

Minutes of Irish Fiscal Advisory Council Meeting (8th May 2024)

Online

09.00am-12.30pm, Wednesday 8th May 2024

Present

Dr Michael McMahon (Acting Chair)

Dr Adele Bergin

Mr Alessandro Giustiniani

Attending

Mr Niall Conroy

Mr Killian Carroll

Mr Brian Cronin

Ms Karen Bonner

Proceedings

Declarations of Interest

There were no declarations of interest.

1. Closed Session

The Council met in closed session with reference to the annual Board Self-Assessment Evaluation, returned directly to the Acting Chairperson, and on general Governance matters.

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 27th and 28th March 2024. Alessandro proposed and Adele seconded them.

- **Matters arising**

An update was provided in respect of the State Boards PAS process regarding the imminent appointment of a new Council Member. The separate advertisement regarding the Chairperson position is awaited.

- **For approval**

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

The Council reviewed and approved the draft **Annual Report 2023** for submission to the C&AG at audit stage.

- **Audit and Risk Committee Minutes**

Adele, Chairperson of the A&RC, reported on the meetings held on 2 April and 5 May 2024.

- Reviewed and recommend to the Council the Management Accounts for Q1 2024, which were reviewed and approved by the Council.
- Reviewed and recommend to the Council the 2024 Budget review, updated to reflect the payroll adjustments, as per government circular(s) and revised sanction in respect of the Council chairperson fee was reviewed by the A&RC and is recommended to the Council. The Council reviewed and approved the revised 2024 Budget.
- Mazars attended the A&RC meeting on 2 April. The report on the Systems of Internal Financial Controls (SIFC) 2023 audit, undertaken in January & February 2024, gives a reasonable level of assurance with one medium level finding and four low level findings.

A finalised draft of the report on the internal audit in respect of HR, undertaken in 2023, gives a reasonable level of assurance with two medium level findings and four low level findings, all of which have satisfactorily been addressed.

- The A&RC reviewed a presentation on the outcome, assurance levels and recommendation definitions of both the Internal and External audits conducted since establishment. There was a discussion on supports, to

enhance the current routine evaluation control mechanisms of policies and procedures, to assist in a more comprehensive review in preparation for audit(s) to include utilising an external source to ensure that these remain compliant and effective, identifying areas of improvement and ensure compliance with current laws and regulations.

- The A&RC reviewed the Governance Handbook and four policies which are recommended to the Council and were agreed and actioned by the Council as follows:

Governance Handbook – the Council reviewed and agreed with the proposed updates.

Process for Setting Strategy - the Council reviewed and agreed the unchanged policy;

Learning and Development Policy - the Council reviewed and agreed the unchanged policy;

Gifts and Hospitality Policy - the Council reviewed and agreed some minor updates to the policy;

Recruitment Policy and Procedures – the Council reviewed and agreed the updates to the policy, revised to provide clarity in respect of the in person or remote interview process.

- The A&RC reviewed and discussed Section 2 (Staff and Resources) of the Risk Register and recommend continuing the changes to the format of the Register to clearly distinguish between current Controls & mitigating actions and proposed new policies or mitigating Actions. It is recommended that the language be strengthened in 2.1, 2.2, 2.3 and 2.4 of the proposed actions to reflect actual practice, in addition to increasing the likelihood in 2.1 size of secretariat and 2.4 workplans.

- The next meeting of the A&RC is scheduled for 18 July 2024

- **Annual review of the effectiveness of internal controls**

The Council is satisfied with the effectiveness of controls for 2023, having reviewed:-

- (i) the draft unaudited Financial Statements including the Governance Statement and the Statement on Internal Control;
- (ii) the minutes of all meetings of the Audit & Risk Committee;
- (iii) the internal and external audit reports, progress on implementation of recommendations and the reasonable assurance in respect of the Statement of Internal Financial Control;
- (iv) the risk register at each meeting;
- (vi) the 2023 annual Board Self-Assessment Evaluation Questionnaires; and
- (vii) agreed the 2023 draft Annual Report.

- **Standing items:**

- **Purchases and Receipts book:** The Council reviewed the Purchases and Receipts book for March and April 2024.
- **Recruitment Update:** Arrangements have been finalised with the two preferred candidates for the **Summer Internship Programme 2024** who will commence employment on 17 June for a 11-week period. It is planned to shortly commence the recruitment process for an Economist.
- The Council received three **Parliamentary Questions** since the last meeting.
- **AIE/FOI Update:** The Council received no AIE requests since the last meeting. The Council received no FOI requests since the last meeting.
- **Management Accounts:** The management accounts for Q1 (January – March 2024), as reviewed and recommended by the A&RC, were reviewed and approved by the Council.

- The Council reviewed and agreed with the recommendations of the A&RC to Section 2 (Staff and Resources) of the **Risk Register**.
- **Info Security/GDPR:** An internal audit in respect of GDPR is planned for late 2024.
- **EU IFIs**
 An update was provided in respect of recent EU IFI activity.
 Niall will attend the EU IFI Network Annual Conference in Berlin on 12 and 13 June.
 Alessandro will attend the 16th Annual Meeting of the OECD Working Party of Parliamentary Budget Officials and IFIs in Athens on 16-18 June.
- **Recent and Forthcoming Meetings:**
Recent:
 - Niall presented at the National Infrastructure Summit on 2 May.**Forthcoming:**
 - Niall, Killian and Brian attending and presenting papers at the IEA Conference in Galway on 9 & 10 May
 - Michael and Niall attending the National Economic Dialogue in Dublin Castle on 27 May 2024
 - Niall attending EU IFI Network Annual Conference: Berlin 12 -13 June 2024
 - Alessandro attending 16th Annual Meeting of the OECD Working Party of Parliamentary Budget Officials and IFIs: Athens 16-18 June 2024

- Forthcoming Council meetings 2024: FAR call 22nd May (2:30 pm), Press Briefing 4th June. June Council meeting to coincide with Oireachtas appearance (date tbc)
- Forthcoming Audit and Risk Committee meetings 2024 @ 9.00am: 18 July

Communications

An update was provided in respect of recent communication activity and potential opportunities surrounding the publication of the FAR.

3. Fiscal Assessment Report

The Council reviewed and provided feedback on Section 1 Macro and Section 2 Budgetary of the current draft of the FAR.

4. Fiscal Assessment Report (Cont'd)

The Council reviewed and provided feedback on Section 4 Rules and Section 3 Stance and Main Messages of the current draft of the FAR.

A further draft will issue to the Council in preparation for the section review call on 22 May (2.30pm). A final draft will be circulated on 23 May to the Council, Copy Editor, DoF and Peers, for feedback by 28 May, with a view to finalising the FAR by 30 May. The planned release of the FAR is 5 June, with the press briefing on 4 June.

5. Work Update

The Council was provided with a work update in respect the Summer Intern Program, the updating and relaunch of the Fiscal space calculator and other potential summer plans.

6. AOB

There was no other business.

Forthcoming Council meetings 2024: FAR call 22nd May (2:30 pm),
Press Briefing 4th June. A Council meeting may be arranged to
coincide with a June Oireachtas appearance (date tbc).

Signed:

Michael McMahon (Acting Chairperson)

Dated: _____