



Gníomhaireacht Bainistíochta an Chisteáin Náisiúnta
National Treasury Management Agency

**MINUTES OF MEETING OF THE
NATIONAL TREASURY MANAGEMENT AGENCY
HELD VIA VIDEO CONFERENCING AT 2.00PM ON 31 MARCH 2020 AT
TREASURY DOCK, NORTH WALL QUAY, DUBLIN 1**

PRESENT:

Maeve Carton, Chairperson
Gerardine Jones
Derek Moran
Martin Murphy
Brian O'Kelly
Conor O'Kelly
Rachael Ingle
Robert Watt
Susan Webb

IN ATTENDANCE:

Elaine Hudson, Secretary
Ian Black, Chief Financial and Operating Officer (CFOO)
Susan O' Halloran, Chief Legal Officer (CLO)
Andrew O' Flanagan, Director, NDFA and NewERA
Ciarán Breen, Director, SCA
Eugene O'Callaghan, Director, ISIF
Frank O' Connor, Director, FDM
Sinead Brennan, Director, HR
Ciara Lehane, Head of Risk (Item 7 only)
Rossa White, Chief Economist, Deputy Director (Item 8 only)
John O' Donovan, Head of ICT (Item 9 only)
Carol Ann McGough, Head of ICT Cyber Security and Networks (Item 9 only)
Emma Jane Joyce, Investment Director (Item 10.2 only)
Kieran Bristow, Senior Investment Director (Item 10.2 only)

1. NOTICE AND QUORUM

The Chairperson noted that notice of the meeting and of the nature of the business to be conducted had been given to all members entitled to attend the meeting and a quorum was present.

2. DISCLOSURES OF INTEREST

For the purposes of Section 13A of the National Treasury Management Agency Act 1990 (as amended) and Section 17 of the Ethics in Public Office Act 1995, there were no material interests declared by members in the business to be transacted at the meeting.

3. MINUTES AND MATTERS ARISING

The Chairperson noted that draft minutes of the meetings of 28 January had been circulated to the members in advance of the meeting. **IT WAS RESOLVED** that the minutes be approved and that they be signed by the Chairperson.

The Agency noted the status of items arising from the minutes as circulated in the paper

4. CHIEF EXECUTIVE'S COVID-19 REPORT

The Chief Executive presented his Report, noting its strong Covid-19 emphasis. He noted that the pace and scale of the challenges facing the State was unprecedented and that the Agency would proactively support the Department of Finance/Public Expenditure and Reform in its endeavours to sustain key elements of the State's financial infrastructure. He noted that Covid-19 had profound implications for each of the NTMA's mandates, citing, amongst other things, anticipated significant increases in Government borrowing, refocusing of ISIF Strategy, delays to Technological University Dublin (Grangegorman) and Social Housing bundles 1 and 2, NewERA's advisory role in relation to the Transport Sector in particular and the additional indemnity cover provided under the State Claims Agency Clinical Indemnity Scheme.

The Agency discussed the report in detail. The Agency questioned the members of the Executive Management Team (EMT) on specific aspects of the report. In response to a question from the Agency, the Director, SCA indicated that in an effort to ameliorate future possible Covid-19 related claims against the State it was proactively issuing advices to clinicians in relation to infection control and the importance of seeking and documenting second opinions in clinical settings. In the course of the discussion, at the request of the Agency, the management team outlined the key issues, challenges and areas of focus for each of their respective business units.

5. COVID-19 OPERATIONAL AND CLO REPORT

The Chief Financial and Operations Officer (CFOO) and Chief Legal Officer (CLO) provided a brief update on the operational and legal implications of Covid-19. It was noted that while the majority of staff were remote working, Treasury Dock remained open daily for critical business operations including, inter alia, Treasury Management. Extensive contingency plans had been developed to ensure Settlements could continue with alternate resources trained and ready to step in if required. ICT was supporting the extensive use of Audio and Video conferencing services which continued to experience periodic capacity issues.

6. COVID-19 HR UPDATE

The Director, HR presented the paper to the Agency which noted, inter alia, the initiatives being put in place to support staff working from home. **This has been redacted in part pursuant to Section 30(1)(b) of the FOI Act 2014.** The HR team had also been proactively seeking to redeploy employees with complementary skillsets across the Agency to business units facing a significant increase in workload arising from the Covid 19 environment.

7. COVID-19 RISK UPDATE

The Head of Risk provided an overview of the activities and focus of the Crisis Management Teams which had been activated in recent weeks.

8. MARKET UPDATE

The NTMA Chief Economist briefed the Agency on the impact of Covid-19 on markets highlighting the volatility in recent weeks. He provided an overview of the potential impact of Covid-19 on the economy noting that Covid-19 was primarily a shock to private sector demand. He noted that the impact had been significant and widespread across a number of sectors including, inter alia, leisure, hospitality, tourism, education and self-employed small businesses. He explained that the gap would be required to be filled by Government spending. The Chief Economist stated that different countries had varied fiscal space to deal with the Covid-19 crisis depending on their starting debt positions.

This has been redacted in part pursuant to Section 40(1)(a) as it applies to 40(2)(d) of the FOI Act 2014.

The Director, FDM noted that Covid-19 would have an impact on the NTMA's funding plan for 2020 (as approved by the Board at its November 2019 meeting). He outlined the 2020 funding activity undertaken to date and provided an overview of the likely changes that would be required to the Funding Plan which would be brought back to the Agency for approval shortly.

9. CYBER RISK UPDATE

The NTMA Head of ICT and Head of ICT Security and Networks, provided a brief overview of the implications of Covid-19 for ICT infrastructure, commenting on the substantial increase in phishing email attacks. They reported that the frequency of ICT communications had been stepped up and that management was satisfied that there was a reasonable level of awareness and compliance.

The ICT team proceeded to present an overview of the 2020 Cyber Security Posture Assessment to the Agency.

This has been redacted in part pursuant to Section 30(1)(b) of the FOI Act 2014.

10 SUSTAINABILITY FOCUS

10.1 Climate Strategy

The Director, FDM presented the NTMA Climate Strategy 2020-2023 (Climate Strategy) which had been developed in response to the Agency's elevation of climate change as a strategic risk for the NTMA and approved by the Executive Management Team.

The Agency noted that the Climate Strategy, approved by the EMT, built on work already underway and would be reviewed annually with progress against KPIs monitored and reported twice a year to the EMT as part of NTMA KPI Dashboard.

10.2 Sustainability & Responsible Investment Strategy

The Investment Director presented the ISIF Sustainability and Responsible Investment Strategy. At its meeting of 27 January 2020, the Investment Committee had agreed to recommend the Sustainability and Responsible Investment Strategy to the Agency.

The Agency reviewed the Sustainability and Responsible Investment Strategy. The Agency noted that ISIF's commitment to the climate priority theme strategy had been highlighted therein, with the aim being to integrate climate considerations into ISIF's decision making.

IT WAS RESLOVED that:

- a) the ISIF Sustainability & Responsible Investment Strategy 2020 as presented to the Agency be approved; and
- b) the Policy be published on the ISIF website.

10. COMMITTEE REPORTS

11.1. Audit and Risk Committee

The Audit and Risk Committee Chairperson, Gerardine Jones, presented and summarised the Report of the Committee meeting held on 23 March. She reported that the Committee was progressing through its work programme notwithstanding the challenges arising as a result of Covid-19. She noted that certain items (the EY risk review report, the Risk Management Policy and Framework, Strategic Risk Assessment and Risk Appetite Framework) had been deferred and would revert to the Committee in due course. The Internal Audit Plan, which would be progressed to the extent feasible, would be reviewed with the potential to adjust same in light of prevailing circumstances. The Committee Chairperson advised that the Committee had reviewed the effectiveness of the system of internal control and would be considering the paper further at its meeting on 28 April.

11.2. Investment Committee

The Investment Committee Chairperson, Susan Webb, presented the report of the Committee meetings held on 14 February, 21 February, 27 February and 2 March. She briefed the Agency on the Committee's meeting on 30 March noting that the Committee had conducted quarterly reviews of the Investment pipeline, ISIF Dashboard, Irish Portfolio and the Global Portfolio. The Committee also considered recent experiences and lessons learnt in the context of previous transactions and requested that the ISIF team provide further analysis in this regard. The Committee had also discussed with ISIF how its Strategy could potentially be adapted in response to Covid-19.

The Committee Chairperson noted that a summary of the investments approved at meetings held on 14 February, 21 February, 27 February and 2 March was set out in the Chief Executive's Report. She also briefed the Agency on the investment proposals reviewed by the Committee at its meeting on 30 March.

11.3. SCA Strategy Committee

The SCA Strategy Committee Chairperson, Martin Murphy, presented the report of the Committee meeting held on 19 February.

The Director, SCA noted, *inter alia*, that the ratio of claims finalised to claims received (excluding mass actions) for 2020 was improving and above the annual target set by the Committee. He indicated, however, that challenges posed by the Covid-19 environment could potentially have an adverse

impact on this figure. He advised the Agency that there had been a significant increase in the number of requests for indemnity and risk advices from the healthcare sector and other clients.

The Director, SCA briefed the Agency on the implications of the Supreme Court judgement in relation to the Ruth Morrissey v HSE & others case.

11.4 Remuneration Committee

This item was minuted separately.

11. DELEGATED MATTERS NOTIFIABLE TO THE AGENCY

The Agency noted the Report on Delegated Matters Notifiable to the Agency.

12. AOB

There being no other items under AOB, the Chairperson brought the meeting to a close.

13. PRIVATE SESSION

The Agency met in private session. This item was minuted separately.

Maeve Carton
Agency Chairperson
[Date]