

Executive Board Minutes Meeting 02nd March 2015

Attendance: Derek Moran (Chair), Ann Nolan, John Hogan, John McCarthy, Aidan Carrigan, Nicholas O'Brien, Paul Ryan, Des Carville, Paul Bolger, Brendan Loughnane, Derek Tierney (Secretary).

Apologies: John Hogan, Niall O'Ceallaigh, Gary Tobin.

1. Minutes of previous meeting and matters arising

In addition to the Communications diary the following were noted: the Minister, accompanied by Senior Officials, will attend the Cabinet Committee on Construction 2020 and Mortgage Arrears tomorrow evening. Exchequer returns are due to be released on Tuesday, 03 March 2015, at 4.30 p.m. The figures will show a significant year-on-year improvement on the back of increased tax and non-tax revenue, lower voted expenditure and earlier full repayment of Exchequer loans to the Social Insurance Fund (SIF).

In relation to outstanding action points, progress was reviewed. The Compliance Officer will bring an update on the Registration of Lobbying legislation to the next Executive Board meeting. A copy of the Bank of England's Business Intelligence Policy will be circulated at this time too.

The Department was one of three organisations shortlisted in the Best Learning and Development Organisation – Medium Sized Enterprises as part of the annual Irish Institute of Training and Development Awards (IITD). At this stage a short presentation was given to the Judging Panel. The winners from all categories will be announced on 6th March 2015 at an event hosted by the IITD and the Awards will be presented by Damien English TD, Minister for Skills, Research & Innovation.

D/Justice are preparing for a private members motion and the Banking Section will liaise on same.

The database of presentations used as part of the Departments outreach programme is nearing completion.

It was noted that Corporate Affairs will publish meeting minutes quarterly in arrears.

The minutes of the previous MAC 23rd February were agreed.

Memoranda for Government were noted.

Action Point

- Issue an All-Staff note in relation to the Department's achievement in being shortlisted for the Best Learning and Development Organisation – Medium Sized Enterprises as part of the annual Irish Institute of Training and Development Awards (IITD) - Mr O'Ceallaigh.
- Bring an update on Registration on Lobbying legislation to the next Executive Board meeting – Mr Kilmartin

2. Dashboard Summary including discussion on:

1. Greece

The Executive Board noted that approval has been secured to extend the Greek programme for four months to end-June. Despite the 4-month extension, challenges still remain for Greece and the implementation of the conditions associated with the extension of the programme. Funds cannot be drawn down from the EU/IMF programme until the 5th review is completed.

The Department will continue to monitor discussions and analyse the situation particularly in the context of financial markets.

2. Banking Inquiry Update

The deadline for the first direction order has passed with some c. 7,200 documents issued to the Oireachtas Inquiry secretariat. The OBI team are meeting with sections to understand the scope of the second draft direction order received. This will be circulated to the Executive Board. Members noted that the OBI team has been further supplemented to assist with briefing in advance of the next phase.

Action Point

- Arrange for second draft direction order to be distributed to members – Mr Tierney

3. IFS Strategy

The Department is working with D/Taois on drafting a joint memo relating to the IFS Strategy. The Strategy will seek to ensure that there is better co-ordination of public sector bodies, a renewed marketing emphasis, a focus on sectoral opportunities and competitiveness and a new implementation structure. In terms of this Department, progress was noted in relation to reporting of operational benchmarks, as well as the recent passage of the ICAV legislation, both of which have been highlighted in the Memo. Further opportunities around the Capital Markets Union green paper and working with the Central Bank on policy and strategy issues are future workstreams which the Department will be leading are also noted.

4. Construction 2020 – Funding Conference

The Department's work on development financing (bank & non-bank financing) options is nearing completion as part of the Government's Construction 2020 strategy. The Department of Finance is organising a Conference on 4th March to bring together debt and equity providers with developers to promote (i) a greater awareness of the interconnectedness of all stakeholders and (ii) a better alignment of shared incentives. The conference will include a networking session at the end to assist in enhancing the dialogue between the providers of development finance and the consumers of development finance. The Department will host this Conference on financing options for development in conjunction with the Construction Industry Federation. Their involvement will help maximise the impact of the event.

5. SMU Update

Flagged that there will be considerable news flow across the banking investments and IBRC in SL over the coming weeks. This has already started with Bank of Ireland's announcement of its 2014 full year results last Friday (27th February). The BoI results, over most key metrics, are positive with highlights being strong return to profitability and H2 capital generation. The share price was up c8% on the day. AIB will announce its FY 2014 results this coming Thursday. PTSB's annual results for 2014 will be issued on 11 March 2015. PTSB are working with their adviser (Deutsche Bank) on the capital raise and further information on this will be provided with the financial results. Having made a statement welcoming the BoI results last week, the Minister will make similar statements for both AIB and PTSB. A progress update was also provided in respect of IBRC. The Special Liquidators have a legal requirement to file a technical financial statement with the CRO within 1 month of the second anniversary of the commencement of the liquidation. Rather than merely file the technical financial statement, the Special Liquidators are preparing an updated progress report which will contain the technical financial statement. This approach will provide greater information and transparency around the special liquidation. It is expected that this will be filed around 11/12 March.

6. Budgetary reform

Work is underway to reform the domestic budget process that will provide for a wider socialisation of economic and fiscal policy challenges. These proposals are at an early stage of consideration and are expected to be brought to EMC and Government in the very near future.

3. Key Milestones Look-Ahead

Upcoming key milestones were noted.

4. AOB

The Executive Board noted that the Commission has published its Country Report. Broadly speaking this is positive about Ireland and will go to the EuroGroup Council at the end of the month. A submission will be prepared for the Minister in advance of the next Ecofin.

5. Corporate Governance

1. Civil Service Renewal Update

The Executive Board noted progress underway in relation to implementation of the civil service renewal plan. The Civil Service Management Board met last week with wide ranging discussions and progress presentations on the early actions coming through. It was also noted that the civil service renewal plan calls for action around "One Civil Service: Policy Seminar Series". One of the key elements of the proposed policy debates is opening up debate to those outside the Civil Service and participation by private sector, academics, NGOs. It is suggested that the upcoming Construction funding conference will form part of this series and facilitate unified branding.

2. Senior Management Review Day

Planning is advanced for the Senior Management Review Day to be held on 05/06th March. The agenda is set with panel members finalising discussion content.

3. Staff Matters

The Executive Board noted that Mr. Dempsey COFO commences in his role as Chief Financing Officer this week with D/Health. Members acknowledged the contribution by Mr Dempsey and wished him every success in his new role. The process to find a replacement for the COFO role will commence. In the interim Mr Tobin will oversee the Facilities Management Unit and it is expected that an Assistant Principal will join the team in the near future.

The Secretary General noted that he is meeting the Financial Management Shared Service project team to discuss arrangements for progressing the recruitment of a Senior Responsible Officer.

4. Governance Framework

Following distribution and discussion on the governance framework, feedback is being received from the Senior Management Group. The framework has also been issued to the Audit Committee and externally for contributions.



Derek Moran
Secretary General