



**Gníomhaireacht Bainistíochta an Chisteáin Náisiúnta
National Treasury Management Agency**

**MINUTES OF MEETING OF THE
NATIONAL TREASURY MANAGEMENT AGENCY
HELD VIA ZOOM VIDEO CONFERENCE AT 2PM ON 25 MAY 2021 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
Susan Webb

IN ATTENDANCE:

Elaine Hudson, Agency Secretary
Anastasia-Ilektra Sakellariou, Secretariat
Susan O' Halloran, Chief Legal Officer (CLO)
John O'Donovan, Head of ICT, (Items 5 and 7 only)
Carol Ann McGough, Head of ICT Cyber Security & Networks (Item 5 only)
Mladen Popovic, IT Security & Network Administrator (Item 5 only)
Ray Mangan, Head of Risk (Item 5 only)
Andrew O'Flanagan, Director NDFA/NewERA (Item 6 only)
David Stokes, Corporate Finance Director (Item 6 only)
Rachel Wallace, Corporate Finance Director (Item 6 only)
Sinéad Brennan, Chief People Officer (CPO) (Item 7 only)
Siobhan Keeling, Head of HR (Item 7 only)
Donal Steele, Head of Corporate Procurement and Facilities (Item 7 only)
Fergal Power, Head of Finance (Item 8.1 only)
Daniel O'Leary, Senior Finance Manager (Item 8.1 only)
Frank O'Connor, Director, FDM (Items 9 and 9.1 only)
David Purdue, Chief Economist (Items 9 and 9.1 only)
Alan Mahon, Head of Fiscal Debt Services (Items 9 and 9.1 only)
Ciarán Breen, Director, SCA (Item 10.2 only)
Nick Ashmore, Director, ISIF (Item 10.3 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. DECLARATIONS 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 30 March and 5 May 2021 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 update on matters arising from previous meetings as set out in the note circulated with the meeting papers.

4. CHIEF EXECUTIVE'S REPORT

The Chief Executive presented his Report. He provided a brief update on recent funding activity, the drivers behind the ISIF's strong 2020 investment performance, the recent increase in employee turnover and key staffing updates. **This has been redacted pursuant to Section 30(1)(b) of the FOI Act 2014.**

5. CYBER SECURITY UPDATE

The NTMA Head of ICT, Head of ICT Cyber Security & Networks and IT Security & Network Administrator briefed the Agency on the Cyber Security status of the NTMA and key third parties in light of the recent Cyber Attacks on the HSE and the Department of Health. The Agency noted that the ICT team was conducting regular Cyber Security reviews to ensure that the safety and integrity of the NTMA systems were maintained and no issues or alerts had been detected/observed to date. The Head of ICT outlined further planned enhancements to improve the security of the IT platforms.

The Agency discussed the NTMA's cyber security preparedness, **This has been redacted pursuant to Section 30(1)(b) and 32(1)(c) of the FOI Act 2014.** The Audit and Risk Committee Chairperson noted that the Committee had requested NTMA Risk and ICT to revert to it with assurance following a review of key NTMA third party service providers which could have a material impact on the NTMA in the event of a significant cyber-attack. **This has been redacted pursuant to Section 30(1)(b) of the FOI Act 2014.**

6. NEWERA STAKEHOLDER SURVEY RESULTS

The NewERA representatives presented the results of the recent NewERA Stakeholder Survey noting, *inter alia*, that a representative sample of NewERA's key stakeholders, which included senior officials from Governmental Departments and senior executives from commercial State Bodies (CSBs), had participated in the survey. They advised that the results were very positive with good constructive feedback and a small number of potential process enhancements identified for NewERA's consideration.

The Agency discussed the Survey results and commended the NewERA team on the excellent feedback received from key stakeholders. **This has been redacted pursuant to Section 30(1)(b) of the FOI Act 2014.**

In terms of next steps, the Director, NDFA & NewERA advised that a NewERA workshop was planned for June to seek input from the wider NewERA team, with a view to preparing an implementation plan to capture the process enhancements identified as part of the survey.

7. FUTURE OF WORK UPDATE

The Agency discussed the proposed approach and questioned the presenters on various aspects of same including, amongst other things, the key guiding principles for the future of work **This has been redacted pursuant to Section 30(1)(b) of the FOI Act 2014.**

8. BUDGET

8.1 Quarterly Budget Outturn 2021 (Q1)

The Agency noted the NTMA and ISIF Expenditure Budgets 2021 including the reasons for variances against budget as set out in the paper. The Head of Finance advised that on the basis of the outturn in Quarter one and the forecasts for the remainder of the year, the full year expenditure outturn was likely to be very close to budget for planned initiatives and progress against same would continue to be monitored closely. The Agency noted that a supplementary budget might be required as the approved budget was insufficient to meet certain specific expenditures which had not been foreseen at the time of the budget preparation (to be discussed under Agenda item 8.2).

8.2 Briefing on Resourcing and Budget Constraints

The Chief Executive briefed the Agency on emerging budget constraints in respect of critical ICT Infrastructure requirements and certain immediate resourcing capacity issues. **This has been redacted pursuant to Section 30(1)(b) and 32(1)(c) of the FOI Act 2014.**

Following further discussion, the Agency **agreed** that it was supportive in principle of the proposal and requested that a detailed note setting out more information on the specific recruitment request including the profiles of the various roles required be circulated to it [Action]. **This has been redacted pursuant to Section 30(1)(b) of the FOI Act 2014.**

9. MARKET UPDATE

The Agency noted the report as presented. The NTMA Chief Economist provided a brief overview of current market conditions and the outlook for same.

The Director, FDM, updated the Agency on recent funding activity and the NTMA's current funding position. The Agency discussed, *inter alia*, **This has been redacted pursuant to Section 40(1)(a) as applies to 40(2)(d) of the FOI Act 2014.** The Agency queried why the Funding Plan approved by the Agency in November 2020 had not been amended to reflect the higher starting cash position in 2021. The Director, FDM advised that no change was required on the basis that the Funding Plan provided for a range, and depending how the year unfolded a higher cash balance than originally assumed could be carried into 2022 given projected exchequer deficits in the recent Stability Programme Update (SPU).

9.1 Stability Programme Update (SPU)

The Head of Fiscal Debt Services presented the FDM memorandum regarding the SPU debt and debt service estimates to the Agency. He noted that they were based on Department of Finance EBR estimates, which were prepared on a no policy change basis and for the first time since Budget 2020 (in late 2019) extended beyond 2021. He added that the key assumption was that bond issuance in 2021 would reflect the mid-point of the funding range approved by the Agency at its November 2020 meeting. The Agency noted the likely trajectory for General Government debt and the medium-term expectations in relation to the interest bill.

In reviewing the paper, the Agency discussed the expected sufficiency of current EBR projections in the context of on-going and potential unforeseen economic challenges **This has been redacted pursuant to Section 30(1)(b) of the FOI Act 2014.** In response to a question from the Agency, the Director, FDM characterised the proposed funding approach as cautious, influenced by the change in Ireland's stock of debt post the Global Financial crisis and Covid pandemic along with historically lower borrowing costs post Central bank policy actions. **This has been redacted pursuant to Section 30(1)(b) of the FOI Act 2014.**

10. COMMITTEE REPORTS

10.1 Audit and Risk Committee

The Audit & Risk Committee Chairperson, Gerardine Jones, presented the report of the Committee meeting held on 18 May. She noted that the Committee had received a Cyber Security update from the Head of ICT and IT Security & Network Administrator in light of the recent Cyber Attacks on the HSE and the Department of Health. The Committee Chairperson reported that the Committee deferred approval of the Market, Liquidity and Counterparty Credit Risk Policies pending further clarification of the rationale for the key policy changes and the implications of same. She noted that the Committee would convene a meeting in due course to review the updated paper and Risk Policies. The Committee received a briefing on the NewERA top, strategic and emerging risks. **This has been redacted pursuant to Section 29(1) and 30(1)(b) of the FOI Act 2014.**

10.2 SCA Strategy Committee

The SCA Strategy Committee Chairperson, Martin Murphy, presented the report of the Committee meeting held on 14 April. He briefed the Agency on the proposed high-level agenda for the upcoming SCA Strategy Committee Workshop. He noted that the Committee received an update from Prof. Risteard O'Laoide, Director, National Cancer Control Programme, HSE on the impact of the COVID-19 Pandemic on cancer services in Ireland. He advised that the Committee had also been briefed on the proposed new Garda Compensation scheme.

The Director, SCA provided a brief overview of the quantum of active Clinical and General Indemnity claims respectively and the estimated liabilities in respect of same, noting that GIS claims' volumes had begun to increase again, having originally tapered off during the pandemic. The Agency discussed the potential claims that may arise in respect of Covid-19. In response to a question from the Agency, the Director, SCA advised that the ratio of "claims finalised" to "claims received" (excluding mass actions) continued to improve.

Responding to a question from the Agency, the Director, SCA, briefed the Agency concerning the recent Court of Appeal judgment in relation to the in-cell sanitation mass action and the implications of same (noting that legal costs would now be in proportion to damages).

10.3 Investment Committee

The Investment Committee Chairperson, Susan Webb, presented the reports of the Committee meetings held on 27 April and 24 May 2021. She provided a brief overview of the transactions approved by the Committee at these meetings. She also outlined the various reports and quarterly updates presented to the Committee.

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

11. GOVERNANCE ITEMS

11.1 Schedule of Matters Reserved for Decision by the Agency

The Agency noted the relatively minor proposed amendments to the Schedule of Matters Reserved for Decision by the Agency as set out in the meeting paper.

IT WAS RESOLVED that the Schedule of Matters Reserved for Decision by the Agency be amended as presented to the Agency.

11.2 Delegated Matters Notifiable to the Agency

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

12. AOB

The Chairperson noted that this was Derek Moran's last scheduled meeting as an ex officio member of the Agency. On behalf of the Agency members, she thanked him for his significant contribution, wisdom and guidance over the previous six and a half years and wished him well in his future endeavours.

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

13. NON-EXECUTIVE SESSION

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

Maeve Carton
Agency Chairperson