



25 January 2023

Ms Sarah Cremin
Committee Secretariat
Committee of Public Accounts
Leinster House
Dublin 2

Ref: S1147 PAC33

Dear Ms. Cremin,

I refer to your letter dated 30 December 2022 setting out the Committee for Public Account's request for information in respect of the Appropriation Account 2021 Vote 40 references to non-compliant procurement to the value of €90,853,910.

The particular contracts relate to expenditure on (i) the provision of accommodation for international protection applicants, including emergency accommodation, transport and related services for international protection applicants, (ii) services in relation to the Mother and Baby Homes Commission Report, and (iii) the financial management system.

As requested, I am attaching in tabular form information outlining the expenditure on these contracts, reasons for non-compliance and statement of how the Department is seeking to address compliance with procurement guidelines in these cases.

I am happy to provide any further related information that may be of assistance to the Committee.

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



	Department of Children, Equality, Disability, Integration and Youth						
	Contracts / Purchases of more than €25,000 (excl.of VAT) undertaken without a competitive process - Year Ended 2021						
		Associated Expenditure	Supplier Company Name	Contract Period	Value € (exclusive of VAT)	Reason(s) for Non-Compliance	Plans to rectify the Procurement Issues going forward
	International	Protection					
1		Expression of Interest Centres for International Protection Seekers	Barlow Properties - Asbourne House	2021	1,210,300	IPPS is tasked to provide sufficient capacity to meet demand for accommodation services from IP applicants, a legal requirement under the Recast Reception Conditions Directive. RFT competitions to date have not resulted in sufficient capacity to meet demand therefore EOI Accommodation continues to be required. It is hoped that the RFT that closed on 21/02/2022 will regularise certain EOIs currently in place.	The Department ensures that there is an appropriate focus on good practice in purchasing and that procedures are in place to ensure compliance with all relevant guidelines. This is enabled through the offering of public procurement training, advice and assistance by the Procurement team to staff each year. Where staff conduct a non-compliant procurement above €25,000, they are obliged to gain Secretary General approval and the amounts are included on the 40/02 return.
2		Expression of Interest Centres for International Protection Seekers	James White t/a King Thomond Hotel - King Thomond, Co. Clare	2021	2,215,813	As above. There is a contract in place since 09/03/2020 for 2 years. This was awarded without a competitive process taking place.	With regard to the International Protection Procurement Service (IPPS), the department aims to comply with the public procurement compliance recommendations. The majority of the IPPS / IPAS expenditure falls under the following categories of Requests for Tender (RFTs):
3		Expression of Interest Centres for International Protection Seekers	Coziq Enterprises Ltd. - Dublin Central Inn, Dublin 1	2021	2,358,720	As above. There was a contract in place from 06/04/2020 for 1 year. This was awarded without a competitive process taking place. The accommodation is still being utilised.	<ul style="list-style-type: none"> • Further Accommodation tenders • Progressions from IPAS accommodation • A Building Surveyor RFT • Surge Capacity for IP accommodation • State owned centres • Inspections tender • Facilities management tender – • EROC tender • NGO tender for IP supports in pre- reception and emergency • Ground transportation tender • Victims of Trafficking / Vulnerability accommodation
4		Expression of Interest Centres for International Protection Seekers	Maplestar Ltd. - Eglinton Hotel, Co. Galway	2021	3,265,080	2021 payments were made under an extension to a contract that was awarded without a competitive process taking place. The accommodation is still being utilised. Mobilisation works due to be completed in Q1 2022, once completed the hotel will be inspected and if meets requirements will be provided with a contract under the regional tender - EMS046F.	By incorporating these into their business plan, IPPS aim to ensure that expenditure is compliant. However, it must be acknowledged that there are a number of challenges faced in terms of the effectiveness of the RFT process in terms of securing sufficient accommodation in order to meet the ever-increasing demand.
5		Expression of Interest Centres for International Protection Seekers	Sidetracks Ltd. - Great Western House, Galway	2021	2,789,171	2021 payments were made under an extension to a contract that was awarded without a competitive process taking place. The accommodation is still being utilised. Mobilisation works due to be completed in Q1 2022, once completed the hotel will be inspected and if meets requirements will be provided with a contract under the regional tender - EMS046F.	A number of actions have been taken to help address these challenges, these include:
6		Expression of Interest Centres for International Protection Seekers	Double Ex Investments Ltd. - Griffin House, Limerick	2021	1,037,179	There was a contract in place from 23/03/2020 for 1 year. This was awarded without a competitive process taking place. The accommodation is still being utilised. IPPS is tasked to provide sufficient capacity to meet demand for accommodation services from IP applicants, a legal requirement under the Recast Reception Conditions Directive. RFT competitions to date have not resulted in sufficient capacity to meet demand therefore EOI Accommodation continues to be required.	<ul style="list-style-type: none"> • Further Accommodation tenders in accordance with EU regulations were published in both January and November 2022 • Additional caseworkers have been appointed to enable the integration and transfer of international protection seekers with status, out of IPAS accommodation into communities

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7		Expression of Interest Centres for International Protection Seekers	Double M Investments - Riverside, Borrisokane	2021	1,736,665	There was a contract in place until 28/09/2021. This was awarded without a competitive process taking place. The accommodation is still being utilised. It is hoped that the RFT that closed on 21/02/2022 will regularise certain EOIs currently in place.	<ul style="list-style-type: none"> • An RFT was issued for the appointment of a Building Surveyor who will work with the team in relation to sourcing further accommodation • Research into the use of State owned centres for the provision of accommodation has been undertaken, with a view to reducing the need for tendering into the future.
8		Expression of Interest Centres for International Protection Seekers	Codelix Ltd - Rosslare Port Hotel	2021	1,867,320	There was a contract in place until 25/02/2021. This was awarded without a competitive process taking place. The accommodation is still being utilised. It is hoped that the RFT that closed on 21/02/2022 will regularise certain EOIs currently in place.	
9		Expression of Interest Centres for International Protection Seekers	Vesta Hotels - Grand Hotel	2021	1,824,559	There was a contract in place until 29/11/2021. This was awarded without a competitive process taking place. The accommodation is still being utilised. It is hoped that the RFT that closed on 21/02/2022 will regularise certain EOIs currently in place.	
10		Expression of Interest Centres for International Protection Seekers	East Coast Catering - Carroll Village	2021	562,344	There was a contract in place until 08/01/2021. This was awarded without a competitive process taking place. The accommodation is still being utilised. It is hoped that the RFT that closed on 21/02/2022 will regularise certain EOIs currently in place.	
11		Emergency Centres for International Protection Seekers	Brimwood Ltd. - Alverno, Co Meath, Dublin Airport Manor, Co Dublin, Dun na Rí House, Co. Cavan, Lisanisk House, Co. Monaghan, San Giovanni House, Co. Meath, Setanta Guesthouse, Co Louth, Treacys Hotel, Monaghan, Lake View Ballytrain. Co. Monaghan and necessities	2021	11,634,910	IPPS is tasked to provide sufficient capacity to meet demand for accommodation services from IP applicants, a legal requirement under the Recast Reception Conditions Directive. Following a significant increase in demand for accommodation in September 2018, RIA (now IPPS) engaged in regional tendering for accommodation and ancillary services. This regional RFT did not deliver the required capacity to meet demand and RIA were forced to contract emergency accommodation through expressions of interest or through a negotiated procedure by direct contact with the provider. These contracts were awarded without a competitive process taking place. Much of the emergency accommodation in this section remains open and is being utilised. Nappies, wipes & sanitary product costs charged by Brimwood Ltd. to IPPS.	

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12		Emergency Centres for International Protection Seekers	TA Deerpark Ltd. - 41 Bolton Street, Dublin 1	2021	557,700	IPPS is tasked to provide sufficient capacity to meet demand for accommodation services from IP applicants, a legal requirement under the Recast Reception Conditions Directive. Following a significant increase in demand for accommodation in September 2018, RIA (now IPPS) engaged in regional tendering for accommodation and ancillary services. This regional RFT did not deliver the required capacity to meet demand and RIA were forced to contract emergency accommodation through expressions of interest or through a negotiated procedure by direct contact with the provider. These contracts were awarded without a competitive process taking place. Much of the emergency accommodation in this section remains open and is being utilised.	
13		Emergency Centres for International Protection Seekers	Cornerpark Lodge Ltd. - Cornerpark Lodge, Dublin 22	2021	598,926	As above	
14		Emergency Centres for International Protection Seekers	Portsalon House Ltd. - Portsalon House, Co. Donegal	2021	152,197	As above	
15		Emergency Centres for International Protection Seekers	Lerrigh Support Services - The Lodge, Clongill	2021	802,967	As above	
16		Emergency Centres for International Protection Seekers	Shannon Lodge Hotel - Main Street, Banagher Co. Offaly	2021	943,440	As above	
17		Emergency Centres for International Protection Seekers	Foxlair Ltd. - The White House, Tipperary	2021	1,294,752	As above	
18		Emergency Centres for International Protection Seekers	Parmont Ltd. - The Esplanade Hotel, Bray	2021	5,028,390	As above	
19		Emergency Centres for International Protection Seekers	Leitrim Lodge B & B - Leitrim Lodge B&B, Dublin 7	2021	565,950	Emergency accomodation closing end of March 2022.	
20		Emergency Centres for International Protection Seekers	Next Week & Co. - Riverside Park Hotel, Macroom	2021	2,877,462	IPPS is tasked to provide sufficient capacity to meet demand for accommodation services from IP applicants, a legal requirement under the Recast Reception Conditions Directive. Following a significant increase in demand for accommodation in September 2018, RIA (now IPPS) engaged in regional tendering for accommodation and ancillary services. This regional RFT did not deliver the required capacity to meet demand and RIA were forced to contract emergency accommodation through expressions of interest or through a negotiated procedure by direct contact with the provider. These contracts were awarded without a competitive process taking place. Much of the emergency accomodation in this section remains open and is being utilised.	

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21		Emergency Centres for International Protection Seekers	Flodale Ltd. - Commercial Inn, Co. Laois	2021	375,836	As above.	
22		Emergency Centres for International Protection Seekers	Blockford Ltd. - Courtown Hotel, Co. Wexford	2021	2,600,610	As above.	
23		Emergency Centres for International Protection Seekers	E & B Ltd. - Rathmore Country House	2021	3,080,280	As above.	
24		Emergency Centres for International Protection Seekers	Coolebridge Ltd. - 157 Emmet Road, Dublin 8	2021	654,032	IPPS acquired additional capacity in order to respond effectively to the Covid-19 pandemic. As per public health advice, no bedroom was to have more than 3 non-related people. 'Thinning centres' such as this were contracted in order to allow for the spacing out of residents. Isolation/quarantine centres were also required for residents with Covid-19 symptoms and/or positive diagnoses and to accommodate those new to the accommodation system while undergoing a quarantining period.	
25		Emergency Centres for International Protection Seekers	GATTB Ltd. - Moat Lodge, Lucan Co. Dublin	2021	730,954	IPPS acquired additional capacity in order to respond effectively to the Covid-19 pandemic. As per public health advice, no bedroom was to have more than 3 non-related people. 'Thinning centres' such as this were contracted in order to allow for the spacing out of residents. Isolation/quarantine centres were also required for residents with Covid-19 symptoms and/or positive diagnoses and to accommodate those new to the accommodation system while undergoing a quarantining period.	
26		Emergency Centres for International Protection Seekers	Townbe ULC - The Central Inn Exchequer St.	2021	3,506,422	As above. This closed in January 2022.	
27		Emergency Centres for International Protection Seekers	MLC Hotel Ltd. - The Merriman Hotel, Galway	2021	1,919,170	As above. This closed in March 2022.	
28		Emergency Centres for International Protection Seekers	Travelodge Ireland Ltd. - Travelodge Cork	2021	2,573,216	Travelodge Cork, initially operated as a 'thinning centre' and is currently operating as an emergency centre. See 33 for reason for no competitive process taking place.	
29		Emergency Centres for International Protection Seekers	Travelodge Ireland Ltd. - Travelodge Galway	2021	3,606,599	As above.	
30		Emergency Centres for International Protection Seekers	Brimwood Ltd. - Carnbeg Hotel, Dundalk	2021	2,963,520	As above. Carnbeg is now operating as an emergency centre.	

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31		Quarantine facilities for International Protection Seekers	Travelodge Ireland Ltd. - Travelodge Phoenix Park	2021	3,133,930	IPPS acquired additional capacity in order to respond effectively to the Covid-19 pandemic. As per public health advice, no bedroom was to have more than 3 non-related people. Isolation/quarantine centres were required for residents with Covid-19 symptoms and/or positive diagnoses and to accommodate those new to the accommodation system while undergoing a quarantining period.	
32		Quarantine facilities for International Protection Seekers	Travelodge Ireland Ltd. - Travelodge Ballymun	05/07/21 - 04/01/22	2,293,103	As above. Approval from SG granted.	
33		Quarantine facilities for International Protection Seekers	Travelodge Ireland Ltd. - Travelodge Swords	21/03/2021 - 13/06/2021	907,163	As above. Approval from SG granted.	
34		Quarantine facilities for International Protection Seekers	Travelodge Ireland Ltd. - Travelodge Rathmines	17/09/2021 - 31/12/2021	276,326	As above. Approval from SG granted.	
35		Pre-Reception facilities for International Protection Seekers	Tifco Ltd. - Holiday Inn Express	19/12/20 - 11/03/21; 15/10/21 - 28/02/22.	3,707,692	Pre Reception Centres required on short notice to meet increase in new arrivals seeking international protection. Tender published with a closure date of 21st Feb to seek additional accommodation, second tender due to be published end qtr 1/ early qtr 2 seeking support services to help transition individuals with status out of DP centres into the wider community. Approval from SG granted. This was used as a Quarantine Centre from Dec 2020 to Mar 2021	
36		Pre-Reception facilities for International Protection Seekers	Tifco Ltd. - Crowne Plaza Blanchardstown	10/10/21 - 24/10/21 and 15/12/21 - 31/03/22	67,448	As above. Approval from SG granted.	
37		Pre-Reception facilities for International Protection Seekers	Tifco Ltd. - Crowne Plaza Northwood	09/10/21 - 24/10/21 and 02/12/21 - 31/03/22	1,160,218	As above. Approval from SG granted.	
38		Pre-Reception facilities for International Protection Seekers	Songdale Ltd. - Clayton Dublin Airport	12/11/21 - 03/12/21	68,200	As above. Closed 31 January 2022. Approval from SG granted.	
39		Pre-Reception facilities for International Protection Seekers	Guestford Ltd. - Red Cow	25/11/21 - 31/03/22	790,233	Approval from SG granted.	
40		International Protection Seekers Centres which mobilised in 2021	Next Week & Co. - Abbeyfield	04/02/21 - 19/09/21	2,097,600	Framework contract commenced on 20/09/21. Non compliant contract in place from 23/07/20 - 21/07/21. Costs prior to regularisation: €40 x 230 x 228 days.	
41		International Protection Seekers Centres which mobilised in 2021	Tattonward Ltd. - St. Patricks, Monaghan	Amount paid from 28/01/21 - 23/02/21 - 27 days	291,060	Framework Contract commenced on 24/02/21. Non compliant costs prior to regularisation: €38.50 x 280 x 27 days.	
42		International Protection Seekers Centres which mobilised in 2021	Townbe Ltd. - Carraig Accommodation Centre	Amount paid from 25/01/21 - 15/02/21 - 22 days	114,138	Framework Contract commenced on 16/02/21 . Non compliant costs prior to regularisation: €43.50 x 130 x 22 days.	

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43		State Owned Centres for International Protection Seekers	Aramark - Management of State Owned Centres - Knockalisheen, Kinsale Road, Athlone.	2021	6,329,719	Granted contract following tender in 2016 tender EMS019C - Management of State Owned Centres. Contract was due to expire in November 2020. Two one year extensions to November 2022. White Paper transition team is considering future use of state owned centres.	
44		State Owned Centres for International Protection Seekers	OFM - Management of State Owned Centres - Atlas House Killarney, Atlas House Tralee, Johnson Marina, Park Lodge	2021	2,677,216	Granted contract following tender in 2016 tender EMS019C - Management of State Owned Centres. Contract was due to expire in November 2020. Two one year extensions to November 2022. White Paper transition team is considering future use of state owned centres.	
45		Transport - International Protection Accommodation	Brimwood Ltd. - Transport	2021	509,546	This covers all transport for Brimwoord Ltd. centres in 2021. These services were awarded without a competitive process taking place.	
46		Transport - International Protection Accommodation	M&A - Bus Transportation	2021	181,940	Tendered in 2017, 3 year contract starting 11/07/2017 - 11/07/2020. Letter of extension provided until 8 January 2021, now out of contract still providing services without a competitive process taking place.	
47		Transport - International Protection Accommodation	NXT - Taxi Transportation	2021	132,507	OGP initially contracted this company in 2018 for transport to and from Mount Street.	
48		Transport - International Protection Accommodation	Autoclass Hire - Transportation	2021	287,245	Emergency requirement for transporting residents with Covid-19 symptoms to isolation centres. Services contracted without a competitive process taking place. No contract in place currently.	
49		Other contracts/expenditure	Elis - Laundry Services at Travelodge Cork, Galway and Maldron Limerick	2021	165,505	Service is in place without a competitive process. Efforts underway to regularise this procurement.	
50		Other contracts/expenditure	Kelletts (Oldcastle) Ltd. t/a RESPA Beds	2021	27,855	Service is in place without a competitive process. IPPS mistakenly believed supplier was a member of an OGP Framework. Efforts underway to regularise this procurement.	
51		Other contracts/expenditure	Porterhouse Contracts Ltd.	2021	39,150		
52		Other contracts/expenditure	West Cork Distillers	2021	28,000	Hand sanitiser for accommodation centres was needed with very little notice and was in high demand due COVID-19 . IPPS now use Bunzl which is on OGP Framework.	
53		Other contracts/expenditure	Word Perfect	2021	44,657	Paid service to a provider that holds a contract with D/Justice. Efforts underway to regularise this procurement.	
54		Other contracts/expenditure	QTS	2021	51,066	QTS continue to carry out external inspections on our DP centres although no longer in contract. IPAS engaging with HIQA to replace QTS on external inspections.	
				Sub total International Protection	90,716,650		

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Finance						
55	Other contracts/expenditure - DCEDIY Financial Management System	Version1	01/01/2021 to 31/12/2021	101,905	Version1 provides the Department's Financial Management System software and support for same. Prior to 2020, the Department of Health provided IT support, including the FMS software, and managed the associated contract. As the Department's IT support moved from Dept. of Health to OGCIO in late 2019, DCEDIY became responsible for the contract in 2020. With the impending Financial Management Shared Service under development, it was decided not to undergo a procurement process but instead to renew the existing DCEDIY element of DoH contract on behalf of DCEDIY.	The contract for €101,905 was for the Financial Management System (FMS) software and support for same, which DCEDIY became responsible for, following the move of the Department's IT support from the Dept. of Health to the OGCIO. No action in terms of a renewed procurement process has been taken regarding this contract, as DCEDIY will be moving to the new Financial Management Shared Service system in due course. process but instead to renew the existing DCEDIY element of the Dept. of Health contract.
Mother and Baby Homes						
56	Other contracts/expenditure - Consultancy Fees re Mother and Baby Homes	OAK Conflict Dynamics	2021	35,355	In February 2021 an RFQ for less than €25k was issued for the management of a consultation process with former residents of mother and baby and county home institutions, however there was a significantly higher than anticipated response to the consultation process, with 444 written submissions received and seventeen online consultation meetings held to meet demand. This unexpected response meant that the final cost of this project exceeded the procurement threshold of €25,000 ex VAT.	The contract for €36,355 was for a report into the Mother and Babies Home. This was a once-off consultation process and, as such, there was no extension of the contract in question and no further procurement undertaken in respect of the issue. However, the Department has taken on board the learning from this process in terms of the potential requirement to factor in higher demand assumptions when planning for consultation processes. Since this particular consultation process, the Government has also approved proposals for an Advocate for Survivors and Former Residents of Institutional Abuse who will have a specific role in supporting systemic engagement and consultation with survivors and their advocates. The contract was fulfilled in February 2023.
			Sub total Non-International Protection	137,260		
			TOTAL	90,853,910		
I confirm that for all procurements (with the exceptions as set out above) appropriate national and EU procedures were followed, the contract prices were fair and reasonable and represented best value for money.						
	Signed: _____	Signed: _____				
	Accounting Officer	Accounting Officer				