of Secretariat) and to update the Bank Policy in this regard.
- It was noted that the Irish Economics Association (IEA) has increased its institutional membership to €2000 p.a. irrespective of the size of the body. The Council approved the payment of the 2023 fee, which is invoiced in arrears, and it was agreed to explore individual membership as an alternative.

- **Standing items:**
 - **Purchases and Receipts book:** The Council reviewed the Purchases and Receipts book December 2023.
 - **Recruitment Update:** The Council is currently recruiting an **Economist** for a temporary 6-month period.

In addition, the **Summer Internship Programme** 2024 recruitment campaign, two temporary posts lasting up to twelve weeks, will commence shortly.
 - **Audit & Risk Committee Minutes**

The next A&C meeting is scheduled to take place on Wednesday 21st February 2024.
 - The Q4 2023 **Management Accounts**, as reviewed and recommended by the A&RC, were reviewed and approved by the Council.
 - The A&RC will review the **Risk Policy** and Section 1 (Reputation and Role) of the **Risk Register** at its next meeting.
 - The Council received two **Parliamentary Questions** since the last meeting.
 - **FOI/AIE Update:** The Council received one FOI request since the last meeting. The Council received no AIE requests since the last meeting.
 - **Info Security/GDPR:** There were no matters to report.
 - **EU IFIs**
An update was provided in respect of recent EU/IFI activity. The Secretariat will be participating in two EU IFI working groups – Communications and how an endorsement process works.
 - **Recent and Forthcoming Meetings:**

Recent
 - Michael presented at the World Bank conference on fiscal rules and councils in the Western Balkans: Vienna 19 & 20 December

Forthcoming:

- Niall presenting at the Business Post National Health Summit: Croke Park, 7 Feb
- Oireachtas appearance at Budget oversight committee on 7 February regarding “What climate change means for Ireland’s public finances”.
- Forthcoming Audit and Risk Committee meetings 2024 @ 9.30am: 21 February
- Forthcoming Council meetings 2024: The Council discussed plans for the forthcoming endorsement process and timeline. There will be a benchmark call (15 March) and the endorsement meetings on 27 March (remote) & 28 March (in person with the Department presenting).
- An update was provided in respect of recent **communication** activity.

3. Conference Plans

The Fiscal Council’s 8th annual “Path for the Public Finances” conference will take place in the Royal Irish Academy, Dublin on 22 February 2024 from 9am-1.30pm. The theme is Climate Change Revisited. The speakers and panelists are confirmed and the programme will be advertised on the website shortly.

4. Corporation Tax Paper

Brian presented updated work on Corporation tax.

5. Macro risks work/interns project

Kevin presented some preliminary work on a project to examine textual analysis of descriptions of macroeconomic risks. This project will be continued by the summer interns.

6. Disaggregating tax elasticities in Ireland

Niall presented the latest draft of a paper on tax elasticities in Ireland. It is planned to submit this paper to the annual IEA conference.

7. Tax “narrative approach” paper

Killian presented the latest draft on his paper on estimating multipliers using a narrative approach in Ireland.

8. Output gaps meeting and fiscal rules update

Brian presented an update on the latest proposed reforms to the EU fiscal rules.

9. Macro-fiscal update

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

10. AOB

The Fiscal Council’s Path for the Public Finances Conference will take place in the Royal Irish Academy on 22 February (9am-1.30pm).

The forthcoming Council meetings surrounding the endorsement process include a benchmark call (15 March); endorsement meetings on 27 March (remote) and on 28 March (in person).

There was no other business.

Signed:

Michael McMahon (Acting Chairperson)

Dated: _____