

**Committee of Public Accounts Examination of the 2021 Appropriation Accounts.**

**Opening Statement of Kevin McCarthy, Secretary General, Department of Children, Equality, Disability, Integration and Youth.**

**16 February 2023.**

I want to thank the committee for this invitation to attend to further assist its examination of the 2021 Appropriation Account of the Department of Children, Equality, Disability, Integration and Youth.

I am accompanied by my colleagues Carol Baxter, Assistant Secretary, Sheenagh Rooney, Assistant Secretary, Laura McGarrigle, Assistant Secretary, Lara Hynes, acting Assistant Secretary and Toby Wolfe, Principal Officer. I am also supported by Gordon Gaffney, Principal Officer, Janice Witcombe, Principal Officer, Andrew Patterson, Principal Officer, Michael Thornhill, Principal Officer, Paula Quinn, Principal Officer and Aidan Madden, Assistant Principal.

In my opening statement I will give a very brief overview of the main features of the Vote. The more detailed briefing material supplied in advance of the meeting provides a fuller picture of the work of the Department and its expenditure in 2021.

As the committee is aware, the Covid-19 pandemic continued to impact on how we delivered services in 2021 and required ongoing responses and supports in adapting to public health restrictions while continuing to deliver on our objectives to enhance the lives of children and young people, adults, families and communities; to recognise diversity and to promote equality of opportunity.

The total provision for the Vote in 2021 was €1.923 billion which included capital carryover of €4.1 million. The current expenditure allocation was €1.887 billion, with a further €36.1 million allocated for capital expenditure (including capital carryover). The net allocation for the Vote was €1.884 billion when Appropriations in Aid of €39.1 million is taken into account. The final outturn for the Vote in 2021 was €1.785 billion, with a surplus of €98.5 million of which €3.2 million was deferred as capital carryover to 2022, leaving a total to be surrendered at year end of €95.3 million. Three spending areas represented almost 90 per cent of the overall Vote spending in 2021, namely Tusla, the Child and Family agency; Early Learning and Childcare; and International Protection Seekers Accommodation.

Covid-19 impacted on spending across a number of areas of the Vote. In Quarter 1 of 2021, the ECCE Programme was suspended and access to other early learning and childcare services were restricted to children of essential workers and children experiencing disadvantage. For the remainder of 2021, there was a reduced demand for early learning and childcare owing to changes in parental working arrangements and other Covid-19 related issues. This led to savings across all early learning and childcare funding programmes - ECCE, AIM and the National Childcare Scheme – and an underspend of €46.7m, or 7% of the allocation of €640.2 million for Early Learning and Childcare.

The impact of Covid-19 also contributed to an underspend of €27.2 million, or 12% of the 2021 provision of €218 million for International Protection Accommodation and related services costs. Restrictions on international travel resulted in lower than anticipated arrivals and demand for international accommodation in that year.

Towards the end of 2021, expenditure across the Vote, particularly in areas such as Early Learning and Childcare and International Protection Accommodation, started to rebound and as restrictions eased other areas on the Vote also started to return to normal patterns of spending.

2021 saw important progress on a number of important policy and legislative milestones for the Department including the announcement of major reforms to the funding model for early learning and childcare services, the publication of the National Action Plan for Childminding, the publication of an Action Plan for Survivors and Former Residents of Mother and Baby Homes, the publication of the White Paper to End Direct Provision, the signing into law of the Gender Pay Gap Information Act 2021, and important progress on a number of Bills which have since been completed and enacted in respect of Assisted Decision-Making Capacity, Birth Information and Tracing and Institutional Burials, to name some of the highlights.

In referencing the area of international protection, I am conscious of the particular interest that the Committee has expressed in the areas of expenditure on international protection and emergency accommodation.

The State is currently accommodating over 77,000 international protection applicants and beneficiaries of temporary protection, made up of 19,741 international protection applicants and over 57,500 from Ukraine. This time last year, there was a total of 7,500 people in international protection accommodation. Meeting this ten-fold increase in the overall numbers accommodated has involved huge operational challenges over the course of the last year.

All of the accommodation capacity within the International Protection Accommodation Service (IPAS) system is currently being used. Intensive efforts are being undertaken daily by staff in the Department to source emergency accommodation. However, procuring enough bed space to keep pace with incoming arrivals remains extremely challenging. This is particularly so in the case of accommodation for single males.

This has now entered an extremely difficult phase, with insufficient new accommodation for international protection applicants at scale available in the short term to medium term, and a number of IP accommodation contracts coming to a close.

The overflow facility at the Citywest Transit Hub has reached capacity and it became necessary to pause arrival of new international protection applicants (IPAs) into the overflow facility at Citywest from 24 January. Since the paused entry, the total number of IPAs who were unable to be accommodated stands at 187 people as of 14 February. This situation remains under close review.

Due to the sheer scale and urgency of need, it inevitably means that emergency accommodation for those seeking refuge must be occupied on a faster timeline than would otherwise be the case, limiting the time window for advance communication with communities. The Department is aware of the need to address information deficits in these circumstances and we are committed to working with elected representatives, local authorities and local communities in this regard to ensure that local dialogue is fact based and to counter misinformation that is used in some instances to generate fear and resistance.

I know that the Committee is also well aware of the related accommodation pressures associated with our humanitarian response to the war in Ukraine. Some 57,500 people have been provided with accommodation here since the temporary protection directive came into effect following the outbreak of the war. This is the largest mobilisation of humanitarian support in the history of the State.

The accommodation response has involved the contracting and activation of serviced accommodation across hotels, B&Bs, guesthouses and hostels, self-catering accommodation, re-purposed and refurbished buildings, the use of sports centres and arenas, scouting facilities, properties offered by religious and voluntary bodies, student accommodation, military facilities, temporary tented facilities and emergency rest centres as well as pledged accommodation in people's homes or second properties. Specific planning exemptions have been used to facilitate the use of re-purposed office buildings and rapid build homes as part of the overall response. There are now in excess of 700 accommodation provider contracts in operation as part of this broad national effort.

This provision of immediate shelter is part of an all of Government humanitarian response to the needs of people arriving from Ukraine. We are continuing to work closely with colleagues across Government in addressing the challenges associated with the scale of response that has been mobilised, in identifying risks to future accommodation supply and in addressing any policy considerations associated with our approach. We are very grateful to the communities across Ireland who have given their support to this national effort.

The overall requirements of this response, including the use of various forms of emergency accommodation, has had and will continue to have a significant impact on costs in 2022 and 2023 as the Department continues to deal with the challenges of providing safety and shelter for those seeking International Protection here and those fleeing the war in Ukraine.

Finally chairman, I would again like to take this opportunity to thank all of my colleagues in the Department, and our partner agencies and providers, for the enormous contributions they have made in sustaining delivery on so many our objectives during 2021 and since, in the face of unprecedented challenges.

I thank the Chairman and committee members for their attention and I look forward to taking your questions.