

Oireachtas Committee of Public Accounts.

The Annual Financial Statements and Accounts of the Child & Family Agency (Tusla) 2022.

Opening Statement

Ms. Kate Duggan

Chief Executive Officer

Child & Family Agency (Tusla)

29th February 2024.

Deputy Stanley, thank you as Chair and the Committee for the invitation to appear before you today.

I am joined here today by my colleagues Pat Smyth, National Director of Finance and Corporate Services, Clare Murphy, National Director of Services and Integration (Interim), and Rosarii Mannion, National Director of People and Change.

It has been 18 months since we last had the opportunity to meet with you, and we are grateful once again for the opportunity to be here today. I know that you asked us here today to discuss Tusla's Financial Statements 2022 and also parenting programmes.

In advance of these items, we would like to give you a broader update on our work today in 2024, an important year, as we reflect on 10 years since the establishment of the Agency in 2014.

Over the past 10 years, the Agency has grown significantly, with a 100% increase in child protection and welfare referrals. We have expanded our preventative family support and educational support work and implemented new services in line with changing policy and legislation, such as the Birth Information & Tracing Service. We have developed innovative programmes to meet emerging challenges, such as COVID-19 and Cyber Attack, and significantly scaled services to respond to a 500% increase in Separated Children Seeking International Protection/Unaccompanied Minors, as result of the war in Ukraine and wider global movement. Throughout this period, our corporate functions have also matured and developed, and we have significantly increased our levels of legal and regulatory compliances.

We are grateful for the increasing investment in our services over this period, to an overall budget in 2024 of 1.1 billion euros, with 75% of that budget allocated to placements, grants, and commissioned community & voluntary services.

We are proud of the Agency's achievements to date, and of the positive work we have done with children, families, and communities all over Ireland.

However, we remain concerned in relation to the core challenges we face – an annual increase in referrals, the changing complexity of many of these referrals, issues around placement capacity (foster care, residential care, aftercare, emergency care, and special care), the recruitment and retention of social workers and social care workers, and the increasing demand across all our community services.

Over the last 18 months, through our Alternative Care Strategies, we have scaled up significantly, with the provision of an additional 131 extra beds and the purchase of nine properties, however as a result of the ever-increasing demand, we remain challenged to source appropriate placements for children and young people, particularly those with complex presentations, or those in an emergency.

One area of particular focus for us currently is that of Special Emergency Arrangements (SEA's). Where a shortfall in capacity means a regulated emergency placement or a placement in statutory, community & voluntary, or private care services (Foster Care/Residential Care) is not available, a Special Emergency Arrangement is required to ensure an immediate place of safety for a young person.

These are unregulated placements, mostly in rented accommodation, apartments, and houses, with staffing from third party providers.

While these account for a very small number of the totality of the children in our care, the oversight of SEAs and the provision of additional registered and regulated placements is a priority for Tusla at all levels in the Agency, our Board and Department.

As many commentators have already observed in the past year, Tusla cannot solve all these challenges alone, and significant interagency and cross Governmental cooperation is required to ensure that we are meeting the needs of children and young people. We particularly welcome two developments in recent weeks. Firstly, the establishment by Minister

O’Gorman, of an interagency group, on an administrative basis, to oversee an interagency and cross governmental response to children known to, or in the care of Tusla. Secondly, the joint commitment articulated by me as CEO of Tusla & the CEO of the HSE to the full implementation of the Joint Protocol for Children with Complex needs, specifically that disagreement over resource allocation would not prohibit child centred decisions.

As we look ahead, our Reform programme continues at pace, and our Corporate Plan 2024-2026 outlines our comprehensive roadmap to the on-going implementation of this reform, to ensure efficiency, equity and consistency in the services we provide, that children, families, and individuals receive the right service at the right time, that our staff feel supported and valued and that we are a trusted and respected public service.

We anticipate that service demand and complexity will increase, and additional investment in capital and revenue will be required in the coming years to keep pace with this demand. We look forward to further strengthening interagency working, with the support of cross-government departments, to better meet the needs of children and young people in our care, with more complex needs, particularly those with disability, mental health, addiction, or involvement with the youth justice system.

Chair, thank you for your time and I am happy to answer any questions you may have.

Tusla Briefing Document - Oireachtas Committee of Public Accounts.

“The Annual Financial Statements and Accounts of the Child & Family Agency (Tusla) 2022.”

[Tusla Annual Report FS 2022.pdf](#)

2022 Summary

- In 2022, the Agency managed **82,855** referrals to Child Protection and Welfare Services.
- There were **5,755** children in care at the end of 2022, 89% of whom were in foster care.
- **26,792** children received a family support service in 2022.
- **2,949** young adults were in receipt of aftercare services at the end of 2022.
- In the 2021/2022 academic year, TESS (Tusla Education Support Service) worked with **6,199** children.

2022 marked a significant milestone in the Agency’s Structural Reform Programme, with the formal establishment of the new Executive Management Team and the introduction of a new regional structure, led by newly appointed Regional Chief Officers, which saw the creation of two new Tusla Regions, bringing the total number of Tusla Regions to six.

Some key accomplishments in 2022 include migrating the Tusla IT infrastructure to its own secure network called TuslaIRL and developing the Tusla Case Management (TCM) system. TCM provides a comprehensive view of each child and supports the integration of several services, and in doing so improves the speed and quality of our service delivery.

In 2022, with the outbreak of war in Europe, this led to an increase in people seeking protection in Ireland, including unaccompanied young people. This, coupled with other complex issues facing children and families in Ireland, led to increased demand for services and support. Like other social service agencies in Europe, Tusla faced challenges in recruiting and retaining suitably qualified and experienced staff. To address this, Tusla launched a People Strategy in July 2022 with clear actions in its lifetime to attract and retain experienced individuals through an agile work environment.

Financial Statements for 2022

- In 2022 the Agency received €964 million in funding. The majority of this funding is from the Department of Children, Equality, Disability, Integration and Youth. The Department of Education provided funding of just over €44 million for Tusla Education Services (TESS) in 2022.
- The Audit of the 2022 financial statements was completed by the C&AG and a clean audit certificate was signed off on 15th of June 2023.

- The Agency has a comprehensive system of internal controls, and these are overseen by the Board. The Statement on Internal Control which is incorporated into the Annual Financial Statements report sets out the framework within which internal controls operate. The Statement on Internal control also sets out the key areas of weakness that the Agency is focused on and significant progress has been made in mitigating the risks that are presented.
- The Comptroller and Auditor General draws attention each year to the area of non-compliant procurement which in 2022 amounted to a figure of €5.4 million (€5.4m in 2021). This represents 2.0% (2021 2.4%) of the overall non pay procurable spend in 2022. In line with previous requests from the PAC, we provide a detailed breakdown of this in Appendix 1. The Agency is committed to the regularisation of these contracts and significant work is being undertaken to regularise these contracts for 2024. The Agency has undertaken significant procurement projects in 2022 which has continued into 2023 to ensure that the Agency achieves best value for money across all of its areas of expenditure.

Appendix 1

Non-compliant procurement contracts for the period 2022 was in the amount of €5.4m (excluding VAT).

Tusla had a total procurable spend of €266m (excluding VAT) in 2022 of which €5.4m was reported as non-compliant with procurement regulations, while the value of non-compliant expenditure remained the same in 2022, the value of procurable expenditure increased by €44m in 2022 leading to an overall reduction as a percentage of procurable expenditure, comparative figure for 2021 are set out in the table below.

The Non-Compliant report below sets out the details of these non-complaint procurement contracts.

Category of Non-Compliant Expenditure	2022	2021
Total	€5.4m	€5.4m
Procurable Expenditure	€266m	€222m
As % of Procurable Expenditure	2.03%	2.40%

The Agency continues to improve the procurement processes to support compliance with procurement regulations as set out in the 2016 Irish Regulations (EU Directive 2014/24). As part of governance requirements, the Agency adopts the Code of Practice for the Governance of State Bodies (2016) in ensuring that it is compliant with legislation and continues to strive in achieving the best value for money together with ensuring that the internal policies and procedures are consistent with the Office of Government Procurement (OGP) guidelines when purchasing with taxpayers' monies.

There was a number of key procurements completed during 2022 where contracts were awarded which represent a significant portion of Tusla's annual procurable expenditure €30m and a further €10.81m of contracts awarded in 2023:

2022

Service Type	Contract Awarded Annual Amount
Private Foster Care Services	€23m
ICT	€3.9m
Emergency Respite Services	€2.2m
Leadership Academy	€0.5m
Estates Building Conditions Surveys	€0.3m
IFMS Support	€0.2m
Media and Advertising	€0.1m
Total	€30.2m

2023

Service Type	
Childrens Residential Services (SCSIP)	€4.8m
Cleaning Services	€1.7m
ICT (7 contracts awarded in total)	€2.4m
Heat, Light & Power	€0.3m
Legal – SCSIP	€0.2m
Estates – Fire Safety	€0.13m
Tax Consultancy and Advisory Services	€0.06m
Access Control System – CRS	€0.02m
Interpreters Fees	€1.2m
Total	€10.81m

2024 Key Procurement tenders (subject to change)

Tusla will be going to the market in 2024 regarding the following, total €158.6m

- Security Services - €1.2m
- Private Residential Services - €139.2m
- Legal services - €11.6m
- Mediation skills training - €0.6m
- Therapies and Psychology - €6m

As most of the Agency's purchases relate to children and family services, which are complex in nature and not straight forward in awarding a contract, senior management have continued to prioritise and address high risk service areas of procurement.

The Agency acknowledges that there are continuing issues with procurement compliance and will continue to monitor processes and will focus on solving the following challenges over the next three years of our Corporate Plan. The Agency has identified procurement as one of the services that will be managed by local Regions in order to improve compliance and support local businesses.



Non Pay Expenditure

Dept of Finance Circular 40/02

Reports

Non - Compliant

Year Ending

2022

Contracts entered into without a competition 40/02 2022 Report (excl. Vat)

Non-Compliant

Category of Expenditure / Vendor Name	Y/E 2022 Total	Description of Services
Cleaning	1,363,052	
DERRYCOURT COMPANY LTD	579,561	Business requirement for the Agency's properties
BIDVEST NOONAN	335,274	Business requirement for the Agency's properties
ISS FACILITY	146,547	Business requirement for the Agency's properties
EVANS CLEANING SERVICES LTD	108,381	Business requirement for the Agency's properties
MCC CLEANING SERVICES LTD	66,824	Business requirement for the Agency's properties
MEATH CLEANING SUPPLIES LTD	39,592	Business requirement for the Agency's properties
GROSVENOR CLEANING SERVICES	32,061	Business requirement for the Agency's properties
MAYBIN SUPORT SERVICES	27,987	Business requirement for the Agency's properties
ALFIE OSULLIVAN T/A CITY CLEAN	26,827	Business requirement for the Agency's properties
Security	1,025,170	
G4S SECURE SERVICES IRELAND LTD	363,876	Security/Alarms/Mobile Patrols
KENNEDY SECURITY AND CONSULTANCY	285,564	Security/Alarms/Mobile Patrols
SRMI RISK MANAGEMENT LTD	162,898	Security/Alarms/Mobile Patrols
MANGUARD PLUS LTD	128,348	Security/Alarms/Mobile Patrols
G4S SECURE SOLUTIONS IRE LTD	48,419	Security/Alarms/Mobile Patrols
PROVINCE 5 SECURITY LTD	36,064	Security/Alarms/Mobile Patrols
Agency	713,233	
LINCOLN RECRUITMENT	350,148	Health, Social Care Professional & Admin Agency staff
CPL SOLUTIONS	333,717	Fee for Admin Agency Staff
PREMIER RECRUITMENT INTL	29,368	Admin agency staff
Professional Consultancy	447,592	
RSM IRELAND	252,274	Project Douglas. All fees relate to a single complaint investigation which had 82 parts
LYNNE PEYTON	81,873	ACTs service. Learning & Development via Directorates
CHRISTINA ENRIGHT	47,619	Attachment training & child & family Trauma
CLANWILLIAM INSTITUTE	39,000	DNE: Personal, Relationship, Family Consultancy
KPMG	26,827	Tusla Management & Leadership Development Programme from April/June 2022
Transport	324,781	
LETTERKENNY CABS	85,894	Service Users transport services
DERMOT DOWDALL	47,599	Service Users Taxis/Minibuses
MIGHTY CABS LTD	47,015	Service Users transport services.
A1 LAOIS TAXIS LTD	34,241	Service Users transportation
AL FALCONERS LTD	32,325	Service Users taxi transportation
CASTLE CABS	27,060	Service Users taxi transportation
SPELLMAN HACKNEY SERVICES	25,369	Service Users taxi transportation
LIAM DAVITT	25,278	Service Users taxi transportation

Category of Expenditure / Vendor Name	Y/E 2022 Total	Description of Services
Heat Light & Power	314,401	
ELECTRIC IRELAND	268,287	Commercial Electricity
AIRTRICITY	46,114	Commercial & domestic electricity
Building Main/Repair	273,991	
LMC FM LTD	123,649	Preventative Maintenance - general repairs Building Main/Repair Services
PRECISION BUILDING SERVICES	113,273	Residential maintenance people in Ballydowd , SCU, Crannog & Coovagh
MASTERFIRE LIFE SAFETY SYSTEMS LTD	37,069	Maintenance supplies/services maintenance security Office supplies. Residential: Fire alarms
Records & Documents Management	264,880	
IRON MOUNTAIN	191,469	Archiving, Removal, Storage
HAGENS LTD T/A OASIS GROUP	45,784	Archiving, Removal, Storage
TOWER DOCUMENT STORAGE LTD	27,627	Archiving, Removal, Storage
Education & Training	222,693	
CIRCLE OF SECURITY INTERNATIONAL	78,614	Fostering Team: Online COSP Facilitator Training. National Operations: Training needs analysis.
ANNA FREUD CENTRE	40,426	ACTS: AMBIT Supervision Package
SAFETY SOLUTIONS	40,165	Health & Safety training. Fire Safety and Manual Handling
EXECUTIVE COACHING SOLUTIONS	37,289	Mentoring, Leadership & Exec.Coaching qualifications
GAIL G BOVENIZER	26,200	CYPSC - Infant Massage Training Courses
Facilities	179,413	
ACACIA FACILITIES MANAGEMENT LTD	112,840	Facility management fees for Brunel
STARRUS ECO HOLDINGS	41,435	Domestic House Waste
THORNTONS RECYCLING CENTRE	25,138	Domestic House Waste
ICT Group	150,969	
XEROX IBS LTD	49,976	Historical ICT solutions throughout the Agency.
DIGI NET BUSINESS SOLUTIONS	43,098	Printers, services call outs, supplies, etc.
ONNEC IRELAND LTD	31,398	Printers, services call outs, supplies, etc.
HARVEY NORMAN	26,498	Lap Tops in Aftercare. Barnahus
Courier	96,619	
DHL	96,619	Courier Services
Furniture	47,245	
FARRELL BROTHERS ARDEE LTD	47,245	Furniture: desks/chairs, etc.
Grand Total	5,424,040	