

Vote 40

Department of Children, Equality, Disability, Integration and Youth (DCEDIY)

**Select Committee
Supplementary Estimate 2023
28 November 2023**

Opening Remarks by the Minister for Children, Equality, Disability, Integration and Youth

Chairman,

I want to thank the Committee for making time available today to consider this second Supplementary Estimate for the Children, Equality, Disability, Integration and Youth Vote.

In October, I sought and received €1.090 Billion of additional funding by way of an initial Supplementary Estimate. The funding utilised the remaining balance available for non-core (contingency) funding as provided under the 2023 Government expenditure ceiling and was split between Ukraine (€0.871 Billion) and International Protection Accommodation Services (€0.219 Billion).

This second supplementary addresses cost overruns of €223.1 Million for this year - including €20.5 Million in relation to the WRC pay agreement and double payments on Foster Care, the Blind Welfare allowance and the Monthly Mobility Allowance Payment. Offsetting savings of €52.1m are also forecast across various subheads i.e. principally Early Years and Pay. This brings the overall value of the Supplementary Estimate to €171 Million.

The need for this second supplementary occurs principally due to cost pressures associated with the growing demand for services being provided by Tusla the Child and Family Agency and the HSE as well as the continuing demands associated with the Ukraine response and International Protection arrival numbers. Pressures are also arising in respect of the Adoption Authority of Ireland and the Asylum, Migration and Integration Fund.

I will now turn to the various components of the supplementary.

In respect of Tusla there is a forecast supplementary requirement of €84.1 Million.

Tusla is dealing with very significant and increasing service demands in 2023. The lack of available residential placements from all legacy providers i.e. Statutory, Private and Community and Voluntary sector respectively, means that there is huge reliance on the more costly Special Emergency Arrangements (SEA) to provide accommodation and staff to care for high risk and emergency placements.

Tusla has experienced significant growth in service demand, particularly in the area of Separated Children Seeking International Protection (SCSIP). As of 15 October, Tusla had 203 children in SEA arrangements. Over the course of twelve months, there has been a 244% increase in number of SEAs, predominantly driven by the need for such placements for these separated children.

In addition to the service demands, the supplementary requirement of €84.1 Million includes

- €4.18 Million in relation to the 2023 costs of the WRC settlement in relation to pay adjustments and
- €1.8 Million relating to the Foster Care double payment in 2023.

Specialist Community Based Disability Services, which are delivered directly by the HSE, or through service level arrangements with Section 38, Section 39, and for-profit providers, are also experiencing pressure at this time.

The Department is forecasting a supplementary requirement in this area of €112.5 Million. This is made up of a service delivery requirement of €98 Million, a further €14.2 Million in respect of the recent WRC negotiated settlement and €0.37 Million relating to double payments for the Blind Welfare allowance and the Monthly Mobility Allowance Payment respectively. The service delivery requirement of €98 Million incorporates a transfer of funding from the Department of Health of €27 Million.

The main drivers of the service delivery requirement of €98 Million are in the areas of Residential Services at €66m, Agency and overtime at €22m and other smaller areas at €10m.

Cost pressures are also being felt in respect of IPAS and Ukraine and the Adoption Authority and the Asylum Migration and Integration Fund, but to a lesser extent. In contrast, there are savings across a number of areas of my Department with the largest of these in respect of the Department's payroll budget at €11m, in the Early Learning and Childcare and School Age Childcare budget at €20m. Savings are also occurring on the Mother and Baby Institution programmes and schemes as work continues to fully implement the recommendations of the Commission.

In addition, I am also presenting a request for a Supplementary Estimate for €0.224 million on Vote 25 in relation to The Irish Human Rights and Equality Commission (IHREC). The majority of this relates to legal casework costs of €158k. The balance relates to ICT expenditure at €27k and payroll matters at €39k.

I would note to the Committee that officials from my Department and DPENDR have been monitoring and continue to monitor the expenditure and allocation to the Department by way of fortnightly meetings since the start of the year and I bring a memo to Government on a quarterly basis, in respect of my Department's expenditure position.

In conclusion, I recommend these supplementary estimates for the Children, Equality, Disability, Integration and Youth Vote and The Irish Human Rights and Equality Commission Vote to the Committee, and I am happy to address any questions you may have.