



Ms Sarah Cremin
Committee Secretariat
Committee of Public Accounts

27 September 2022

Your ref: SO918 PAC33

Dear Ms Cremin

I refer to your correspondence of 11 July 2022 requesting further information from the Department of Children, Equality, Disability, Integration and Youth on its rationale for reporting certain expenditure incurred in relation to international protection accommodation under the Department's annual return under Department of Finance Circular 40/02. I wish to apologise for the delay in responding.

The Department of Children, Equality, Disability, Integration and Youth assumed responsibility for the contracts in question following a transfer of functions from the Department of Justice in October 2020. The contracts related to the provision of accommodation for international protection applicants and ancillary services such as transport to and from such centres. In preparing the annual return under the 40/02 process, the Department formed the view that it should include all contracts over €25,000 in the 2020 return where expenditure was incurred without undertaking full procurement processes in compliance with EU procurement directives and guidelines. This was notwithstanding the fact that competitive tendering or expressions of interest processes had been undertaken, as set out by the Secretary General of the Department of Justice in her correspondence to the Committee of 24 May 2022.

Pressure on international protection accommodation arose from an increase in the number of arrivals of international protection applicants and an increase in accommodation requirements from 2019 which required a rapid response from the Department of Justice which then held responsibility for accommodating international protection applicants.

As previously advised by the Department of Justice, that accommodation was sourced either through a full tendering process, administered through the Government's Procurement Portal, or through responses to calls for expressions of interest which were advertised in the national media.

As Ireland has a statutory obligation under the EU Recast Reception Conditions Directive to accommodate international protection applicants, and the provision of accommodation is demand-led, it can also be necessary to contract accommodation in hotels and guesthouses through direct engagement in order to meet short term pressures.

While many of contracts listed in the 40/02 return for 2020 were therefore contracted through a formal procurement process, the process itself was not one that met the requirements of the relevant EU Directive. In this regard, for the purpose of the return, this Department takes a definition of 'non-competitive' procurement as including any



procurement that does not comply with national and EU procurement directives and guidelines, irrespective of whether the procurement was 'competitive' in the everyday understanding of the term. This Department took a view therefore that these contracts should be included in the 40/02 return for avoidance of any doubt.

The Department of Children, Equality, Disability, Integration and Youth has also subsequently undertaken a formal tender process for international protection accommodation in line with EU directive requirements and is now finalising contracts with the successful tenderers on foot of this process. Eleven contracts have been secured through this process involving 1,295 additional beds. The tender process has been designed to allow additional contractors to put forward accommodation on an ongoing basis.

However, as 10,150 international protection applicants have sought accommodation from the Department's International Protection Accommodation Service (IPAS) so far this year, the Committee will appreciate that the Department of Children, Equality, Disability, Integration and Youth will need to continue to have recourse to a range of procurement strategies to address requirements when formal EU compliant procurement processes do not yield sufficient accommodation to meet the immediate acute demand. Any accommodation secured must meet value for money requirements, based on available cost comparisons.

The Department recognises the importance of its reporting obligations under the 40/02 returns and will continue to report fully in the interests of transparency.

Yours sincerely

A handwritten signature in dark ink, appearing to read 'Kevin McCarthy', with a stylized flourish at the end.

Kevin McCarthy
Secretary General

Designated Public Official under the Regulation of Lobbying Act 2015