

# Minutes of Irish Fiscal Advisory Council Meeting (27th & 28th March 2024)

Online

16.00pm-17.30pm, Wednesday 27th March 2024

## Present

Dr Michael McMahon (Acting Chair)

Dr Adele Bergin

Mr Alessandro Giustiniani

## Attending

Mr Niall Conroy

Mr Kevin Timoney

Mr Killian Carroll

Mr Brian Cronin

Ms Karen Bonner

## Attending (for item N<sup>o</sup> 3 only)

Representatives

Department of Finance,

Economic and Budget Division

## Proceedings

### 1. Endorsement Preparations

The Council prepared for the forthcoming endorsement discussion with the Department on 28 March.

### AOB

There was no other business. The meeting will reconvene on Thursday 28 March @ 9.00am.

## 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 January 2024. Adele proposed and Alessandro seconded them.
- The Council **approved the minutes** of the meeting of the Council held on 7 February 2024. Adele proposed and Alessandro seconded them.

- **Matters arising**

The annual Council Board Member Self-Assessment Evaluation Questionnaires, returned directly to the Chairperson, will be discussed by the Council at a future meeting.

It was confirmed that the **2023 unaudited financial statements** as reviewed by the A&RC, were reviewed and approved by the Council and submitted to the C&AG by 29 February deadline.

- **Items for approval**

The **Council Member's Fees and Time Buyouts** for both February 2024 and March 2024, as set out in letters of appointment (and approvals set by Department of Public Expenditure and Reform), were reviewed and approved.

- **Standing items:**

- **Purchases and Receipts book:** The Council reviewed the Purchases and Receipts book for January and February 2024.
- **Management Accounts:** The management accounts for Q1 2024 will be available in mid-April.

- **Recruitment Update:** The Summer Internship Programme 2024 is currently advertised with a closing date of 22 March. A vacancy for an Economist position will arise in mid-April and a recruitment process will commence shortly thereafter.
- The Council received six **Parliamentary Questions** since the last meeting.
- **AIE/FOI Update:** The Council received no **AIE** requests since the last meeting. The Council received one **FOI** request since the last meeting.
- **Audit and Risk Committee Minutes:**

The A&RC meeting held on 21 February 2024 was reported as follows:-

- Reviewed the **Charter and TORs of the A&RC** and recommend the unchanged document which was reviewed and agreed by the Council.
- The A&RC also reviewed the **Risk Policy** and recommend updates regarding 2(b) to incorporate the proposed change to the layout of the Risk Register to the Council, which was reviewed and agreed.
- Section 1 (Reputation and Role) of the **Risk Register** was reviewed and recommend updates to integrate the current controls and mitigating actions in place with the aim of clearly distinguishing between these and any proposed new policies or mitigating actions, which was reviewed and agreed by the Council.
- The A&RC reviewed the **draft unaudited Financial Statements** including the draft Governance Statement and the draft Statement on Internal Control for the year ended 31st December **2023** and recommended these to the Council. The Council, at its meeting on 31 January 2024, agreed to subsequently review and approve the draft unaudited financial statements, to include the draft SIC, prior to its next scheduled meeting as it is a requirement that these are

submitted to the C&AG by no later than 29 February 2024.

It was noted that these were circulated to the Council on 24 February 2024 and were reviewed and approved for submission to the C&AG by the deadline.

The A&RC will meet with Mazars in respect of the draft internal audits reports on the Systems of internal Financial Control and HR on 2 April which will then be reported to the Council. This will enable to the Council to finalise the Annual review of effectiveness of internal control at its next meeting.

- Seven **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 unchanged policy.

Banking Policy - the Council reviewed and agreed the unchanged policy.

Financial Procedures as reviewed at the ESRI Finance meeting on 15 January 2024 - the Council reviewed and agreed the unchanged document.

Income Policy - the Council reviewed and agreed the unchanged policy.

Payment Policy – the Council reviewed and agreed the changed policy, with updates in respect of Circular 19/2023 (domestic subsistence increases) and the Appendix (travel and subsistence rates).

Procurement Policy – the Council reviewed and agreed the changed policy, updated in respect of revised OGP Guidelines and thresholds revisions.

Travel Policy – the Council reviewed and agreed the changed policy, with updates in respect of Circular 19/2023 (domestic subsistence increases), Revenue

Commissioners enhanced reporting requirements for employee travel & subsistence and the Appendix (travel and subsistence rates).

- The A&RC reviewed the Code of Conduct and recommend the unchanged document to the Council which was reviewed and approved.
- The next meeting(s) of the A&RC are scheduled for 2 April and 3 May 2024.
- **Info Security/GDPR:** There were no matters to report.
- **EU IFIs**  
An update was provided in respect of recent EU IFI activity.
- **Recent and Forthcoming Meetings:**

**Recent:**

- Niall presented at the Business Post National Health Summit: Croke Park, 7 Feb
- Fiscal Council's 8th Path for the Public Finances Annual Conference on long-term public finance issues. The conference revisited the theme of budgeting for climate change: RIA, 22 February
- Oireachtas appearance before the Oireachtas Budgetary oversight committee on 28 February regarding "What climate change means for Ireland's public finances".
- Killian and Niall presented "what climate changes means for Ireland's public finances" to EPA staff members who were unable to attend the conference, 20th March.

**Forthcoming:**

- Niall speaking at the National Infrastructure Summit. May 2nd.
- IEA Conference: Galway 9 & 10 May, papers by Niall/Killian and Brian accepted.

- Forthcoming Council meetings 2024: forthcoming dates and timings in April and May to be confirmed.
- Forthcoming Audit and Risk Committee meetings 2024 @ 9.30am: 2 April, 3 May.

### 3. The Department of Finance presents its forecasts

The Council had a discussion ahead of Department of Finance Presentation.

John McCarthy, Chief Economist/Assistant Secretary General and colleague(s) from Department of Finance's Economic and Budget Division joined the meeting and presented their preliminary Stability Programme Update (SPU) 2024 forecasts and responded to questions raised by the Council. The Council thanked the Department of Finance representatives who then left the meeting.

### 4. Council discussion on endorsement decision

The Council held further discussions related to the Department of Finance's preliminary SPU 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 endorses as within the range of appropriate forecasts the set of macroeconomic projections prepared by the Department of Finance for SPU 2024 covering the years 2024 to 2030.

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

## 5. Stability Programme update and preparations for the FAR and endorsement note

The Department plan to publish the Stability Programme Update 2024 on 23 April.

The Council discussed the content and timelines for the FAR and the endorsement note with plans for a call regarding the first draft in late April and a more detailed review at its May meetings.

## 6. Work update

An update was provided in respect of the 2023 Summer Interns paper on additional cost growth in health.

The Council was provided with an update in respect of the timelines regarding EU Fiscal rules.

## 7. AOB

It was noted that Kevin will be leaving the Secretariat in mid-April after seven years. On behalf of the Council and the Secretariat, Michael thanked Kevin for his insight and contribution in his areas of expertise which contributed greatly to the work and output of the Secretariat and the Council and wished him well in his future career.

There was no other business.

Niall will canvas the Council to agree call dates to review drafts of the FAR and to agree the dates in May for the next Council meeting.

Signed:

\_\_\_\_\_  
Michael McMahon (Acting Chairperson)

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