

## **Appropriation Account 2021**

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### **Vote 40**

**Children, Equality, Disability,  
Integration and Youth**

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## Introduction

As Accounting Officer for Vote 40, I am required each year to prepare the appropriation account for the Vote, and to submit the account to the Comptroller and Auditor General for audit.

In accordance with this requirement, I have prepared the attached account of the amount expended in the year ended 31 December 2021 for the salaries and expenses of the Office of the Minister for Children, Equality, Disability, Integration and Youth, for certain services administered by that Office and for payment of grants.

The expenditure outturn is compared with the sums granted by Dáil Éireann under the Appropriation Act 2021, including the amount that could be used as appropriations-in-aid of expenditure for the year.

A surplus of €95.312 million is liable for surrender to the Exchequer.

The Statement of Accounting Policies and Principles and notes 1 to 6 form part of the account.

In 2021, there was a change in relation to the composition and responsibilities of the Department. The change related to funding in respect of Tusla Education Support Services (TESS) and Alternative Education Assessment and Registration Service (AEARS). Expenditure and responsibilities in respect of these areas transferred to the Department of Education effective from 1 January 2021.

In addition, responsibility for and funding of the Balance for Better Business initiative transferred to the Department of Enterprise, Trade and Employment with effect from 1 January 2021. Responsibility for this initiative had previously transferred to the Department of Children, Equality, Disability, Integration and Youth (DCEDIY) as part of the transfer of functions from the Department of Justice in 2020.

## Statement of Accounting Policies and Principles

The standard accounting policies and principles for the production of appropriation accounts as set out by the Department of Public Expenditure and Reform in circulars 1 and 9 of 2022 have been applied in the preparation of the account except for the following.

### ***Depreciation***

Assets are depreciated annually on a straight-line basis over their estimated useful life, with a full year's depreciation charged in the year of purchase and none in year of disposal.

The Oberstown Children Detention Campus is vested in the Minister and is included in capital assets as land and buildings. Buildings are depreciated at a rate of 2% per annum on a straight line basis over their estimated useful life. Land is not depreciated. Motor vehicles are depreciated over five years at a rate of 20% per annum.

### ***Payments to Pobal***

Funds are advanced to Pobal in relation to the provision of certain services on an agency basis. Funds not required (e.g. due to lower than anticipated demand) are returned by Pobal to the Department. The net amount advanced to Pobal in the year is charged against the relevant vote subheads in the year (see note 6.1).

## **Statement on Internal Financial Control**

### ***Responsibility for system of internal financial control***

As Accounting Officer, I acknowledge my responsibility for ensuring that an effective system of internal financial control is maintained and operated by the Department.

This responsibility is exercised in the context of the resources available to me and my other obligations as Secretary General. Also, any system of internal financial control can provide only reasonable and not absolute assurance that assets are safeguarded, transactions authorised and properly recorded, and that material errors or irregularities are either prevented or would be detected in a timely manner. Maintaining the system of internal financial controls is a continuous process and the system and its effectiveness are kept under ongoing review.

### ***Shared services***

Certain services are provided to the Department on a shared services basis.

I have fulfilled my responsibilities in relation to the requirements of the service level agreements between this Department and the Department of Health for the provision of ICT shared services, and the National Shared Services Office for the provision of HR and payroll shared services. I have also fulfilled my responsibilities under public financial procedures regarding the IT services provided by the Department of Justice in respect of the Oberstown Children Detention Campus.

I rely on a letter of assurance from the Accounting Officers of the Department of Health and the National Shared Services Office that the appropriate controls are exercised in the provision of shared services to this Department. The Director of Oberstown Children Detention Campus also holds a letter of assurance from the Head of Information Management and Technology in the Department of Justice for the provision of ICT services.

### ***Agency services***

Pobal administers a number of programmes on behalf of the Department across a range of early years and youth related programmes. In 2021, net funding of €602 million was advanced to Pobal in this regard (note 6.1).

The relationship between the Department and Pobal is governed by an overarching service level agreement (SLA) which forms the general understanding of the purpose, context, objectives, terms and conditions of the relationship between both parties. A review of the SLA took place in 2021, with a revised SLA agreed between Pobal and the Department, in accordance with the specified process agreed between the two parties. The duration of the current agreement is until 31 December 2022. A letter of comfort has been issued to Pobal acknowledging the current review of the operating model within the Early Learning Care and School Age Childcare (ELC/SAC) and the potential impact of the outcome of review and its proposed recommendations. In this regard it is intended to extend the current SLA until 31 December 2024 to ensure that Pobal can continue to engage the requisite staff and external contract services required to support the sector while the implementation of recommendations from the review takes place.

### ***Financial control environment***

I confirm that a control environment containing the following elements is in place.

- Financial responsibilities have been assigned at management level with corresponding accountability.
- Reporting arrangements have been established at all levels where responsibility for financial management has been assigned.
- Formal procedures have been established for reporting significant control failures and ensuring appropriate corrective action.
- There is an Audit Committee to advise me in discharging my responsibilities for the internal financial control system.
- Procedures for all key business processes have been documented.
- There are systems in place to safeguard the assets.
- The senior management of the Department sign off on financial control assurance statements in relation to their individual areas of responsibility. These statements are available to me as Accounting Officer in finalising the appropriation account.

### ***Administrative controls and management reporting***

I confirm that a framework of administrative procedures and regular management reporting is in place, including segregation of duties and a system of delegation and accountability, and in particular, that

- there is an appropriate budgeting system with an annual budget which is kept under review by senior management
- there are regular reviews by senior management of periodic and annual financial reports which indicate financial performance against forecasts
- a risk management system operates within the Department
- there are systems aimed at ensuring the security of the ICT systems
- there are appropriate capital investment control guidelines and formal project management disciplines are in place.

### ***Internal audit and Audit Committee***

I confirm that the Department has an internal audit function with appropriately trained personnel and operates in accordance with a written Charter which is approved by the Accounting Officer. Its work is informed by analysis of the risks to which the Department is exposed and its annual audit plans, which are approved by me, are based on this analysis. These plans aim to cover the key controls on a rolling basis over a reasonable period. On a periodic basis I meet with the Head of Internal Audit and also with the Chair of the Audit Committee. The minutes and annual report of the Audit Committee are considered by the Department's Management Board.

The Head of Internal Audit (HIA) is a professional accountant and has a staffing complement of two Higher Executive Officers and two Executive Officers. In addition to the permanent staffing, the audit function is supported by audit services provided by an external contractor. Audits are conducted to Department of Public Expenditure and Reform and Chartered Institute of Internal Auditors (DPER/CIIA) standards. In addition to its ongoing duties, Internal Audit has been designated by the Minister for Children, Equality, Disability, Integration and Youth as the Audit Authority for the Asylum, Migration and Integration Fund (AMIF). The internal audit function is reviewed periodically by me and by the Audit Committee. The function was subject to an external quality review in February 2020 by the CIIA and the conclusion was that it "achieved a high degree of general conformance to the standards".

The internal audit plan for 2021 was approved by the then Accounting Officer on 9 February 2021.

During 2021 internal audit issued nine reports. On no occasion was a 'no assurance' or a 'limited assurance' audit opinion made.

I confirm that there are procedures in place to ensure that the reports and recommendations of the internal audit function are appropriately followed up.

### ***Procurement compliance***

I confirm that 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. The Department has provided details of non-competitive contracts in the annual return in respect of circular 40 of 2002 to the Comptroller and Auditor General and to the Department of Public Expenditure and Reform. The Department complied with the guidelines with the exception of:

- 54 contracts with a combined value of €90,716,650 relating to the provision of international protection accommodation
- one contract with a value of €35,355 related to the Commission of Investigation into Mother and Baby Homes
- one contract with a value of €101,905 regarding the software and support for the Department's financial management system.

The Department has taken significant steps to address the issue of non-compliant procurement in relation to International protection accommodation services. However, due to the lengthy discussions with the Chief State Solicitor's Office (CSSO) to develop a bespoke accommodation panel agreement for the provision of accommodation services and related services for persons seeking international protection in accordance with Regulations 74-77 of the European Union (Award of Public Authority Contracts) Regulations 2016 (SI 284/2016), the publication of the Official Journal of the European Union (OJEU) notice did not take place until January 2022.

### ***Risk and control framework***

The Department has a comprehensive risk management policy framework in place. Risk is overseen by a Risk Management Committee made up of all members of the Management Board. The Committee is chaired by me as Accounting Officer. Risk is formally reviewed on a quarterly basis by the Committee and on a monthly basis at individual unit level. The Minister is briefed on corporate risk on a regular basis.

The risk management system involves the identification of risk across the Department and the management actions being taken to address and, to the extent possible, to mitigate those risks.

The system is supported by a risk register which identifies key corporate and unit level risks facing the Department, each of which is identified, evaluated and graded according to their significance. The register details the controls and actions in place or to be taken to mitigate risk. The register is reviewed and updated by the Risk Management Committee on a quarterly basis.

The system is also supported by a risk appetite statement which is in place for the Department. While we are prepared to take controlled risks to capitalise on new opportunities and to find innovative ways of furthering our objectives, we will have no tolerance for risks which infringe on our operating procedures or regulatory requirements.

### ***Ongoing monitoring and review***

Formal procedures have been established for monitoring control processes, and control deficiencies are communicated to those responsible for taking corrective action and to management and the Management Board, where relevant, in a timely way. I confirm that key risks and related controls have been identified and processes have been put in place to monitor the operation of those key controls and report any identified deficiencies.

### ***Review of effectiveness***

I confirm that the Department has procedures to monitor the effectiveness of its risk management and control procedures. The Department's monitoring and review of the effectiveness of the system of internal financial controls is informed by the work of the internal and external auditors and the senior management within the Department responsible for the development and maintenance of the internal financial control framework.

### ***Internal financial control issues***

#### ***Early Years — compliance with programme rules***

Covid-19 continued to impact significantly on the operation of the various Early Learning and Care (ELC) and School Age Childcare (SAC) schemes, with desk-based compliance checks remaining in place throughout 2021, except for a period in quarter one when checks were suspended due to services either being closed or working with reduced capacity. It is acknowledged that desk-based compliance checks are limited as they are conducted off-site.

Where checks could not be conducted due to the limitations of the desk-based approach, self-declarations regarding adherence to scheme rules were sought. Despite the administrative limits associated with desk-based checks, and the additional compliance/verification activity arising from new funding schemes including the DCEDIY-led Temporary Wage Subsidy Childcare Scheme (TWSCS), desk-based compliance checks were ongoing through 2021 on all Covid-19 schemes. To date a total of circa €465,000 has been identified in overclaims under TWSCS, of which the majority has been recouped with the exception of €3,000 which remains outstanding at end August 2022.

In 2020, TWSCS preliminary payments were made to the sector to ensure continued funding which resulted in some excess funding, of which approximately €300,000 remains outstanding at end August 2022. Repayment plans are in place for €100,000 and €200,000 is deemed irrecoverable and will transfer to debtor management.

Compliance with programme rules for earlier funding schemes has been an area of concern, in some cases as a result of features of the original schemes. The National Childcare Scheme (NCS), introduced at the end of 2019, was designed to improve the overall position regarding governance and compliance of providers with scheme rules. Compliance checks on NCS commenced for the first time with desk-based checks in July 2021, and on-site compliance inspections commenced in November 2021.

For the 2021 calendar year, comprising parts of two programme years (2020/2021 and 2021/2022), 20 (24%) of the 82 NCS contracts inspected had non-compliance outcomes that had a financial impact. The overclaim rate as a percentage of the allocation inspected was 1.11%. All identified overclaims are earmarked for recoupment against future funding. The average number of non-compliances is just over two out of 28 checks per service with 80% of services having three or fewer instances of non-compliance. Following a non-compliance outcome under NCS, service providers are required to take rectification actions and to submit self-declarations of future compliance. 94% of services inspected in 2021 took the requisite rectification actions. Any service that did not rectify did not receive a programme support payment for the 2021/2022 programme year, by way of sanction.

The first review and evaluation of the NCS, after its first year, in line with the Childcare Support Act 2018, was completed and its findings published in December 2021.

In relation to desk-based inspections on the Early Childhood Care and Education Programme (ECCE), Community Childcare Subvention Plus (CCSP) Savers and Access and Inclusion Model (AIM) schemes, of the 192 conducted in 2021, 19% were found to be 'major non-compliant'. Compliance activity is focused on areas of risk so this level of major non-compliance may not be representative of the wider population. On-site compliance checks for ECCE, AIM and CCSP Savers recommenced in January 2022.

In terms of overall compliance, the Department is carrying out a review of the compliance framework, which includes an escalating series of sanctions and supports to improve services' compliance. This is a three year framework. While the original compliance framework was suspended due to the inability to conduct on-site revisits, all providers that remained on the framework and in contract following the 2019/2020 programme cycle were subject to a desk-based inspection under either the CCSP or Reopening Support Payment (RSP) schemes in the 2020/2021 cycle and further on-site inspection in 2021/2022. In 2021, an additional five services have been placed on the framework following unrectified non-compliance outcomes for the NCS.

Phase 2 of the review of the compliance framework is currently underway and significant developments over the course of 2021 have strengthened the effectiveness of the operation of the compliance framework including increased ease of tracking services that have been placed on the framework.

At the end of 2021, Pobal's debt management process recorded a debtor balance of approximately €3.9 million against all Departmental programmes. This included programmes other than the ELC and SAC schemes that were operated in that year, with approximately €3 million relating to historical capital projects dating back to the period 2000-2010. The Department and Pobal have reviewed the legacy debts and are in the final stages of recommending the next steps of the process, including identifying amounts that are considered to be irrecoverable. This debtor management process will conclude by establishing a set procedure for the future identification and treatment of debts as they emerge.

### ***ICT cyber-attack***

After the creation of this Department, the Department of Health (DoH) continued to provide ICT services to us. In December 2019, this Department removed most of its ICT services to the Build to Share (BTS) service provided by the Office of the Government Chief Information Officer (OGCIO). The service remaining on DoH infrastructure was the financial management system (FMS). In 2020, a project commenced to move this Department's FMS from DoH servers onto the servers of the OGCIO. This project had reached testing stage and was scheduled to be completed in the last quarter of 2021.

On Friday 14 May 2021, the Health Service Executive (HSE) was subjected to a serious cyber-attack, through the criminal infiltration of their IT systems (PCs, servers, etc.) using Conti ransomware <sup>1</sup>. The decision was taken in the HSE to shut down all HSE IT systems and disconnect the network from the internet, in order to contain and assess the impact of the cyber-attack.

Separately, DoH had already implemented mitigating measures from 13 May 2021, following notifications of detected activity from a security partner. In response to an attack on 14 May 2021, DoH shut down services as a precautionary and investigative measure.

<sup>1</sup> Conti cyber attack- on the HSE full report PWC



This immediately resulted in this Department losing access to the server on which the FMS was held. Therefore, the Finance Unit no longer had access to the system that was used to process and record payments on a daily basis as well as various financial reports.

To ensure appropriate controls operate in respect of payments made outside of the FMS, changed processes were devised and implemented for the period 21 May 2021 to 26 June 2021 after which the Department's FMS was housed on the OGCI0 servers and normal processes resumed.

### ***Covid-19 control issues***

The assessment of the impact of Covid-19 was an on-going focus of the senior management team and business units across the Department throughout 2021. The Covid-19 Response Management Unit (incorporating Facilities Management), established in 2020, continued to assess and manage the impacts of Covid-19 on the Department throughout 2021. The Department established a Covid Response Management Group in 2020 to oversee the Covid response in DCEDIY, which is chaired at Management Board level.

The Department maintains a listing of corporate risks which is reviewed by the Risk Committee on a quarterly basis. In 2020, a specific Covid-19 corporate risk was included to reflect the impact of Covid-19 on the ability of the Department, and bodies under its aegis, to continue to function as normal and to deliver essential services to children and families.

A programme of work continued throughout 2021 to facilitate and support the work of the Department:

- The Covid-19 Response Unit continued its work throughout 2021. The work of the Unit was guided by the Government's Work Safely Protocol published in 2021. The measures in place to prevent the spread of the Covid-19 virus were updated in line with revisions to the Government's Work Safely Protocol and other national guidance.
- All staff were supported to continue to work remotely. All new staff were equipped (ICT and furniture) to work from home. Arrangements were made to provide staff with remote ergonomic assessments to ensure their health and safety while working in their home workspaces. A small number of staff who did not receive remote ergonomic assessments in 2021 will be assessed in 2022.
- Attendance at the Department's offices was limited to a small number of essential staff, with strict protocols in place for such attendance. Staff who needed to attend the office on an ad hoc basis for essential business were facilitated.
- A bespoke DCEDIY Covid-19 training module was prepared and delivered to all staff in preparation for a return to the office.
- A safe, phased return to the office commenced in September 2021. However, this was curtailed due to the emergence of the Omicron variant.

- The Department was represented at various central committees chaired by the Department of the Taoiseach to oversee all Department responses to Covid-19, including the Senior Officials Group (which reports to the Cabinet Committee), Communications Group and Civil and Public Service Sectoral groups. The Department developed the DCEDIY Action Plan detailing impacts of Covid-19 on service delivery, backlogs/pent-up demand for DCEDIY sectoral areas for the Department of the Taoiseach in line with the governments Covid-19 Resilience and Recovery 2021 – The Path Ahead. Regular updates were also provided to the Department of the Taoiseach in relation to the COVID-19: Reframing the Challenge, Continuing Our Recovery and Reconnecting.
- Close contact was maintained with all bodies under the aegis of the Department, with the impact of Covid-19 on services assessed and response measures put in place or supported where required.
- The Management Board continued its oversight of the impact of Covid-19 on the Department and bodies under its aegis, and the Minister was kept fully informed.

**Kevin McCarthy**

Accounting Officer

Department of Children, Equality, Disability, Integration and Youth

22 September 2022

## **Comptroller and Auditor General**

### **Report for presentation to the Houses of the Oireachtas**

### **Vote 40 Children, Equality, Disability, Integration and Youth**

#### **Opinion on the appropriation account**

I have audited the appropriation account for Vote 40 Children, Equality, Disability, Integration and Youth for the year ended 31 December 2021 under section 3 of the Comptroller and Auditor General (Amendment) Act 1993.

In my opinion, the appropriation account

- properly presents the receipts and expenditure of Vote 40 Children, Equality, Disability, Integration and Youth for the year ended 31 December 2021, and
- has been prepared in the form prescribed by the Minister for Public Expenditure and Reform.

#### ***Basis of opinion***

I conducted my audit of the appropriation account in accordance with the International Standards on Auditing (ISAs) as promulgated by the International Organisation of Supreme Audit Institutions. My responsibilities under those standards are described in the appendix to this report. I am independent of the Department of Children, Equality, Disability, Integration and Youth and have fulfilled my other ethical responsibilities in accordance with the standards.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

#### **Report on the statement on internal financial control, and on other matters**

The Accounting Officer has presented a statement on internal financial control together with the appropriation account. My responsibilities to report in relation to the information in the statement, and on certain other matters upon which I report by exception, are described in the appendix to this report.

#### ***Non-compliance with procurement rules***

The Accounting Officer has disclosed in the statement on internal financial control that there was a significant level of non-compliance with national procurement rules in respect of contracts that operated in 2021.

#### ***Guardian ad Litem service – follow up report***

Chapter 13 of my report on the accounts of the public services for 2021 provides an update on developments in relation to the *Guardian ad Litem* service, which is funded from Vote 40.

**Seamus McCarthy**

Comptroller and Auditor General

23 September 2022

## Appendix to the report

### Responsibilities of the Accounting Officer

The Accounting Officer is responsible for

- the preparation of the appropriation account in accordance with Section 22 of the Exchequer and Audit Departments Act 1866
- ensuring the appropriation account complies with the requirements of the Department of Public Expenditure and Reform's *Public Financial Procedures*, and with other directions of the Minister for Public Expenditure and Reform
- ensuring the regularity of transactions, and
- implementing such internal control as the Accounting Officer determines is necessary to enable the preparation of the appropriation account free from material misstatement, whether due to fraud or error.

### Responsibilities of the Comptroller and Auditor General

I am required under section 3 of the Comptroller and Auditor General (Amendment) Act 1993 to audit the appropriation account and to report thereon to the Houses of the Oireachtas stating whether, in my opinion, the account properly presents the receipts and expenditure related to the vote.

My objective in carrying out the audit is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement due to fraud or error. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the appropriation account.

As part of an audit in accordance with the ISAs, I exercise professional judgment and maintain professional scepticism throughout the audit. In doing so,

- I identify and assess the risks of material misstatement of the financial statements whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- I obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal controls.
- I assess whether the accounting provisions of the Department of Public Expenditure and Reform's *Public Financial Procedures* have been complied with.

I communicate with the Accounting Officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I report by exception if, in my opinion,

- I have not received all the information and explanations I required for my audit, or
- the accounting records were not sufficient to permit the appropriation account to be readily and properly audited, or
- the appropriation account is not in agreement with the accounting records.

### Reporting on the statement on internal financial control

My opinion on the appropriation account does not cover the Accounting Officer's statement on internal financial control, and I do not express any form of assurance conclusion thereon.

In connection with my audit of the appropriation account, I am required under the ISAs to read the statement on internal financial control and, in doing so, consider whether the information contained therein is materially inconsistent with the appropriation account or with knowledge obtained during the audit, or if it otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement, I am required to report that fact.

### Reporting on other matters

I seek to obtain evidence about the regularity of financial transactions in the course of audit. I am required to report under section 3 of the Comptroller and Auditor General (Amendment) Act 1993 if I identify any material instance where public money has not been applied for the purposes intended or where transactions did not conform to the authorities governing them.

I am also required under the 1993 Act to prepare, in each year, a report on such matters arising from my audits of the appropriation accounts as I consider appropriate. In such cases, the certificates of opinion on the relevant appropriation accounts refer to the relevant chapter(s) in my annual *Report on the Accounts of the Public Services*.

## Vote 40 Children, Equality, Disability, Integration and Youth

### Appropriation Account 2021

		<b>2021</b>		<b>2020</b>
		<b>Estimate provision</b>	<b>Outturn</b>	<b>Outturn</b>
		<b>€000</b>	<b>€000</b>	<b>€000</b>
<b>Programme expenditure</b>				
A	Children and family support programme			
	<i>Estimate provision</i>	892,014		
	<i>Deferred surrender</i>	<u>1,812</u>		
		893,826	887,622	876,045
B	Sectoral programmes for children and young people			
	<i>Estimate provision</i>	730,256		
	<i>Deferred surrender</i>	<u>2,288</u>		
		732,544	680,612	600,685
C	Policy and legislation programme	36,681	28,896	27,621
D	An equal and inclusive society	30,128	26,634	19,530
E	A fair and efficient support system for international protection seekers	229,503	200,460	189,109
<b>Gross expenditure</b>				
	<i>Estimate provision</i>	1,918,582		
	<i>Deferred surrender</i>	<u>4,100</u>		
		<b>1,922,682</b>	<b>1,824,224</b>	<b>1,712,990</b>
<i>Deduct</i>				
F	<b>Appropriations-in-aid</b>	<u><b>39,121</b></u>	<u><b>39,175</b></u>	<u><b>35,646</b></u>
<b>Net expenditure</b>				
	<i>Estimate provision</i>	1,879,461		
	<i>Deferred surrender</i>	<u>4,100</u>		
		<b>1,883,561</b>	<b>1,785,049</b>	<b>1,677,344</b>

**Surplus**

The surplus of the amount provided over the net amount applied is liable for surrender to the Exchequer. Under section 91 of the Finance Act 2004, all or part of any unspent appropriations for capital supply services may be carried over for spending in the following year. €3.2 million in unspent allocations in respect of the capital elements of subheads A.3, A.4, B.5 and B.6 was carried forward to 2022.

	<b>2021</b>	<b>2020</b>
	<b>€</b>	<b>€</b>
Surplus	98,511,940	122,726,899
Deferred surrender	(3,200,000)	(4,100,000)
<b>Surplus to be surrendered</b>	<b><u>95,311,940</u></b>	<b><u>118,626,899</u></b>

**Kevin McCarthy**

Accounting Officer

Department of Children, Equality, Disability, Integration and Youth

31 March 2022

## Notes to the Appropriation Account

### Note 1 Operating Cost Statement 2021

		2021	2020
	€000	€000	€000
Programme cost		1,794,047	1,687,215
Pay		25,252	21,711
Non pay		4,925	4,064
<b>Gross expenditure</b>		<b>1,824,224</b>	<b>1,712,990</b>
<i>Deduct</i>			
<b>Appropriations-in-aid</b>		<b>39,175</b>	<b>35,646</b>
<b>Net expenditure</b>		<b>1,785,049</b>	<b>1,677,344</b>
<b>Changes in capital assets</b>			
Purchases cash	(524)		
Loss on disposals	—		
Depreciation	4,263	3,739	(246)
<b>Changes in net current assets</b>			
Increase in stock	(1)		
Increase in prepayments	(8,846)		
Increase in closing accruals	536	(8,311)	(7,054)
<b>Direct expenditure</b>		<b>1,780,477</b>	<b>1,670,044</b>
<b>Expenditure borne elsewhere</b>			
Net allied services expenditure (note 1.1)		5,997	6,050
<b>Net programme cost</b>		<b>1,786,474</b>	<b>1,676,094</b>

#### 1.1 Net allied services expenditure

The net allied services expenditure amount is made up of the following estimated amounts in relation to Vote 40 borne elsewhere.

		2021	2020
		€000	€000
Vote 9	Office of the Revenue Commissioners	30	38
Vote 12	Superannuation and Retired Allowances	2,126	1,825
Vote 13	Office of Public Works	3,129	3,751
Vote 18	National Shared Services Office	60	49
Vote 43	Office of the Government Chief Information Officer	581	355
Central Fund - ministerial pensions		71	32
		<b>5,997</b>	<b>6,050</b>

**Note 2 Statement of Financial Position as at 31 December 2021**

	<b>Note</b>	<b>2021 €000</b>	<b>2020 €000</b>
<b>Capital assets</b>	2.1	63,701	67,440
<b>Current assets</b>			
Bank and cash	2.2	35,669	31,979
Stocks		6	5
Prepayments	2.3	24,363	15,517
Other debit balances	2.4	349	246
<b>Total current assets</b>		<b>60,387</b>	<b>47,747</b>
<b>Less current liabilities</b>			
Accrued expenses	2.6	2,324	1,788
Other credit balances	2.5	5,051	2,652
Asylum Migration and Integration Fund	2.7	25,117	24,314
Net Exchequer funding	2.8	5,850	5,259
<b>Total current liabilities</b>		<b>38,342</b>	<b>34,013</b>
<b>Net current assets</b>		<b>22,045</b>	<b>13,734</b>
<b>Net assets</b>		<b>85,746</b>	<b>81,174</b>
<b>Represented by:</b>			
<b>State funding account</b>	2.9	<b>85,746</b>	<b>81,174</b>



**2.1 Capital assets**

	Land and buildings	Office equipment	Furniture, fittings and motor vehicles	Total
	€000	€000	€000	€000
<b>Gross assets</b>				
Cost or valuation at 1 January 2021	61,194	14,818	922	76,934
Additions	524	—	—	524
Cost or valuation at 31 December 2021	61,718	14,818	922	77,458
<b>Accumulated depreciation</b>				
Opening balance at 1 January 2021	5,911	3,208	375	9,494
Depreciation for the year	1,234	2,944	85	4,263
Cumulative depreciation at 31 December 2021	7,145	6,152	460	13,757
<b>Net assets at 31 December 2021</b>	<b>54,573</b>	<b>8,666</b>	<b>462</b>	<b>63,701</b>
Net assets at 31 December 2020	<b>55,283</b>	<b>11,610</b>	<b>547</b>	<b>67,440</b>

**2.2 Bank and cash**

at 31 December	2021	2020
	€000	€000
PMG balances	32,900	31,974
Other bank balances	2,769	5
	<b>35,669</b>	<b>31,979</b>

**2.3 Prepayments**

at 31 December	2021	2020
	€000	€000
International protection seekers costs	13,174	11,047
Pobal	10,659	4,106
Administration/operational	357	364
Research	173	—
	<b>24,363</b>	<b>15,517</b>

**2.4 Other debit balances**

at 31 December	<b>2021</b>	<b>2020</b>
	<b>€000</b>	<b>€000</b>
Advances to OPW	24	1
Recoupable salaries	76	121
Other debit suspense items	249	124
	<b>349</b>	<b>246</b>

**2.5 Other credit balances**

at 31 December	<b>2021</b>	<b>2020</b>
	<b>€000</b>	<b>€000</b>
<b>Amounts due to the State</b>		
Income tax	617	599
Pay related social insurance	449	412
Professional services withholding tax	54	61
Value added tax	54	36
Local property tax	6	6
Universal social charge	119	114
Payroll deductions held in suspense	—	210
	1,299	1,438
Extra exchequer returns	2,967	538
Other credit suspense items	785	676
	<b>5,051</b>	<b>2,652</b>

**2.6 Accrued expenses**

at 31 December	<b>2021</b>	<b>2020</b>
	<b>€000</b>	<b>€000</b>
International protection seekers costs	1,565	825
Refugee and migrant integration	197	246
Other programme accruals	244	439
Administration/operational	318	153
Dormant Accounts	—	125
	<b>2,324</b>	<b>1,788</b>

**2.7 Asylum Migration and Integration Fund**

at 31 December	<b>2021</b>	<b>2020</b>
	<b>€000</b>	<b>€000</b>
EU receipts	<b>25,117</b>	<b>24,314</b>

**2.8 Net Exchequer funding**

at 31 December	<b>2021</b>	<b>2020</b>
	<b>€000</b>	<b>€000</b>
Surplus to be surrendered	95,312	118,627
Deferred surrender	3,200	4,100
Exchequer grant undrawn	(92,662)	(117,468)
<b>Net Exchequer funding</b>	<b>5,850</b>	<b>5,259</b>
<b>Represented by:</b>		
<b>Debtors</b>		
Bank and cash	35,669	31,979
Debit balances: suspense	349	246
	36,018	32,225
<b>Creditors</b>		
Due to the State	(1,299)	(1,438)
Credit balances: suspense	(3,752)	(1,214)
Asylum Migration and Integration Fund	(25,117)	(24,314)
	(30,168)	(26,966)
	<b>5,850</b>	<b>5,259</b>

**2.9 State funding account**

	<b>Note</b>	<b>2021</b>	<b>2020</b>
		<b>€000</b>	<b>€000</b>
Balance at 1 January		81,174	63,917
Adjustment		—	9,912
Disbursements from the Vote			
Estimate provision	Account	1,883,561	
Deferred surrender	Account	(3,200)	
Surplus to be surrendered	Account	(95,312)	
Net vote		1,785,049	1,677,344
Expenditure (cash) borne elsewhere	1.1	5,997	6,050
Adjustment - net transfer of assets	2.1	—	45
Net programme cost	1	(1,786,474)	(1,676,094)
<b>Balance at 31 December</b>		<b>85,746</b>	<b>81,174</b>

**2.10 Commitments**

<b>Global commitments</b>	<b>2021</b>	<b>2020</b>
at 31 December	€000	€000
Procurement of goods and services	33,362	35,347
Capital	153	—
Non-capital grant programmes	—	10
<b>Total of legally enforceable commitments</b>	<b>33,515</b>	<b>35,357</b>

**2.11 Matured liabilities**

at 31 December	<b>2021</b>	<b>2020</b>
	€000	€000
Estimates of matured liabilities not discharged at year end	<b>1,972</b>	<b>1,534</b>

**2.12 Contingent liability**

The Department settled eight judicial reviews in December 2021. Legal costs for the applicants will be payable by the Department in 2022. The Department is currently unable to quantify the total liability to be settled.

The Department is involved in 48 legal cases that may generate liabilities depending on the outcome of the litigation. Any actual amount or the timing of potential liabilities is uncertain.

There are also five potential judicial reviews and 54 personal injury cases that may generate liabilities depending on the outcome of the litigation. Any actual amount or the timing of potential liabilities is uncertain.

There is potential for an estimated financial liability of €200,000 due to the late transposition of the Web Accessibility Directive (WAD) by Ireland. The estimated additional expenditure may be required to implement a plan submitted to the EU Commission in order to rectify Ireland's 2021 review shortfall.

### Note 3 Vote Expenditure

#### Analysis of administration expenditure

Administration expenditure set out below has been apportioned across the programmes, to present complete programme costings.

		<b>2021</b>		<b>2020</b>
		<b>Estimate provision</b>	<b>Outturn</b>	<b>Outturn</b>
		<b>€000</b>	<b>€000</b>	<b>€000</b>
i	Salaries, wages and allowances	32,025	25,252	21,711
ii	Travel and subsistence	471	126	102
iii	Training and development and incidental expenses	1,889	1,885	1,221
iv	Postal and telecommunications services	186	101	113
v	Office equipment and external IT services	1,648	952	1,025
vi	Office premises expenses	1,496	1,721	1,533
vii	Consultancy services and value for money and policy reviews	732	140	70
		<b>38,447</b>	<b>30,177</b>	<b>25,775</b>

#### Significant variations

The following outlines the reasons for significant variations in administration expenditure (+/- 25% and €100,000).

##### ii Travel and subsistence

*Estimate provision €471,000; outturn €126,000*

The underspend primarily relates to the disruption of normal business activities as a result of the ongoing Covid pandemic. Travel was curtailed throughout most of the year in line with public health guidance.

##### v Office equipment and external IT services

*Estimate provision €1.648 million; outturn €952,000*

A number of planned ICT projects due to take place in 2021 did not occur. This was due to delays in the tender process for business analysis services, required by the ICT Governance Board, in respect of projects for large public-facing digital applications. In addition, there were delays due to the challenges faced with the extraction of reliable data from outdated Lotus Note applications, as well as business units awaiting legislation enactment required for commencement of planned projects. There were also underspends as a result of the 'work from home' mandate in place for virtually all of 2021.

**vii Consultancy services and value for money and policy reviews***Estimate provision €732,000; outturn €140,000*

Expected spend on consultancy did not materialise during the year.

**Programme A Children and family support**

		<b>2021</b>		<b>2020</b>
		<b>Estimate provision</b>	<b>Outturn</b>	<b>Outturn</b>
		<b>€000</b>	<b>€000</b>	<b>€000</b>
A.1	Administration – pay	4,229	3,283	3,511
A.2	Administration – non pay	1,125	886	496
A.3	Child and Family Agency			
	<i>Estimate provision</i>	857,961		
	<i>Deferred surrender</i>	<u>1,482</u>		
		859,443	857,345	840,080
A.4	Youth justice – including Oberstown Children Detention Campus			
	<i>Estimate provision</i>	27,853		
	<i>Deferred surrender</i>	<u>330</u>		
		28,183	26,108	23,831
A.5	Guardian ad Litem Executive Office	845	—	127
A.6	Child and Family Agency Covid related supports	1	—	8,000
		<b>893,826</b>	<b>887,622</b>	<b>876,045</b>

**Significant variations**

The following outlines the reasons for significant variations in programme expenditure (+/-5% and €100,000). Overall, the expenditure in relation to Programme A was €6.204 million lower than originally provided.

**A.4 Youth justice – including Oberstown Children Detention Campus***Estimate provision €28.183 million; outturn €26.108 million*

The shortfall in expenditure of €2.075 million is mainly due to capital works being delayed with complications arising in part from Covid restrictions and precautions.

**A.5 Guardian ad Litem Executive Office***Estimate provision €845,000; outturn €nil*

Establishment of the Guardian ad Litem Executive Office was postponed.

**Programme B Sectoral programmes for children and young people**

		<b>2021</b>		<b>2020</b>
		<b>Estimate provision</b>	<b>Outturn</b>	<b>Outturn</b>
		<b>€000</b>	<b>€000</b>	<b>€000</b>
B.1	Administration – pay	8,003	6,313	6,087
B.2	Administration – non pay	1,513	1,182	849
B.3	ECCE and AIM pre-school programmes	334,500	323,154	243,661
B.4	National Childcare Scheme and other childcare programmes	214,726	185,958	118,772
B.5	Childcare programmes: delivery supports and other initiatives			
	<i>Estimate provision</i>	88,716		
	<i>Deferred surrender</i>	2,288		
		91,004	84,411	62,796
B.6	Youth organisations and services (part funded by the National Lottery)	69,789	68,575	64,701
B.7	Creative Ireland	100	7	14
B.8	Economic and social disadvantage measures (Dormant Accounts funded)	10,008	9,388	9,586
B.9	Programme for Peace and Reconciliation	2,900	1,624	2,244
B.10	Early Learning and Care (ELC) and School Age Childcare (SAC) COVID related supports	1	—	82,697
	<i>Prevention and early intervention programmes</i>	—	—	9,278
		<b>732,544</b>	<b>680,612</b>	<b>600,685</b>

**Significant variations**

The following outlines the reasons for significant variations in programme expenditure (+/-5% and €100,000). Overall, the expenditure in relation to Programme B was €51.932 million lower than originally provided.

**B.4 National Childcare Scheme and other childcare programmes**

*Estimate provision €214.726 million; outturn €185.958 million*

The shortfall in expenditure of €28.8 million relative to the estimate provision was mainly due to savings arising as a result of Q1 restrictions due to the fourth pandemic wave e.g. closures and the restriction of childcare spaces to vulnerable children and the children of essential workers. In addition, registration levels following reopening were below original anticipated levels as the sector slowly reopened.

**B.5 Childcare programmes: delivery supports and other initiatives**

*Estimate provision €91.004 million; outturn €84.411 million*

The expenditure variance of €6.593 million relative to the estimate provision was primarily due to reduced service delivery costs as a result of Q1 restrictions and reduced demand for crisis supports on foot of ongoing government Covid supports developed in 2020 which were extended into 2021. Original savings of €16 million were identified in service delivery costs and a range of other initiatives, €10 million of these savings were repurposed and utilised to provide for a Covid Ventilation Scheme for the childcare sector.

**B.8 Economic and social disadvantage measures (Dormant Accounts funded)**

*Estimate provision €10.008 million; outturn €9.388 million*

The shortfall in expenditure of €620,000 was mainly due to the impact that Covid restrictions had on in-person events reducing the number of projects taking place.

**B.9 Programme for Peace and Reconciliation**

*Estimate provision €2.9 million; outturn €1.624 million*

The shortfall in expenditure of €1.276 million is because it was expected that projects would have a greater number of in-person contact hours in 2021 than proved possible due to public health restrictions. Services were maintained online and in person where possible within public health guidance. Nonetheless, this resulted in lower expenditure than originally estimated across the twelve youth projects involved.



**Programme C Policy and legislation**

		<b>2021</b>		<b>2020</b>
		<b>Estimate provision</b>	<b>Outturn</b>	<b>Outturn</b>
		<b>€000</b>	<b>€000</b>	<b>€000</b>
C.1	Administration – pay	10,086	7,828	7,271
C.2	Administration – non pay	1,975	1,478	1,015
C.3	Miscellaneous legal fees and settlements	539	—	2
C.4	National Longitudinal Study and other research programmes	4,810	3,833	2,380
C.5	Children and young people's policy framework and other programmes	6,898	6,048	5,458
C.6	Adoption Authority of Ireland	5,626	4,219	5,151
C.7	Office of the Ombudsman for Children	2,955	2,955	2,450
C.8	Commission of Investigation	2,792	1,981	2,354
C.9	Magdalen Fund	1,000	554	1,540
		<b>36,681</b>	<b>28,896</b>	<b>27,621</b>

**Significant variations**

The following outlines the reasons for significant variations in programme expenditure (+/-5% and €100,000). Overall, the expenditure in relation to Programme C was €7.785 million lower than originally provided.

**C.3 Miscellaneous legal fees and settlements**

*Estimate provision €539,000; outturn €nil*

The shortfall in expenditure of €539,000 was due to the variable nature of expenditure in the subhead and the resultant difficulties in general in predicting the outcomes and costs associated with legal cases and matters.

**C.4 National Longitudinal Study and other research programmes**

*Estimate provision €4.81 million; outturn €3.833 million*

The shortfall in expenditure of €977,000 is due to the delay commencing the fieldwork for the longitudinal study as a result of Covid restrictions. Fieldwork was mostly conducted remotely rather than in homes.

**C.5 Children and young people's policy framework and other programmes**

*Estimate provision €6.898 million; outturn €6.048 million*

The €850,000 variance is due to underspends across a number of individual projects/programmes due mainly to Covid impacts resulting in delays and postponement of scheduled campaigns across all areas of the subhead. The continuation of remote working in 2021 also yielded some savings.

**C.6 Adoption Authority of Ireland**

*Estimate provision €5.626 million; outturn €4.219 million*

Below profile variance of €1.407 million was as a result of recruitment delays, lower than anticipated legal costs, and a reduction in travel expenses due to the pandemic.

**C.8 Commission of Investigation**

*Estimate provision €2.792 million; outturn €1.981 million*

The shortfall in expenditure of €811,000 is partly due to legal expenses being delayed until 2022 as well as savings on pay and the large degree of uncertainty around the costs of submitting the final report during Covid restrictions.

**C.9 Magdalen Fund**

*Estimate provision €1 million; outturn €554,000*

The shortfall in expenditure of €446,000 is due to the demand-led nature of the scheme under which applications and payments are unpredictable. Fewer applications than expected were received in 2021.

**Programme D An equal and inclusive society**

		<b>2021</b>		<b>2020</b>
		<b>Estimate provision</b>	<b>Outturn</b>	<b>Outturn</b>
		<b>€000</b>	<b>€000</b>	<b>€000</b>
D.1	Administration – pay	1,186	1,010	681
D.2	Administration – non pay	213	148	318
D.3	National Disability Authority	5,178	4,754	4,218
D.4	Refugee and migrant integration	7,700	4,814	4,345
D.5	Grants to national women's organisations	556	556	525
D.6	Traveller and Roma initiatives	4,925	4,914	3,579
D.7	Positive Action for Gender Equality	3,650	3,414	1,825
D.8	Equality and LGBTI initiatives	920	1,670	779
D.9	Decision Support Service	5,800	5,354	3,260
		<b>30,128</b>	<b>26,634</b>	<b>19,530</b>

**Significant variations**

The following outlines the reasons for significant variations in programme expenditure (+/-5% and €100,000). Overall, the expenditure in relation to Programme D was €3.494 million lower than originally provided.

**D.3 National Disability Authority**

*Estimate provision €5.178 million; outturn €4.754 million*

The shortfall in expenditure of €430,000 is principally on the pay side as a result of constraints in hiring additional staff as well as additional unpaid leave.

**D.4 Refugee and migrant integration**

*Estimate provision €7.7 million; outturn €4.814 million*

The shortfall in expenditure of €2.9 million is due to the impact of the Covid pandemic travel restrictions in 2021. Missions were curtailed as was all associated spend. There were also fewer refugees arriving to Ireland, along with reduced resettlements and projects undertaken during this period.

**D.7 Positive Actions for Gender Equality**

*Estimate provision €3.65 million; outturn €3.414 million*

The shortfall in expenditure of €250,000 is due to delays in IT and communications that were to form part of the introduction of gender pay gap reporting. These costs have been moved to 2022. There were also savings realised due to planned conferences and events being postponed and/or taking place virtually in 2021.

**D.8    Equality and LGBTI initiatives**

*Estimate provision €920,000; outturn €1.67 million*

The increase in expenditure of €750,000 is due to an additional funding call being completed in 2021 for the LGBTI+ community services. Virement was sanctioned by DPER to cover this cost.

**D.9    Decision Support Service**

*Estimate provision €5.8 million; outturn €5.354 million*

The shortfall in expenditure of €450,000 is due to delays in implementing an ICT project.

**Programme E A fair and efficient support system for international protection seekers**

		<b>2021</b>		<b>2020</b>
		<b>Estimate provision</b>	<b>Outturn</b>	<b>Outturn</b>
		<b>€000</b>	<b>€000</b>	<b>€000</b>
E.1	Administration – pay	8,521	6,818	4,161
E.2	Administration – non pay	1,596	1,231	1,386
E.3	Asylum Migration and Integration Fund	1,386	1,580	355
E.4	International protection seekers accommodation	218,000	190,831	183,207
		<b>229,503</b>	<b>200,460</b>	<b>189,109</b>

**Significant variations**

The following outlines the reasons for significant variations in programme expenditure (+/-5% and €100,000). Overall, the expenditure in relation to Programme E was €29.043 million lower than originally provided.

**E.3 Asylum Migration and Integration Fund**

*Estimate provision €1.386 million; outturn €1.58 million*

The increase in expenditure of €190,000 is due to delayed grant payments from 2020 being processed in 2021 due to the restrictions of Covid in 2020. Virement was sanctioned by DPER to cover this cost.

**E.4 International protection seekers accommodation**

*Estimate provision €218 million; outturn €190.831 million*

The shortfall in expenditure of €27.169 million is due to a lower than anticipated demand for accommodation over the full year and delays in the roll out of independent living in some centres.

## Note 4 Receipts

### 4.1 Appropriations-in-aid

		2021		2020
		Estimated	Realised	Realised
		€000	€000	€000
1	Superannuation scheme – Child and Family Agency	8,893	8,580	8,933
2	Superannuation scheme – non-teaching staff of Oberstown Children Detention Campus	670	656	653
3	Superannuation scheme – Adoption Authority of Ireland	1	—	—
4	Superannuation scheme – Office of the Ombudsman for Children	2	—	—
5	Miscellaneous	336	469	507
6	Dormant Accounts receipts	10,008	9,389	9,585
7	Programme for Peace and Reconciliation	2,370	1,330	1,839
8	EU receipts	8,200	9,699	5,444
9	Receipts from additional superannuation contributions on public service remuneration	8,641	9,052	8,685
<b>Total</b>		<b>39,121</b>	<b>39,175</b>	<b>35,646</b>

### Significant variations

The following outlines the reasons for significant variations in appropriations-in-aid (+/- 5% and €100,000). Overall, appropriations-in-aid were €54,000 higher than forecast.

#### 5 Miscellaneous

*Estimate provision €336,000; realised €469,000*

These miscellaneous receipts are unpredictable and are difficult to forecast accurately.

#### 6 Dormant Accounts receipts

*Estimate provision €10.008 million; realised €9.389 million*

The underspend of €619,000 in 2021 was due to the effect that the Covid restrictions had on a targeted youth employability support initiative. It is intended that the majority of the funding provided for this initiative will be expended over the course of 2022.

**7 Programme for Peace and Reconciliation***Estimate provision €2.37 million; realised €1.33 million*

The shortfall of €1.04 million in receipts for the Programme for Peace and Reconciliation is owing to variances in the timing for the SEUPB to receive refunds from ERDF funding, which it then passes on to the Department. This funding is only provided to the SEUPB by the EU following a validation process in relation to project expenditure. The timescales in relation to this process can vary and are difficult to predict.

**8 EU receipts***Estimate provision €8.2 million; realised €9.699 million*

The figure of €8.2 million was an estimate of EU receipts to be received in 2021. The level of appropriations-in-aid released in a particular year is based on claims submitted and payments received from the EU. As a result, it is difficult to accurately predict the timing of receipts and the level of appropriations-in-aid in any given year.

**9 Receipts from additional superannuation contributions on public remuneration***Estimate provision: €8.641 million; realised €9.052 million*

The increase of €411,000 primarily relates to the Department staff and the staff of the Children's Detention Campus as a result of pay restoration in July for certain grades, and also the pay increase in October of that year affecting pension deductions.

**4.2 Extra receipts payable to the Exchequer**

	<b>2021</b>	<b>2020</b>
	<b>€000</b>	<b>€000</b>
Balance at 1 January	538	(158)
Adjustment to opening balance	(98)	—
Receipts: Pobal	8,149	4,482
Bons Secours	—	2,500
ETBs	1,959	226
Oberstown Children Detention Campus	81	67
Child and Family Agency	—	25
Other	686	132
Transferred to the Exchequer	(8,347)	(6,736)
<b>Balance at 31 December</b>	<b>2,968</b>	<b>538</b>

## Note 5 Staffing and Remuneration

### 5.1 Employee numbers

Full time equivalents	2021	2020
Number of staff at year end		
Department	486	365
Commission of Investigation	8	11
Agencies of the Department (note 5.2)	4,921	4,938
	<b>5,415</b>	<b>5,314</b>

### 5.2 Pay

Remuneration of Department staff	2021	2020
	€000	€000
Pay	24,233	21,421
Higher, special or additional duties allowances	98	100
Overtime	148	100
Employer's PRSI	2,111	1,771
<b>Total pay <sup>a</sup></b>	<b>26,590</b>	<b>23,392</b>
Remuneration of agency staff	2021	2020
	€000	€000
Pay <sup>b</sup>	279,525	260,248
Higher, special or additional duties allowances	4,385	12,388
Other allowances	51	46
Overtime	1,509	1,126
Employer's PRSI	28,789	27,520
<b>Total pay</b>	<b>314,259</b>	<b>301,328</b>

Note <sup>a</sup> The total pay figure is distributed across subheads A.1, B.1, C.1, D.1, E.1 and C.8.

<sup>b</sup> The pay expenditure of agencies is not a direct financial transaction of the Department. Further information in relation to employee numbers and pay in respect of the Department's agencies is available from the relevant annual financial statements or directly from the agencies concerned.

The agencies are National Disability Authority (NDA), Adoption Authority of Ireland (AAI), Child and Family Agency (Tusla), Office of the Ombudsman for Children (OCO) and Oberstown Children Detention Campus.



### 5.3 Allowances and overtime payments

	Number of recipients	Recipients of €10,000 or more	Highest individual payment	
			2021	2020
			€	€
<b>Departmental staff</b>				
Higher, special or additional duties allowances	16	5	22,002	20,614
Other allowances	4	1	13,887	2,730
Overtime	50	3	13,880	10,619
Extra remuneration in more than one category	1	—	2,684	2,564
<b>Staff of agencies of the department</b>				
Higher, special or additional duties allowances	965	120	20,275	23,526
Other allowances	37	1	12,608	7,218
Overtime	602	31	36,029	26,445
Extra remuneration in more than one category	417	60	46,571	33,598

### 5.4 Payroll overpayments

at 31 December	Number of recipients	2021 €	2020 €
Overpayments	40	74,950	17,118
Recovery plans in place	6	16,077	15,161

Note      30 overpayments have been recouped in full since the end of 2021, and the National Shared Services Office (NSSO) is managing and progressing recoupment plans for the balance of the overpayments.

### 5.5 Other remuneration arrangements

One retired civil servant in receipt of a civil service pension was re-engaged on a fee basis at a total cost of €9,000. The payments made were consistent with the principles of the Public Service (Single Scheme and other Provisions) Act 2012.

This account includes expenditure of €51,572 (inclusive of salary, employee's superannuation and employer's PRSI) in respect of one officer who was serving outside the Department for part of 2021 in the Department of Justice and whose salary was paid by the Department.

### **5.6 Salary of Accounting Officer**

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As at 31 December 2021, the Accounting Officer's current salary is at the grade of Secretary General Level III, with an annual gross salary of €192,474 (as at 31 December 2020, €190,568).

## Note 6 Miscellaneous

### 6.1 Payments to Pobal

In accordance with the Department's accounting policy, the net amount transferred to Pobal in the year of (€602 million) was charged to the relevant subheads as set out below.

During 2021, Pobal returned funds totalling €9.434 million to the Department. All of the funds relating to the current year were returned to the relevant subheads. The funds relating to prior years were returned to the Exchequer as extra Exchequer receipts (see note 4.2).

		2021 €000	2020 €000
Subhead			
B.3	ECCE and AIM pre-school programmes	323,154	243,661
B.4	Affordable childcare scheme and other childcare programmes	185,958	118,772
B.5	Childcare programmes: delivery supports and other initiatives	75,668	55,213
B.6	Youth organisations and services (part funded by the National Lottery)	14,209	12,260
B.8	Economic and social disadvantage measures (Dormant Accounts funded)	1,210	3,898
B.10	Early Learning and Care (ELC) and School Age Childcare (SAC) Covid Related Supports	—	82,697
C.5	Children's and young people's policy framework and other programmes	1,886	1,755
<b>Total paid to Pobal</b>		<b>602,085</b>	<b>518,256</b>

Note Pobal administers a large number of grant programmes on behalf of the Department. At 31 December 2021, Pobal had grant commitments totalling €10.6 million relating to programmes administered on behalf of the Department.

## 6.2 Compensation and legal costs

### Payments/costs paid by the Department in the year

	Claims by		Total	Total
	employees	members of the public	2021	2020
Number of cases	28	16	44	32
	€000	€000	€000	€000
Department's own legal costs	—	—	—	—
Payments by/on behalf of Department				
Compensation	444	100	544	299
Legal costs	410	242	652	44
Other costs	35	25	60	32
<b>2021 Total</b>	<b>889</b>	<b>367</b>	<b>1,256</b>	<b>375</b>
2020 Total	291	84	375	

### Cumulative costs of cases completed in 2021

	Claims by		Total
	employees	members of the public	
Number of cases	11	8	19
	€000	€000	€000
Department's own legal costs	—	—	—
Payments by/on behalf of Department			
Compensation	316	112	428
Legal costs	175	157	332
Other costs	30	25	55
<b>Total</b>	<b>521</b>	<b>294</b>	<b>815</b>

## 6.3 Fraud and suspected fraud

	Number of cases	2021	2020
		€000	€000
Fraud	1	80	—
Suspected fraud	2	98	65

Note There were no reports of incidents of fraud within the Department. One fraud incident amounting to €80,000 which occurred in a service provider in receipt of voted funds was reported in 2021. There were also two suspected fraud incidents reported in 2021 which occurred in two service providers in receipt of voted funds. The amounts in question are estimated at €75,000 and €22,738.

#### 6.4 Committees, commissions and special inquiries

The Commission of Investigation into Mother and Baby Homes and Certain Related Matters was established on 17 February 2015 pursuant to the provisions of the Commission of Investigation (Mother and Baby Homes and Certain Related Matters) Order 2015 (S.I. No 57 of 2015). The Commission of Investigation was dissolved at the end of February 2021.

Commission expenditure is accounted for in subhead C.8 and includes €1.092 million relating to pay costs.

	Year of appointment	Cumulative expenditure to the end of 2021 €000	2021 €000	2020 €000
C.8 – Commission of Investigation – Mother and Baby Homes	2015	16,273	1,484	2,354

#### 6.5 National Lottery funding

Subhead B.6 Youth organisations and services, is part funded by the National Lottery.

	2021 Estimate €000	2021 Outturn €000	2020 Outturn €000
<b>Subhead</b>			
B.6 Youth organisations and services	69,709	68,501	63,847

## 6.6 EU funding

The outturn shown in Subheads B.9, D.4 and E.3 include payments in respect of activities which are co-financed by the European Regional Development Fund, the European Social Fund and the Asylum Migration and Integration Fund. Estimates of expenditure and actual outturns were as follows.

Subhead	2021	2021	2020
	Estimate	Outturn	Outturn
	€000	€000	€000
B.9 – Programme for Peace and Reconciliation	2,900	1,624	2,244
D.4 – Refugee and migrant integration	7,700	4,814	4,345
E.3 – Asylum Migration and Integration Fund <sup>a</sup>	1,386	1,580	355

Note <sup>a</sup> Asylum Migration and Integration Fund expenditure for the year was €1.58 million. EU receipts in respect of Asylum Migration and Integration Fund funding are released in the accounts through appropriations-in-aid when they are deemed to be certain. The balance of funds received but not released into the accounts are contained in Note 2.7 and these relate to funding for expenditure previously reported under this subhead.

### 6.7 Deferred surrender

Deferred surrender comprises savings in 2021 of €3.2 million in capital expenditures in the following subheads that were carried over to 2022.

	<b>Unspent €000</b>
<b>Description of subhead:</b>	
A.3 Child and Family Agency (Tusla)	2,097
A.4 Youth justice – including Oberstown Children Detention Campus	2,309
B.5 Childcare programmes: delivery supports and other initiatives	1,806
B.6 Youth organisations and services	76
	6,288 <sup>a</sup>

	<b>Carried Forward €000</b>
<b>Description of subhead:</b>	
A.3 Child and Family Agency (Tusla)	1,000
A.4 Youth justice – including Oberstown Children Detention Campus	250
B.5 Childcare programmes: delivery supports and other initiatives	750
B.6 Youth organisations and services	1,200
	3,200

Note <sup>a</sup> Under DPER circular reference DPE 029/11/12 in relation to capital carryover, Departments cannot carry over more than 10% of their total Voted capital allocation. As a result the Department of Children, Equality, Disability, Integration and Youth could only carry over €3.2 million of the unspent capital of €6.3 million in 2021 to 2022.

## **Appendix A Accounts of bodies and funds under the aegis of the Department of Children, Equality, Disability, Integration and Youth**

The following table lists the bodies under the aegis of the Department and where the Department has an obligation to present financial statements. It indicates, as at the account signing date, the period to which the last audited financial statements relate and when they were presented to the Oireachtas.

<b>Body</b>	<b>Last accounting period</b>	<b>Date of audit report</b>	<b>Date received by Minister/ Department</b>	<b>Date presented to the Oireachtas</b>
Oberstown Children Detention Campus	2020	2 Dec 2021	6 Dec 2021	6 Dec 2021
Adoption Authority of Ireland	2020	29 Jun 2021	15 Jul 2021	29 Jul 2021
Office of the Ombudsman for Children	2020	30 Sep 2021	22 Oct 2021	3 Nov 2021
Child and Family Agency	2020	30 Jun 2021	7 Jul 2021	22 Jul 2021
National Disability Authority	2020	23 Jul 2021	22 Nov 2021	2 Dec 2021