

10 Management of international protection accommodation contracts

10.1 International protection (IP) is granted by a government to someone who has left another country to escape being harmed. Ireland is legally obliged to examine the application of any person who arrives in the country claiming protection.¹ This process is undertaken through the Department of Justice, Home Affairs and Migration (the Department of Justice). Individuals awaiting a decision on their application for IP are referred to as 'international protection applicants' (IP applicants).

10.2 Since 1 May 2025, the Department of Justice is also responsible for the provision of accommodation and related services to IP applicants who require these supports, through its International Protection Accommodation Service (IPAS).² Prior to this date, these functions were undertaken by the Department of Children, Disability and Equality. The transfer of functions included transfer of the IPAS staff and records, for which the Department of Justice is now accountable.

10.3 The number of IP applicants arriving in Ireland has increased significantly in recent years, with a consequent increase in the number of applicants seeking State-supported accommodation.³ This has resulted in the demand for accommodation surpassing availability. Consequently, the IPAS had to source additional accommodation, for example commercial hotels and guesthouses, on an emergency basis.

10.4 Due to an ongoing accommodation shortage, the IPAS has not been able to provide accommodation to all IP applicants who require it. Single male IP applicants in particular have been impacted by this shortage.

10.5 In March 2024, the Government approved an accommodation strategy which aims to reduce the State's reliance on commercial providers by 2028 through increasing State-owned bed capacity to 14,000.⁴ The reliance on commercial providers will be for contingency and emergency accommodation only, totalling up to a further 21,000 beds.

¹ The [International Protection Act 2015](#) governs the IP system in the State.

² Related services include, *inter alia*, meals, utilities and access to medical services.

³ In 2022, the number of IP applications was just over 13,600. In 2024, there were over 18,500 IP applications.

⁴ [Comprehensive Accommodation Strategy for International Protection Applicants](#).

⁵ One property was visited twice.

10.6 This examination was undertaken to review whether

- sufficient due diligence/compliance checks are carried out by the IPAS prior to entering into contractual arrangements for temporary accommodation for IP applicants
- the IPAS has an adequate system in place for monitoring temporary accommodation contract performance.

10.7 The examination team interviewed IPAS staff, reviewed a range of documentation, selected a sample of 20 properties to assess pre-contracting due diligence checks and contract compliance, and visited 13 of these properties.⁵ This report reflects the processes in place and the expenditure incurred before the transfer of functions to the Department of Justice, unless otherwise stated.

IP applicants requiring accommodation

- 10.8** At end 2024, 32,702 IP applicants availing of State-provided accommodation were resident in 326 accommodation centres (see Figure 10.1 and Figure 10.2).¹ Around three quarters of these applicants were resident in 269 emergency accommodation centres provided by commercial operators. The remaining IP applicants were primarily resident in 49 IPAS long-term accommodation centres, the majority of which are commercially owned and were competitively procured.²
- 10.9** At end 2024, the IPAS was unable to provide accommodation for 3,285 single male IP applicants. This had reduced to 2,577 by end June 2025 and to around 720 by late August 2025.
- 10.10** By end June 2025, there was a slight decrease in the overall number of IP applicants availing of State provided accommodation. However, the number of IP applicants resident in emergency accommodation centres had increased by around 2%, while those in IPAS long-term accommodation and State-owned accommodation decreased by 6% overall.
- 10.11** Despite the overall aim of the strategy to move to State-owned and operated accommodation, the number of persons accommodated in emergency commercial accommodation is increasing.

1 Of the 32,702 IP applicants, 9,015 (28%) were children.

2 Seven of the (49) centres are State-owned.

Figure 10.1 Analysis of IP applicants by accommodation type, 2019 – 2025^a

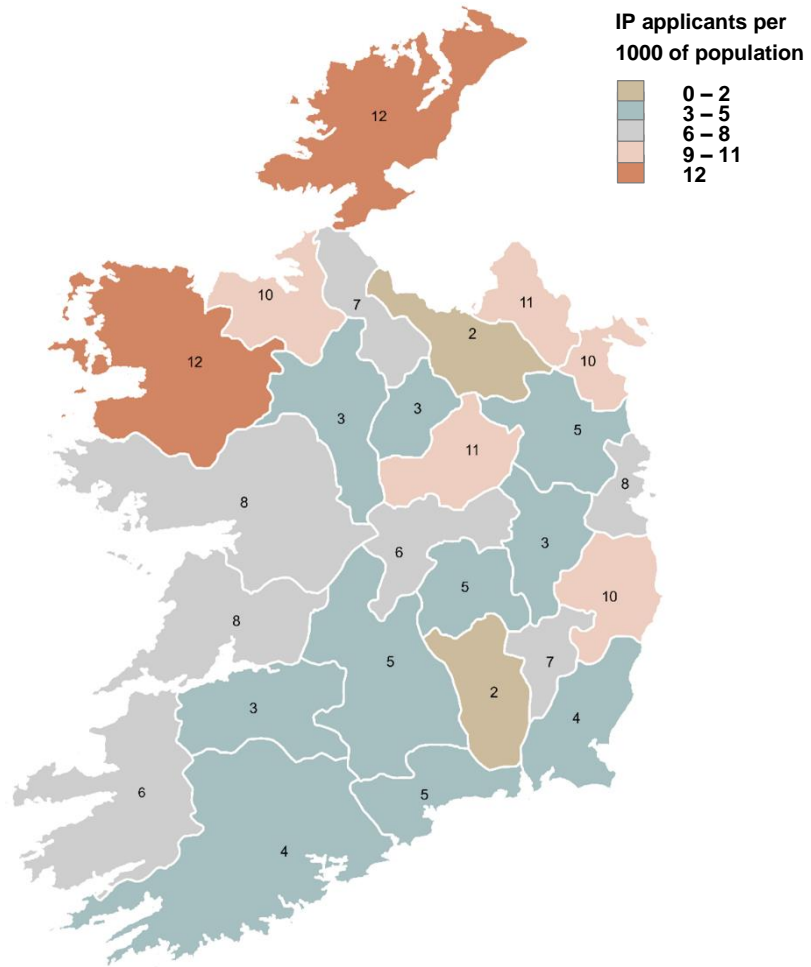
	2019	2020	2021	2022	2023	2024	2025
Total number of IP applicants accommodated	7,683	6,997	7,244	19,104	26,279	32,702	32,689
Total number of accommodation centres	78	73	70	154	258	326	324
Emergency accommodation							
- <i>IP applicants</i>	1,512	1,148	1,046	10,869	17,862	24,718	25,221
- <i>Accommodation centres</i>	37	28	24	106	204	269	269
IPAS long-term accommodation							
- <i>IP applicants</i>	5,731	5,575	5,737	6,853	7,071	6,518	6,447
- <i>Accommodation centres</i>	40	44	45	46	49	49	50
Other State-owned accommodation^b							
- <i>IP applicants</i>	440	274	461	1,382	1,346	1,466	1,021
- <i>Accommodation centres</i>	1	1	1	2	5	8	5

Source: Department of Justice, Home Affairs and Migration. Analysis by the Office of the Comptroller and Auditor General.

Notes: a Reflects the position as at end December for each of the years 2019 to 2024; and to end June 2025.

b Includes the National Reception Centre, the Citywest Transit Hub (from 2022) and tented accommodation (from 2023). The tented accommodation centres are on State-owned land.

Figure 10.2 Per capita distribution of IP applicants in State-provided accommodation, 31 December 2024^a



Source: Department of Justice, Home Affairs and Migration. Analysis by the Office of the Comptroller and Auditor General.

Note: a Includes all accommodation i.e. permanent centres, emergency accommodation, Citywest Transit Hub, National Reception Centre and tented accommodation.

Sourcing accommodation

1 Public RFT — [Bespoke Panel Agreement for the Provision of Accommodation Services and Related Services for Persons Seeking International Protection.](#)

2 The process was re-advertised as the initial response did not generate sufficient accommodation.

3 Direct sourcing involves engagement with existing providers or known sources.

10.12 In response to the increasing numbers of IP applicants, the IPAS ran a public procurement process in early 2022 for the provision of IP accommodation and related services.¹ The procurement process was re-advertised in November 2022.² On foot of the process, the IPAS entered into 25 contracts for accommodation centres for the provision of 2,612 rooms (in total). Seven of these contracts have since expired.

10.13 The IPAS also sources emergency accommodation for IP applicants through expressions of interest from potential providers and through direct sourcing.³ Some accommodation previously used for Covid-19 related purposes is also being used for IP applicant accommodation.

Accommodation costs

- 10.14** The IPAS incurred expenditure of almost €1.1 billion on the provision of accommodation and related services to IP applicants in 2024 (see Figure 10.3). IP applicant related expenditure has increased more than eightfold over the period 2019 to 2024.
- 10.15** Costs have increased over the period mainly due to the following.
- The increasing number of new IP arrivals requiring accommodation. The number of IP applicants in accommodation (as measured at year-end) increased over fourfold in the period 2019 to 2024.
 - The increasing time taken to process IP applications, leading to IP applicants residing in State-provided accommodation for long periods. An external estimate of the end-to-end median processing time for IP applications as of May 2024 was around 17 months.¹
 - IP applicants continuing to reside in State-provided accommodation after receiving permission to remain in the State. Almost 5,300 persons with protection status continued to reside in State-provided accommodation at end 2024, representing around 16% of IPAS residents.² At end July 2025, around 5,000 applicants that have been granted protection status remained, with permission, in IPAS accommodation.
 - IP applicants whose applications to remain in the State have been denied remaining in accommodation while appealing the decision.
 - Accommodation and ancillary services primarily being provided by commercial operators, with the IPAS under pressure to secure additional places.
- 10.16** The Department of Justice stated that total IP applications for 2019 to 2021 was just under 9,000, increasing to almost 45,000 applications for the period 2022 to 2024. It stated that the State's ability to negotiate and meet the unprecedented demand for accommodation together with inflationary and other pressures is reflected in a higher increase in expenditure relative to the increased demand.³ Due to the timing of payments, it was not possible for the examination team to accurately compare increasing monthly expenditure with the number of applicants accommodated.⁴
- 10.17** Also, it was not possible to accurately calculate an average cost per night in 2024 for either emergency accommodation or for State-owned accommodation. This was due to some costs for facilities management services for State-owned accommodation being recorded by the IPAS as commercial expenditure. This arises where such costs for both State-owned and commercial properties are included in just one invoice.
- 10.18** An Irish Government Economic Evaluation Service (IGEES) analytical paper (June 2025) found that the average cost per night in 2024 to accommodate an IP applicant in privately provided (mostly emergency) accommodation was €92 compared with €34 for State-owned accommodation.⁵

¹ [Managing IPAS Expenditure Pressures: Demand-Side Drivers and Policy Responses](#), Irish Government Economic Evaluation Service (June 2025). The paper noted that the median processing time started to decrease in the latter part of 2024.

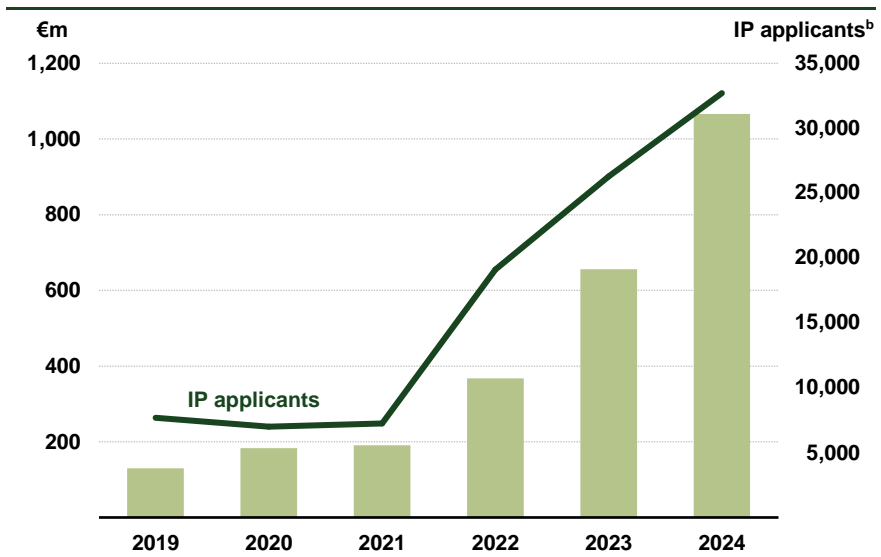
² The IGEES paper (see previous side note) identified that at end 2024, 5,292 persons with permission to remain in Ireland had not transitioned to independent living.

³ The unprecedented demand included accommodation for both IP applicants and persons fleeing the war in Ukraine.

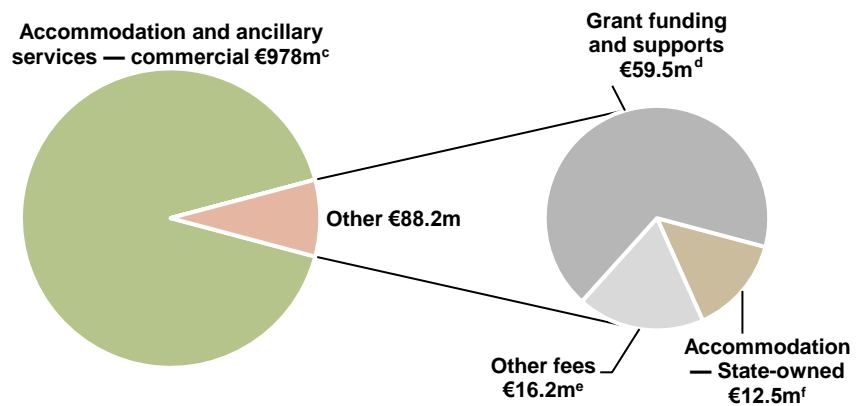
⁴ Payments made in a month did not necessarily relate to the accommodation provided in that month.

⁵ The IGEES report notes that the calculated cost per night per person in IPAS accommodation is the average of the monthly cost per night per person weighted by occupancy levels each month to capture fluctuations in the number of residents over the year.

Figure 10.3 Expenditure on accommodation and on related services for IP applicants, 2019 to 2024^a



Accommodation and related services for IP applicants €1,066m — 2024

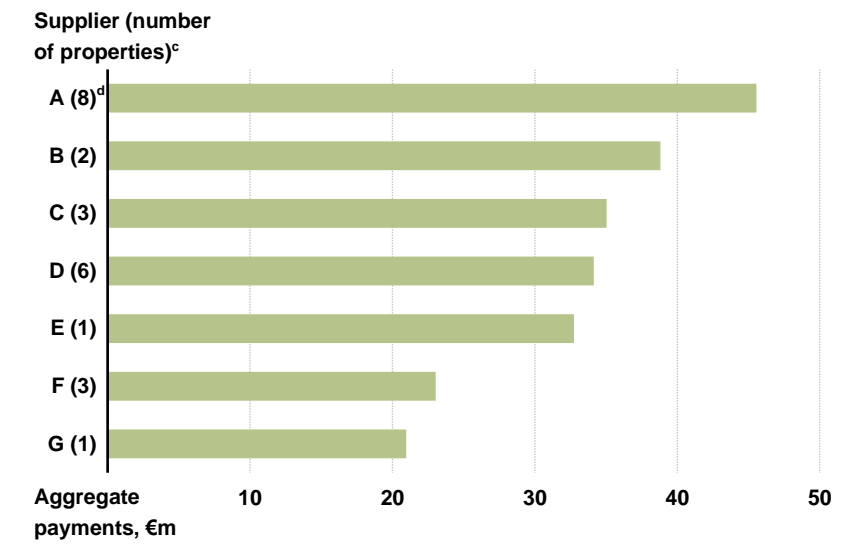


Source: Vote 40 Children, Equality, Disability, Integration and Youth appropriation accounts 2020 – 2024; and Vote 24 Justice appropriation account 2019. Analysis by the Office of the Comptroller and Auditor General.

- Notes:
- a Expenditure incurred in 2019 was accounted for in Vote 24 Justice appropriation account.
 - b This refers to IP applicants in State-provided accommodation at the end of each year. It does not include unaccommodated single males who have sought State-provided accommodation.
 - c This mainly relates to all contracted accommodation (including the Citywest Transit Hub) with the exception of some facilities management costs for State-owned accommodation (see footnote f).
 - d This includes €41.7 million paid to Tusla — Child and Family Agency, primarily to house separated children seeking IP. It also includes payments to local authorities for integration (support) teams; payments for Children and Young People’s Services Committee projects; and payments to some non-governmental organisations, local development companies and other community groups for support services for migrants.
 - e This includes costs for consultancy, transport, inspections, licence fees, the State Claims Agency and settlement costs. Also included is €3.7 million capital expenditure incurred in the purchase of modular homes.
 - f This includes facilities management, utilities and other incidental costs for State-owned properties. However, where a facilities management operator provides services for both State-owned and emergency accommodation centres, the associated costs may be included under ‘Accommodation and ancillary services — commercial’.

10.19 Payments to commercial providers for accommodation and ancillary services for IP applicants (excluding costs charged to State-owned facilities) totalled around €978 million in 2024. Almost €230 million (24%) of this was paid to just seven commercial providers, each receiving in excess of €20 million (see Figure 10.4).

Figure 10.4 Payments in excess of €20 million to commercial providers, and number of properties, 2024^{a,b}



Source: Vote 40 Children, Equality, Disability, Integration and Youth appropriation account 2024. Analysis by the Office of Comptroller and Auditor General.

- Notes:
- a This includes commercial entities which provide multiple properties but excludes connected parties that provide property through different entities.
 - b Five of the seven suppliers provide emergency accommodation. One supplier provides IPAS long-term accommodation and one supplier provides facilities management/catering services at a number of IPAS long-term accommodation centres.
 - c The type and capacity of the properties vary.
 - d Includes expenditure on set-up related services provided at a small number of other centres that subsequently were not designated as active IPAS centres.

Pre-contract due diligence

10.20 Due diligence (including background) checks enable public bodies to identify and mitigate the risks associated with doing business with third parties. These checks include ensuring that potential providers are who they claim to be; have a proven relevant track record; and have the capacity and capability to deliver the required contracted services over the agreed contract period.

10.21 Typical due diligence checks to be undertaken when procuring accommodation and ancillary services on behalf of the State are set out in Figure 10.5. The IPAS stated that its due diligence processes broadly align with these checks, except that at pre-contracting stage it does not assess or take into consideration

- the financial stability of the proposed accommodation provider, or
- the provider’s customer support and responsiveness to queries, requests or concerns.

Figure 10.5 Typical pre-contract due diligence checks

	<input checked="" type="checkbox"/> Research and background	<input checked="" type="checkbox"/> Insurance coverage
	<input checked="" type="checkbox"/> Evaluation of accommodation offered	<input checked="" type="checkbox"/> Financial stability of the proposed provider
	<input checked="" type="checkbox"/> Visit to proposed accommodation	<input checked="" type="checkbox"/> Tax compliance
	<input checked="" type="checkbox"/> Safety and security of facilities	<input checked="" type="checkbox"/> Compliance with relevant laws, regulations and industry standards
	<input checked="" type="checkbox"/> Customer support/responsiveness to queries, requests	<input checked="" type="checkbox"/> Ownership of facility/lease agreement

Source: Office of the Comptroller and Auditor General

10.22 The IPAS also stated that, since March 2024, a declaration is required at the contracting stage as to personal circumstances of the contractor which covers their financial stability.¹ The declaration requires, *inter alia*, confirmation that the contractor has never been convicted for corruption, fraud, terrorist-related activities, money laundering, etc. Confirmation is also required that the contractor is not in breach/has not breached their obligations regarding the payment of taxes or social security contributions.

10.23 This declaration must be signed in the presence of a Commissioner for Oaths or practising solicitor. A further declaration in respect of the Foreign Subsidies Regulation was introduced from April 2025.²

Pre-contracting compliance assessment

10.24 For an offer of accommodation to be considered by the IPAS, the provider is required to complete a proposal template (self-declaration).

10.25 The examination team assessed compliance with the IPAS’s pre-contracting proposal requirements for a sample of 20 accommodation centres.³ It found that the specified requirements were incomplete in many instances (see Figure 10.6).

10.26 The Department of Justice stated that (as of end August 2025) the following information for the sample properties reviewed by the examination team is now on file.⁴

- Insurance certificates for 13 properties.
- Fire certificates or other documentation providing fire safety assurance (e.g. fire safety compliance assessment) for 15 properties. It stated that fire certificates vary across local authorities and that not all local authorities record a property’s capacity on the fire certificate.
- Evidence of property ownership for ten properties.
- Planning documentation for ten properties. The Department stated that some of the properties were brought into use in 2022 when demand for accommodation outstripped supply and prior to the planning exemption being introduced.

1 The declaration covers the declarant and members of the administrative, management or supervisory body of the named entity. It also covers those with powers of representation, decision or control in the entity.

2 [Regulation \(EU\) 2022/2560](#) on foreign subsidies distorting the internal market.

3 A summary of the outcome of the examination team’s review of documentation for the 20 properties reviewed is included in Annex 10A.

4 The IPAS has terminated the contract for 1 of the 20 sample properties.

Figure 10.6 Pre-contracting compliance assessment for 20 accommodation centres^a

Proposal template (self-declaration) requirement ^b	Finding
Disclose the type of accommodation that can be provided.	Completed proposal documents were only available for seven (35%) of the properties.
Provide companies registration office (CRO) number.	<ul style="list-style-type: none"> • CRO numbers were correct in all instances except one — the examination team found that the CRO number for one provider did not agree with the number (for the provider) per the CRO website. • Separately, the IPAS did not provide evidence that it had carried out its own check of the provider numbers using the CRO website.
Hold a valid insurance certificate for the proposed premises.	Insurance certificates were only available for eight of the properties (40%).
Hold a valid certificate of compliance with fire safety standards reflecting the area in the building to be used and the proposed occupancy level.	<ul style="list-style-type: none"> • Appropriate fire certificates covering the proposed properties were only available for nine centres (45%). However, none of the fire certificates clearly reflected the proposed occupancy level. • While fire certificates were provided for a further five properties <ul style="list-style-type: none"> — one related to the year 2025, not pre-contract — one covered just one of two buildings being proposed — one related to a property operating as commercial offices and not as apartments for IP applicants — one was from 2005 (a 2015 consultant's report had recommended that a new certificate be obtained to cover alterations since the issue of the original certificate) — one covered fewer rooms than subsequently contracted (22 versus 26).
Provide proof of legal ownership of the building or a copy of the lease agreement in place.	Evidence provided for just one property (5%) by way of a lease agreement.
Provide evidence of <ul style="list-style-type: none"> • full planning permission for use of the premises as IP accommodation, or • where relevant, application to the relevant planning authority for the property to be considered as an exempted development under the (planning) regulations. 	Evidence of planning permission/application for exemption under the planning regulations had been provided for just four properties (20%).

Source: Department of Justice, Home Affairs and Migration. Analysis by the Office of Comptroller and Auditor General.

Notes: a See paragraph 10.72 for the examination team's assessment of tax compliance.

b The requirements are based on the 2024 proposal form. An updated form has been introduced for 2025.

Change of use requirements

- 10.27** The temporary change of use of certain specified structures is permitted for the purpose of temporarily providing accommodation for IP applicants.¹ Regulations introduced by the Minister for Housing, Local Government and Heritage in November 2022 permitted this changed use up to 31 December 2024.² In July 2023, under amended regulations, the change of use timeline was extended to 31 December 2028.³
- 10.28** The planning regulations require a property provider to notify the relevant local authority of the locations where change of use is taking place prior to commencement of development. The IPAS stated that it does not keep records of properties which have been notified to local authorities for change of use as IP accommodation.
- 10.29** The IPAS stated that since January 2023, it contacts local authorities, early in the appraisal process, to ascertain whether they hold any relevant information on property proposed for accommodating IP applicants. This consultation process was not undertaken for centres undergoing contract renewals which had previously been procured.
- 10.30** The IPAS also stated that, since July 2024, it requires providers to submit a section 5 declaration of exempted development with the accommodation proposal template.⁴ For contract renewals, providers are required to provide written evidence permitting use of the building for the accommodation of IP applicants.

¹ The specified structures include, *inter alia*, any structure or part of a structure used as a school/college/university/training centre, social centre, community centre, non-residential club, sports club or stadium, gymnasium, hotel, convention centre, conference centre, shop, office, Defence Forces barracks, etc.

² [SI 605/2022 — Planning and Development \(Exempted Development\) \(No. 4\) Regulations 2022](#).

³ [SI 376/2023 — Planning and Development \(Exempted Development\) \(No. 4\) Regulations 2023](#).

⁴ A section 5 declaration of exempted development is issued by the relevant local authority under the Planning and Development Act 2000 (as amended). The declaration sets out if a proposed development is considered exempt from the requirements to obtain planning permission.

⁵ The remaining contract was signed, for a duration of two years, in 2023. A pre-contracting inspection had not been carried out on the proposed property.

⁶ Sourced from [IPAS weekly accommodation and arrivals statistics](#) as at end December 2024.

Pre-contract inspections

- 10.31** Prior to 2024, pre-contract inspections were not carried out for all properties. The IPAS stated that since early 2024, all properties are inspected prior to contract. This is to determine capacity, adherence to the minimum space requirements per person and sufficiency of facilities for the number of residents proposed to be accommodated.
- 10.32** Nine of the ten contracts available for the 20 sample properties reviewed by the examination team were signed in 2024.⁵ However, a pre-contract inspection had been carried out for just one of the proposed properties.

Contract compliance

- 10.33** At end 2024, there were 326 centres providing accommodation to IP applicants.⁶ However, two of the centres were covered by one contract, reducing the number of expected contracts to 325. Active or 'in date' contracts were in place, at end 2024, for 164 centres. For the remaining 161 centres, housing 13,785 IP applicants, 60 were recorded by the IPAS as being in a 'renewal process', while the status for 101 centres was not recorded.
- 10.34** By end July 2025, there was only a marginal increase in the number of centres with active contracts, from 164 to 168. The remaining centres continued to provide accommodation services in the absence of 'in date' contractual arrangements. The Department of Justice stated that expired contracts continue to operate under the terms of the original agreement until a new contract is executed or the agreement is formally terminated.

Contracted terms and conditions

- 10.35** Contracts with accommodation providers should clearly set out the rights and obligations of the parties to the contract; the services to be delivered; and the timeframe and frequency of delivery and the payment terms.¹
- 10.36** Signed contracts covering payments in 2024 were not available for 10 of the 20 properties (50%) reviewed by the examination team. As a result, payments were being made on non-contractual terms, and the capacity of the IPAS to properly verify (and/or enforce where required) the agreed service delivery was undermined.

Compliance with planning/fire safety regulations

- 10.37** The examination team found that the ten available contracts for the sample properties reviewed included express requirements on the accommodation provider to comply with planning and fire safety regulations. The contracts also required that residents must be made aware of the accommodation rules regarding fire safety.
- 10.38** All ten contracts included a warranty with the onus on the accommodation provider to ensure that the relevant fire certification and procedures were in place in accordance with the Fire Services Act.
- 10.39** In nine of the (ten) contracts, the provider acknowledged that no planning enforcement notices under the Planning and Development Acts 2000 to 2021 had been received.² Similarly, the provider acknowledged that no fire safety notices (i.e. warnings) had been served by the relevant local authority on the provider regarding the property.
- 10.40** In general, contracted terms and conditions allow for the immediate termination of a contract where there is a change in the planning or fire safety status of the accommodation.³ This includes a change of the planning exemption status which negatively impacts on the property's continued use for IP accommodation.

1 Contracted terms and conditions can vary across providers primarily due to the type and location of accommodation, the nature of the ancillary services provided and the basis of payment.

2 This clause was not included in the remaining contract, which was signed in September 2023. The contracts for the other nine properties were signed in 2024.

3 Such a termination is without liability for compensation or damages.

4 [National Standards — Department of Justice 2019](#) are the current standards that apply to accommodation offered to persons in the protection process.

Compliance with accommodation requirements

- 10.41** The national standards for accommodation for persons in the IP process prescribe a minimum space requirement of 4.65m² for each resident per bedroom.⁴ The standards also prohibit the use of bunk beds for persons aged 15 and over, unless requested.
- 10.42** Nine of the ten available contracts included provisions specifying the minimum space allocation for residents. The same specification was not included in the remaining contract — signed in 2023 — as the specification was only introduced in 2024 for new contracts.

10.43 The examination team observed during site visits to 13 accommodation centres that

- bunk beds were in use for adults in three centres in apparent contravention of the national standards and in contravention of the contracted terms and conditions in two of the centres¹
- the size of room and room occupancy levels in some locations appeared to breach the specified minimum space requirement for each resident.

10.44 The IPAS stated that, although the national standards were set in 2019, they were only adopted for emergency IP accommodation centres in mid-2023. Consequently, some properties contracted in 2022 and 2023 were not subject to the standards.

10.45 The Department of Justice stated that due to the unprecedented numbers seeking accommodation, it has had to avail of repurposed office buildings, decommissioned army barracks and tents to address reception capacity shortfalls. This also includes the use of bunk beds, where necessary, to maximise the number of available bedspaces in a property. It also stated that under the comprehensive accommodation strategy, the Department is committed to reducing reliance on such arrangements.

Contract breaches

10.46 While a formal contract compliance function was set up in December 2023, its scope and process were only documented in June 2025. The function focuses on the contractual compliance of properties provided by commercial operators and excludes State-owned properties.

10.47 Prior to the introduction of a compliance tracker in April 2025, the IPAS did not formally log contract breaches identified for follow up.² Contract breaches are now categorised by compliance category within the tracker and are assigned a risk rating. Each issue is assigned to a case worker to manage to resolution. Where the issues are not resolved within a specified timeframe, the contract may be terminated.

10.48 As at mid-June 2025, there were 118 issues recorded on the compliance tracker relating to around 80 providers. Over 80% of the issues had a risk rating of 16 or higher (the maximum rating is 25). Of these issues,

- 89% related to 'unavailable beds'³
- 9% related to health and safety
- 2% related to overcharging and overcapacity.

¹ The third centre managed by the IPAS is subject to a licence agreement which does not specify accommodation requirements.

² Contract compliance issues are identified from inspections and other sources such as invoice reviews, helpdesk, contract renewals and external sources.

³ Beds may be marked as 'unavailable' by a provider for, *inter alia*, maintenance and medical reasons.

10.49 Regarding these non-compliances, the Department of Justice stated the following.

- Reliable data on the percentage of unavailable beds is now available with the introduction of a new IT system called Bedspace in February 2025.¹
- A better inspection regime has led to an improvement in the resolution of health and safety issues. The Department noted that for a sample of 20 properties inspected in both 2024 and 2025, the standards in 14 of the centres had improved between inspections. Also, two of the (20) centres were closed due to issues identified during the inspection.
- An improved contract renewal process has uncovered overcharging and overcapacity. The Department noted that as of late August 2025, the contracts team had identified seven cases of overcharging totalling almost €4.5 million.² The overpayments occurred over various periods, with some dating back to 2023. Recoupment plans have been agreed for five of the cases, and two cases are pending agreement.
- Recoupment plans have been agreed with another provider in respect of overcharges totalling €557,600 identified by a bedspace audit, covering the periods November 2023 to November 2024 and January to July 2025. Recoupment has also been agreed with a provider for approximately €69,000, for the unsanctioned transition from full board to self-catering, covering the period November 2024 to March 2025.

Payment controls

10.50 In general, payments to IP accommodation providers are based on the availability of the agreed room capacity of the property. This means the provider is paid the contracted rate regardless of whether the contracted rooms are occupied or not.

10.51 Typically, accommodation providers are paid monthly in advance. Amounts invoiced by providers include the contracted room rate, charges for additional room occupants and charges for certain ancillary services (e.g. laundry, security costs).³

10.52 For the ten contracts available for review by the examination team

- eight were based on capacity
- two were based on a combination of capacity and occupancy — a capacity-based single occupancy room rate, with a supplementary charge for each additional occupant.

10.53 The IPAS stated that the accommodation market has changed significantly over time. In periods of acute shortages, it was extremely difficult to source accommodation at favourable rates.⁴ Consequently, where there was a risk of no shelter for families in particular, it agreed to rates exceeding average rates for existing IPAS accommodation.

¹ Bedspace is a bespoke electronic bed management system used to allocate accommodation to IP applicants.

² Two of the cases relate to one provider.

³ Ancillary services may be invoiced separately in the following month, after they have been provided.

⁴ At the height of the Ukrainian response crisis, sourcing separate accommodation simultaneously for beneficiaries of temporary protection and for IP applicants was particularly challenging.

10.54 The Department of Justice has stated that contracts for IP accommodation services include both the use of the building and ancillary services such as food, laundry, security and transport. A 'per person per night' rate is paid to the provider to deliver these services. Consequently, it is not viewed in the same manner as the private rental market. It stated that a primary objective is that it does not interfere with that market in sourcing/contracting accommodation for IP applicants.

Review of payments

10.55 The examination team reviewed 40 payments made in 2024 for the 20 sampled properties and found that

- the detail in some invoices lacked clarity
- it was not possible to reconcile claimed capacity in some cases, as contracts were not available
- it was unclear if claimed occupancy, where applicable, was cross checked by the IPAS with its own records or the weekly registers submitted by the providers.

10.56 The pre-payment checklist used by the IPAS does not include a check to verify that the correct capacity, or occupancy where applicable, has been charged for by the provider.

10.57 More specifically, the examination team found the following.

- For 14 (35%) of the payments, the invoiced rate was not clear or could not be verified as signed contracts were not available.
- One payment was based on a total capacity of 97 residents, albeit the contracted capacity was 92 residents, indicating a potential overcharge of around €11,600 for February 2024.
- Four payments included VAT charges totalling €884,000 for the accommodation element of the invoice, even though the accommodation provision is VAT exempt.

10.58 One invoice examined included a VAT refund of just under €490,000, which was netted against the overall invoiced amount. Over the period 1 March 2022 to 30 June 2023, the provider had incorrectly charged VAT for contracted emergency accommodation in six properties, totalling €2.3 million.¹ Following clarification that the provision of emergency accommodation is an exempt activity, the provider group made the refund to the IPAS in April 2024.² However, the amount refunded was €1.8 million less than the total VAT overcharged by the provider.

¹ The Department became aware of the overcharge in December 2023.

² The provider received clarification from the Office of the Revenue Commissioners (Revenue) and the Department of Finance that the provision of emergency accommodation is VAT exempt.

10.59 Following enquiry, it was established that the provider had overcharged the IPAS for VAT totalling €7.4 million (including the €2.3 million noted above) relating to three different VAT registrations for the period March 2022 to 31 December 2023. The provider has refunded amounts totalling €1.5 million to date. The Department of Justice has stated that recovery of the remaining VAT overcharge remains under review.

- 10.60** Separately, the examination team found that the contracted capacity in one property included three rooms which were not being used to accommodate IP applicants.¹ Based on the single occupancy daily room rate of €169 for the property, the IPAS was being overcharged by at least €15,000 each month.
- 10.61** The Department of Justice confirmed the examination team's finding.² It stated that a forensic investigation of the centre's register returns and supporting documentation will be undertaken for the relevant period. If the investigation finds insufficient evidence validating the availability of the rooms, a recoupment will be calculated.
- 10.62** The Department also stated that in the context of over 32,000 beds, the IPAS is endeavouring to ensure availability of all contracted beds; compliance with contracts; and adherence to standards. It stated that issues relating to bed capacity and management are the subject of significant focus as the service moves towards a more sustainable and value for money model of providing material reception conditions.³

Hybrid arrangements

- 10.63** Hybrid arrangements evolved when accommodation demand for Ukrainian 'beneficiaries of temporary protection' (BOTPs) reduced in 2024, creating capacity in some accommodation centres to also house IP applicants. Providers raise separate invoices for the IP and BOTP accommodation provided in these accommodation centres. During 2024, hybrid arrangements were in place in 25 accommodation centres.
- 10.64** The examination team reviewed a sample of three hybrid accommodation arrangements.⁴ It found that
- there were no signed contracts with the providers, covering either the IP or BOTP accommodation for 2024
 - the capacity, and/or where applicable, the occupancy, claimed on the IP invoices could not be vouched to any supporting documentation
 - for two of the arrangements, the invoiced room/bed rates could not be vouched to any form of agreement — in the other case, the rate could be matched to an email between the IPAS and the provider
 - there was no evidence of any check confirming that there was no duplication between the beds claimed on the IP invoice and the BOTP invoice, for each centre, to avoid any potential overpayment — this is not a prescribed check on the pre-payment checklist used by the IPAS.
- 10.65** The Department of Justice stated that a standard pre-payments checklist used by the Department of Children, Disability and Equality was not tailored to meet the specific requirements of any particular unit. Therefore, checking of the number of beds claimed for payment — which was mainly a concern for the IP division and its contracting of capacity — did not form part of the checklist. It also stated that each invoice approval included, *inter alia*, a declaration by the approver that the payment was in order to issue.
- 10.66** Overpayments totalling €310,000 in 2024 were made in connection with two of the sample hybrid centres. The IPAS has confirmed that the overpayments have since been recouped.⁵

1 This was identified during a site visit to the property by the examination team.

2 The Department undertook an inspection of the property which confirmed the examination team's finding.

3 The provision of material reception conditions in the State are governed by [SI 230/2018 — European Communities \(Reception Conditions\) Regulations 2018](#).

4 One of the hybrid arrangements formed part of the sample of 20 properties.

5 The overpayments were made and recouped by Vote 40.

- 10.67** As of March 2025, known potential overpayments under nine hybrid arrangements totalled approximately €1.3 million.¹ The IPAS stated that all overpaid amounts have been recouped.²

Value added tax (VAT)

- 10.68** In general, the supply of emergency accommodation is exempt from VAT.³ However, catering services are considered as a separate supply for VAT purposes and are liable to VAT at the appropriate rate.⁴ Where there is a supply of emergency accommodation and catering services, the consideration payable must be apportioned between the exempt accommodation and the taxable catering service.

- 10.69** In five of the ten contracts available for review, the chargeable rate was quoted on a VAT-inclusive basis. The chargeable rate in the remaining five contracts was on a VAT-exclusive basis. Neither contract type distinguished between the accommodation charge and the food charge.

- 10.70** The Department of Justice stated that it now requires catering services and any exempt services to be apportioned within all invoices.

- 10.71** The IPAS cannot reclaim VAT incurred. However, its pre-payment checklist does not include a check to confirm the accuracy of the VAT rate and amount of VAT charged. The IPAS stated that application of the correct VAT rate is a matter for the invoicing party with appropriate oversight by Revenue.

Departmental pre-payment checks

Tax clearance condition

- 10.72** Prior to payments being made, checks are carried out to ensure that accommodation providers have valid tax clearance certificates.⁵ Tax clearance certificates were available for the 40 payments relating to the 20 sampled properties.

Occupancy of accommodation

- 10.73** Since most IP accommodation is procured on a capacity (or availability) basis, maximising the occupancy of the contracted accommodation ensures full value is obtained for the expenditure incurred.

- 10.74** The IPAS maintains a bed management and compliance spreadsheet for the allocation of accommodation to IP applicants and management of its available accommodation stock.

- 10.75** The spreadsheet is updated weekly to capture the number of vacant beds using weekly updated occupancy registers submitted by providers to the IPAS.⁶ The IPAS follows up by phone call where providers fail to submit the weekly register.⁷

1 This amount includes the overpayments totalling €310,000 for the two sampled hybrid centres.

2 See Vote 40 Children, Equality, Disability, Integration and Youth 2024 at www.audit.gov.ie.

3 For emergency accommodation to be considered an exempt supply, it must generally not be open to the public.

4 [Revenue guidance on emergency accommodation and ancillary services](#) sets out the VAT requirements for catering services. The applicable rate in 2024 was 13.5%.

5 The pre-payment checklist requires that the tax clearance certificate is dated within 30 days of the payment date.

6 The register for each accommodation centre records details of the occupants in each contracted room.

7 The register submission compliance rate was not tracked in 2024.

10.76 The examination team reviewed the IPAS spreadsheet as at 24 June 2025. The average occupancy for 19 of the 20 sampled properties was 78.5%.¹ The spreadsheet indicated a total of 1,636 vacant beds in the 19 properties. However, follow-up calls by the IPAS to the accommodation providers identified that vacant beds totalled 1,268 — 22% less than the number recorded by the IPAS.

10.77 The IPAS stated that vacancies per its spreadsheet may differ from actual vacancies for several reasons. For example, the provider may need to renovate a room, making the room temporarily unavailable; or a family may occupy a room with greater capacity than it requires. Other reasons provided by the IPAS for the unavailability of bedspaces include building/upgrade works and resident welfare considerations.

10.78 Good practice suggests a vacancy buffer of around 15% of available beds.² The examination team reviewed occupancy levels during site visits in 2025 in seven sampled properties (see Figure 10.7). Total vacancies of 589 beds were identified — representing an average vacancy rate of 24%. However, this rate decreases to 11% when the two reception and dispersal centres are excluded from the sample.³ The average vacancy rate for these two centres was 39%.

10.79 Of the 589 vacant beds across the seven centres, the Department of Justice noted that 60 of these beds were not available for use at the time of the visits. It stated that reasons such as room configuration, maintenance, turnaround times or beds being held for future bookings impact room availability at any given time.

1 The contract for the remaining property was terminated in June 2025.

2 [The Organisation of Reception Facilities for Asylum Seekers in different Member States](#) — European Migration Network Study 2014.

3 The purpose of these centres is to provide temporary short-term accommodation for IP applicants — typically a few days — while suitable longer-term accommodation is identified.

Figure 10.7 Review of occupancy levels at seven sample properties, May and June 2025

	Accommodation type	Capacity ^a	Occupancy at date of site visit	Unused bed capacity	Occupancy rate	Date of site visit
1	Transit hub	650	330	320	51%	22 May
2	Other	149	135	14	91%	27 May
3	Hotel	500	370	130	74%	29 May
4	Hotel	842	780	62	93%	30 May
5	Apartments	98	87	11	89%	3 June
6	Hotel	80	71	9	89%	4 June
7	Hotel	144	101	43	70%	5 June
Total		2,463	1,874	589	76%	
Total excluding reception and dispersal centres^b		1,313	1,174	139	89%	
Total for reception and dispersal centres only		1,150	700	450	61%	

Source: Department of Justice, Home Affairs and Migration. Site visits and analysis by the Office of the Comptroller and Auditor General.

Notes: a Reflects the capacity per the 2024 contract or the capacity as confirmed by the operator.

b Centres no.1 and no.3 are classified as reception and dispersal centres.

- 10.80** The Department also stated that reception and dispersal centres are intended to have a high throughput and high availability on any given day. This allows surges and/or applicant groups requiring particular configurations to be assessed and accommodation assigned optimally. Such centres are not designed to operate at or near maximum capacity, given arrivals of over 1,000 per month in 2025.
- 10.81** The Department further stated that where these centres are close to maximum capacity, it is a clear indicator that the accommodation system has reached a critical juncture and is unable to accommodate all those applying for IP. It stated that dynamic capacity is essential, and these centres are designed to cater for fluctuating arrival numbers and facilitate stand up contingency measures, where required.

Personal information — weekly registers

- 10.82** The General Data Protection Regulation (GDPR) places responsibility on organisations to protect the personal data they hold. Significant fines can be imposed on bodies that violate its provisions. Significant breaches can also result in reputational damage and costly remediation actions.
- 10.83** The examination team noted during site visits that the registers maintained by accommodation providers include a significant amount of personal information. Providers are required to email the registers to the IPAS on a weekly basis. There is a risk that such emails may be intercepted or misdirected through human error.
- 10.84** Contracts with accommodation providers include provisions on data protection and security. Appropriate technical and organisational measures are required to protect against unauthorised or unlawful processing of personal data and against accidental loss or destruction of the data.

Service delivery condition

- 10.85** Where contracts are in place, contractual terms allow the IPAS to withhold between 10% and 20% of amounts invoiced, if it is dissatisfied with the service provided. The IPAS stated that, in practice, 100% of an invoice is withheld where any compliance or invoicing issue arises. It stated that it maintains a 'watchlist' of accommodation providers where a 'hold' on payments is in place.

Inspections of accommodation centres

- 10.86** Inspections of contracted accommodation — both announced and unannounced — are carried out by IPAS staff and external firms on the IPAS's behalf. A standard inspection report form, based on the national accommodation standards and contractors' contractual obligations, is used to ensure consistency of inspection checks. These checks include a review of fire safety; living conditions; structural safety; and compliance with occupancy limits.
- 10.87** The IPAS drafted standard operating procedures to ensure consistency, accuracy and timeliness in the documentation and communication of inspection findings in early 2025. The Department of Justice has stated that these procedures have been updated since it assumed responsibility for the IPAS.

Inspection rate

10.88 Prior to 2024, inspections of IP accommodation centres were carried out on an *ad hoc* basis, mainly in response to residents’ complaints, observations from information clinics held by the IPAS or internal IPAS requests (see Figure 10.8).

Figure 10.8 Inspections of accommodation centres, 2022 – 2024

Centres inspected	2022	2023	2024
IPAS inspections	2	45	244 ^a
External inspections	86	3	56 ^b
Total inspections	88^c	48	300^d
Number of accommodation centres	154	258	326
Inspection coverage	33%^e	19%	82%^f

Source: Department of Justice, Home Affairs and Migration. Analysis by the Office of Comptroller and Auditor General.

- Notes:
- a Includes 30 pre-occupancy inspections.
 - b Includes four pre-occupancy inspections.
 - c 37 centres were inspected twice.
 - d The IPAS inspected 23 centres on two occasions and external firm(s) inspected six centres on two occasions. Another four centres were also inspected twice — once by the IPAS and once by the external firm(s).
 - e This is based on 51 inspections (88 less those inspected twice [37]).
 - f This is based on 267 inspections (300 less those inspected twice [33]).

10.89 In September 2024, the IPAS introduced a central inspections tracker. This tracker provides an overall view of inspections undertaken and the related trigger for an inspection i.e. pre-inspection, routine, compliance issues.

10.90 The IPAS’s inspections methodology incorporates both routine and risk-based approaches. It stated that inspections by external providers are scheduled on a quarterly basis, while inspections by IPAS staff are dependent on available resources and the risks identified. Priority is given to serious compliance issues, renewal of contracts and routine inspections.

10.91 The IPAS did not achieve its 2024 target to inspect each commercial property twice. This was due to resource issues combined with a year-on-year increase of 26% in the overall number of centres. The IPAS stated that, in 2025, it has moved towards a more compliance-based inspection process which responds to risk rather than the number of inspections per centre.

Inspection follow-up

10.92 The IPAS stated that where an inspection identifies areas of partial or non-compliance in an accommodation centre, a bespoke compliance plan is agreed. This plan sets out the specific and time-bound measures required to ensure full compliance with the contract. The IPAS also stated that ongoing improvement in compliance is seen through this process.

Inspection reports reviewed by the examination team

10.93 The examination team reviewed inspection reports for 18 of the 20 sampled properties — 16 related to 2024 and two related to 2025.^{1,2} The key findings identified by the reports included³

- inappropriate electrical equipment in rooms (air fryer, fridge, heater)
- evidence of mould or damp in rooms
- fire inspections overdue; fire drills insufficiently recorded; evidence of staff fire safety training unavailable
- improper storage of food
- defibrillators not available
- emergency lighting inspection overdue; broken electrical equipment.

The findings within the reports reviewed were not risk rated.

10.94 There was no evidence, based on a sample review of issues for three of the centres, that the IPAS actively followed up to ensure prompt remediation of the issues identified. However, all three centres were re-inspected within eight months. No financial penalties were applied in these cases.

1 Inspection reports were not available for two properties. One is directly operated by the IPAS, while the contract for the second property was terminated in June 2025.

2 The two properties inspected in 2025 had not been subject to an inspection in either 2023 or 2024.

3 The findings listed relate to 14 centres. More than one issue was identified in some centres.

4 HIQA is an independent statutory body established to promote safety and quality in the provision of health and social care services for the benefit of the health and welfare of the public.

5 The Minister for Justice is responsible under the [European Communities \(Reception Conditions\) \(Amendment\) Regulations 2023](#) for designating the premises falling under HIQA's remit. The centres subject to HIQA inspection are those operated from State-owned premises and those competitively procured.

6 [Monitoring of International Protection Accommodation Service Centres](#).

HIQA monitoring of IPAS centres

10.95 In January 2024, the Health Information and Quality Authority (HIQA) assumed the function of monitoring and inspecting certain designated IPAS centres against the national standards for accommodation.^{4,5}

10.96 In March 2025, HIQA published its first report on the monitoring of IPAS accommodation centres.⁶ The report's key findings, for the centres inspected in 2024, included detail on

- the number of residents with protection status that continued to live in accommodation centres due to lack of alternative accommodation
- the number of residents of centres being accommodated in tents
- concerns regarding the risk management procedures in place in the centres
- centres being less aware of their responsibilities for safeguarding/protecting adults than for safeguarding children; and some centres not having policies and procedures to protect residents from experiencing harm and abuse
- the number of staff in centres not appropriately vetted by An Garda Síochána.

10.97 The IPAS stated that following a HIQA inspection of an accommodation centre, a bespoke compliance plan is agreed between HIQA and the IP service provider. The IPAS compliance team engage with the service providers for all HIQA inspected centres to monitor progress and completion of agreed actions. The IPAS also stated that the information in HIQA reports may be used to inform policy and operational decision making.

Resident complaint mechanisms

- 10.98** Complaint mechanisms available to residents include making complaints directly to management at the property or contacting the IPAS helpdesk. The IPAS customer service team also operate consultative clinics in accommodation centres. A total of 129 customer service clinics took place in 2024.¹ These provide an opportunity for residents to raise issues and complaints in person. Complainants who are not satisfied with the outcome can contact the Ombudsman.
- 10.99** In 2024, the IPAS received 581 complaints from IP residents. 30% of these complaints related to the behaviour or actions of centre management or centre staff (including security staff); 20% related to the behaviour of other residents. There were 21 complaints to the Ombudsman regarding IPAS provided accommodation in 2024.

Conclusions and recommendations

- 10.100** The rapid increase in the number of IP applicants since 2022 has created significant pressure on the State's capacity to respond with timely decisions on applications and to provide accommodation and other supports for IP applicants. This pressure became even more acute when very significant numbers of persons from Ukraine had also to be accommodated in 2022 and 2023 on an emergency basis. However, reduced pressure on the State to provide accommodation for Ukrainians in 2024 and 2025 has allowed the IPAS to take steps to rationalise the network of accommodation it uses and to develop its controls over the related expenditure.
- 10.101** While the State operates some contracted IP accommodation centres, the large influx of IP applicants in recent years led to demand for accommodation significantly outstripping supply. Consequently, the IPAS had to source a large amount of additional accommodation on an emergency basis. At the end of 2024, around three quarters of all IP applicants requiring accommodation were resident in 269 emergency accommodation locations.
- 10.102** In 2024, the IPAS made payments of about €978 million to commercial providers for emergency accommodation and related services.

Pre-contract due diligence

- 10.103** The IPAS has specified certain criteria that it states must be met by potential providers of commercial properties for an offer of accommodation to be considered. These criteria are attested to by potential accommodation providers in a self-declared property proposal document.

¹ In 2025, just under 100 clinics have been undertaken to end August.

10.104 The examination team's review of documentation provided for 20 sample properties found that the IPAS's pre-contract due diligence records in relation to those criteria were significantly incomplete.

- Insurance certificates were only available for 40% of the properties and appropriate fire certificates clearly covering the proposed properties were only available for 45% of properties. None of the fire certificates examined identified the proposed occupancy level for the property.
- Evidence of ownership of the property/copy of lease agreement was only provided for one (5%) of the properties.
- Evidence of full planning permission to use the property for IP accommodation, or confirmation of exempted development, was available for only 20% of the properties.
- Pre-contract inspections of the properties had been carried out for only two of the properties (10%).

The IPAS has since taken steps to improve the documentation held for the sample properties reviewed.

Recommendation 10.1

Complete due diligence documentation should be held for each property as evidence of checks undertaken. A completed due diligence checklist, signed by the relevant IPAS staff member, should be appended to the documentation.

Department of Justice, Home Affairs and Migration Accounting Officer's response

Agreed

Complete due diligence documentation checklists have been introduced and are reflected in an overall 'offers of accommodation' spreadsheet to ensure that all documentation has been received and recorded.

Access to the Companies Registration Office database has been arranged, to support the verification of data.

The Department now uses Tailte Éireann's mapping service to assist with verification of mapping and folio data. A verification checklist has been developed to show that checks have been carried out as recommended.

Timeline for implementation

Implemented, Q3 2025.

10.105 The IPAS's pre-contracting processes do not extend to checking the financial stability of the proposed accommodation provider.

10.106 In March 2024, the IPAS amended its template contract for IP accommodation providers. Providers are now required to sign a declaration, in the presence of a Commissioner for Oaths or practising solicitor, as to their personal circumstances. Since April 2025, providers are also required to submit a signed declaration that they have not received any foreign financial contributions from non-EU countries that could affect fair competition in the single market.

- 10.107** These declarations have strengthened the IPAS's position in circumstances where it may seek to terminate a contract if it discovers that it was provided with misleading or inaccurate information.

Contract performance monitoring

- 10.108** Signed contracts for 2024 were not available for half of the 20 sampled properties reviewed during the examination. The absence of signed contracts impedes effective contract implementation and contract compliance monitoring. There is also an increased risk that incorrect payments may occur and that timely resolution of any potential disputes around contract deliverables may be hindered.

Recommendation 10.2

The IPAS should ensure that all arrangements that it operates for the provision of accommodation for IP applicants are underpinned by signed contracts. Each contract should be signed by an authorised IPAS official and the accommodation provider. The IPAS should retain signed copies of all contracts.

Department of Justice, Home Affairs and Migration Accounting Officer's response

Agreed

The majority of properties in use by the IPAS now have signed contracts and these contracts are centrally stored on a shared database. A dedicated contracts renewal team was established in Q3 2024.

New folder structures and a document naming convention have been established within the Department's electronic filing system (eDocs) to allow for ease of search and retrieval of individual contracts. The handover of each new contract (from the accommodation procurement team to the contract management team) includes a link to the electronic document system, verifying the document has been filed appropriately.

Each contract is submitted via the eSubmissions system for approval/countersignature. Contracts go through a series of reviews (commencing at Administrative Officer/Higher Executive Officer level) to verify that they are appropriately signed/initialled before being sent to the appropriate officer/decision maker.

Timeline for implementation

Implemented, Q3 2025.

Payment controls

- 10.109** Payments to IP accommodation providers are generally based on the availability of agreed capacity of the property, regardless of the occupancy level. Consequently, there is an inherent value for money risk if occupancy levels are low or variable. Eight of the ten contracts available for review were based solely on capacity.

- 10.110** At mid-June 2025, around 90% of the high-rated issues listed in the IPAS's compliance tracker related to 'unavailable beds'. A new bedspace management system introduced in 2025 should provide more reliable data on bed availability and assist in the management of the contracted bed spaces. Factors impacting the availability of beds include renovations, room reconfigurations, building works and resident welfare considerations.
- 10.111** It was not possible to verify the invoiced rate for over one-third of the 40 sample payments reviewed because signed contracts were not available. For one property, the invoiced capacity was higher than the contracted capacity, indicating a potential overpayment of €11,600 for the month examined. A site visit to another property identified that the IPAS was being charged around €15,000 per month for three contracted rooms that in fact were not available for accommodation purposes. The Department of Justice has since undertaken an inspection of this property, and a forensic investigation of relevant documentation is planned to inform any potential recoupment.
- 10.112** For the sample invoices reviewed, it was not evident from the records kept that the IPAS had crosschecked the accommodation providers' claimed capacity or occupancy with its own records or the weekly occupancy registers.
- 10.113** IPAS records indicated an average occupancy rate for the sampled properties of around 78.5% as at 24 June 2025, indicating 1,636 vacant beds. However, follow-up calls by the IPAS to accommodation providers identified that 368 (22%) of the beds recorded as vacant were in fact not available for use. Since payments are generally based on bed availability, this indicates that significant overpayment may be occurring, and that there is potential for savings if occupancy and availability rates are more closely monitored.
- 10.114** In general, the supply of emergency accommodation is exempt from VAT. However, catering services are considered as a separate supply and are liable to VAT at the appropriate rate (13.5%). In five of the ten contracts available for review, the IPAS had signed contracts with rates inclusive of VAT with no distinction between the accommodation charge and the food charge.
- 10.115** The IPAS did not routinely check that invoiced amounts included the correct VAT. However, in December 2023, it became aware that it had been incorrectly charged VAT totalling €7.4 million by a provider of multiple properties under three VAT registration numbers. Subsequent invoices included VAT refunds totalling €1.5 million for amounts previously overcharged. The Department of Justice has stated that recovery of the balance of the overcharges remains under review.
- 10.116** As of March 2025, other overpayments of approximately €1.3 million had been identified by the Department of Children, Disability and Equality under nine hybrid arrangements. All these overpayments have since been recouped.
- 10.117** Separately, by late August 2025, the IPAS has identified further overpayments, totalling around €5.1 million from contract non-compliances in around ten cases. These overpayments occurred over various periods between 2023 and July 2025. Recoupment plans have been agreed in most cases, while two cases are pending agreement.

Recommendation 10.3

The IPAS should

- introduce an additional control to check that claimed available capacity agrees with the contracted capacity and that the claimed occupancy, where relevant, agrees with the weekly occupancy registers submitted by providers
- introduce an additional control check, in the pre-payment checklist, to confirm, where relevant, that VAT is only charged on the food services provided and not on the accommodation charge
- confirm for hybrid arrangements, as part of the pre-payment checklist, that there is no overlap between the beds claimed for IP purposes and beds claimed for BOTP purposes.

Department of Justice, Home Affairs and Migration Accounting Officer's response

Agreed

Additional control measures have been introduced following the implementation of the BedSpace bed management system in February 2025. A dedicated team is responsible for auditing bed availability against contracted capacity with escalation pathways through contract management, where necessary.

Invoices for the provision of accommodation are no longer accepted if they do not include the rate, occupancy and number of days being invoiced. This facilitates checking that claimed capacity/occupancy agrees with contracted capacity/occupancy and registers where relevant.

The Department has procedures in place to ensure capacity/occupancy can be accurately and consistently checked. An additional operating procedure for payment approvers has been finalised which is being implemented from September 2025.

Where a VAT issue arises on an invoice, this is queried, and the provider is advised to confirm the VAT treatment with Revenue, as appropriate.

A check has been added to the payment approver operating procedure to ensure a cross check is carried out of IP beds claimed with BOTP beds under hybrid arrangements.

Timeline for implementation

September 2025 for implementation of the operating procedure for payment approvers.

10.118 The General Data Protection Regulation (GDPR) places a responsibility on organisations to protect the personal data that they hold. Registers containing sensitive personal data on IP applicants in accommodation centres are transmitted by providers, via email, to the IPAS on a weekly basis. There is a significant risk that such emails may be intercepted by bad actors or misdirected through human error.

Recommendation 10.4

The IPAS should consider whether all the personal data included in the IP registers needs to be transmitted to it on a weekly basis. The IPAS should also introduce a more secure method of transferring the registers.

Department of Justice, Home Affairs and Migration Accounting Officer's response

Agreed

The Department has considered this and concluded that the transmission of data on a weekly basis and the sharing of registers weekly is an operational imperative to ensure bed maximisation and engagement with IP applicants.

Registers are submitted to a dedicated secure inbox and additional controls have been implemented. Access to the inbox is only provided to relevant staff.

It is intended that further phases of BedSpace implementation will remove the need for transfer of registers with the introduction of service provider facing portals.

Timeline for implementation

Addition of further controls to the BedSpace system to be completed in 2026.

Regulatory compliance

- 10.119** Site visits identified the use of bunk beds in some properties, in contravention of the national accommodation standards. Use of bunk beds may breach the minimum space requirement for each resident, leading to overcrowding. It also represents a potential breach of the contracted service.
- 10.120** Accommodation providers are required to provide evidence to the IPAS of an application to the relevant local authority for repurposed or change of use properties. However, this evidence was only available for 4 of the 20 sample properties examined.
- 10.121** Since July 2024, the IPAS also requires providers to submit a section 5 declaration of exempted development from the requirements to obtain planning permission. However, this requirement is not specified in the accommodation proposal template.

Recommendation 10.5

The IPAS should ensure that it receives, where applicable, evidence of all applications to local authorities for repurposed or change of use properties proposed for use as IP accommodation. The IPAS should also update its accommodation proposal template for the submission of the section 5 declaration of exempted development.

Department of Justice, Home Affairs and Migration Accounting Officer's response

Agreed

Evidence of the provider's application for exemption to the relevant local authority is in place for all new properties. Under the contract renewals process, clarity and verification of planning status of the centre is now sought in every instance.

The accommodation proposal template was updated in 2025 for the requirement for providers to submit a section 5 declaration of exempted development.

Timeline for implementation

Implemented, Q3 2025.

Inspections

- 10.122** The IPAS places significant reliance on its compliance and inspection teams to monitor contract compliance. This is an important control that potentially provides assurance around the delivery of the service that the State has contracted and for which it is paying.
- 10.123** Prior to 2024, inspections of emergency accommodation were carried out on a very limited and *ad hoc* basis. The inspection rate has significantly increased since then. Standard operating procedures for the documentation and communication of inspection findings were developed in early 2025. The process and scope of the compliance function was also documented in 2025.
- 10.124** In 2024, around 82% of accommodation centres were inspected. However, the IPAS did not meet its 2024 target to inspect each commercial property accommodating IP applicants twice in the year. The IPAS has since moved to a more compliance, risk-based inspection process.
- 10.125** Prior to the introduction of a compliance tracker in April 2025, the IPAS did not log contract breaches identified from contract monitoring and inspections. By mid-June 2025, over 80% of the 118 entries in the tracker, relating to around 80 providers, had a high-risk rating.¹ These included issues related to health and safety, unavailable beds and overcharging.

¹ Properties rather than providers was incorrectly stated in the original published report.

Accommodation type	Source of accommodation	Location	Contracted daily rate ^a	Site visit ^b	Proposal form	CRO number	Ownership/ lease	Signed contract ^c	Fire safety certificate ^d	Inspection ^e	Planning ^f	Insurance ^g
Hotel	Direct award	South Dublin	€155 per single occupancy, €31 per additional person. Dormitory style €51 per person									
Hotel	Direct award	North Dublin	Unclear									
Dormitory	HSE Covid centre pivoted to IP centre	South Dublin	Department-run							N/A		
Apartment complex	Request for tender	Westmeath	€74 per person									
Dormitory	Direct award	Mayo	€55 per person									
Hotel	BOTP centre pivoted to IP centre	Mayo	€55 per person									
Dormitory	Direct award	Mayo	Unclear									
Hotel	Direct award	Louth	€85 per person									
Guesthouse	Direct award	Kildare	€80 per person									
	Complete		Partially complete		Not complete							

Source: Department of Justice, Home Affairs and Migration. Analysis by Office of Comptroller and Auditor General.

- Notes:
- a In instances where a contract was not available, the daily rate is based on payments made.
 - b Indicates if the property was subject to a site visit by the examination team.
 - c Ten of the signed contracts requested were not available.
 - d Fire safety certificates are required to reflect the proposed occupancy for the building. Where the occupancy level is not shown on the fire certificate, it has been assessed as being partially complete.
 - e Indicates if the property was subject to an inspection by the IPAS in 2024.
 - f Indicates evidence of application for change of use as emergency accommodation has been made to the relevant local authority and received by the IPAS.
 - g Indicates that clear evidence of insurance for 2024 has been obtained by the IPAS.
 - h Request was by the Minister for Children, Disability and Equality to religious organisations and government departments.