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Periodic Critical Review of the Adoption Authority of Ireland

June 2026

An Roinn Leanaí, Míchumais agus Comhionannais
Department of Children, Disability and Equality

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Executive Summary

The Adoption Authority of Ireland

The Adoption Authority of Ireland ('AAI') is an independent quasi-judicial body under the aegis of the Department of Children, Disability and Equality ('the Department'). Its remit is defined in the main by two pieces of legislation: the Adoption Act 2010 and the Birth Information and Tracing Act 2022 ('BITA').

The AAI, which was established in 2010, has the sole right to grant or refuse adoption orders in Ireland. In addition, it is the only body that can grant the declarations of eligibility and suitability that are required by prospective parents before they can adopt a child. In line with the 1993 Hague Convention on the Protection of Children and Cooperation in Respect of Intercountry Adoption, the AAI is also the 'Central Authority' for intercountry adoption and is responsible for the registration of foreign adoptions under Irish law. The Authority is also responsible for maintaining the register of accredited bodies involved in domestic and intercountry adoptions, undertaking adoption-related research and providing advice on adoption to the Minister as requested.

Under the Birth Information and Tracing Act 2022 ('BITA'), the Authority has responsibility (together with Tusla, the Child and Family Agency) for providing birth certificates, birth and early life information and tracing services for people who were adopted, boarded out, nursed out or the subject of an illegal birth registration. The Authority also administers the Contact Preference Register and is responsible for the safeguarding of adoption and adoption-related records from other institutions.

Period Critical Review

Periodic critical reviews provide an opportunity for a State body and its parent Department to reflect on strategic and operational strengths and challenges; to secure improvements in accountability, efficiency and effectiveness; to assess whether the governance structure of the State body and its oversight by the parent Department is consistent with legislation and business needs; and to scrutinise the ongoing business case for the body in light of changing demands and priorities.

This report was overseen by a Steering Group, chaired by a senior official of the Department and including the Chairperson and Deputy Chairperson, CEO and Director of Operations/Board Secretary of the Authority, a representative of the Department of Public Expenditure, Infrastructure, Public Service Reform and Digitalisation, and officials of the Department of Children, Disability and Equality.[1] A project team from the Department's Adoption Policy Unit managed the review on a day-to-day basis and drafted the final report under the Steering Group's guidance. Indecon International Economic and Strategic Consultants assisted the project team to obtain meaningful contributions from stakeholders and to review and assess the external environment within which the AAI is operating, its organisational structure and capacity and its organisational performance. Indecon's *Inputs to Periodic Critical Review of the Adoption Authority of Ireland* is included as Appendix 1 to this report.

The Adoption Authority of Ireland in Context

Between 2010 and 2025, the Adoption Authority of Ireland granted 3,094 declarations of eligibility and suitability to adopt to parents and couples seeking to adopt a child. It granted 1,334 domestic adoption orders; it recognised 786 intercountry adoptions where the applicants were resident in Ireland; and 2,313 where the applicants were not habitually resident in the State.

[1] The CEO of the Authority resigned in May 2025, and an interim CEO was appointed from October 2025. The terms of office of the Chairperson and Deputy Chairperson who participated in the Steering Group ended in October 2025. The newly-appointed Chairperson of the Authority and the interim CEO participated in the final Steering Group meeting on 22 January 2026.

The Authority responded to 465 applications for birth and early life information in the last three months of 2022, 3,506 in 2023, 1,259 in 2024 and 854 in 2025. An initial backlog of applications was fully cleared in September 2023 and since then the scheme has been operated within statutory timeframes. By the end of 2025, 897 applications for tracing had been assigned to a social worker and 589 had been closed. 4,410 entries were added to the Contact Preference Register in the period from June 2022 to end 2025; 469 matches were made between relatives; and 253 pairs of relatives were put in contact with each other.

As these headline figures suggest, the work of the Authority impacts positively on the lives of people across Ireland (and abroad), including adopted people of all ages, birth and adoptive families, as well as others whose lives are affected by adoption. Through the provision of birth information and tracing services, it works to vindicate people's rights to know their identity and to access information about their birth, early life and background in a respectful and supportive manner.

Organisational Structure, Capacity and Performance

The main conclusion of this periodic critical review is that the Authority is working well and fulfilling its statutory mandate. Appropriate governance, financial oversight and risk management are in place, and these are well documented and managed. The Authority has adapted well to its broader mandate under BITA: the implementation of birth information and tracing services and the establishment of the Contact Preference Register were major undertakings, as was the putting in place of arrangements to safeguard adoption records. The Authority underwent significant change to deliver these functions, doubling its staff complement and adapting its organisational structure to reflect its additional workload and responsibilities and the need for additional corporate support in a growing organisation.

The AAI is one of a small number of State bodies in which the Board has both a quasi-judicial role and a role in overseeing the running of the affairs of the body in question. As well as being the only body that can make or refuse domestic adoption orders in Ireland and the only body that can recognise or refuse to recognise intercountry adoptions, the Board has responsibility for overseeing the broader work of the AAI. While it can delegate aspects of its work (and the CEO of the Authority is responsible for the day-to-day running of the organisation), it remains collectively responsible to the Minister for the performance of its functions. In the course of the PCR, concerns have been expressed about the time commitment and remuneration of Board members.

This PCR was conducted during a period in which one Board's term of office came to end (on 31 October 2025) and a new Board was appointed by the Minister (from 4 December 2025). The Authority also experienced change at senior management level, with the resignation of the CEO in May 2025 and their replacement by an interim CEO in October 2025. While both the Board and the senior management team ('SMT') of the AAI continued to undertake their core functions, it will be a priority for the incoming Board to clearly define the respective roles and decision-making responsibilities of the Board and SMT, in cooperation with the Department and taking account of usual practice for State bodies.

This review highlights some gaps and potential vulnerabilities in the structure of the senior management team of the AAI. The roles of Board Secretary and Director of Operations are currently combined (January 2026); and there was a vacancy for the post of Head of Corporate Support for most of the period during which the review was undertaken. The Authority is reliant on external service providers for core financial monitoring and management functions, for legal services and for external communications and procurement expertise. A key recommendation of this report is that the Authority and the Department work together to secure adequate resources for the early implementation of the Authority's Strategic Workforce Plan and Target Operating Model. In this context, consideration should be given to separating the roles of Board Secretary and Director of Operations; expanding

the capacity of the in-house finance team; employing a solicitor or small legal team; and insourcing other functions such as external communications and HR – all with a view to ultimately reducing costs and saving money.

As noted above, the current Board of the Authority was appointed by the Minister in December 2025. Most of the work of this periodic critical review was conducted during the term of office of the previous Board of the Authority. The Chairperson of the current Board and the interim CEO of the Authority participated in the final Steering Group meeting on 22 January 2026.

Ongoing Business Case

A key element of the periodic critical review process is to consider whether there is an ongoing business case for the State body and whether there is a case for rationalisation or consolidation in light of changing demands and priorities. A striking finding of this review is that there has been little change in the number of adoption orders granted in each year since the Authority was established.[2] Furthermore, while the number of intercountry adoptions has fallen, the overall numbers have been remarkably stable since 2015. Viewed in these terms, the adoption landscape and the rationale for the Adoption Authority of Ireland have not changed markedly since its establishment in 2010.

The implementation of the Birth Information and Tracing Act 2022 is the most important development since the Authority's establishment and has had significant implications for the size and structure of the organisation. It is difficult to predict how demand for birth information and tracing will develop in the future: while the number of applications may plateau and then fall off in the coming years, it is also possible that applications may increase, as new records become available and as intercountry adoptees turn 18 and seek information about their origins.

In the future, some of the AAI's functions could be carried out by other bodies. For example, the Courts Service might take over responsibility for the making of adoption orders; and Tusla could take responsibility for *all* applications for birth information and tracing. However, there is no compelling reason for reassigning any of the Authority's functions at the moment; a reassignment of functions would be a major undertaking; and transferring the Authority's functions to other bodies could result in poorer outcomes for those involved in the adoption process and for those seeking to vindicate their identity rights. Continued monitoring of trends in relation to adoptions and birth tracing and information, along with performance monitoring within the Authority, will inform future consideration of how best to deliver these functions. Similarly, developments in the establishment or remit of bodies undertaking complementary functions may give rise to policy deliberations on amalgamating AAI functions with those undertaken by complementary bodies.

Appreciation

The Steering Group would like to thank all of those who contributed to this review and would particularly like to acknowledge the work of the project team.

[2] While the number of adoptions has not changed markedly, the complexity of the cases has increased, due to the changes in Irish society and increased diversity in the population.

1. Introduction

1.1 Context of the Review

The *Code of Practice for the Governance of State Bodies* ('the *Code of Practice*') requires that non-commercial State bodies be subject to periodic critical review ('PCR') no later than every 5 years.[3]

PCRs are part of a wider strategy to ensure that Government expenditure is appropriate, targeted, subject to evaluation and delivering against its original objectives. The PCR process provides an opportunity for the relevant State body and its parent Department to review and reflect on strategic and operational strengths and challenges; to secure improvements in accountability, efficiency and effectiveness; to assess whether the governance structure of the State body and its oversight by the parent Department is consistent with legislation and business needs; and to scrutinise the ongoing business case for the body in light of changing requirements, demands and priorities.[4]

This report presents the first periodic critical review of the Adoption Authority of Ireland ('AAI', 'the Authority'), a non-commercial State body under the aegis of the Department of Children, Disability and Equality ('the Department', 'DCDE').

The AAI, which was established as an independent regulatory body on 1 November 2010 under the Adoption Act 2010 ('the 2010 Act'),[5] has the sole right to grant or refuse adoption orders in Ireland. It is also the only body that can grant the Declarations of Eligibility and Suitability that are required by prospective adoptive parents before they can adopt a child. In line with the Hague Convention on the Protection of Children and Cooperation in Respect of Intercountry Adoption,[6] the AAI is also the 'Central Authority' for intercountry adoption and is responsible for the registration of foreign adoptions under Irish law. Under the Birth Information and Tracing Act 2022 ('BITA'),[7] the Authority has responsibility (together with Tusla, the Child and Family Agency) for providing birth certificates, birth and early life information and tracing services for people who were adopted, boarded out, nursed out or the subject of an illegal birth registration. AAI administers the Contact Preference Register and is responsible for the safeguarding of adoption and adoption-related records from other institutions. Its remit to maintain the register of accredited bodies, undertake or assist in research related to adoption services and provide advice on adoption matters as requested by the Minister is explicitly referenced in the 2010 Act.[8]

The services provided by the AAI are diverse and complex and its stakeholders are drawn from every part of society, including adopted people of all ages, birth and adoptive families, and others whose lives are affected by adoption in some way. The AAI, through its work, supports its stakeholders throughout the lifelong adoption process, acts as a memory institution for its service users and ensures the provision of the highest possible standards of adoption and adoption-related services. There are important practical and symbolic benefits associated with adoption, including formal recognition of already-existing family relationships; providing permanency and emotional stability for children, young people and their families; and offering legal clarity in respect of parental rights and responsibilities. Through the provision of birth information and tracing services, the Authority works to vindicate the rights of (sometimes vulnerable) people to know their identity and to access information about their birth, early life and background in a supportive and respectful manner.

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[3] Department of Public Expenditure and Reform (2016), Code of Practice for the Governance of State Bodies.
[4] For further information on the PCR process, see Department of Public Expenditure and Reform (2020), A Guide to Periodic Critical Review of Non-Commercial State Bodies.
[5] Adoption Act 2010 as amended.
[6] Hague Convention on the Protection of Children and Cooperation in Respect of Intercountry Adoption 1993; see also Schedule 2 of the Adoption Act 2010 as amended.
[7] Birth Information and Tracing Act 2022.
[8] See section 96(1)(d) of the 2010 Act.

1.2 Governance Arrangements and Methodology

In line with the approach set out in the *Code of Practice*, the Department established a Stakeholder Steering Group – chaired by the Department – to oversee the direction of the PCR, to monitor timelines and to provide advice, support and expertise as work progressed. The Terms of Reference for the Group are set out in Appendix 3. The Steering Group met 6 times.

A project team was established to develop and manage a plan for the PCR project and to provide administrative support to the Steering Group. The main elements of the project can be summarised as follows:

- **Desktop Research** – reviewing relevant governance documentation, written processes and procedures, organisational reports, and related material.
- **Key Stakeholder interviews** – including interviews with AAI senior management, members of the Board and Department officials.
- **Stakeholder Consultation** – including focus groups and surveys with AAI personnel and written submissions from other relevant stakeholders.
- **Analysis and reporting** – The outputs of the desktop research, review of key governance documentation, review of the operation of the AAI and the stakeholder consultation process were assessed; the key issues and recommendations arising are brought together in this report.

Indecon International Economic and Strategic Consultants were procured to assist the project team to obtain meaningful contributions from stakeholders and to review and assess the external environment in which AAI is operating, its organisational structure and capacity and its organisational performance. Indecon's *Inputs to Periodic Critical Review of the Adoption Authority of Ireland* ('the Indecon Report') is included as Appendix 1 to this report and is discussed further below.

Scoping for the PCR began in August 2023. The practical review work by Indecon was completed in October 2024. A draft report was provided to Steering Group in March 2025. The approved draft report was finalised by the Steering Group in January 2026 and submitted to the Secretary General in February 2026.

The PCR was conducted during a period in which one Board's term of office ended (on 31 October 2025), and a new Board was appointed by the Minister (from 4 December 2025). In the course of the review, attention was given to how best to manage the transition from the 'old' Board to the 'new'. While the new Board is now in place, discussions of the 'transition' and of issues specific to the work of the previous Board have been allowed to stand.

1.3 Indecon Review

The broad conclusions of Indecon's inputs to the PCR are as follows:

- There is an ongoing business case for the Authority. The existence of a dedicated body with specialist expertise to manage important statutory decision-making, service provision (birth information and tracing), research, and regulatory functions in the adoption space is a strength. In principle, some of the AAI functions could be carried out by a combination of other organisations. However, such a reassignment of functions would require primary legislation, would be difficult to implement in the context of overburdened courts and could lead to a risk of poorer outcomes in important and sensitive areas such as adoption and birth information and tracing.

- There is a wide range of political, economic, social, technological, legal and environmental factors affecting the operating environment of the Authority which will

affect the demand for adoption and tracing services and the complexity of the work of the Authority over the medium term.

- The AAI has responded well to changes in its mandate on foot of the Birth Information and Tracing Act 2022. The Authority's capacity to undertake these functions has been enhanced over recent years with a substantial increase in its budget and staffing.

- The AAI's governance arrangements and procedures are clearly articulated and well understood by all parties.

- Board membership represents a significant time commitment on the part of members given the frequency of meetings, the combination of governance issues and adoption decisions to be considered, and the volume of documentation to be reviewed in advance of meetings. The role of Board Chairperson is particularly demanding given that the Chairperson attends the regular Governance meetings with the Department, and the need for regular contact with the CEO and Senior Management Team ('SMT').

- The governance relationship between the AAI and the Department is a good one: both parties clearly understand their respective roles; and there appears to be a good dialogue at the regular Governance meetings between the Chairperson and SMT of the AAI and Department officials.

- Financial oversight and risk management are well managed and the processes governing grant funding and procurement are well documented and in line with good practice.

- There is a heavy reliance on an external service provider for financial reporting and there is no cost-centre structure.

Indecon's recommendations

Indecon made the following recommendations for consideration by the Steering Group for the periodic critical review:

- The AAI's next *Strategic Plan* should be pitched at a higher level with less focus on business-as-usual actions through a more streamlined approach with better use of key performance indicators and exception reporting to monitor progress.

  This recommendation is considered further below at page 23.

- As the structure of the organisation at SMT level has emerged over time, there are some gaps and potential vulnerabilities, notably the dual role of the Director of Operations/Board Secretary and the lack of a compliance officer over an extended period.[9] These vulnerabilities should be addressed.

  This recommendation is accepted by the Steering Group and is discussed further below at pages 23-24.

- The staffing complement of the organisation has increased substantially in recent years. With a high proportion of new staff combined with the significant loss of corporate memory in 2025 with the departure of experienced Board members, it is important that the AAI plan around the identification of future capability requirements [and that] staff training and development, succession planning, and the development

[9] A new Head of Corporate Support took up their post in August 2025.

of a business continuity model are prioritized. A Target Operating Model ('TOM') or similar framework should be developed.[10]

This recommendation, which is accepted by the Steering Group, is discussed further below at page 23; the recommendation is included in the Authority's *Strategic Plan 2025 – 2027*.

- Efforts should be made to widen the scope of the research undertaken by the Authority and to orient and align research efforts so that they better contribute to policy debate and development. To facilitate this, consideration could be given to Department representation on the Research Subcommittee.

  This recommendation is discussed further below at pages 24-25.

- Board membership should be staggered.[11]

  This recommendation has been implemented with appointments to the new Board. It is discussed further below at pages 19-20.

- Notwithstanding the Risk and Audit Committee's valuable role in interrogating financial and risk reports from the Executive, the Board would benefit from the participation of additional members with relevant governance and financial expertise in executing its responsibilities.

  This recommendation is considered further below at page 19.

- The Chairperson's attendance at the regular Governance meetings with the Department should be reconsidered. Indecon suggests that the Chairperson might instead participate on an annual or bi-annual basis.

  This recommendation is noted; the time commitment associated with Board membership is discussed at page 18.

- As legal costs account for a significant share of overall non-pay expenditure, the option of employing an in-house solicitor or small legal team should be evaluated through a cost-effectiveness analysis.

  This recommendation and the broader issue of insourcing are discussed further at pages 26-27. The Steering Group notes that an assessment of the insourcing of certain legal services will be addressed as part of the strategic workforce planning exercise to be commissioned by the Authority.

- AAI's heavy reliance on external service providers for core financial monitoring and management functions should be addressed by expanding the capacity of the in-house financial team.

  This recommendation is discussed below at pages 24 and 26-27. The Steering Group notes that this recommendation will be addressed as part of the strategic workforce planning exercise to be commissioned by the Authority.

[10] A Target Operating Model ('TOM') outlines how an organisation organises people, processes, and tools to achieve its goals and execute its strategic vision, thereby enabling the optimal delivery of an organisation's strategy and functions.

[11] The Indecon Report suggests that legislative change may be required. In fact, section 98(5) of the 2010 Act provides that 'each member of the Authority shall hold office *for a period which the Minister shall determine*, not exceeding 5 years from the date of appointment to the office' (own emphasis).

- The Authority should develop a cost centre framework that allows expenditure to be tracked across different functions and units.

  The Steering Group accepts this recommendation and notes that it can be advanced as part of planning for the 2026 financial year.

For ease of reference, recommendations made by Indecon that are accepted by the Steering Group are included in a blue box in the relevant section below.

Additional recommendations of the Steering Group are indicated by the use of a green box in the relevant section

1.4 Other Inputs

In drafting this report, the project team also benefitted from several other inputs which were drafted/completed during the period of the PCR. These included:

- The *External Board and Committee Effectiveness Evaluation Under the Code of Practice for the Governance of State Bodies (2016)*, conducted by Navigo Consulting (December 2024) ('the External Board Evaluation').
- The Authority's draft *Statement of Strategy 2025-2027*, submitted to the Minister on 30 January 2025.
- The Authority's *Business Plan 2025*.

The Authority's *Statement of Strategy* and *Business Plan* were developed in consultation with the Department and in tandem with work on the PCR; the PCR process was a dynamic one, responding to developments as they occurred and unfolding during a period of change for both the Authority and the Department.[12]

1.5 Structure of the Report

This report is structured as follows:

- Chapter 1 – Introduction
- Chapter 2 – The Adoption Authority of Ireland in Context
- Chapter 3 – Organisational Structure, Capacity and Performance
- Chapter 4 – Ongoing Business Case
- Chapter 5 – Conclusions & Recommendations

- Appendices
  - Appendix 1: Indecon Report (2024), *Inputs to Periodic Critical Review of the Adoption Authority of Ireland*
  - Appendix 2: Membership of Steering Group and Project Team
  - Appendix 3: Steering Group Terms of Reference

[12] As well as the changes in the membership of the Board and the senior management team of the Authority, there were changes of personnel in the Steering Group and in the Project Team managing the review. Steering Group and Project Team membership is detailed in Appendix 2.

2. The Adoption Authority of Ireland in Context

2.1 Legislative Origins and Mandate

The Adoption Act 2010 (as amended)

The AAI, which was established on 1 November 2010 under the Adoption Act 2010, is an independent quasi-judicial body under the aegis of the Department. The AAI is also, in line with the 1993 Hague Convention on the Protection of Children and Co-operation in Respect of Intercountry Adoption, the 'Central Authority' for intercountry adoption in Ireland.

Legal adoption was first introduced in Ireland under the 1952 Adoption Act, which came into force on 1 January 1953 and established the Adoption Board. The Adoption Board had the sole right to grant or refuse to grant adoption orders. This right is now vested in the Authority under the 2010 Act, which repealed the Adoption Acts from 1952 to 1998. The purpose of the Adoption Act 2010 is to ensure high standards in both domestic and intercountry adoption.

The Adoption (Amendment) Act 2017, which came into force on 19 October 2017, introduced a number of further changes to adoption law. In particular, it provided that the best interests of the child should be the paramount consideration in adoption proceedings; that the children of married parents were eligible for adoption; that couples living together in a civil partnership or cohabiting for at least three years (and not just married couples or individuals) could apply to adopt a child; and that stepparents could adopt their partner's child without the partner also having to adopt them. (Prior to the 2017 Act, both the (biological) parent and stepparent had to adopt the child.)

The Birth Information and Tracing Act 2022

The Birth Information and Tracing Act 2022 ('BITA') was signed into law on 30 June 2022. This landmark legislation provides a full and clear right of access to birth certificates and birth and early life information for all persons who were adopted, boarded out, nursed out or the subject of an illegal birth registration, or who otherwise have questions in relation to their origins. It also allows for access to information by next of kin in certain circumstances. The new law also established the Contact Preference Register and a robust tracing service, as well as a range of measures to address issues arising for people affected by illegal birth registration.

Under the BITA, the Authority has responsibility together with Tusla for providing birth information and tracing services. The two organisations are involved as each holds adoption records. As was highlighted during the course of the legislative process, setting up a new (single) agency to provide birth information and tracing services would have required time that some affected persons might not have had.[13] The AAI has sole responsibility for administering the Contact Preference Register and is also responsible for the safeguarding of adoption and adoption-related records from other institutions.

2.2 Areas of Work

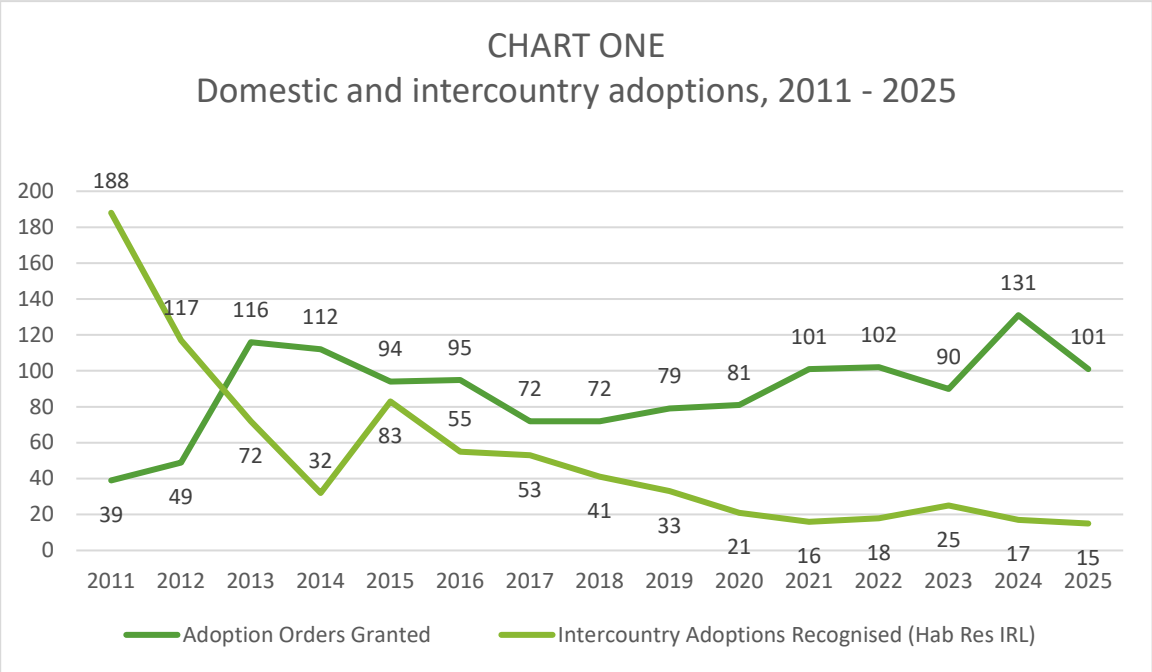
The Authority's functions and main areas of work are detailed in Chapter 1 of the Indecon Report.

Adoption

Between 2010 and 2025, the AAI has granted 3,094 declarations of eligibility and suitability ('licences to adopt') to persons and couples seeking to adopt a child. It has granted 1,334 (domestic) adoption orders and it has recognised 786 intercountry adoptions (where the applicants were resident in Ireland).

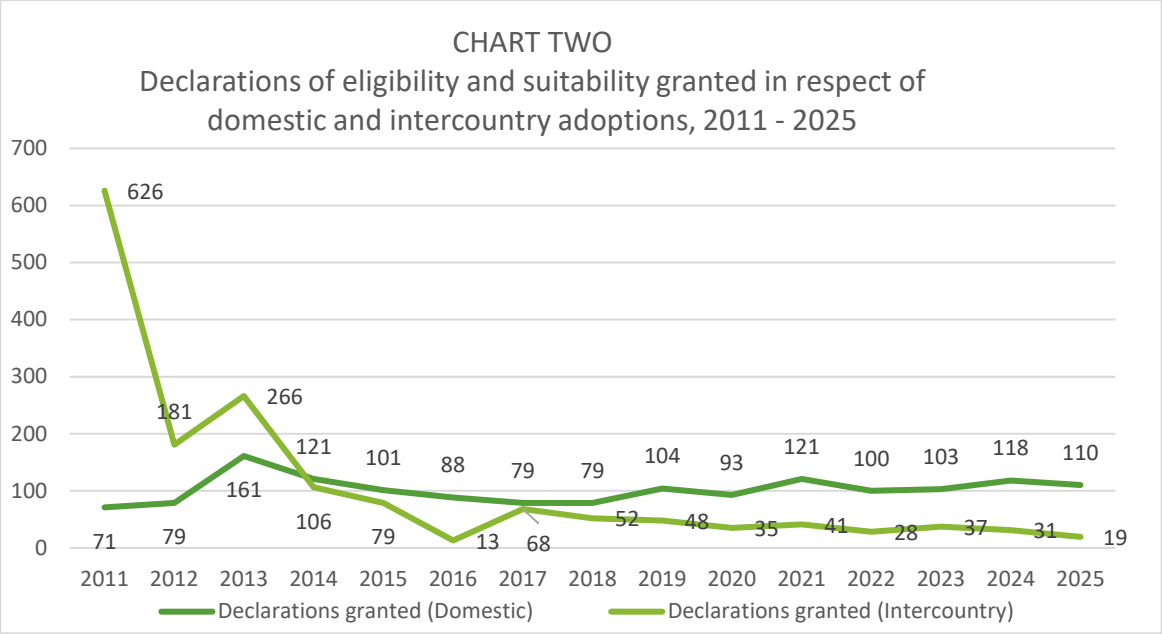
[13] See for example *Dáil Debates*, Vol. 1016, No. 4, 19 January 2022 (Birth Information and Tracing Bill: Second Stage).

Chart 1 shows the number of domestic adoption orders granted and the number of intercountry adoptions recognised by the AAI for each year from 2011 to 2025.[14]



While the number of intercountry adoptions fell during the period, the number of domestic adoption orders was fairly stable (or increasing), with 39 to 131 adoption orders per annum from 2011 to 2025.

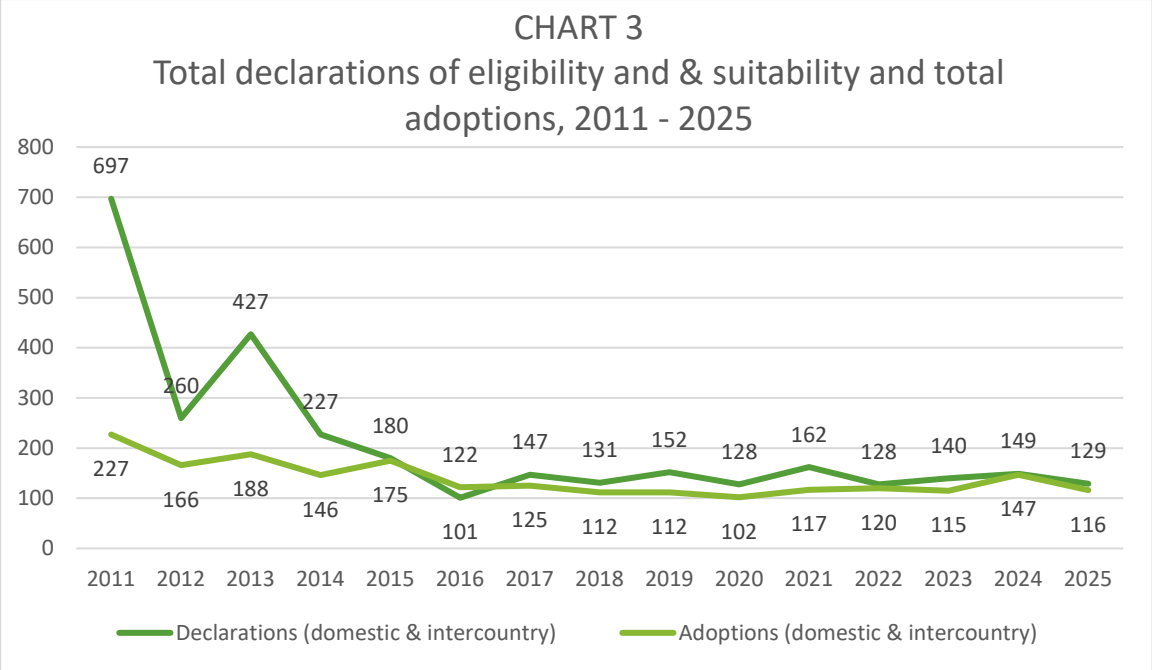
Unsurprisingly, declarations of eligibility and suitability for domestic and intercountry adoptions ('licences to adopt') followed a similar pattern, as Chart 2 shows:



[14] The discussion here focuses on intercountry adoptions where the adoptive parent(s) are habitually resident in Ireland. Information on the recognition of intercountry adoptions where parent(s) and child are not habitually resident in the State is provided in Chart 5 below.

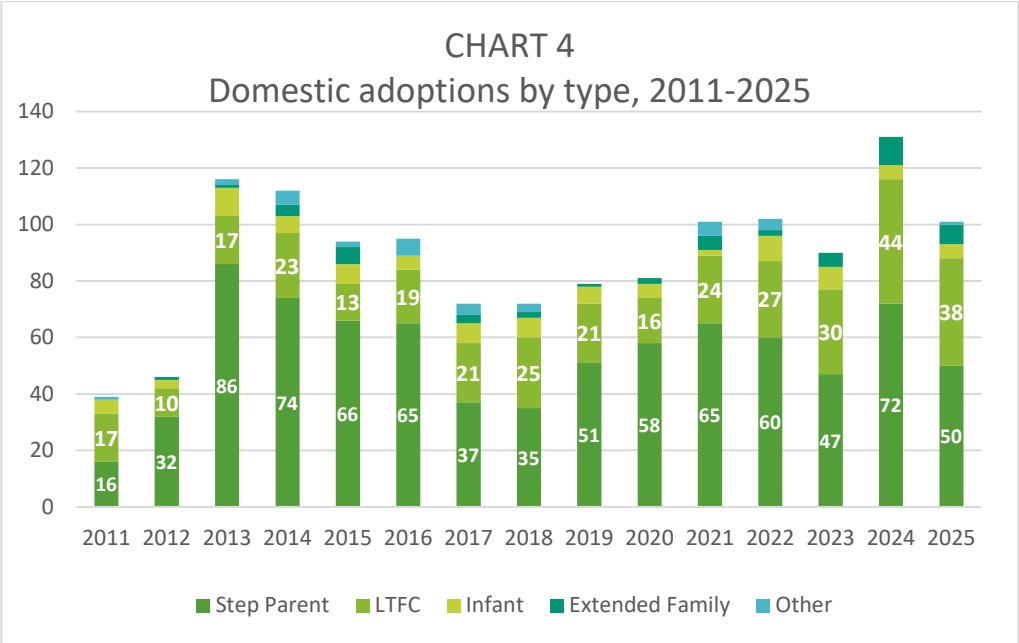
While the total number of declarations of eligibility and suitability for intercountry adoptions fell, the number of declarations in respect of domestic adoptions was more stable, with between 71 and 118 declarations granted each year.

Chart 3 presents figures for the number of declarations granted (for both domestic and intercountry adoptions) and for the number of adoptions (both domestic and intercountry) for the period from 2011 to 2025:



What is striking, again, is the broadly stable picture, at least since 2015 or 2016. Any decrease in the number of intercountry declarations and adoptions was offset by domestic declarations and adoptions.

There are four main types of domestic adoption in Ireland: stepparent adoption, infant adoption, adoption from long-term foster care and adoption by family members. Chart 4 shows the breakdown of adoptions in the period from 2011 to 2025.



Stepparent adoptions account for three-in-five of the domestic adoptions over the whole period and at least half of the adoptions in any given year. Adoptions by foster parents ('LTFC') account for a further quarter of all adoptions and between one-in-seven and two-in-five of the adoptions in each year. By contrast, infant adoptions account for only one-in-15 of all adoptions over the period, an average of six adoptions per year; and adoptions by extended family account for about one-in-30 adoptions – about three adoptions per year. Due to the small numbers in some categories, apparently large relative changes can occur from year to year.[15]

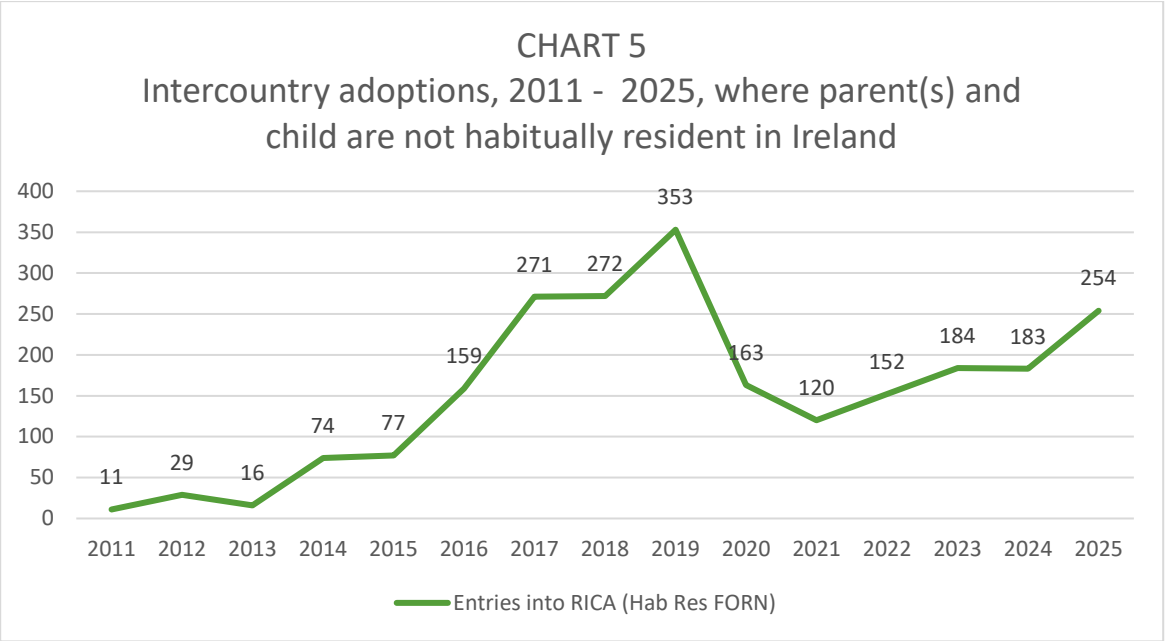
Register of Intercountry Adoptions

As well as registering intercountry adoptions where the adoptive parents are habitually resident in Ireland, the Authority recognises intercountry adoptions where parent(s) and child are not habitually resident in the State.

Chart 5 displays the number of intercountry adoptions recognised by the AAI for each year from 2011 to 2025, where parent(s) and child are not habitually resident in the State.[16]

[15] In 2025, 50 children were adopted by a stepparent and 38 by foster parents. There were only 5 infant adoptions and 7 adoptions by members of the child's extended family. There was 1 'foreign to domestic adoption' (where a child, born abroad, was subsequently adopted in Ireland.)

[16] The data for 2011-2013 refer to the total number of adoptions recognised in these years, where the adopters were habitually resident abroad and the adoptions were effected after the 2010 Act came into force.



While the numbers have fallen from their peak in 2019, they have been broadly stable (or increasing) since 2021. The decrease in the numbers between 2019 and 2020/2021 is likely due to travel restrictions and public health measures during the COVID-19 pandemic. The number of entries on the Register of Intercountry Adoptions ('RICA') has not yet returned to pre-pandemic levels. Recently introduced and proposed restrictions on intercountry adoption by some countries may also contribute to falling numbers of entries on the RICA.

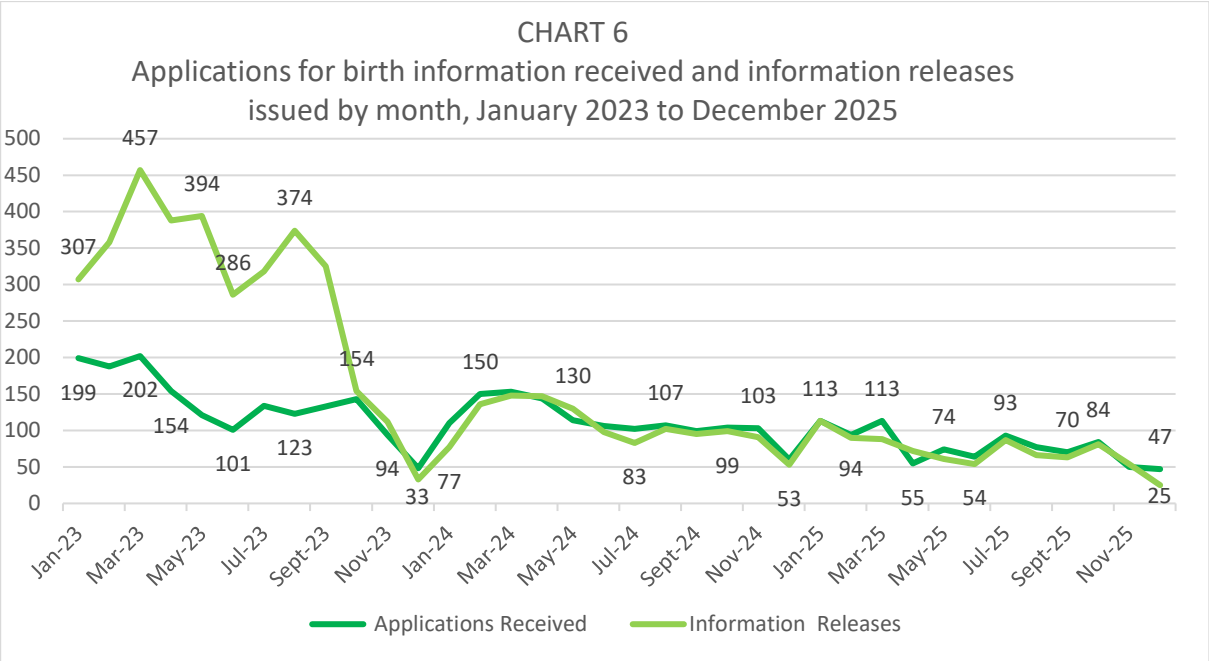
BITA

The introduction of the Birth Information and Tracing Act 2022 ('BITA') is perhaps the most significant development for the Authority since its establishment in 2010. The BITA was signed into law on 30 June 2022 and the Contact Preference Register commenced on that date. The other provisions of the BITA, relating to information and tracing, commenced on 3 October 2022.

The Authority received 1,207 applications for birth and early life information in the first week of the operation of birth information and tracing services in October 2022; 2,053 in the first four weeks of operation; and 2,572 in the period to end December 2022.

Chart 6 below provides information on the number of applications received and the number of information releases issued during the first three full years of the operation of BITA services, from January 2023 to December 2025. A total of 1,520 applications were received in 2023, 1,254 applications in 2024 and 845 in 2025. The Authority responded to 3,506 applications in 2023, 1,259 in 2024 and 854 in 2025.[17] The initial backlog of applications was fully cleared in September 2023. Since that date, AAI has been fully compliant with the timelines set out in the BITA.[18]

[17] The Authority issued 465 information releases in the last three months of 2022.
[18] See section 25 of the Birth Information and Tracing Act 2022; and section 2.3.2.3 of the Birth Information and Tracing Act 2022: Policy Guidelines (DCEDIY, 2022).



The BITA tracing service aims to assist people to search for their birth relatives for the purposes of making contact or seeking or sharing information. Tracing is a complex and challenging process which requires skilled personnel; it can only be carried out at a pace that is comfortable for all parties involved. A total of 108 applications for tracing were received by the Authority in 2022, 410 in 2023, 403 in 2024 and 256 in 2025. By the end of 2025, 897 applications had been assigned to a social worker and 589 had been closed.

The main purpose of the statutory Contact Preference Register (CPR) is to facilitate contact between people who have been affected by adoption, including those who were separated from their families by being boarded out and those whose births were illegally registered. The CPR also provides a way for people to lodge a contact preference, including a request for privacy. In the period from June 2022 to end 2025, the Authority made 4,410 entries to the CPR. It has identified 469 'matches' which, in turn have resulted in 253 relatives being placed in contact with each other.

While it remains to be seen how the demand for birth information and tracing services will develop over time, it is noteworthy that applications have not fallen off as dramatically as might have been expected.[19] Section 70 of BITA requires that the operation of the Act should be reviewed no later than two years after its commencement. The review, which is currently being conducted, will cover all aspects of the services established by the Act and will analyse in greater detail the profile of applicants. This will facilitate the forecasting of future demand for these services.

What the figures don't catch

While these headline figures helpfully capture some elements of the Authority's work, they overlook others. The functions of the Authority's social work team (in addition to tracing) are considered in section 1.3.4 of the Indecon Report. Section 1.3.5 discusses the Authority's role in accreditation; section 1.3.6 addresses the Authority's research function; and section 1.3.3 provides further detail in relation to information, records and archiving.

[19] For further discussion of the BITA and the broader work of the Information Services and Records Unit, see section 1.3.3 of the Indecon Report.

3. Organisational Structure, Capacity and Performance

3.1 Introduction

As the *Guide to Periodic Critical Review of Non-Commercial State Bodies* (DPER, 2020) makes clear, the PCR process presumes that the non-commercial State body already meets the requirements of the *Code of Practice* and that there is an effective working relationship between the State body and its parent Department. The *Guide* suggests that that a PCR may not be appropriate where there is evidence of poor governance. No such 'red flags' have been identified in the course of this PCR.

On the contrary, it is clear that the AAI has adapted well to its broader mandate under the Birth Information and Tracing Act 2022. The implementation of the birth information and tracing service and the establishment of the Contact Preference Register on a statutory footing were significant undertakings for the Authority, as was the putting in place of a process for safeguarding adoption records. The AAI underwent significant change in order to deliver these functions. A key change from 2020 to present is in the structure of the organisation which shifted from a four-person to a six-person management tier reporting to the CEO. (See Indecon, 2024, figure 3.1). This change in the management structure of the Authority reflects the additional workload and responsibilities of the AAI under the BITA and the need for increased corporate support in a growing organisation. Notably, the Information Services and Records Unit, which assists with post-adoption information and services such as access to records, has been substantially expanded with four separate teams.

3.2 The Board

The AAI Board consists of seven members, including a Chairperson and Deputy Chairperson.[20] Section 98 of the 2010 Act provides that the Chairperson and Deputy Chairperson must be (or must, in the two years before appointment, have been) a member of the judiciary or a solicitor or barrister of no less than ten years standing. The remaining (ordinary) members of the Board must be a social worker with experience in adoption practice, a social worker with research expertise in child welfare, child protection or both, a barrister or solicitor with experience in the practice of law in relation to families and children, a registered medical practitioner, and a person with appropriate training in psychology.

The AAI is one of a few State bodies where the Board has both a quasi-judicial role and a role in overseeing the running of the affairs of the State body in question. The Board is solely responsible for making or refusing adoption orders in Ireland. It is also the sole decision maker in Ireland under the 1993 Hague Convention. These decisions can have significant consequences, with important impacts on people's lives. The Board is responsible for upholding the rights of children and young people in relation to adoption matters, ensuring their voices are heard and achieving the best outcomes for children and young people.

At the same time, the Board has responsibility for overseeing the broader work of the AAI. While it can delegate aspects of its work (and the CEO is responsible for the day-to-day running of the organisation), the Board remains collectively responsible to the Minister for the performance of its functions, including:

- Reviewing and guiding the organisation's strategic direction and major plans of action.
- Reviewing and approving risk management policies and procedures.
- Approving annual budgets and business plans.
- Approving annual reports and financial statements.
- Setting performance objectives for the organisation.
- Monitoring implementation and the organisation's performance.
- Overseeing major capital expenditure and investment decisions.

[20] The PAS/State Boards' campaign to recruit the new Board, conducted between August and November 2025, did not identify a suitable candidate for the post of Deputy Chairperson. A further recruitment process is in train.

The previous Board held at least two meetings each month, except in August. The 'general' board meeting considered governance issues, matters relating to specific adoptions and hearings with relevant parties (including birth parents, prospective adoptive parents, Tusla social workers and legal representatives). The second monthly meeting was an 'orders meeting': it was at this meeting, which was attended by adoptive parents and children/young people, that adoption orders were granted. (Nine general Board meetings and 11 orders meetings were held in 2025). In addition to these scheduled meetings, the previous Board also held a governance and development day twice a year. It is anticipated that the newly-appointed Board will review its schedule of meetings in due course to ensure that it conducts its business in an efficient and effective manner and in line with the provisions of the 2010 Act.

The *External Board Evaluation* questioned the sustainability of the previous Board's time commitment, particularly in a context where the Deputy Chairperson and ordinary Board members only received a stipend of €7,695 per annum. Concern was also raised in the *External Board Evaluation* about the time commitment of the Chairperson and about the onerous nature of her responsibilities.[21] In addition, it was suggested in the course of the PCR that these issues might make it difficult to recruit new Board members with sufficient expertise and experience to effectively carry out their roles from November 2025.[22]

The Indecon Report suggests that consideration should be given to the inclusion on the Board of a member with relevant governance and financial expertise. The *External Board Evaluation* looked at both the composition and the size of the Board. It suggested that the number of Board members should be kept at seven. The report expressed reluctance to displace the current skill requirements of the Board to accommodate governance/public administration/organisational experience. However, it suggested that either the Chairperson or the Deputy Chairperson might be required to have experience in public or administrative law; and that all Board members might be provided with training in the essentials of the business and corporate governance aspects of their role.

Based on observations of a Board meeting on 9 July 2024, the *External Board Evaluation* suggested that 'at least 70% of the working time of the Board is taken up with adjudicating/progressing adoption related decisions of varying levels of complexity' (Navigo Consulting, 2024, pp. 3, 16), with the remainder of the time given over to corporate governance items (Navigo Consulting, 2024, p. 13). In the Steering Group's view, this balance is not inappropriate, particularly in the context of the expansion of the AAI and the extension of the Board's mandate to include (oversight of) birth information and tracing services. The Indecon Report concludes that the Board is working effectively. The *External Board Evaluation*, which included observation of a full Board meeting and a meeting of each of the two subcommittees, took a similar view.

The Board includes three members (including the Chairperson and Deputy Chairperson) with a legal background, two social workers (one of whom must have research experience) a medical practitioner and a person with a background in psychology. This mix of skills is important in ensuring that the Board's decisions are fair and reasonable and in the best interests of the child. However, corporate governance skills and experience are also particularly important for Boards responsible for organisations of the size of the Adoption Authority of Ireland. This PCR has needed to consider how best to ensure that corporate governance skills are held by the Board on an ongoing basis and updated as corporate governance requirements change or expand for State Boards.

[21] The Chairperson receives a payment of €57,646 per annum, the equivalent of 0.4 Whole Time Equivalent (WTE) for a District Court judge.
[22] See note 20 above.

There are a number of ways in which the Board's skills might be enhanced to include experience of corporate governance. On balance, the Steering Group is of the view that the issue can best be addressed by requiring that the Chairperson have previous experience of chairing a board or previous board membership of a public service body; knowledge, understanding and experience of corporate governance; and proven strategic leadership capability and change management experience. The requirements for the Deputy Chairperson and ordinary members of the Board should also include knowledge and understanding of corporate governance; and the Deputy Chairperson should have previous experience of board membership.[23] All Board members should receive training in the essentials of corporate governance as part of their induction.

As the Chairperson and most members of the outgoing Board had already served two terms, they were not eligible for reappointment in November 2025. The Indecon report recommends that, in future, Board membership should be staggered to avoid a situation recurring where the terms of office of a significant number of members expire at the same time. This recommendation was implemented with the appointments to the new Board: the incoming Chairperson was appointed for a five-year term; one ordinary member for four years; and the remaining ordinary members for three years.

Over the longer term, as part of any review of the 2010 Act, it may be worthwhile to revisit the structure and functions of the Board. For example, consideration might be given to separating out the Board's quasi-judicial role in granting adoption orders etc. from its governance role in overseeing the work of the Authority. The decision-making function might be delegated by the Board to one or more decision-making units (who might or might not be members of the Board). Alternatively, the number of members of the Board might be expanded to allow Board members to sit in divisions for the purpose of making decisions in relation to adoptions. The Department should consider amending the Adoption Act 2010 to allow the Minister to appoint one or two additional members to the Board (e.g. a person with specialist expertise in corporate governance, a person with lived experience of adoption).[24]

Recommendation 1: For future board appointments:
(a) The Chairperson should be required to have previous experience of chairing a board or previous membership of the board of a public sector body; they should have knowledge, understanding and experience of corporate governance; and proven strategic leadership capability and change management experience.
(b) The Deputy Chairperson should have previous experience of board membership.
(c) Ordinary board members should have appropriate knowledge and understanding of governance.

These requirements were incorporated in the job specifications for the incoming Board.

Recommendation 2: Induction for the new Board should include training in the essentials of governance.

Recommendation 3: Board membership should be staggered. (This recommendation has been implemented: the Chairperson of the new Board has been appointed for five years, one ordinary member for four years and the remaining ordinary members for three years.)

[23] These requirements were included in the specifications for the Chairperson, Deputy Chairperson and ordinary members of the new Board. See the PAS Candidate Information Booklet for the recruitment campaign.
[24] These issues may best be considered in tandem.

Recommendation 4: The AAI's current Board structures may be overly onerous to attract a wide range of potential candidates for Board positions. Over the longer term, consideration should be given to alternatives, including the possibility of separating out the quasi-judicial and governance functions of the Board.

Recommendation 5: The Department should examine the possibility of revising the Adoption Act 2010 to allow the Minister to appoint one or two additional members to the Board (e.g. a person with specialist expertise in corporate governance or finance, a person with lived experience of adoption.)

3.3 The Senior Management Team

The Authority has experienced a great deal of change at senior management level over the past several years. Following the departure of a long-standing CEO in September 2022, an interim CEO was appointed from January 2023 to April 2023 and another from April 2023 to January 2024. A new CEO, who was appointed in January 2024, resigned in May 2025. Following extensive engagement with the Department, the Board appointed an interim CEO in October 2025. The Authority is working actively with the Public Appointment Service to ensure the appointment of a CEO before end-March 2026.

The CEO is responsible to the Board for the performance of his or her functions, including day-to-day management and control of the administration and business of the AAI and the implementation of the AAI's *Statement of Strategy*. The CEO must follow the broad strategic direction set by the Board and ensure, as far as possible, that Board members have a clear understanding of the key activities and decisions relating to the Authority and of any significant risks likely to arise. (The AAI, through its Board, is accountable to the Minister for the performance of its functions.)

The CEO is responsible for preparing Financial Statements and ensuring the regularity of the Authority's transactions, including authorising and monitoring payments for goods and services, tendering processes and compilation of monthly returns to the Department. The AAI's Financial Statements are audited by the Comptroller and Auditor General and laid before the Oireachtas and the CEO is accountable to the Public Accounts Committee.[25] Additionally, for most of the period of the PCR, the CEO also assumed the role of Chief Risk Officer due to a vacancy at Assistant Principal level for the post of Head of Corporate Support ('compliance officer'). The CEO is the direct liaison between the Board and the staff of the Authority.[26]

As well as the CEO, the current senior management team (SMT) includes the Board Secretary/Director of Operations, the Director of Information Services and Records, the Principal Social Worker, the Research Officer and the Head of HR and Staff Development. As noted above, the post of Head of Corporate Support was vacant for some time; this critical deficit has now been addressed.[27] As discussed further in the next section, the Indecon Report highlights the resource-dependency risks associated with the dual role of Board Secretary/Director of Operations. The Indecon Report concludes that, although the structure of the SMT has emerged 'somewhat organically' in response to external factors, it is

[25] Section 105(1) of the Adoption Act 2010 provides that 'The chief executive officer, whenever required in writing to do so by the Committee of Dáil Éireann established under the Standing Orders of Dáil Éireann to examine and report to Dáil Éireann on the appropriation accounts and reports of the Comptroller and Auditor General, shall give evidence to that Committee'.

[26] The Board Secretary should report to the Chairperson in relation to their statutory and legal duties and such other duties as may be delegated to the Secretary by the Board. See the *Code of Practice*, p. 17.

[27] A Head of Corporate Support took up their post in August 2025.

reasonably clear in terms of the delineation of functional responsibilities and is working well after a period of significant change.

While the Indecon Report finds that the relationship between the Board and the SMT is working well, the *External Evaluation* of the Board highlights the need to strengthen the relationship between the CEO and the Board and to clearly define the respective roles and decision-making responsibilities of the Board and senior management.[28] In this context, the fact that the last two CEOs resigned in the middle of their contracts is a cause for concern. While acknowledging that both the Board and the Executive are continuing to undertake their core functions, the PCR has highlighted the need for greater clarity about the respective roles and decision-making responsibilities of the Board, the CEO and the SMT. In the view of the Steering Group, this can best be addressed by reviewing the AAI's *Code of Governance* with a view to clarifying roles and relationships and streamlining the Authority's processes and procedures, in line with best practice. As the 2010 Act makes clear, the CEO 'shall carry on and manage and control generally the administration and business of the Authority'.[29] The Chairperson of the Authority does not have an 'executive' role and should not involve themselves in day-to-day matters relating to the running of the organisation. The Board has a critical role to play in fostering positive relationships with the CEO and the broader SMT and in supporting the SMT to facilitate the effective fulfilment of the AAI's mandate, the conduct of good governance and the Authority's compliance with regulatory requirements. In this context, it is anticipated that the incoming Board will review its practices and procedures in due course, including the matters it can delegate.[30] The incoming CEO should also work with the Board and the parent Department over the period ahead to ensure that the Authority's SMT is appropriately structured to meet the organisation's current and future needs.

Recommendation 6: As the structure of the organisation at SMT level has emerged over time, there are some gaps and potential vulnerabilities, notably the dual role of the Director of Operations/Board Secretary and the lack of a compliance officer over an extended period. These vulnerabilities should be addressed.

Recommendation 7: The AAI's *Code of Governance* should be reviewed, with a view to clarifying roles and relationships and streamlining the Authority's processes and procedures.

[28] The *External Board Evaluation* usefully identifies a number of general risks that might arise from a poor relationship between the Board of a State body and the Executive, including 'misalignment between Board and management; distraction from the functions or objectives of the organisation; the creation of a difficult work environment that consequently creates a flight risk for important/skilled/specialist staff as well as an unhealthy and potentially unsafe environment for those in the workplace' (Navigo Consulting, 2024, p. 22).

[29] Section 104(1)(a) of the Adoption Act 2010. The *Code of Practice* notes that there 'should be a clear division of responsibilities between leading and managing the Board and the executive responsibility for running the State body'; the 'division of responsibilities between the Chairperson and CEO should be clearly established'; and the 'role of Chairperson and CEO should not normally be combined'.

[30] A review of all delegations under the 2010 Act is included in the Authority's *Business Plan 2025*.

3.4 Workforce

The organisational structure of the AAI has undergone significant change over recent years in response to the implementation of BITA functions. The Authority's capacity to undertake these functions has been enhanced in these years with a substantial increase in its staffing and budget.

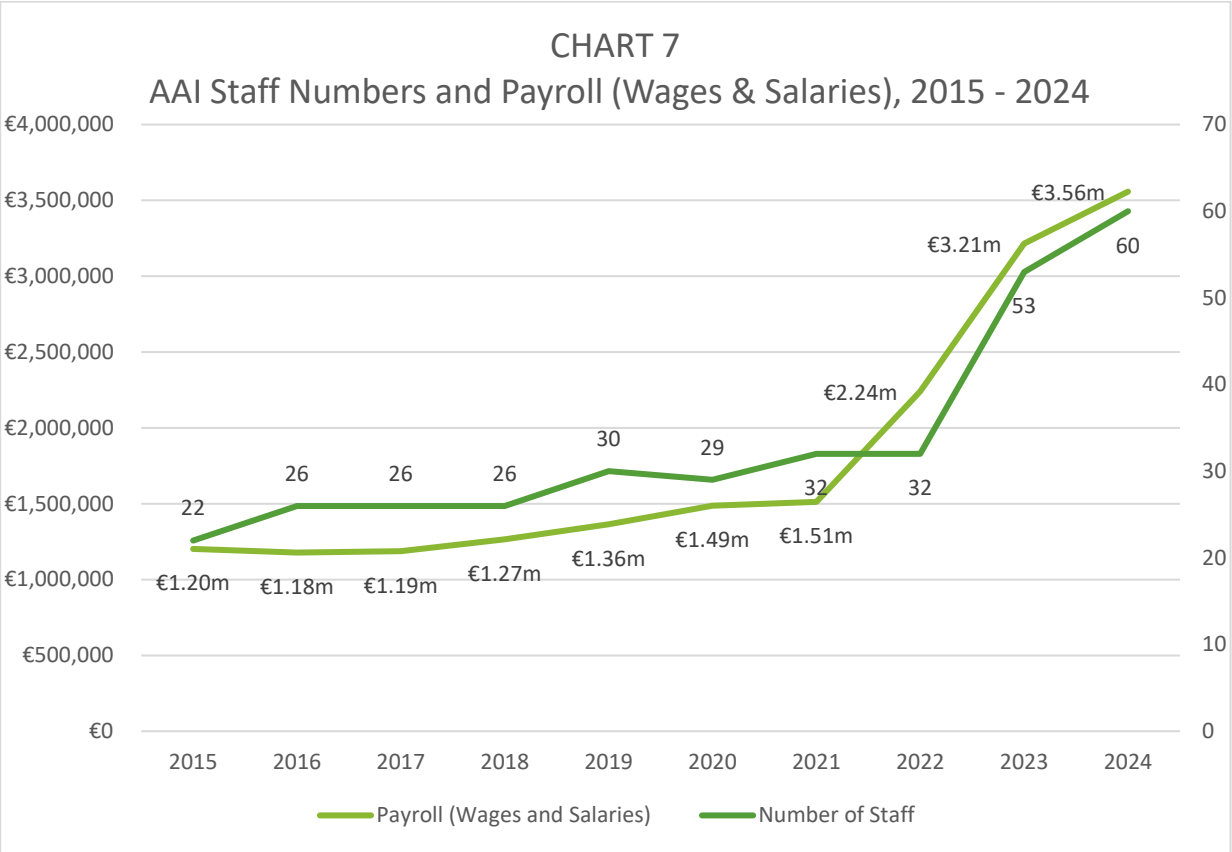


Chart 7 highlights that the staff complement of the organisation has almost doubled since 2022. More than 80 per cent of the staff have less than five years' service with the organisation. As discussed previously, the AAI has adapted well to the significant changes arising from the BITA. The efforts of the Authority's staff were central to the organisation's ability to successfully respond to, and deliver on, its broader mandate.

Indecon conducted a survey of AAI staff in August 2024 to inform the PCR report. (The results of the staff survey are discussed in sections 1.4, 3.2.3, 4.2.2 and 4.3.2 of the Indecon Report.) Most staff respondents believed that the AAI is delivering effectively or very effectively on its statutory remit, specifically in respect to the information and tracing services such an Information Services and Records (90 per cent), Contact Preference Register (90 per cent), Acquisition and Safeguarding of Records (90 per cent) and Tracing (81 per cent). This further points to the Authority's success in adapting to the introduction and delivery of BITA. High proportions of respondents also believe that the AAI is effectively or very effectively delivering on its functions in respect of adoptions (76 per cent), intercountry adoptions (71 per cent) and research (74 per cent).

The AAI's *Strategic Plan 2025 – 2027* sets out strategic goals with associated actions in order to ensure that its increased staff complement is matched by an expansion of supports. These actions include:

- Designing and rolling out 'One AAI', a programme to build cohesion and engagement among staff.

- Establishing an organisation-wide learning and development programme to support staff members in their professional and personal development.
- Developing the Authority's first HR strategy.
- Developing and implementing a Strategic Workforce Plan to enable the Authority to achieve the goals set out in the strategic plan.

The strategic workforce planning exercise will be critical in enabling the AAI to identify the required level and type of staffing, skills and competencies required to meet existing and future needs; as will the development of the Target Operating Model ('TOM'), as recommended by Indecon.

Recommendation 8: The staffing complement of the organisation has increased substantially in recent years. In view of the high proportion of new staff combined with the significant loss of corporate memory in 2025 with the departure of experienced Board members, it is important that the AAI should plan with regard to identifying future capability requirements. It is also crucial that staff training and development, succession planning, and the development of a business continuity model are prioritized. A Target Operating Model (TOM) or similar framework should be developed. (This recommendation is accepted by the Authority and included in its *Strategic Plan 2025 - 2027*.)

It is anticipated that the TOM will identify and map all of the activities, tasks and functions delivered by the AAI and will allow the design of a structure that will sensibly group those activities, tasks and functions in as streamlined a manner as possible to enable the optimal delivery of the strategy and of all of the Authority's statutory functions.

As noted earlier, this PCR was developed in tandem with the Authority's *Strategic Plan 2025 – 2027* and *Business Plan 2025*. In drafting its *Strategic Plan*, the Authority has already begun to implement Indecon's recommendation that "the AAI's next *Strategic Plan* should be pitched at a higher level with less focus on business-as-usual actions through a more streamlined approach with better use of key performance indicators and exception reporting to monitor progress". The Authority should build on this work and should give further consideration to how best to make use of key performance indicators and exception reporting in monitoring progress towards its strategic goals.

Recommendation 9: The Authority's future Strategic Plans should continue to be pitched at a higher level with less focus on business-as-usual actions through a more streamlined approach; further consideration should be given to how best to make use of key performance indicators and exception reporting to monitor progress towards strategic goals. (This recommendation builds on the work of the Authority in developing its *Strategic Plan 2025 – 2027*.)

An issue identified by Indecon is the degree of dependency on one person in the case of some important functions including risk management. The roles of Board Secretary and Director of Operations are held by the same person. The Director of Operations role involves responsibility for both domestic and intercountry adoptions, as line manager for the Domestic Adoptions Manager and the Intercountry Adoptions Manager. The Board Secretary role involves supporting the Board, minute taking, dealing with all adoption and adoption-related decisions taken by the Board and dealing with matters relating to corporate governance. While it is agreed that the current Director of Operations/Board Secretary is a person of 'exceptional quality and relevant experience', there is a general recognition that they are 'extremely stretched' in their dual role (Navigo Consulting, 2024, p.26). Moreover, it is not in line with best practice that the two roles would be held by the same person.

The Steering Group suggests that the roles of Director of Operations and Board Secretary might best be separated, with a new Board Secretary being recruited at HEO level (and reporting functionally to the Chairperson and administratively to the CEO.[31] This should be addressed as part of the development of the Authority's Strategic Workforce Plan. In this context, it will be important to ensure that the separation of roles does not result in the supports available to the Board being diminished. The Indecon Report also highlights concerns about the absence of a 'home' for functions such as external communications (which sits with the corporate services team but is not well resourced). Insourcing is further discussed below.

Recommendation 10: In developing its Strategic Workforce Plan, the Authority should separate the roles of Board Secretary and Director of Operations, in line with best practice; and should seek to recruit a new Board Secretary at HEO level.

Recommendation 11: The degree of reliance on an external services provider for core financial management should be addressed by the addition of inhouse financial expertise (Accountant Grade I) to lead the in-house finance function.

3.5 Relationship with Department

The Adoption Policy Unit in the Department engages closely with the Authority and monitors its statutory and other obligations with reference to the Oversight Agreement between the Authority and the Department, the Authority's own *Code of Governance*, its *Strategic Plan* and associated reports, annual report, business plan (quarterly reports), monthly drawdown requests and annual accounts. Outside of these formal reporting obligations, AAI and APU have meetings at six-weekly intervals. While governance is a standard agenda item at the meetings, a wide range of issues is discussed covering all aspects of the work of the AAI (including adoptions, legal issues and costs, and BITA). The Authority's accounts are audited by the Comptroller and Auditor General.

Issues relating to staffing of the Authority, including recruitment sanctions, are dealt with by the Department's External Human Resources Unit. This Unit also provides advice and support to the Authority on human resources issues and on compliance with Civil Service HR circulars and policies.

3.6 Board Transition

The term of office of the previous Board of the Authority expired on 31 October 2025 and a new Board was appointed by the Minister from 4 December 2025. The induction of the new Board is expected to take place over a number of months and to ensure that Board members have the necessary skills both to oversee the running of the affairs of the Authority and to carry out the Board's quasi-judicial functions under the 2010 Act.

3.7 Research

As part of its statutory function, the Authority is required to undertake or assist in research projects and activities relating to adoption services. The Authority's research functions are discussed in sections 1.3.6 and 4.4 of the Indecon Report. Indecon notes that, although the research function of the AAI is regarded as important within the organisation, there is a view that it needs to evolve further so that it can contribute more to the strategic objectives of the Department, namely *'driving policy development and legislative reform with a continued focus on access to birth information and tracing services and best practice in adoption'.*[32] The Authority's *Strategic Plan 2025 – 2027* includes proposals for a review of the current

[31] The *Code of Practice* does not provide unambiguous guidance on the role of the Board Secretary, on the relationship between Board Secretary and the CEO of the organisation or on how the Board Secretary role sits within a non-commercial State body. In the present context, it is notable that, while the roles of the CEO and the Board are addressed in the 2010 Act, the role of the Board Secretary is not.

[32] See the Department's *Statement of Strategy 2023 – 2025*, strategic action 1.8.

Research Strategy and for the development of a successor strategy aligned with the strategic planning cycle.

Indecon also points out that, while there is consultation with the Department on the research strategy and some ongoing engagement with the Department's Research and Evaluation Unit, the Department is not formally represented on the Authority's Research Subcommittee. It is suggested that consideration should be given to the Department being represented on the Subcommittee, given the importance of ensuring that the Authority's research efforts are sensitive to and can inform policy development. This would also facilitate greater collaboration on wider research initiatives such as the Care Experiences Research Programme[33] which is of particular relevance to children adopted from foster care. However, this consideration must be balanced against the need to ensure that the Authority's research function should be independent of the Department's (while also being informed by national policy development needs and drivers).

Recommendation 12: A new research strategy should be developed with a view to developing the Authority's contribution to policy debate and development. (This recommendation is accepted by the Authority and included in its *Strategic Plan 2025 – 2027).*

3.8 Financial and Risk Management

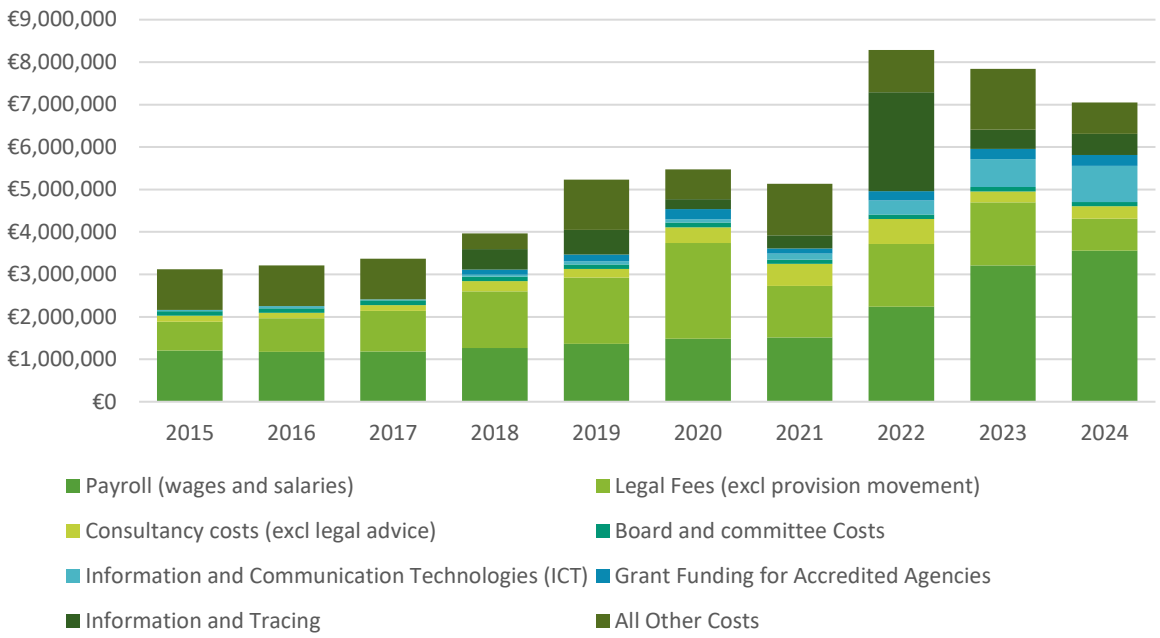
The Indecon Report reviews in detail the Authority's budget allocation and expenditure, financial management arrangements, procurement of external services, grant funding of accredited bodies and risk management policy and procedures.

No red flags in relation to the Authority's financial management were identified in the Indecon Report. The Comptroller and Auditor General (C&AG) audits the Authority's financial statements each year. The C&AG has raised no issues with regards to the Authority's financial statements.

Chart 8 provides an overview of the Authority's expenditure, from 2015 to 2024, broken down into 8 categories: payroll (wages and salaries), Board and committee costs, grant funding for accredited agencies, information and tracing, information and communication technologies (ICT), legal fees (excluding provision movement), consultancy costs and other costs.

[33] See DCEDIY (2023), *Care Experiences: Programme descriptor and definitions*.

CHART 8
Overview of AAI Expenditure, 2015-2024



Total expenditure by the Authority increased from €3.1 million in 2015 to €8.3 million in 2022 and then decreased to €7.1 million in 2024. The main drivers of the increase in expenditure over the whole period were payroll costs which increased from €1.2 million in 2015 to €3.6 million; and ICT costs which increased from €0.2 million in 2015 to €0.9 million in 2024. Information and tracing costs peaked at €2.3 million in 2022 and averaged about €0.7 million per annum over the whole period from 2018 with 2024.[34]

Legal fees increased year on year from €0.7 million in 2015 to €2.3 million in 2020, before falling to €1.5 million in 2022 and 2023 and to €0.8 million in 2024. Grant funding to accredited agencies increased from €0.1 million in 2018 to €0.2 million in 2024. Consultancy costs increased from €0.1 million in 2011 to €0.6 million in 2022 and then fell to €0.3 million in 2024. Expenditure under the residual 'all other costs' category has fluctuated over the period, ranging from €0.4 million in 2018 to €1.4 million in 2023; expenditure in this category was below average in 2024. Board and committee costs were stable, at €0.1 million in each year from 2015 to 2024.

Value for money

Like other public bodies, the Adoption Authority of Ireland is required to treat public monies with care and to ensure economy, efficiency and effectiveness ('value for money') in the use of public funds. On the basis of its discussions with Board members and other stakeholders, Indecon suggests that the consensus view is that 'the Authorities finances are managed tightly' (Indecon, 2024, p.34). The Authority is fully compliant with public sector procurement policies and guidelines, which is a key element in delivering economy. The level of expenditure on legal services has been of concern to the Authority and efforts have been made to reduce costs in this area (see above). AAI has worked with the Department to strengthen its governance and oversight of grant funding for mediation services in respect of intercountry adoption, to ensure that the service is sustainable and that funding is fully

[34] 'Information and tracing' costs include legal costs; an independent review of matters relating to possible illegal birth registrations and a forensic review of a specified cohort of files; digitisation of records; temporary agency staff; and advertising costs, PR consultancy fee and records storage.

compliant with the requirements set out in Circular 13/2014.[35] The Department has implemented an enhanced process of monitoring aimed at ensuring that the Authority is operating in the most efficient and cost-effective manner possible and in accordance with public spending guidelines. AAI has fully engaged with this process and is clearly cognisant of its obligations in respect of taxpayers' money.

Indecon noted the considerable reliance on external service providers to assist the AAI in several areas and the absence of a cost centre structure. Insourcing is discussed further below.

Recommendation 13: The Authority should develop a cost centre framework that allows for the tracking of expenditure across different functions and units.

3.9 Insourcing

The Authority's expenditure is split more or less equally between pay (54 per cent) and non-pay elements (46 per cent). While the Authority has worked to reduce legal costs, they still account for about 40% of all non-pay expenditure. In discussions with Indecon, Board members drew attention to the valuable role previously played by an in-house solicitor. There is also considerable reliance on external service providers to assist the AAI in a number of other areas including financial and accounting management services, human resources, external communications and public affairs and specialist procurement expertise. Indecon (2024, p.36) points out that, although the procurement of external services can be an effective and efficient way to utilise available resources, it can sometimes be more expensive than an in-house option might be, particularly for routine tasks, such as audits, and financial and legal activities that are common to all adoption cases. Bringing areas such as legal, finance, external communications and public affairs and specialist procurement expertise in house may improve the quality of these services and provide greater synergies with the Authority's front-facing operations. While an initial investment would be required ahead of reduced reliance on outsourced expertise, the in-housing of these areas could be expected to result in savings for the Authority over time.

While the Steering Group recognises the potential benefits of bringing some areas in house, it is also conscious that external providers can bring valuable knowledge and insight, including awareness of evolving best practices, to smaller organisations like the AAI who may not have the resources to guarantee the same breadth, depth and consistent availability of relevant expertise.

Recommendation 14: AAI and Department to work together to secure adequate resources for the early implementation of the Strategic Workforce Plan and Target Operating Model. The option of employing an in-house solicitor or small legal team should be evaluated through a cost-effectiveness analysis. The insourcing of financial management and accounting, external communications and public affairs, procurement and HR functions should also be examined, with a view to ultimately reducing costs and saving money. (This recommendation is accepted by the Authority and is included in its *Strategic Plan 2025 – 2027*.)

Board stipends

In a letter to the Chairperson of the Authority, dated 17 July 2023, Minister Roderic O'Gorman TD addressed the issue of possible increases to Board members' stipends and suggested that this PCR would be 'an ideal opportunity to reflect on the changing operational and strategic landscape in which the Authority operates and to consider how the Authority is equipped to meet this challenge'. It was suggested, in the course of the Steering Group's

[35] The current grant arrangements are intended to ensure that the service is sustainable; the long-term future of the service will depend on national and international developments in respect of intercountry adoption.

discussions, that the issue of Board stipends would better be addressed ‘in the normal way’ with the Department of Public Expenditure, Infrastructure, Public Service Reform and Digitalisation. It should be noted that the need to increase the Board stipend was raised on a number of occasions by Steering Committee members.

4. Ongoing Business Case

4.1 Introduction

The *Code of Practice* emphasises that the PCR should be part of a wider evaluation process. It suggests that it should consider the ongoing business case for the State body and should 'scrutinise objectively the case for rationalisation and consolidation of public bodies in light of changing requirements, demands and priorities'.[36] This section addresses the ongoing business case for the Adoption Authority of Ireland under the following headings:

- Adoption
- Future proofing of adoption
- Birth information and tracing

4.2 Adoption

The adoption landscape has changed dramatically since legal adoption was first introduced in Ireland in the 1950s. There are now considerably fewer domestic adoptions and the vast majority of these involve the adoption of teenagers[37] by stepparents or foster carers rather than the adoption of infants (so-called 'third-party' adoptions). Intercountry adoptions only became a feature of the Irish adoption landscape from the early 1990s. However, here too, there has been significant change. While intercountry adoptions *averaged* about 200 per annum in the 25 years from 1991 to 2015, the *total* number of intercountry adoptions registered in the eight years from 2016 to 2023 was only 116 (an average of 15 intercountry adoptions per year).

What is striking, however, is that the number of domestic adoption orders granted has remained fairly stable (or increased) since the AAI was established in 2010. While the number of intercountry adoptions fell in the first few years of the Authority's operation, the overall number of (domestic and intercountry) adoptions remained much the same. ***In terms of raw numbers, therefore, the adoption landscape and the 'business case' for the Adoption Authority of Ireland have not changed markedly since AAI was established.*** In saying this, it should be noted that the cases before the Board have become increasingly complex due to changes in Irish society and the increased diversity of the population.

Other organisations have specific roles in relation to adoptions. The Child and Family Agency Tusla – supported in some instances by PACT, an accredited adoption agency – is responsible for the assessment of prospective adoptive parents (for both domestic and intercountry adoptions) and for the matching of children with prospective adopters. Helping Hands Adoption Mediation Agency (HHAMA) is delegated by the Authority to provide mediation services in respect of intercountry adoptions. In certain cases, the High Court may also have a role in the adoption process, e.g. where the birth father is unknown and/or where the consent of a birth parent is not forthcoming. It is important to note, however, that the Adoption Authority is the only body in Ireland that can grant or refuse declarations of eligibility and suitability to adopt and the only body that has the right to grant or refuse adoption orders.

In principle, some of the functions of the AAI could be carried out by the Courts Service. Indeed, adoption orders in some other jurisdictions are a matter for the Courts (e.g. the United States). However, it is widely accepted that a non-judicial, child-centred approach is preferable for the children and families involved in adoption. The Family Courts Act 2024, which introduces specialised family court divisions, sets out 'guiding principles for the conduct of proceedings … to make the best interests of the child a primary consideration in all family law, for proceedings to operate in an efficient and user-friendly manner, and to encourage

[36] DPER (2020), A Guide to Periodic Critical Review of Non-Commercial State Bodies, p. 3.
[37] Of the 131 Adoption Orders granted in 2024, 47 related to children who were 17 years of age.

active case management by the courts'.[38] Once the Act has been implemented and its provisions have been bedded down, it may be worth reviewing the Courts Service's ability to grant declarations of eligibility and suitability and adoption orders. For the immediate future, however, the AAI's retaining its current role will best ensure that the State can continue to apply a child-centred approach to adoption.

A case might also be made for having Tusla take over Adoption Authority functions. It is important to note, however that the adoption services delivered by Tusla – namely the assessment of prospective adoptive parents (for both domestic and intercountry adoptions) and the matching of children with prospective adoptive parents – are currently *regulated* by the Authority. The Authority makes the final decision with regards to the eligibility and suitability of a prospective adoptive parent, a decision which is informed by a recommendation from one of Tusla's Local Adoption Committees; and the approval of the Authority is required before Tusla can place a child with their prospective adoptive parents. In this way, the Authority provides valuable independent regulatory oversight of the adoption process. Rationalisation of the AAI's functions could result in this oversight function being compromised.[39] Moreover, removing the Authority from the process could result in decisions about adoption being made on a regional rather than on a national basis. This could lead to poorer outcomes for children and young people. The 'existence of a dedicated body with specialist expertise to manage these [adoption-related] functions and obligations on behalf of the State is a strength' (Indecon, 2024, p. 7).

4.3 Future Proofing of Adoption

The Department is currently (2024-2026) participating in an EU Technical Support Instrument ('TSI') programme to develop a best practice framework and roadmap for reform of domestic adoption in Ireland, to ensure better outcomes for all parties involved and especially children. The TSI is supported by the Child Protection Section of UNICEF Regional Office for Europe and Central Asia in cooperation with the European Commission's Reform and Investment Task Force (SG REFORM).[40] Key outputs of the programme will include:

- Research report on evidence-based domestic adoption best practices in other EU as well as non-EU countries.
- Research report on the existing domestic adoption system in Ireland.
- Learning exchange meetings between the stakeholders in Ireland and best-practice countries.
- Evidence-based recommendations for reforming the domestic adoption system in Ireland.
- A best-practice framework for reforming domestic adoption in Ireland.
- A high-level implementation plan setting out the process and budget for the reform of the domestic adoption system in Ireland.

These resources will be extremely useful in the context of the next PCR, due to be conducted in or around 2030.

4.4 Birth Information and Tracing

The AAI is one of two State bodies involved in birth information and tracing in Ireland, the other being Tusla. While responsibility for birth information and tracing is shared by the two bodies, the AAI is solely responsible for maintaining the Contact Preference Register and is also mandated to safeguard adoption records in the State.

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[38] *Dáil Debates*, vol. 1060, no. 5, 24 October 2024 (Family Courts Bill [Seanad]: Second Stage. See also Family Courts Act 2024.

[39] Any proposals to abolish/replace the Authority and/or to dilute its regulatory role would need to take account of Ireland's historical legacy regarding illegal adoptions and the poor treatment of single parents and their children in Ireland during most of the twentieth century.

[40] The AAI is actively assisting the research and is part of the advisory group for the programme.

There may be a case for rationalising birth information and tracing services at some point in the future. While the service could, in principle, be delivered by either organisation on its own, there is no strong reason to opt for a single-organisation approach at the moment.

It is difficult to predict how demand for birth information and tracing services will develop in the future, though the situation is likely to become clearer over the course of 2026 and 2027. While the number of applications may plateau and then fall off in the coming years, there are other possibilities. Applications may increase over time, as new records become available; as intercountry adoptees turn 18 and become eligible for BITA services; and/or if take-up of the services increases among the potentially significant cohort of persons who were sent abroad for adoption and have yet to make an application. New records will continue to need to be taken in and safeguarded by the Authority in any event.

Section 70 of BITA requires that the operation of the Act should be reviewed no later than two years after its commencement. The review, which is currently underway, will cover all aspects of the services established by the Act, including the provision of birth information, tracing of relatives, the operation of the Contact Preference Register and the safeguarding of records. It will also examine whether BITA provides for the full range of persons who have questions in relation to their origins, whether the information provided is as complete and wide ranging as possible and whether the legislation as enacted and the ways in which services are delivered create difficulties for any groups of people in accessing their information and tracing relatives. A key question underpinning the review will be whether applicants are provided with a supportive environment within which to undertake their information and tracing journey. The review may shed light on whether the Authority or Tusla (or some other organisation) is best placed to provide the relevant services in the future.

Indecon's (2024-10) PESTLE analysis highlights a range of external trends and factors that may affect the external environment in which the AAI operates over the medium term. There is a need for the AAI (and the Department) to continue to monitor trends in domestic and intercountry adoption and to regularly engage in horizon scanning to ensure that the Authority is appropriately resourced to respond to future developments. Continued monitoring of trends will also inform consideration of how the functions currently being undertaken by the Authority might best be carried out in the future. Similarly, developments in the establishment or remit of bodies undertaking complementary functions may give rise to policy deliberations on the amalgamation of AAI's functions with those undertaken by complementary bodies.

Recommendation 15: Department and AAI to monitor trends and establish a mechanism through which both bodies will regularly engage in horizon scanning in order to ensure that the Authority has adequate resources and is appropriately prioritizing those resources to enable it to respond to future developments.

5. Conclusions and Recommendations

5.1 Conclusions

This PCR has sought to provide a high-level assessment and evaluation of the Adoption Authority of Ireland, including its structure, capacity, governance and financial arrangements and approach to risk management. In the process, it considers the ongoing business case for the Authority and identifies a number of opportunities to secure improvements in the Authority's accountability, efficiency and effectiveness. The PCR draws heavily on a report commissioned by the Steering Group from Indecon International Consultants, *Inputs to Periodic Critical Review of the Adoption Authority of Ireland* (2024). The Indecon Report, which is included as Appendix 1, forms part of the PCR.

The main conclusions of the PCR are that the Authority is working well and fulfilling its statutory mandate in respect of adoption and birth information and tracing services; and that there is an ongoing business case for the Authority.

The implementation of the Birth Information and Tracing Act 2022 is, perhaps, the most significant development since the Authority's establishment in 2010. The PCR highlights that the AAI has adapted well to its expanded mandate and to the resulting changes to the size and structure of the organisation. It is evident that the work of the Authority impacts very positively on the lives of people across Ireland, including children and young people, birth families and adoptive families and the broader communities in which they live. Through the provision of birth information and tracing services, the Authority works to vindicate the rights of (sometimes vulnerable) people to know their identity and to access information about their birth, early life and background in a supportive and respectful manner.

Specific recommendations aimed at improving the accountability, efficiency and effectiveness of the Authority are identified throughout this report. These are collated in the table below, which also lists the recommendations of Indecon that have been endorsed by the Steering Group.

Next steps

An implementation plan should be developed by the AAI and the Adoption Policy Unit to ensure timely delivery of the recommendations of this PCR. 'Short-term' actions should be initiated within six months, 'medium-term' actions within 12-18 months and 'long-term' actions within 24 months. Progress reports on the implementation of recommendations should be included as a standing item on the agenda for the Department's regular governance meetings with AAI. The Oversight Agreement between the Department and the AAI has been updated to include (overseeing) the implementation of the PCR recommendations.

5.2 Table of Recommendations

No.	Recommendation	Timeframe for delivery	Responsibility
1	For future board appointments: (a) The Chairperson should be required to have previous experience of chairing a board or previous membership of the board of a public sector body; they should have knowledge, understanding and experience of corporate governance; and proven strategic leadership capability and change management experience. (b) The Deputy Chairperson should have previous experience of board membership. (c) Ordinary board members should have appropriate knowledge and understanding of governance. These requirements were incorporated in the job specifications for the incoming Board.	In progress	Department
2	Induction for the new Board should include training in the essentials of governance.	Short term	AAI
3	Board membership should be staggered. (This recommendation has been implemented: the Chairperson of the new board has been appointed for five years, one ordinary member for four years and the remaining ordinary members for three years.)	Completed	Department
4	The AAI's current Board structures may be overly onerous to attract a wide range of potential candidates for Board positions. Over the longer term, consideration should be given to alternatives, including the possibility of separating out the quasi-judicial and governance functions of the Board.	Long term	Department
5	The Department should examine the possibility of revising the Adoption Act 2010 to allow the Minister to appoint one or two additional members to the Board (e.g. a person with specialist expertise in corporate governance or finance, a person with lived experience of adoption.)	Medium term	Department
6	As the structure of the organisation at SMT level has emerged over time, there are some gaps and potential vulnerabilities, notably the dual role of the Director of Operations/Board Secretary and the lack of a compliance officer over an extended period. These vulnerabilities should be addressed.	Medium Term	AAI
7	The AAI's *Code of Governance* should be reviewed, with a view to clarifying roles and relationships and streamlining the Authority's processes and procedures.	Short term	AAI

No.	Recommendation	Timeframe for delivery	Responsibility
8	The staffing complement of the organisation has increased substantially in recent years. In view of the high proportion of new staff combined with the significant loss of corporate memory in 2025 with the departure of experienced Board members, it is important that the AAI should plan with regard to identifying future capability requirements. It is also crucial that staff training and development, succession planning, and the development of a business continuity model are prioritized. A Target Operating Model (TOM) or similar framework should be developed. (This recommendation is accepted by the Authority and included in its *Strategic Plan 2025 - 2027*.)	Medium Term	AAI
9	The Authority's future Strategic Plans should continue to be pitched at a higher level with less focus on business-as-usual actions through a more streamlined approach; further consideration should be given to how best to make use of key performance indicators and exception reporting to monitor progress towards strategic goals. (This recommendation builds on the work of the Authority in developing its *Strategic Plan 2025 – 2027*.)	In Progress	AAI
10	In developing its Strategic Workforce Plan, the Authority should separate the roles of Board Secretary and Director of Operations, in line with best practice; and should seek to recruit a new Board Secretary at HEO level.	Medium Term	AAI
11	The degree of reliance on an external services provider for core financial management should be addressed by the addition of inhouse financial expertise (Accountant Grade I) to lead the in-house finance function.	Short Term	AAI
12	A new research strategy should be developed with a view to developing the Authority's contribution to policy debate and development. (This recommendation is accepted by the Authority and included in its *Strategic Plan 2025 – 2027*.)	Medium Term	AAI
13	The Authority should develop a cost centre framework that allows for the tracking of expenditure across different functions and units.	Short Term	AAI

No.	Recommendation	Timeframe for delivery	Responsibility
14	AAI and Department to work together to secure adequate resources for the early implementation of the Strategic Workforce Plan and Target Operating Model. The option of employing an in-house solicitor or small legal team should be evaluated through a cost-effectiveness analysis. The insourcing of financial management and accounting, external communications and public affairs, procurement and HR functions should also be examined, with a view to ultimately reducing costs and saving money. (This recommendation is accepted by the Authority and is included in its *Strategic Plan 2025 – 2027*.)	Medium Term	Department and AAI
15	Department and AAI to monitor trends and establish a mechanism through which both bodies will regularly engage in horizon scanning in order to ensure that the Authority has adequate resources and is appropriately prioritising those resources to enable it to respond to future developments.	Short Term	Department and AAI

Inputs to Periodic Critical Review of the Adoption Authority of Ireland

Draft Report

Submitted to

Department of Children, Equality, Disability, Integration and Youth

Prepared by

Indecon International Economic and Strategic Consultants

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Glossary of Terms and Abbreviations

AAI / the 'Authority'	Adoption Authority of Ireland.
Adoption Act 2010	Legislation which sets out the functions of the AAI.
APU	Adoption Policy Unit. The APU monitors the AAI's compliance with its statutory and other obligations with reference to the Authority's annual report, business plan (quarterly reports), corporate report, annual accounts, and the Code of Governance.
BITA	Birth and Information Tracing Act, 2022.
CPR	Contact Preference Register. The Birth and Information Tracing Act 2022 legislation established the CPR for all adoptees and their birth parents, where the data exists, which is maintained and updated by the AAI.
DCEDIY	Department of Children, Equality, Disability, Integration and Youth.
Domestic Adoption	Domestic adoption refers to the situation where a child who is resident in Ireland is adopted by a person or couple who is / are also resident in Ireland.
FOI Act	The Freedom of Information Act provides every person the right to access official records held by Government, the right to have personal information held on them corrected or updated where such information is incomplete, incorrect, or misleading, and the right to be given reasons for decisions taken by public bodies that affect them.
Hague Convention	The Hague Adoption Convention is an international treaty put in place to protect children adopted internationally. The AAI acts as a central authority for intercountry adoptions, as set out in the Hague Convention.
HCCH Child Protection Convention	The HCCH 1996 Child Protection Convention is a multilateral treaty covering a broad range of civil measures to protect children in cross-border situations.
Information Services and Records Unit	The unit set up within AAI in preparation for the enactment of BITA 2022.
Intercountry Adoption	Intercountry adoption refers to the situation where persons resident in Ireland decide to adopt a child who is resident in a country other than Ireland.
MBIPS	Mother and Baby Institutions Payment Scheme. This scheme commenced in 2024 and seeks to offer compensation to those who were resident in Mother and Baby and County Home Institutions in Ireland through financial payments and enhanced health support payments.
Oversight Agreement	The terms of the relationship between the Department and the Authority are defined in an Oversight Agreement.
PCR	Periodic Critical Review.
'PESTLE' Analysis	Political, Economic, Social, Technological, Legal and Environmental analysis. An analysis considering a range of external trends and factors that affect, or will affect over a medium-term horizon, the external environment in which the AAI

	operates, specifically political, economic, social, technological, legal, and environmental factors.
RAC	Risk and Audit Committee. The RAC is comprised of two AAI members and two independent members. The role of the RAC is to support the Board in relation to its responsibilities for issues of risk, control and governance and associated assurance with the RAC Chair reporting to the Board on a quarterly basis.
RICA	Register of Intercountry Adoptions. Persons who adopt abroad are obliged by law to apply for an entry in the RICA no later than 3 months after the date when a child first enters the state after their inter-country adoption.
SARs	Subject Access Requests. The currently accredited bodies are Barnardos, the Helping Hands Adoption Mediation Agency, and Pact, and these are required to submit activity reports twice a year to the AAI for evaluation.
SMT	Senior Management Team.
Tusla	Tusla is the State agency responsible for improving wellbeing and outcomes for children.

Executive Summary

Introduction

This report is submitted to the Department of Children, Equality, Disability, Integration and Youth (DCEDIY) by Indecon International Economic and Strategic Consultants (Indecon) in support of a Periodic Critical Review (PCR) of the Adoption Authority of Ireland (AAI) which is being undertaken by the Department. The report considers the ongoing business case for the AAI as well as key developments in its external environment (through a PESTLE analysis) and the organisation's response to these. Indecon also assesses the AAI's organisational capacity and its governance, financial and risk management and decision-making processes.

Ongoing Business Case

The AAI is a quasi-judicial body that is responsible for adoption in Ireland. Its remit is defined in the main by two pieces of legislation: the Adoption Act 2010 and the Birth and Information Tracing Act (BITA) 2022, with the Adoption (Amendment) Act 2017 also affecting some aspects of its remit. Unlike many other countries, Ireland has a dedicated body responsible for adoption and the making of adoption orders, with the AAI exercising a range of important statutory decision-making, service provision (tracing), research, and regulatory functions in the adoption space. The AAI is also the mechanism through which Ireland fulfils international obligations under the Hague Convention in relation to intercountry adoption. The existence of a dedicated body with specialist expertise to manage these functions and obligations on behalf of the State is a strength. In principle, some of the AAI functions could be carried out by a combination of other organisations (including for example the Courts Service in relation to adoption orders). However, such a reassignment of functions would require primary legislation, would not be straightforward to implement in the context of the range and volume of family law matters currently under consideration by the courts and could lead to significant transition problems and a risk of poorer outcomes in important and sensitive areas such as adoptions and birth tracing. Furthermore, it would risk the loss of "economies of scale" type benefits that the current co-location of functions and pooling of relevant expertise in the AAI provides.

PESTLE Analysis of External Operating Environment

A wide range of political, economic, social, technological, legal, and environmental factors affect the operating environment of the Authority. These factors play out over different cycles, but it appears that some long running demographic and attitudinal changes, as well as some emerging technological developments and potential legislative changes, will significantly affect the demand for adoption and tracing services and the complexity of the work of the Authority over the medium term.

Recent Developments and AAI Response

Our assessment, supported by the views of stakeholders, is that the AAI has responded well to changes in its mandate on foot of BITA, as well as to wider changes in its operating environment over recent years. This was facilitated by a substantial increase in the Authority's resources in the form of a substantially higher budget allocation and the sanction of additional staffing.

In respect of the tracing service under BITA, the AAI has allocated all tracing applications within six months of the date of receipt. In 2023, 3,504 releases of information under BITA were completed, including a backlog from 2022, with the Social Work team closing 136 tracing cases. It is apparent that the nature of the AAI's remit is changing as the number of adoptions decrease, but with increased activity related to tracing. The Authority has managed this new operational service delivery function well, which requires a different approach and mindset to that in the adoption order area. This suggests that the Authority could be well placed to take on additional service delivery functions in related emerging areas, for example in surrogacy.

Looking ahead and taking account of the PESTLE analysis, it is likely that both the nature of adoption demand and BITA service provision will evolve over time, requiring the Authority to continue to adapt. Future

objectives and deliverables will need to be articulated more clearly in the organisation's new Strategic Plan for the period 2025-2027, which is currently being prepared.

Assessment of Organisational Capacity

The Authority as an organisation is quite different to many other state bodies given the range of decision making, service provision, and regulatory and research functions for which it has responsibility. The service provision function is now a much more significant one on foot of the Authority's statutory information and tracing functions under the BITA. The Authority's capacity to undertake these functions has been enhanced over recent years with a substantial increase in its budget and staffing.

As noted earlier, the Authority has adapted well to changes in its external environment and mandate. However, as it embarks on the development of a new Strategic Plan for the post-2025 period, there are several issues that should be addressed so that the organisation is appropriately structured and has the capacity to deal with emerging challenges.

Evaluation of Governance Arrangements, Financial, Risk and Decision-Making

Based on our desk-based assessment of relevant documentation and our discussions with Board members, the AAI Senior Management Team (SMT), and DCEDIY officials with policy and other responsibilities vis-à-vis the AAI, we are of the view that the governance arrangements and procedures for the Authority are clearly articulated and well understood by all parties. Board membership represents a significant time commitment on the part of members given the frequency of meetings, the combination of governance issues and adoption decisions to be considered, and the volume of documentation to be reviewed in advance of meetings. The role of Board Chair is particularly demanding, given that the Chair attends the regular oversight meetings with the Department, and the need for regular attendance, interaction, and involvement with the CEO and other SMT members. We were struck by the dedication and commitment of Board members, but this might not be sustainable over the longer run and should not be taken for granted. A major concern for the Board relates to the prospective loss of significant expertise and corporate knowledge when the term of office of five current Board members expires at the same time in late 2025.

In terms of its financial and risk management responsibilities, the Board is supported by the Risk and Audit Committee which plays a valuable role in interrogating financial and risk reports from the Executive. Nevertheless, Board members were of the view that the Board would benefit from the participation of a member with financial expertise.

Based on our consultations, we are of the view that the governance relationship between the Authority and the Department is a good one and benefits from the clear understanding on both sides of the respective roles of each party. It appears there is a good and constructive dialogue at the regular oversight meetings. Given the very significant time commitment that the role of Board Chair involves, the need for the Chair to participate in each meeting with the Department should be reviewed.

The financial oversight and risk management functions are well managed at the Authority. Based on our desk-based analysis of grant funding and procurement planning documentation, the systems and verification and approval arrangements governing these processes are clearly documented and in line with good practice. However, there is a heavy reliance on an external service provider for financial reporting and the absence of a cost centre structure was noted in discussions.

Potential Recommendations

Based on our assessment and evaluation of the AAI's organisational capacity and its governance arrangements, Indecon has identified a set of potential recommendations that might be considered by the Department in its Periodic Critical Review of the AAI. These potential recommendations are set out in the table below and focus on possible measures to enhance the functioning of the Authority and assisting in the delivery of some of its core responsibilities.

Potential Recommendations for Consideration by DCEDIY

1. The Authority's next Strategic Plan should be pitched at a higher and more strategic level than the current plan, with a focus on key priorities and objectives for the medium term. Both the new Strategic Plan and the subsequent annual business plans should avoid repetition of business-as-usual actions through a more streamlined approach with better use of key performance indicators and exception reporting to monitor progress.
2. The structure of the organisation at Senior Management level has emerged somewhat organically over recent years. However, it is evident that there are some gaps and potential vulnerabilities including for example the dual Director of Operations/Board Secretary role that need to be addressed. The organisational structure and staffing allocations should be reviewed in the context of the next Strategic Plan.
3. The Authority's staffing complement has increased substantially in recent years to meet, inter alia, the demands of BITA. With a high proportion of new, relatively inexperienced staff combined with an expected significant loss of corporate memory in 2025 with the departure of five experienced Board members, it is vital that the objectives and planned actions in the AAI business plan around the identification of future capability requirements, staff training and development, succession planning, and the development of a business continuity model are prioritised. Business process improvement activities, as well as better use of technology, can also support efficiency and effectiveness by documenting best practice and ensuring that duplication of effort is avoided.
4. The AAI research function is an important one and the research outputs are valued by Board members and other stakeholders. Efforts should be made to widen the scope of the research undertaken and to orient and align the research effort, so that it contributes more to policy debate and development. To facilitate this, consideration could be given to DCEDIY representation on the Research Subcommittee.
5. The legislative provisions on Board membership should be reviewed to allow for staggered Board membership and to avoid a situation where the terms of office of a significant number of members expire at the same time.
6. Consideration should be given to the appointment of additional members with relevant governance and financial expertise to assist the Board in executing its responsibilities.
7. The current practice that the Board Chair attends the regular oversight meetings with the Department should be re-considered with the Chair perhaps participating on an annual or bi-annual basis.
8. Notwithstanding the Authority's success to date in reducing legal costs, these account for a significant share of overall non-pay expenditure and the option of employing an in-house solicitor or small legal team should be evaluated through a cost-effectiveness analysis.
9. The degree of reliance on an external services provider for core financial monitoring and management functions should be addressed by expanding the capacity of the in-house finance team.
10. The Authority should develop a cost centre framework that allows for the tracking of expenditure across different functions and units.

Source: Indecon evaluation

1 Ongoing Business Case

1.1 Introduction

This chapter will consider the ongoing business case for the Adoption Authority of Ireland (AAI) by exploring the history and rationale for the AAI as well as the legislative framework that underpins its functions. This chapter will also examine the functions of the AAI and associated metrics.

1.2 History and Rationale for the Adoption Authority

The Adoption Authority of Ireland was established in 2010 following a review of its predecessor, the Adoption Board. This review – undertaken in 2000 – recommended that the Adoption Board be restructured as a statutory executive agency with its primary purpose to act as the national authority for adoption. It was further recommended that the management of records relating to adoption become a vitally important aspect of the body's work. These recommendations arose from findings that the Adoption Board's workload was too onerous and was not allowing the Board to take a broader leadership role in adoption practice in Ireland. In addition, it was felt that the structure in place at that time did not operate as an integrated management structure with no integrated communication, planning and accountability mechanisms. As discussed in more detail below, the Authority as now constituted is undertaking these functions and has taken on this broader role.

1.2.1 Legal Framework

The AAI is a quasi-judicial body that is responsible for adoption in Ireland. Its remit is bound by two separate pieces of legislation: the Adoption (Amendment) Act 2010 and the Birth and Information Tracing Act (BITA) 2022, with the Adoption (Amendment) Act 2017 also affecting some aspects of its remit.[41]

The Adoption (Amendment) Act 2010 sets out the functions of the Authority in Section 96 as follows:

- Performing the functions in relation to adoptions that were previously performed by The Adoption Board.
- Performing the role of a Central Authority under the Hague Convention.
- Undertaking research projects relating to adoption services.
- Compiling statistical information and other records as to the proper planning, development, and provision of those adoption services.
- Maintaining the register of accredited bodies.
- Maintaining the register of intercountry adoptions.

[41] While previously children who had been adopted before or born to married parents were automatically restricted in the adoption process, the Amendment Act 2017 ensured that all children have equal eligibility no matter their background and also that the best interests of the child were recognised as the most important consideration in any adoption application. The Act also provided that children had to be under 18 to be adopted and that a couple living together in a civil partnership/co-habiting for a minimum of three years and stepparents could adopt.

These are outlined in more detail in the next section with accompanying statistics on how the Authority is fulfilling its remit.

The Birth and Information Tracing Act 2022 provided a full and clear right of access to birth certificates and early life information for all persons who were adopted, boarded out, nursed out or the subject of illegal birth registration. This legislation also established the Contact Preference Register (CPR) which is maintained and updated by the AAI. As a result, there is a mandate for the AAI to safeguard the adoption records that it holds.

1.3 Purpose and responsibilities

The AAI provides a unique service in facilitating and regulating adoption in Ireland, both domestic and international, as well as the provision of adoption records and tracing services. The specific functions of the AAI and estimated staff allocations are highlighted in the figure below.

Figure 1.1: AAI Functions

Domestic and Intercountry Adoption	Information Services	Social Work	Accreditation	Research
~10 Employees	~24 Employees	~12 Employees	N/A	~2 Employees
• Responsible for the oversight and improvement of adoptions in Ireland. • Act as the Central Authority for intercountry adoption and ensure the Authority is in line with the 'Hague Convention'.	• Assist with post-adoption information and services, such as access to records, and provide a robust tracing service. • Manage the Contact Preference Register. • Responsible for data protection, Freedom of Information, digital ICT and historical archives.	• Provide a statutory tracing service for clients. • Provide mediation, brief intervention, and support to clients.	• Evaluate certain bodies / persons, specifically those involved in process of the adoption of a child or the provision of services such as tracing, counselling or mediation for adopted persons or relatives of adopted persons.	• Undertake or assist in research projects and activities relating to adoption services. • Inform adoption policy and service delivery through the development of a comprehensive information, research and communications framework.

Source: Indecon Analysis

The AAI is quite different in its set up compared to other countries, where adoption orders are generally processed through the court system. The AAI Board has specialist expertise in adoption and is better equipped to deal with the issues of adoption more fully and sensitively than the court system.

The functions of the AAI are outlined in more detail in this section.

1.3.1 Domestic Adoption

As part of the remit for domestic adoption, the AAI Domestic Adoption Team is responsible for processing Declarations of Eligibility and Suitability prior to adoption. They also process adoption orders. The trend of domestic adoption orders and declarations of eligibility from 2018 to 2023 is shown in Figure 1.2 overleaf. Domestic declarations of eligibility fluctuated in the period from 2018

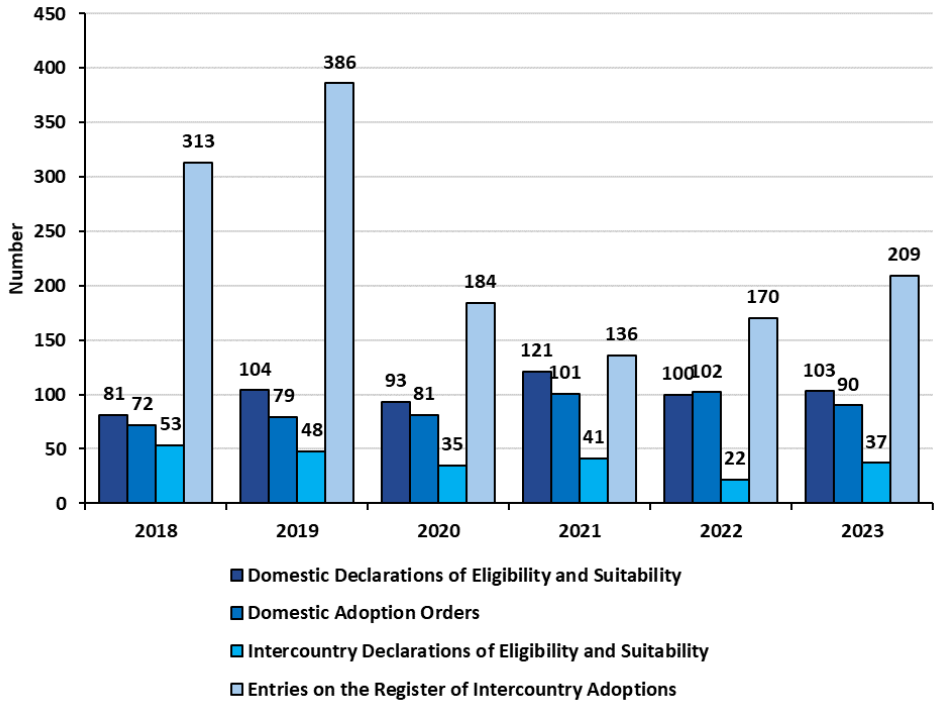
to 2023 but ultimately increased from 2018 (81) to 2023 (103). The number of domestic adoption orders granted followed a similar trend fluctuating over this period but ultimately increased from 72 domestic adoption orders granted in 2018 to 90 in 2023.

1.3.2 Intercountry Adoption

The AAI is responsible for intercountry adoption orders for people who are resident in Ireland. Figure 1.2 also includes the trend in intercountry declarations of eligibility and suitability and the number of new entries on the Register of Intercountry Adoptions (RICA) from 2018 to 2022. The number of intercountry declarations of eligibility has decreased overtime from 53 in 2018 to 22 in 2022. There was a sharp decrease in the number of entries on the RICA from 2019 (386) to 2020 (184) that is likely due to the closure of borders during the COVID-19 pandemic. The number of entries on the RICA has not returned to pre-pandemic levels.

The AAI acts as a central authority for intercountry adoptions, as set out in the Hague Convention. It is obviously important that a body exists that exercises oversight of intercountry adoption and fulfils the role of central authority for intercountry adoptions on behalf of the State in line with these international commitments.

Figure 1.2: Domestic and Intercountry Adoption



Source: AAI Annual Report Data

1.3.3 Information Services and Records

The new Information Services and Records Unit was established in 2022 in preparation for the enactment of BITA 2022. The unit consists of four teams each with their own function: the Records Team; the Data Protection Team; the Archives Team; and the Digital Solutions Team. As will be

demonstrated in this section, the increase in demand for information and tracing services from the AAI illustrates the ongoing need for these services, which it was felt were best performed by the AAI together with Tusla.

The Records Team was significantly expanded after BITA 2022 took effect to deal with the number of applications received for the release of information. Between October and December 2022, the AAI received 2,570 applications for the release of information. In this period, the AAI also completed 1,117 checks of parent's preference on the CPR, 460 of which related to the release of records by the AAI and 657 to the release of information by Tusla. Where a "no contact" preference was indicated by a birth parent on the CPR, the Authority is required to conduct an information session with any applicant who is requesting information regarding their birth and early life. Eleven such information sessions were held.

In 2023, there were 1,641 applications for the release of information received by the AAI and 3,504 applications were processed (this includes a backlog of applications from 2022). There were 5,225 checks of parent's preference on the CPR.

Requests for other data and information have also increased over time from 2020 to 2022 including Subject Access Requests, Parliamentary Questions, and Freedom of Information Requests. The most recent data showed that the AAI Records Team experienced an increase in the number of queries from 2022 (3,130) to 2023 (3,773) which equates to a 20.5 per cent increase in one year. For the first four months of 2024, the number of queries received by the AAI Records Team was 1,501 – which is already higher than the totals for these months in both 2022 (602) and 2023 (1,311).

The Data Protection Team deals with Subject Access Requests (SARs). In 2022, 73 SARs were received representing a 25 per cent decrease from the previous year with 97 requests. This decrease was likely due to the BITA 2022 and the commencement of the CPR. In 2023, there were 29 Subject Access Requests received. This team is also responsible for holding records on the social work element of the adoption processes for multiple adoption agencies.

The Archives Team was established in 2022 because under the BITA 2022, the AAI was added to the Schedule of the National Archives Acts 1986-2018. Their archival work is a statutory obligation, as any records of the AAI that are over 30 years old are now deemed to be departmental records for the purposes of the National Archives Act.

The Digital Solutions Team is concerned with the Information and Communications Technology function of the AAI and was established in 2022 as part of the organisational restructuring following the implementation of the BITA 2022.

Freedom of Information (FOI) requests are the responsibility of the Information Services and Records Unit. The number of FOI requests received in 2023 was 20, a reduction from 26 in 2022 and 34 requests in 2021.

1.3.4 Social Work

Within the AAI, the Social Work Team has four main functions: tracing, CPR support, brief intervention, and reviewing current adoption assessments. The provision of a tracing service has always been provided by the AAI but became a statutory function in 2022 under the BITA. Between October and December 2022, the AAI received 108 applications for tracing services. In 2023, there were 410 applications for a tracing service and 136 tracing cases were completed. The Social Work

Team also deal with CPR matches and provide social work support and advice to help individuals navigate those situations in which they might initiate contact with their CPR matches. In 2023, there were 111 CPR matches made. Brief intervention is a short-term intervention that the Social Work Team administers, which tries to assist clients in regaining a sense of autonomy over their own situation and to find solutions. In 2023, there were 45 brief intervention cases received by the Social Work Team and referred to a social worker. The Social Work Team engages in reviews of current adoption assessments as part of a multi-disciplinary team. In 2023, the Team reviewed 204 domestic adoption and 48 intercountry files.

1.3.5 Accreditation

Accreditation by the AAI relates to the formal evaluation of certain bodies or persons, specifically bodies or persons involved in arranging for the adoption of a child or the provision of services such as tracing, counselling, or mediation for adopted persons or relatives of adopted persons. The AAI maintains a "Register of Accredited Bodies" as one of its functions under the Adoption Act 2010. The currently accredited bodies are Barnardos, the Helping Hands Adoption Mediation Agency, and Pact.

The accreditation function is governed by a Statutory Instrument – the Adoption Act 2010 (Accredited Bodies) Regulations 2010 (S.I. No. 524 of 2010). Under various articles, the regulations set out the obligations of accredited bodies including the structure and obligations of an accredited body (Article 5), financial reporting, fees and charges (Article 6), records (Article 7), the services to be provided for an accredited body making arrangements for adoption (Article 8), and the making of arrangements for adoption with agencies and persons outside the State (Article 9). Section 10 then sets out the supervisory role of the Authority which includes provisions allowing for external evaluation, inspection of random cases and the establishment of an independent investigative panel by the Authority.

We were provided with a range of documentation relating to the accreditation function including a procedures manual, various checklists and an application form that has to be completed for renewal of accreditation. The procedures manual explains that the Accreditation Unit (part of the wider corporate services and compliance area) is responsible for the administration of applications for accreditation, re-accreditation and de-accreditation, and for the submission of the applications to the Board of the Authority for approval. The Unit also monitors the accredited bodies to ensure compliance with regulations regarding the submission of the required reports to the Board; annual financial statements (submitted on or by 31st March each year) and bi-annual activity reports (submitted in July and January for the preceding 6 months). The manual indicates that the Authority carries out regular assessments of accredited bodies including of the governance and finances framework of the bodies, as well as of HR policies and practices, case management, social work practice and internal processes and procedures. It also outlines the processes in the Authority for review of the activity reports and financial statements, and we note that the review of financial

statements includes a review by the external accounting service provider to the AAI. Based on our desk-based analysis of these documents, the processes follow closely the statutory requirements provided for the in the regulations and suggest a significant level and scope of oversight by the AAI of the accredited bodies. However, as noted below the results of the staff survey suggest that the accreditation function was not as rated by staff as being as quite as effectively delivered as other functions. We consider the arrangements for grant funding of accredited bodies later in Section 5.

1.3.6 Research

Research is a function of the AAI under the Adoption Act 2010 and is concerned with undertaking research projects relating to adoption services and compiling statistical information to inform the proper planning and provision of adoption services. While this research could be undertaken by another organisation or research institute, the location of the function within the AAI means that the research can inform service delivery and practice. The Research Strategy is developed for every three-year period and sets out the research projects to be completed in that period. These projects can be core research studies or internally requested reports. This unit also attends conferences to present research findings and build research networks. The research function is considered in more detail in Section 4.

1.4 Staff Views on AAI Functional Effectiveness

Indecon conducted a survey of AAI staff in August 2024. As depicted in the table below, most staff respondents believe that the AAI is delivering effectively or very effectively on its statutory remit, specifically in respect to the information and tracing services such as Information Services and Records (90 per cent), Contact Preference Register (90 per cent), Acquisition and Safeguarding of Records (90 per cent) and Tracing (81 per cent). These figures point to the success of the AAI in adapting to the introduction and operation of the BITA. High proportions of respondents also believe the AAI is effectively or very effectively delivering on its domestic adoptions (76 per cent), intercountry adoptions (71 per cent) and research (74 per cent) functions. However, just half of respondents feel the AAI is effectively / very effectively delivering on its remit in accreditation possibly suggesting some scope to improve in this area.

Table 1.1: Overall, to What Extent do You Believe the AAI is Delivering Effectively on its Statutory Remit/Obligations in Respect of Each of the Following Areas?

	Very Effective	Effective	Neither Effective nor Ineffective	Ineffective	Very Ineffective	Not Applicable	Total
Domestic Adoption	33.3%	42.9%	9.5%	2.4%	0.0%	11.9%	**100%**
Intercountry Adoption	35.7%	35.7%	7.1%	7.1%	2.4%	11.9%	**100%**
Information Services and Records	45.2%	45.2%	7.1%	2.4%	0.0%	0.0%	**100%**
Accreditation	22.5%	32.5%	27.5%	2.5%	2.5%	12.5%	**100%**
Research	42.9%	31.0%	14.3%	2.4%	0.0%	9.5%	**100%**
Tracing	45.2%	35.7%	14.3%	0.0%	0.0%	4.8%	**100%**
Contact Preference Register	46.3%	43.9%	9.8%	0.0%	0.0%	0.0%	**100%**
Acquisition and Safeguarding of Records	51.2%	39.0%	4.9%	0.0%	0.0%	4.9%	**100%**

Source: Survey of AAI Staff

In addition, the responders were provided with an opportunity to leave relevant comments during the survey, which gave important insights into their beliefs about the AAI. The comments were generally positive but there were a couple of suggestions for improvement within the Authority, specifically in the area of outreach and dissemination and adoption standards:

"I think the AAI does an amazing job but there is always opportunities to do more, particularly in the areas of ***outreach and dissemination****."*

"The process of adoption standards needs an overall review this is impacting on the child centred and standardized assessments of adoption. ***This would involve Tusla also being part of the change****."*

1.5 Adoption Remit of Tusla

Tusla is a dedicated State agency responsible for improving wellbeing and outcomes for children. Its remit is to support and promote the development, welfare, and protection of children. This includes offering care and protection for children in circumstances where their parents have not been able to or are unlikely to do so. The role of Tusla interacts with the Adoption Authority, particularly in relation to birth information and tracing and adoption assessment and placement. Tusla is responsible for undertaking comprehensive assessments and vetting of prospective adoptive parents.

1.6 Conclusion

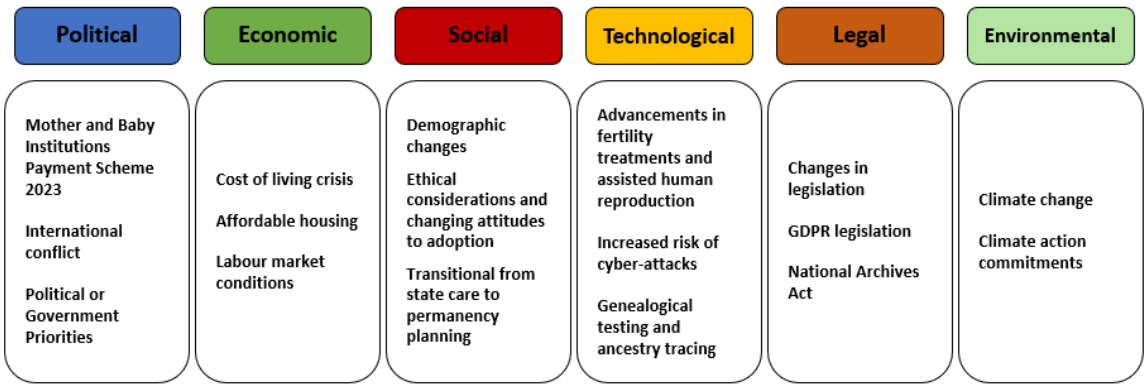
Unlike many other countries, Ireland has a dedicated body responsible for adoption and the making of adoption orders, with the AAI responsible for a range of important statutory decision-making, service provision, research, and regulatory functions in the adoption space. The AAI is also the mechanism through which Ireland fulfils international obligations under the Hague Convention in relation to intercountry adoption. The existence of a dedicated body with specialist expertise to manage these functions and obligations on behalf of the State is a strength. In principle, some of these functions could be carried out by a combination of other organisations (including for example the Courts Service in relation to adoption orders). However, such a reassignment of functions would require primary legislation, would not be straightforward to implement in the context of the range and volume of family law matters currently under consideration by the courts, and could lead to significant transition problems and a risk of poorer outcomes in important and sensitive areas such as adoptions and birth tracing. Furthermore, it would risk the loss of "economies of scale" type benefits that the current co-location of functions and pooling of relevant expertise that the AAI provides.

2 'PESTLE' Analysis of External Operating Environment

2.1 Introduction

In this section of the report, we consider a range of external trends and factors that affect, or will affect, over a medium-term horizon, the external environment in which the AAI operates. We present this in the form of a 'PESTLE' analysis, considering in turn the Political, Economic, Social, Technological, Legal and Environmental factors. The key factors that we consider are illustrated in the graphical summary below.

Figure 2.1: Summary of 'PESTLE' Analysis of AAI's External Operating Environment



Source: Indecon analysis

2.2 Political

Mother and Baby Institutions Payment Scheme (MBIPS)

The implementation of the Mother and Baby Institutions Payment Scheme (MBIPS) commenced in 2024. This scheme seeks to offer redress and compensation to those who were resident in Mother and Baby and County Home Institutions in Ireland through financial payments and enhanced health support payments. Those who spent time in these institutions as a child might have been adopted or boarded out and, in these instances, they may need to seek further information on their birth records through the AAI's tracing service. This will involve an increased workload for the Birth and Information Tracing unit in AAI.

International conflict

International tensions or conflict may have adverse effects on intra-country adoption if it disrupts the connections between Ireland and the source country someone wishes to adopt from; for example, there were significant numbers of adoptions from Russia, and to a lesser extent Belarus, in the past but none since 2022 in either case following the commencement of the war in Ukraine.

International conflict may increase the number of children who are left without families and could be adopted. However, in conflict situations, the provisions of the HCCH Child Protection Convention are such that the focus should be on child protection rather than recourse to adoption.

Political / Government priorities

Like any state body, the AAI's mandate and role can be altered in response to wider political developments and the policy preferences of the Government of the day, as articulated in a Programme for Government or by the incumbent Minister for Children, Equality, Disability, Integration and Youth. Looking ahead, the formation of a new Government after a general election which must be held by March 2025 could affect the configuration and responsibilities of Government Departments or lead to a change in emphasis in Government policy for children and young people.

Under the EU Technical Support Instrument (TSI), the Department of Children, Equality, Disability, Integration and Youth is participating in a multi-country technical support project being undertaken by UNICEF, which is aimed at strengthening child rights and protection systems across four participating countries. The specific objective of the Irish component of the project is to develop a best practice framework and reform roadmap to enable the Government to reform its domestic infant adoption system to ensure better outcomes for all parties involved, especially the child. The high-level roadmap for the implementation of reform of the Irish domestic adoption system could have significant implications for the AAI depending on the response to this by the Department and Government.

2.3 Economic

Cost of living/lack of affordable housing

Ireland experienced a period of high inflation in 2022 and 2023 (largely driven by international factors including the consequences of the 2022 Russian invasion of Ukraine on energy prices). While inflation has decelerated in 2024, it is possible that the cost-of-living pressures on households resulting from the period of high inflation could affect the viability of families being able to provide a family and home for an adopted child. This could reduce the number of adoption cases to be processed by AAI.

A well-documented lack of affordable housing supply in Ireland is delaying household formation with some 75 per cent of those between the ages of 20 to 29 in Ireland living with their parents compared to an OECD average of 50 per cent. If this lower rate of household formation persists, it is likely to reduce the number of household or family units who would be able to adopt a child and reduce the number of adoption cases to be processed by AAI.

Labour market conditions

The Irish economy is currently operating at full employment with the labour market expected to remain tight over the next few years. In these circumstances, the AAI – like other public sector bodies – could struggle with retention and recruitment of staff with associated operational risks. The combination of a challenging labour market and cost-of-living pressures, together with the limited availability of car parking facilities at the Authority's offices in Ballsbridge, could over time affect the diversity of the AAI workforce and its attractiveness to potential employees, as

commuting could be difficult and expensive for employees living outside Dublin or in areas in Dublin with poor public transport links to Ballsbridge.[42]

2.4 Social

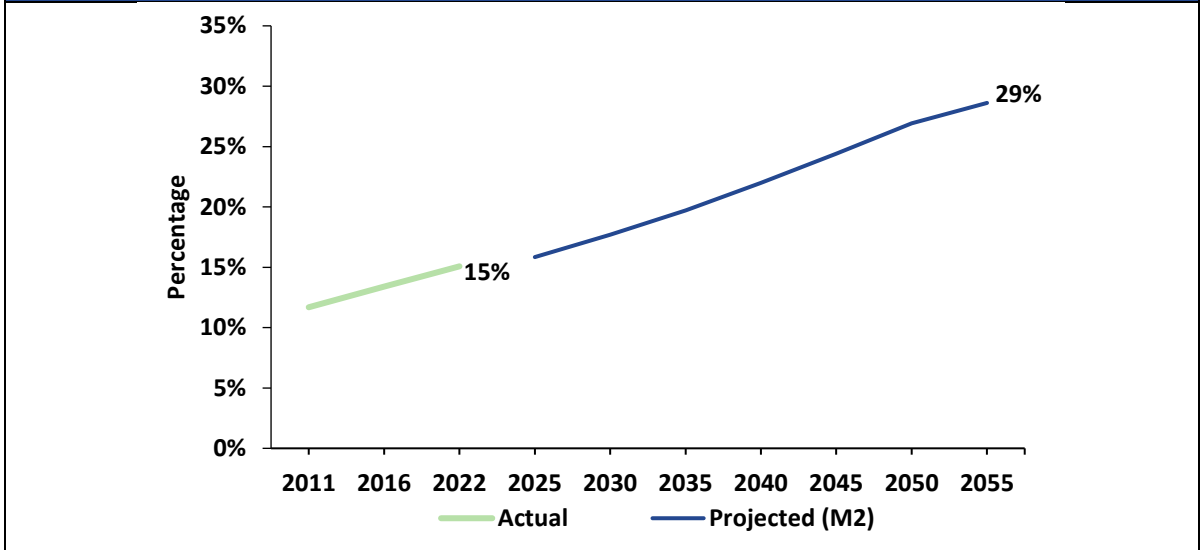
2.4.1 Demographic changes

There are four key demographic trends that could affect the service provision of the AAI in terms of adoption: an ageing population; falling fertility rates; family structure/formation; and same-sex marriage.

Ageing population

An ageing population will over time affect the demand for adoption services as there will likely be a smaller proportion of people of eligible age and suitability to provide viable family arrangements for adopted children in Ireland. Figure 2.2 shows the proportion of the actual population (2011 – 2022) aged over 65 and the proportion of the projected population (2025 – 2055) over 65 using projections from the CSO. This figure illustrates that the proportion of the population aged over 65 in Ireland has increased from 2011 to 2022 and is expected to double over the period to 2055 to approximately 29 per cent.

Figure 2.2: Population and Projected Population aged over 65



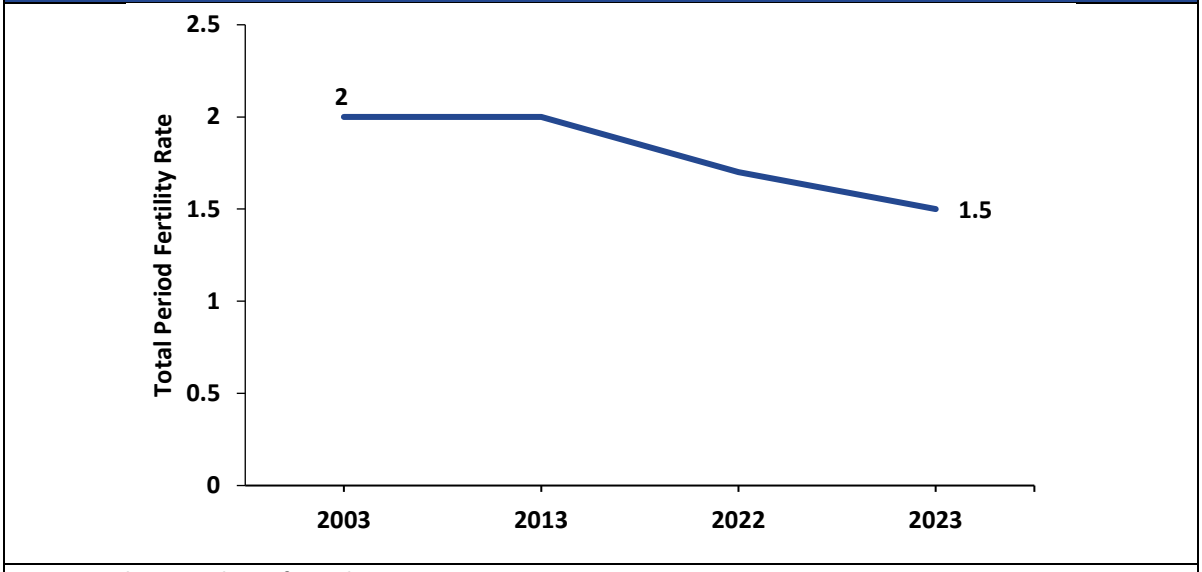
Source: Indecon analysis of CSO data (F7013 and PEC19 datasets)

[42] We understand that the lease on the AAI's premises on Shelbourne Road is due to expire in January 2027 and while an extension for 12 to 18 months may be possible, the AAI will likely be eventually moving to another premises.

Falling fertility rates and family formation trends

Fertility rates are declining across all European countries and Ireland is conforming to this trend. Figure 2.3 shows the trend in fertility rates in Ireland from 2003 to 2023 where there is a clear decline in the fertility rate to below replacement level fertility (approximately 2.1). In its population projections, the CSO assumes that fertility rates will fall to 1.3 by 2037 and remain constant thereafter. There are many factors that are contributing to this worldwide decline in fertility rates, including changes in attitudes toward child-rearing and family formation. The number of children being born is decreasing as women decide to postpone or forego having children. The average age at childbirth for women in Ireland has increased over time from 30.6 years to 33.2 years.[43] This trend is likely to continue. This means, in effect, that there are likely to be less families or couples willing to provide family arrangements for adopted children as well as fewer children to adopt.

Figure 2.3: Fertility Rates 2003-2023

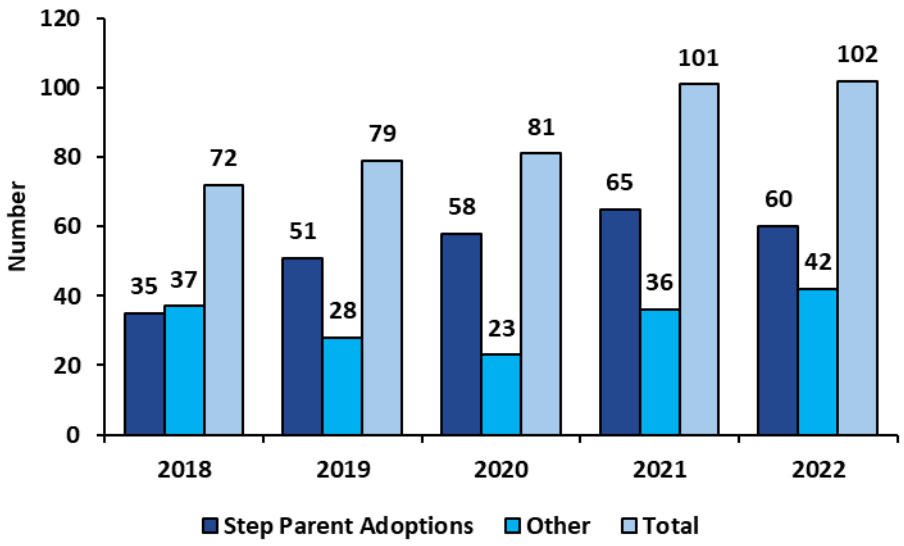


Source: Indecon analysis of CSO data

Other long-running attitudinal changes toward family formation include the reduced stigma of lone parenting. It is not clear how this could affect adoption services. It could decrease the number of children in need of a family and therefore reduce the number of adoption cases to be processed by AAI. However, there could also be a continued increase in the number of "blended" families, where one or two lone parents adopt their partner's children. AAI annual reports have shown an increase in this category of stepparent adoptions over time, as shown in Figure 2.4 overleaf.

[43] Source: CSO Statistics available: https://www.cso.ie/en/releasesandpublications/ep/p-vsys/vitalstatisticsyearlysummary2023/#:~:text=A%20value%20of%202.1%20is,the%20TPFR%20stood%20at%202.0.

Figure 2.4: Trends in Domestic Adoption 2018-2022



Source: AAI Annual Report 2022 Data

Same-sex marriage

Same-sex marriage has been legalised since the Marriage Equality Act 2015 was passed. The number of same-sex marriages is rising steadily from 500 in 2021 to 646 in 2023.[44] This change broadened the profile of potential family units that may wish to adopt children to have a family and this in turn may increase the number of adoption cases to be processed by the AAI.

Pregnancy terminations

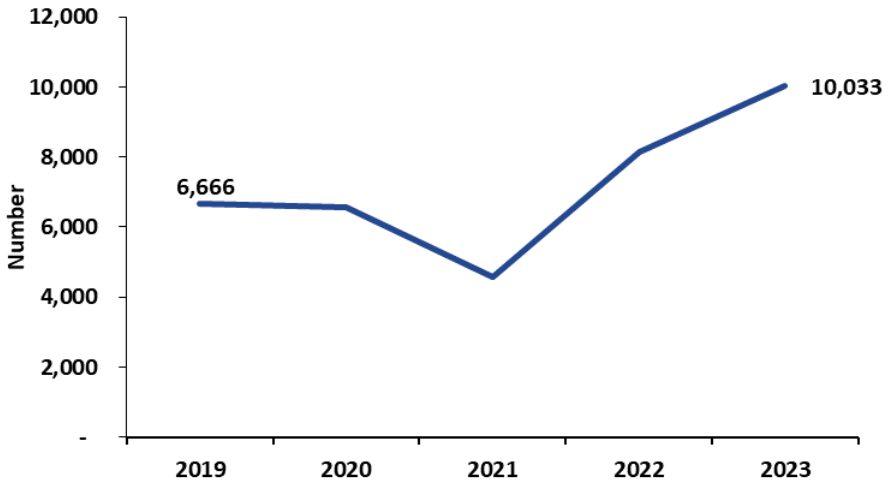
A legislative framework on the regulation of terminations of pregnancy was put in place in 2019 following the repeal of the 8th amendment to the Constitution. Figure 2.5 shows the trend in the notifications to the Minister of Health under Section 20 of the Health (Regulation of Termination of Pregnancy) Act 2018. This data reflects the number of women accessing legal abortion care in Ireland but omits women travelling to the UK to access abortion care[45] or those who undergo illegal abortions in Ireland.

These provisions will likely reduce the number of unplanned pregnancies. It is not clear what the implications for adoption might be, but it could over time tend to reduce the number of children who are placed in care and the number of adoption cases to be processed by the AAI.

[44] Source: CSO 2023 Report on Marriages, available at: https://www.cso.ie/en/releasesandpublications/ep/p-mar/marriages2023/mainresults/#:~:text=There%20were%2021%2C159%20marriages%20(opposite,were%20same%2Dsex%20in%202023.

[45] Source: https://www.irishtimes.com/politics/oireachtas/2023/04/25/abortion-review-10-key-findings-from-the-independent-review-into-the-states-regime/

Figure 2.5: Trends in Notifications of Pregnancy Terminations

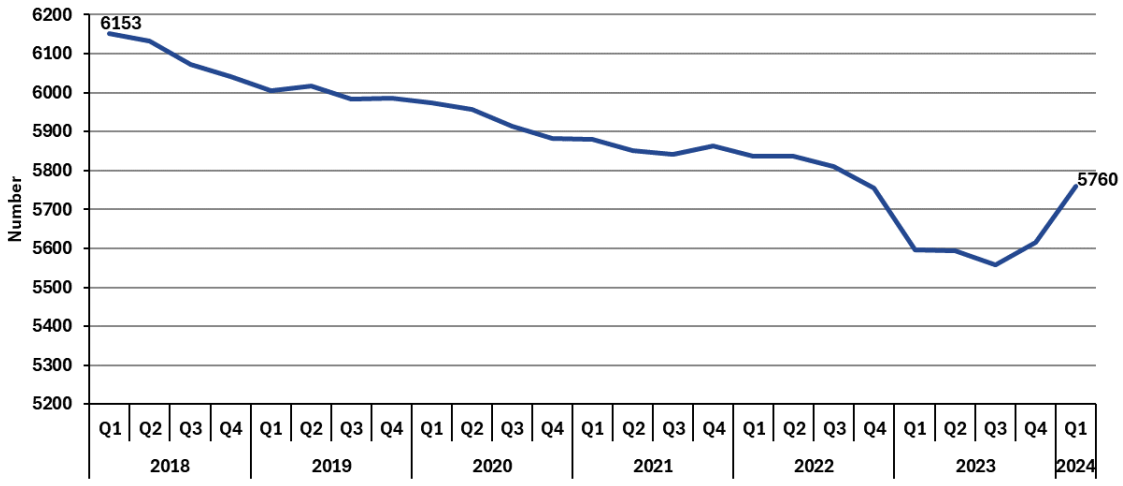


Source: Department of Health, Notifications in accordance with Section 20 of the Health (Regulation of Termination of Pregnancy) Act 2018

Children in care

Figure 2.6 illustrates the trend in the number of children in care from 2018 to 2024 according to activity and performance reports compiled by Tusla. Overall, from 2018 to 2024, there have been steady decreases in the number of children in care. There was an increase from 2023 Q4 to 2024 Q1 and this can be accounted for by the inclusion of *Separated Children Seeking International Protection*, who were included in 2024 figures but not 2023 figures.

Figure 2.6: Number of Children in Care 2018 – 2024



Source: Tusla Performance and Activity Reports

2.4.2 Attitudinal changes to adoption

Intercountry adoption could be subject to changes in social attitudes and, in particular, ethical considerations. It is possible that in the future there could be negative connotations associated with intercountry adoption if social attitudes begin to deem the practice unethical. This is particularly true of the potential for social media to influence how adoption is portrayed or discussed internationally, particularly with respect to intercountry adoption.

2.4.3 Transition from State care to permanency planning

There have been moves in attitude away from State care for children towards permanency planning, where it is appropriate and possible. Permanency planning is a child welfare concept that describes a plan to secure a long-term, stable environment for a child. According to Tusla, permanency planning requires that social workers simultaneously and actively pursue alternate forms of permanence as well as family reunification.[46] Adoption is considered a form of permanency planning arrangement in this case when:

- All other care options have been considered and deemed inappropriate to meet the child's long-term care needs i.e., going home to birth family,
- It is a proportionate response to meeting the child's long-term care needs, and
- It has been agreed at the Care Plan Review meeting that the child should be adopted.

These cases are legally complex and increased use of permanency planning will likely increase the complexity of the work that the Adoption Authority of Ireland will have to deal with in the future.

2.5 Technological

2.5.1 Advancements in fertility treatments and Assisted Human Reproduction

There have been advancements in fertility treatments in recent years including treatments such as IVF. Furthermore, there have been advances in donor-assisted human reproduction. This could potentially reduce the need for adoption services among some couples who might have previously adopted to fulfil a desire to form a family. These advances also introduce legal issues as discussed further in the next section.

2.5.2 Increased risk of cyber-attacks

As a result of the new Birth and Information Tracing Act 2022, the AAI now has a remit to store and archive sensitive data related to adoptions. They also have a remit to maintain a Contact Preference Register for all adoptees and their birth parents, where the data exists. Any data that is stored electronically is at risk of cyber-attacks, which are increasing in complexity over time. This poses a risk to the AAI and its operations.

[46] Tusla, Pathways to Permanency Handbook, available here: https://www.tusla.ie/uploads/content/Permanency_Planning_Handbook.pdf

2.5.3 Genealogical testing and ancestry tracing

With the rise of websites that provide family ancestry and genealogy tracing services through DNA testing, it is possible that wider uptake and use of these sites will lead to more people finding out that there were adopted or have adopted relatives. Consequently, this could lead to an increase in the workload of the Tracing team at the Authority and the complexity of tracing if it leads to a greater number of people contacting them about their birth information and records.

2.6 Legal

2.6.1 Changes in legislation

The AAI has already been significantly affected by recent changes in legislation, particularly by the Birth and Information Tracing Act 2022. Legislation on Assisted Human Reproduction has recently been enacted by the Oireachtas and, although not yet commenced, it is likely that this will in time affect the complexity of adoption cases.

2.6.2 GDPR and Archives legislation

As a result of the new BITA 2022 legislation and the expansion of the AAI's remit in terms of the quantity and nature of records it holds or has oversight over, the Authority is responsible for the archiving and storing of data, both historical records and the Contact Preference Register. This places an obligation on the AAI to ensure that there are no data breaches of the personal and sensitive information it stores and to ensure their compliance with GDPR legislation. The AAI also has responsibilities under the National Archives Act so would be affected by any changes to that legislation. We understand that as part of the work to deliver on the Government's intention to establish a National Centre for Research and Remembrance on the former site of the Magdalene laundry in Seán McDermott Street, the AAI is participating on an archives subgroup which is being led by the National Archives.

2.7 Environmental

2.7.1 Climate change

It is possible that climate change and the increasing incidence of extreme weather events in other countries could increase the number of children in need of adoption from affected countries and regions. This could increase the numbers of children in need of adoption or other protection and motivate some Irish families to adopt from these countries.

2.7.2 Climate action commitments

The AAI, like all public bodies, is subject to the provisions of the *Public Sector Climate Action Mandate*, including the targets to reduce energy-related emissions by 51 per cent and to improve energy efficiency by 50 per cent – both by 2030 for the overall public sector. These requirements could have significant costs and reporting implications for the AAI.

2.8 Conclusions

A wide range of political, economic, social, technological, legal, and environmental factors affect the operating environment of the Authority. These factors play out over different cycles, but it appears that some long running demographic and attitudinal changes, as well as some emerging technological developments and potential legislative changes, will significantly affect the demand for adoption services and the complexity of the work of the Authority over the medium term.

3 Recent Developments and AAI Response

3.1 Introduction

A range of developments, including the Action Plan for Survivors and Former Residents of Mother and Baby and County Home Institutions (the 'Action Plan') agreed by Government in 2021, as well as recent trends in adoption numbers, both domestic and international, have influenced the Authority's operating environment over recent years. The Action Plan included a commitment to the introduction of the Birth Information and Tracing Act 2022, which was the most significant change affecting the AAI over recent years. With the number of adoptions falling over time, and various factors influencing international adoption patterns, the AAI has responded accordingly while allocating additional resources to its information and tracing unit, a growing element of the Authority's remit.

3.2 Implications of Birth and Information Tracing Act 2022

The most significant change experienced across the AAI was the introduction of the BITA in 2022. The year 2023 marked the first full year when the BITA was operational. To deliver on the requirements of the legislation, the AAI secured a substantial increase in its budget and approved staff complement.

3.2.1 Organisational structure

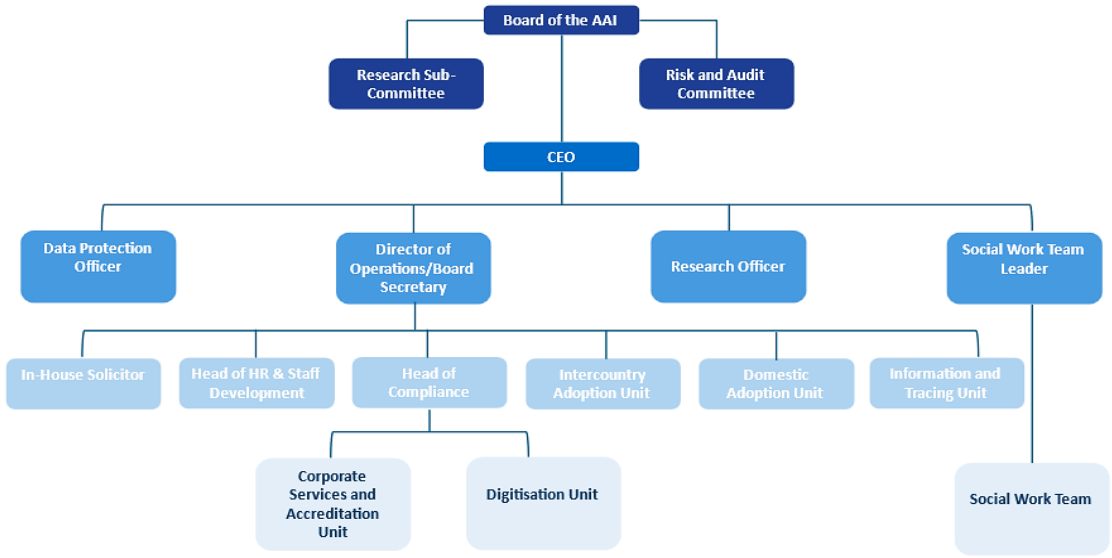
Figure 3.1 overleaf highlights the substantial changes between the AAI's current organisational structure and the pre-BITA structure in 2020. The key change from 2020 to 2023 in the structure of the organisation was the shift from a 4-person management tier reporting to the CEO to a 6-person tier, with the functional roles of Information Services and Records, Human Resource and Compliance now led at this level. These changes in the management structure of the Authority reflect the additional workload and responsibilities of the AAI under the BITA 2022 and the need for increased corporate support in a growing organisation. Notably, the Information Services and Records Unit, which assists with post-adoption information and services such as access to records, has been substantially expanded with four separate teams. We outline in more detail in Section 4 the distribution of staff resources across functional areas and assess possible gaps or vulnerabilities in the organisational structure.

3.2.2 AAI staffing response

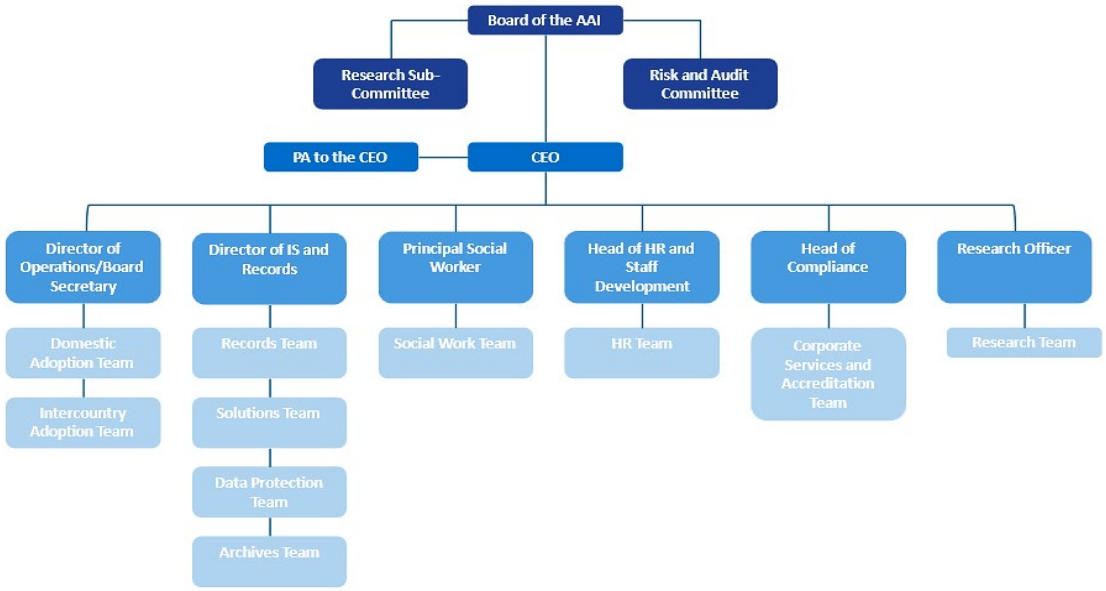
Given its new statutory obligations in the wake of the BITA 2022 and new associated service provision requirements, the Authority significantly increased it workforce, including within its management team. The requirement to continue to complete all adoption orders in a timely and efficient manner and to deliver the new birth information and tracing workload led to a doubling in AAI staff numbers from 32 in 2021 to 64 in 2023.

Figure 3.1: Organisation Structure of Adoption Authority of Ireland – 2023 versus 2020

Organisation Structure – 2020



Organisation Structure – 2023



Source: AAI's Annual Reports, 2023 and 2020

3.2.3 Staff Survey

As is evident from the results of the AAI staff survey shown below, the majority of respondents are less than five years working in the Authority; of these approximately 60 per cent are either at EO level or belong to a professional or technical grade (see Table 3.2).

Table 3.1: Number of Years Working with the AAI	
	Proportion of Respondents
0-5 Years	84.6%
5 - 10 Years	10.3%
10+ Years	2.6%
Have Worked with the Authority since its Establishment in 2010	2.6%
Total	**100%**
Source: Survey of AAI Staff	

This influx of new staff reflects the introduction of BITA in 2022 and, while not surprising, the volume of new, relatively inexperienced staff could be seen as something of a vulnerability for the Authority. We note that under the Authority's 2023 (and 2024) business plan goal to "empower our people and deliver effective operations", an objective is articulated to "build and maintain a workforce that has the capability, capacity and adaptability to achieve their career objectives, and meet the changing needs of the adoption landscape". Several important actions were set out under this objective for 2023 including the identification of future capability requirements, the design and implementation of a new training plan, the development and updating of a staff handbook with updated training plans for all staff, and the development of a succession planning and business continuity model. However, we note that the status of these actions was recorded as either "not commenced" or "delayed / at risk" in the Q4 2023 business plan update with resource issues referred to and indications given that some of the actions had been deferred to 2024. Given the significant increase in AAI staffing and the high proportion of new staff, it will be important that these actions, which are essentially repeated in the 2024 business plan, are completed to equip the Authority with the human resource capability to meet future service delivery needs.

Table 3.2: Grade within the AAI if 5 years or under in AAI	
	Proportion of Respondents
PO	3.2%
AP	9.7%
HEO	9.7%
AO	3.2%
EO	32.3%
CO	12.9%
Professional and Technical Grade	29.0%
Total	**100%**
Source: Survey of AAI Staff	

3.2.4 Expenditure

The table below sets out the level of the Authority's Grant-in-Aid and total expenditure for the years 2020 and 2023. In 2023, the Grant-in-Aid allocation to the AAI was 41 per cent higher than in 2020. Total expenditure increased by 40 per cent over this period, reflective of the higher costs associated with BITA, mainly relating to staff costs, as well as higher levels of inflation. We include a more detailed breakdown and analysis of expenditure in Section 5.

Table 3.3: AAI's Budget 2020 – 2023 (€)			
	2020	**2023**	**Growth Rate**
Grant-in-Aid	5,064,102	7,162,930	41%
Total Expenditure	5,590,674	7,852,076	40%
Source: AAI's Financial Accounts Note 1: 2020's total expenditure has likely been affected by the COVID-19 Pandemic, potentially impacting the growth rate shown above. In the 2020 financial account, total expenditure in 2019 was €5,229,870, indicating a growth rate in expenditure of 50% relative to 2023.			

3.3 Assessment and Conclusions

Overall, our assessment, informed in part by the views of stakeholders, is that the AAI has responded effectively and efficiently to changes in its mandate on foot of BITA, as well as to wider changes in its operating environment over recent years. This has been facilitated by a substantial increase in the Authority's resources in the form of a substantially higher budget allocation and staffing complement.

In respect of the tracing service, the AAI has successfully allocated all tracing applications within six months of the date of receipt. In 2023, 3,504 releases of information under BITA were completed, including a backlog from 2022, with the Social Work Team closing 136 tracing cases. It is apparent that the nature of the AAI's remit is changing as the number of adoptions decrease, with a new remit emerging related to tracing. The Authority has managed this new operational service delivery function well, which requires a different approach and mindset to that in the adoption order area.

Looking ahead and taking account of the PESTLE analysis presented in the previous chapter, it is likely that both the nature of adoption demand and BITA service provision will evolve over time, requiring the Authority to continue to adapt. Future objectives and deliverables will need to be articulated more clearly in the organisation's new three-year strategy for the period 2025 to 2027 which is currently being prepared. Given the significant increase in staff at the AAI and the high proportion of new, relatively inexperienced staff, it will also be important that several delayed business plan commitments in relation to staff training and development, succession planning and business continuity, are implemented quickly. Business process improvement activities, as well as better use of technology, can also support efficiency and effectiveness by documenting best practice and ensuring that duplication of effort is avoided.

4 Assessment of Organisational Capacity

4.1 Introduction

In this section, we consider the organisational capacity of the Authority under several headings. Firstly, we review the linked processes of strategic planning and performance measurement in the AAI, with reference to the current 2022 - 2024 Strategic Plan and the associated annual business plans which set the direction and key performance indicators for the work of the organisation on an annual basis. We then review the current structure of the organisation at senior management level and the distribution of staff across functional areas. We then consider separately the important research function. The financial and risk management functions are addressed in Section 6.

4.2 Strategic Planning and Performance Measures

4.2.1 AAI Strategic and Business Plans

The current 2024 AAI Business Plan details the key priorities and associated goals, objectives, and underlying actions to be achieved over the year. The plan was developed in consultation with the AAI Board, SMT and staff. The plan is based on the Strategic Plan 2022 - 2024 which sets the priorities, goals, objectives, and actions to be achieved over this timeframe. The Strategic Plan is organised around six priorities and twelve distinct goals under these priorities. Each of these goals is subsequently broken down into between three to five objectives and then individual actions to be taken under these objectives. This structure is repeated in the business plans with an associated Key Performance Indicator (KPI). The six priorities and associated goals are shown in the table below.

Many of the actions detailed under the objectives set out in the business plan are ongoing yearly activities that are repeated year-to-year in the business plans. Both the strategic plan and the business plans contain a lot of business-as-usual items of a “continue to” nature.

The repeated statement of these yearly activities in the business plan could be avoided if appropriate and quantifiable KPIs and metrics were developed to monitor progress throughout the year on these activities. This would reduce the complexity of the business plan and would instead highlight the new actions or projects being undertaken. It would also allow for regular actions to be monitored as frequently as required and comparisons made to previous years / quarters with quantitative KPIs. In developing appropriate and quantifiable KPIs to measure these ongoing activities, the new Strategic Plan for 2025 - 2027 could focus on new projects, organisational development and other goals as well as supporting these ongoing business-as-usual actions.

The Indecon assessment is that the current specification of priorities, goals, objectives, subsequent actions and then KPIs is too granular and complicated for strategy and business plan purposes. A more streamlined approach that emphasises new or priority actions would result in more accessible and focused strategic and business plans and would support more effective exception reporting to the Board.

As regards the KPIs included in the business plans, many of these are not quantifiable output or outcome measures but are framed as “ongoing” actions to be taken, e.g. reviewing and recording

interactions with children / young people. It is recommended that quantifiable SMART KPIs be used as output / outcome measures for actions as far as possible in future business plan iterations. These can then be reported on based on RAG (Red, Amber, Green) status and exception reporting.

Table 4.1: Priorities and Goals of the AAI Business Plan 2024

Priority	Goals
The child in the foremost priority and their best interests should be pursued in all adoption cases.	The primary goal of all adoptions is that the best interests of the child / young person are heard throughout the adoption process, and they are responded to in a timely and meaningful manner throughout.
Achieve the highest standards of adoption services.	Ensure that all relevant parties can exercise their right to be heard throughout the full adoption process and support legal aid applications where required for parents.
	Achieve the highest standard in the regulation and operation of the adoption services provided directly by the AAI or by those agencies accredited by the AAI.
Effectively implement legislation.	Ensure that the BITA continues to be operationalised.
	Develop an organisation that is ready to adapt quickly to changes in legislation.
Empower our people and deliver effective operations.	Build and maintain a workforce that has the capability, capacity, and adaptability to achieve their career ambitions, and meet the changing needs of the adoption landscape.
	Develop the AAI's organisation structure, its processes, and technology to enable the delivery of the Strategic Plan.
Attain robust governance and supportive stakeholder relationships.	Develop effective and accountable governance, risk management and compliance arrangements.
	Progress strong working relationships and collaboration with adoption stakeholders.
	Improve awareness and understanding of the adoption process among stakeholders and the wider public.
Foster a culture of innovation.	Build and maintain innovative methods to ensure that the adoption services provided by the AAI, and those agencies accredited by the AAI, are of world-class standard.
	Extend and develop capacity of Research Unit to enable the AAI to show clear research leadership in its field.

Source: AAI Business Plan 2024

4.2.2 Staff Views on Strategy Effectiveness

In our survey, AAI staff were asked for their views on how effective the Authority has been in achieving its strategic priorities. Over 85 per cent of staff respondents to the survey feel the AAI is effective or very effective at ensuring that the child is the foremost priority in all adoption cases and 88 per cent believe that the AAI has been effective / very effective at achieving the highest standards of adoption services. A further 86 per cent of respondents believe that the AAI has been successful in ensuring the effective implementation of legislative changes, supporting our

assessment that the organisation has demonstrated a capacity to adjust to its changing operating environment.

Table 4.2: How Effective Do You Believe the AAI Has Been in Achieving its Strategic Priorities 2022-2024?

	Very Effective	Effective	Neither Effective nor Ineffective	Ineffective	Very Ineffective	Total
Ensuring That the Child is the Foremost Priority, and Their Best Interests Should be Pursued in All Adoption Cases	28.6%	57.1%	11.9%	2.4%	0.0%	100%
Achieving the Highest Standards of Adoption Services	31.0%	57.1%	7.1%	2.4%	2.4%	100%
Ensuring Effective Implementation of Legislative Changes	47.6%	38.1%	9.5%	4.8%	0.0%	100%
Empowering Our People/Workforce and Delivering Effective Operations	17.1%	53.7%	22.0%	4.9%	2.4%	100%
Attaining Robust Governance and Supportive Stakeholder Relationships	14.3%	47.6%	31.0%	4.8%	2.4%	100%
Fostering a Culture of Innovation	7.1%	40.5%	26.2%	19.1%	7.1%	100%

Source: Survey of AAI Staff

However, staff assessment of the effectiveness of the AAI in delivering on some support or horizontal priorities (workforce empowerment, governance and fostering a culture of innovation) are somewhat less positive. For example, over one-quarter of respondents were of the view that the AAI had been ineffective or very ineffective in fostering a culture of innovation which is of concern.

More generally as shown below, over three-quarters of staff respondents identify with the overarching mission of the Authority. In addition, over 90 per cent of respondents indicate that they understand how their work contributes to the Authority's overall goals and strategy, a very positive finding that shows the strategy enjoys staff buy-in. Similarly, over 90 per cent of respondents have a clear sense of who is benefiting from their work and 98 per cent of respondents have a clear sense of who is benefiting from the overall work of the Authority, demonstrating the good work being done in the AAI, in line with its mandate. The majority of staff feel they receive regular feedback, although approximately 17 per cent of respondents feel they do not.

Table 4.3: How Much Do You Agree or Disagree with the Following Statements						
	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Total
I Identify with the Overarching Mission of the Authority	0.0%	0.0%	21.4%	33.3%	45.2%	**100%**
I Understand How My Work Contributes to the Authority's Overall Goals and Strategy	0.0%	2.4%	7.1%	52.4%	38.1%	**100%**
My Role is Meaningful and Has a Valuable Impact	0.0%	2.4%	9.5%	33.3%	54.8%	**100%**
I Have a Clear Sense of Who Benefits from my Work	0.0%	2.4%	4.8%	38.1%	54.8%	**100%**
I Have a Clear Sense of Who Benefits from the Overall Work of the Authority	0.0%	0.0%	2.4%	40.5%	57.1%	**100%**
There is More the Authority Could or Should be Doing	2.4%	14.6%	31.7%	36.6%	14.6%	**100%**
I Receive Regular and Actionable Feedback on My Own Performance and on How the Team I am Part of is Performing	7.1%	9.5%	19.1%	45.2%	19.1%	**100%**
The Goals That Have Been Set for the Team That I work with are Realistic and Attainable	0.0%	11.9%	9.5%	50.0%	28.6%	**100%**
The Performance of the Team I am Part of is Assessed Against Delivery of Measurable Targets/Outputs	2.4%	7.1%	21.4%	45.2%	23.8%	**100%**
The Performance Goals Agreed for the Team I am a Part of are Challenging Enough to Motivate Me to Perform at My Best	0.0%	9.5%	16.7%	50.0%	23.8%	**100%**
Source: Survey of AAI Staff						

Employees at the Authority highlight a sense of ambition for the AAI, with over half of respondents believing there is more that the AAI could and should be doing. This was also reflected in individual staff comments:

*"**This is an opportunity to review the statement (mission) team by team** to ensure that all staff can contribute to the organisations guiding principles and common purpose."*

*"Despite ourselves, it seems we are reasonably effective, however there **should be a clear path forward for the next strategy** to move performance into the very effective category."*

*"**The AAI are doing a great job but could do more.** Get started on guidelines for Domestic and Inter-Country Adoptions. Send all the tracing work to AAI and leave CFA/Tusla to work on under 18s."*

In addition, nearly 80 per cent of staff who responded to the survey feel that the goals that have been set for their team are realistic and attainable and three-quarters felt that the performance goals are challenging enough for them to perform at their best. A majority of respondents agree or strongly agree that the performance of their team is assessed against the delivery of measurable targets or outputs and that the performance goals agreed for their team are challenging and motivating, indicating a stimulating environment for staff at the Authority.

4.3 Organisational Structure and Staffing

4.3.1 Staffing and Organisation

As outlined in the previous section, the organisational structure of the AAI has undergone significant change over recent years in response to the adoption of BITA functions and other factors. Six heads of functions now report directly to the CEO, with the CEO then reporting to the Board and the Director of Operations acting as Secretary to the Board. Other members of the SMT attend Board meetings at regular intervals depending on the agenda. Some SMT members also regularly attend meetings of the Risk and Audit Committee and the Research Sub-Committee as appropriate to their roles and functions.

In our discussions with Board, SMT members and other stakeholders, there was general agreement that while the current SMT structure had emerged somewhat organically in response to external factors, it is reasonably clear in terms of the delineation of functional responsibilities and is working well after a period of significant change. However, there were concerns raised around issues such as the degree of dependency on one person in the case of some important functions including risk management and the absence of a “home” for other functions such as external communications, which sits with the corporate services team but has no identified resource and is regarded as a significant gap given the personal and sensitive nature of the Authority’s work. The absence of an in-house legal support function was also highlighted by some Board members who drew attention to the valuable role previously played by an in-house solicitor. We discuss financial management in the next section where there is also a considerable degree of reliance on an external service provider.

It was also felt by several Board members that the role of Director of Operations – who is responsible for both domestic and intercountry adoptions as well as acting as Board Secretary – was quite onerous and represented a considerable resource dependency risk.

Given these observed vulnerabilities in the existing structure, it would be appropriate to review the SMT structure once the new strategic plan for the post 2025 period has been agreed, through the development of a Target Operating Model or similar framework. Given the magnitude of legal fees in the Authority’s budget, a cost-effectiveness analysis of options around the putting in place of an in-house legal support function should also be considered.

Looking at the distribution of AAI staff complement across functional areas, the largest team is the Information Services and Records team, with 24 employees, or 38 per cent, with most employees working specifically in the records team. This reflects the post BITA workload associated with the information and tracing functions. One fifth of staff work in the Social Work Team, with a large proportion working specifically within the Domestic Tracing and Social Work Review Team. The following table shows the distribution of staff across the organisation.

Table 4.4: Distribution of AAI Staff		
	Number of Staff	**Proportion**
CEO	1	2%
Information Services and Records Team	24	39%
Social Work Team	12	20%
Operations Team	10	16%
Compliance and Corporate Services Team	8	13%
HR Team	4	7%
Research Team	2	3%
Total	**61**	**100%**
Source: AAI's Staff Information		

4.3.2 Employees Views on Organisational Capacity

While a minority of respondents to the staff survey face some challenges in their roles, 69 per cent agree or strongly agree that they have the necessary resources to effectively perform their job and over 90 per cent indicate that they have the skills to perform well in their roles. Additionally, 71 per cent of respondents feel they have sufficient involvement in the decisions that affect their work, an important aspect of an engaged workforce. However, there are somewhat mixed views on the issue of whether procured external expertise contributes to personal and team output, with only half of respondents agreeing or strongly agreeing that it does. In addition, a minority of staff (18 per cent) do not agree that work across their individual areas is evenly distributed.

Table 4.5: How Much Do You Agree or Disagree with the Following Statements						
	Strongly Disagree	**Disagree**	**Neutral**	**Agree**	**Strongly Agree**	**Total**
Work Across My Area is Evenly and Fairly Distributed	7.1%	11.9%	14.3%	52.4%	14.3%	**100%**
I Have the Necessary Skills to Perform Well in my Role	0.0%	2.4%	4.8%	47.6%	45.2%	**100%**
I Have the Resources I Need to Effectively Perform my Job (Including Access to L&D and Technology)	0.0%	9.5%	21.4%	38.1%	31.0%	**100%**
Procured External Expertise Positively Contributes to My Outputs and/or the Outputs of the Team That I am Part of	2.4%	11.9%	35.7%	40.5%	9.5%	**100%**
I Have Sufficient Involvement in Decisions that Affect My Work	2.4%	4.8%	21.4%	57.1%	14.3%	**100%**
Source: Survey of AAI Staff						

While many of the open-ended comments were positive and indeed showed a certain level of ambition for the Authority, a few responders highlighted several areas for improvements, specifically with regards to the internal structure of the organisation, particularly on a team-by-team level, calling out inconsistencies across teams. In addition, staff called for more feedback within teams, as well as a higher level of importance to be placed on the well-being of employees and to facilitate more engagement amongst the staff.

*"**There are inconsistencies in the way staff numbers are allocated to teams.**"*

*"I think **more feedback** is needed within teams and overall, in the AAI and celebrating the achievements/success more would be appreciated."*

***"Well-being and engagement** play a key role in creativity and innovation in the workplace. I think these could be fostered more in the AAI."*

4.4 Research Function

As noted earlier, under the Adoption Act 2010, the Authority's functions include the conduct of research which is defined in section 96 (1)1 as:

11. Undertaking or assisting in research projects and activities relating to adoption services; and
12. Compiling statistical information and other records as to the proper planning, development, and provision of those adoption services.

The AAI's Research Unit currently consists of one research officer (a member of the SMT at Assistant Principal level) and one research assistant at Administrative Officer level. The work of the Research Unit is organised through a research strategy (the existing strategy relates to the 2023 to 2025 period) agreed by the Research Subcommittee. The Subcommittee is chaired by a member of the Board with three other Board members, several SMT members including the CEO and research officer, and two expert external advisors, also participating. The Subcommittee's purpose is to review and advise on different projects undertaken by the Authority.

The current research strategy is based around three broad research aims: networking and collaboration; empirical research; and effective dissemination of findings. A range of research outputs have been produced over recent years including a recent major review "*Reflections on the Irish Adoption Process 1952 -2022".* This study explores the development of the Irish domestic adoption process over a 70-year period, from the perspective of 14 people who were involved in adoption, either voluntarily or professionally, for a prolonged time between the years 1952 and 2022. Other reports have taken the form of country-specific briefings and have looked at the lived experience of intercountry adoptions into Ireland from several countries (Russia, Romania, China, Ethiopia, and Vietnam) over various multi-year timeframes. The Research Team has also sought to conduct focus groups or interviews with various cohorts of the intercountry adopted population although uptake has proved low.

In our consultations, the research function was regarded as important by both Board members and other stakeholders, with the various research outputs felt to have provided valuable insights into evidence-based practice in adoption. There was a view that the research function needs to evolve further so that it can contribute more to policy development and the wider public debate. In this regard, we note that the Department is not represented on the Research Subcommittee, though we understand that there is consultation with the Department on the research strategy and some ongoing engagement with the division responsible for research, evaluation, and data functions in the Department. The formal representation of the Department on the Subcommittee is something that should be considered given the importance of ensuring that the research effort is sensitive to and can inform policy development.

In terms of the future focus of the research effort, the PESTLE analysis in Section 2 considered a range of factors that will likely impact on the demand for AAI services and these factors, and their implications, could be considered in more detail in future research projects. The birth information and tracing functions of the Authority could also be the subject of future research.

4.5 Conclusions and Recommendations

The Authority as an organisation is quite different to many other state bodies given the range of decision making, service provision, regulatory and research functions for which it has responsibility. The service provision function is in many respects a recent one arising on foot of the Authority's information and tracing functions under the BITA. The Authority's capacity to undertake these functions has been enhanced over recent years with a substantial increase in its budget and staff complement.

As noted earlier, the Authority has adapted well to changes in its external environment and mandate. However, as it embarks on the development of a new strategic plan for the post-2025 period, there are several areas that should be addressed to ensure the organisation is appropriately structured and has the capacity to deal with emerging challenges:

— The Authority's next Strategic Plan should be pitched at a higher and more strategic level than the current plan with a focus on key priorities and objectives for the medium term. Both the new strategic plan and the subsequent annual business plans should avoid repetition of business-as-usual actions through a more streamlined approach with better use of SMART key performance indicators to monitor progress.

— The structure of the organisation at senior management level has emerged somewhat organically over recent years. However, it is evident that there are some gaps and potential vulnerabilities that need to be addressed. The organisational structure and staffing allocations should be reviewed in the context of the next strategic plan.

— The AAI research function is an important one and the research outputs are valued by Board members and other stakeholders. Efforts should be made to widen the scope of the research undertaken and to orient the research effort so that it contributes more to policy debate and development and consideration given to DCEDIY representation on the Research Subcommittee.

5 Evaluation of Governance Arrangements, Financial, Risk and Decision-Making

5.1 Introduction

In this section of the report, we consider governance arrangements at the AAI including the governance relationship with DCEDIY as well as the operation of the AAI and its sub-committees. Core responsibilities of the Board and its Risk and Audit Committee are financial and risk oversight including procurement and funding of accredited bodies, which are also reviewed in this section.

5.2 Governance Structures and Arrangements

The AAI *Code of Governance* (the 'Code') which is compiled by the Authority and revised as required, sets out the corporate governance best practice framework within which the Authority aims to operate. The current Code was agreed with the Minister in 2023 and was developed in line with Section 111 of the Adoption Act 2010 and informed by the Code of Practice for the Governance of State Bodies 2016.

The Code is a comprehensive and detailed document. Inter alia, it sets out the roles and responsibilities of the Board, the Chair and Board members, the Risk and Audit Committee, the CEO, and other staff members. It also explains how the Authority complies with various statutory and other obligations, and the arrangements for strategic planning and performance measurement, as well as for stakeholder engagement and internal communications. The Code is complemented by an oversight agreement between the Department and the Authority which defines the terms of the relationship between the two parties, and which is reviewed annually and updated as required, with the current agreement signed off in November 2022. This document provides a clear and succinct summary of the arrangements for oversight, monitoring and reporting, and of the roles and responsibilities of the Adoption Policy and External HR units in the Department, and of the Board and CEO in the Authority.

5.2.1 Role and functioning of Board

The Board comprises seven members, as provided for in Section 98 of the Adoption Act 2010, being the Chairperson, the Deputy Chairperson and five ordinary members.

The Code sets out in significant detail the roles, responsibilities, and functions of the Board, as well as setting out the matters that are always considered by the Board (including hearings for adoption orders) and matters that regularly feature on the Board's agenda.

In practice, the Board of the Authority has held between 22 and 24 meetings each year since 2012 with additional exceptional meetings called as required (for example, it met 18 times in 2023). The Board meets formally twice a year without members of the Executive or Senior Management Team present to discuss any matters deemed relevant and shorter Board-only sessions are conducted before each of the scheduled Board meetings throughout the year. Board agendas are generally split between risk and governance matters, a report by the CEO, followed by adoption cases and hearings, split between domestic and intercountry adoption.

In line with Department of Finance guidelines, Board members are paid an annual stipend of €7,965 together with travel and subsistence expenses. Since November 2020, the Chair is paid €57,646 per annum, in recognition of the quasi-judicial nature of the decisions and work of the Authority.

As part of our review, we conducted interviews with all Board members as well as with the CEO and Board secretary. It is evident that Board membership represents a significant time commitment on the part of members given the combination of both governance and quasi-judicial functions. In addition to attendance at the frequent Board meetings, members spend a significant amount of time preparing for the meetings and reviewing the Board papers. We were also struck by the commitment and dedication of members to the work of the Authority and to the imperative of ensuring the welfare of the child is prioritised in the Board's deliberations and decisions.

Based on our discussions, we consider that the Board is working effectively and enjoys a good professional relationship with the CEO and the Senior Management Team. The Board appears to strike an appropriate balance as between challenging and supporting the executive. The Board has a good gender balance. This assessment is corroborated by the outcome of an effectiveness review of the Board in 2020 carried out by the Institute for Public Administration; this concluded that the review "provided evidence of positive processes, behaviours and effectiveness in many elements of the Board's business at the Adoption Authority of Ireland" and suggested some areas for potential enhancement characterised as being "largely at the more minor end of the scale".[47]

However, there are a small number of issues that were drawn to our attention during our discussions which warrant attention:

13. The terms of office of five of the current seven Board members will expire at the same time in late 2025. This presents significant risks of a loss of experience and corporate memory that could impair the effectiveness of the Board.
14. It was felt that the Board would benefit from the presence of members with relevant governance and financial expertise given the Board's important functions in these areas.
15. The number and duration of Board meetings is significant, when compared with other non-commercial State Bodies. While this can be explained to a certain extent by the dual roles of the Board in terms of governance and quasi-judicial decision-making in relation to adoptions, the level of autonomy of the Executive and the nature and extent of its reporting to the Board may need to be considered further and improved.

5.2.2 Risk and Audit Committee

The Risk and Audit Committee (RAC) is one of two committees of the Board (the other is the Research Subcommittee considered in the previous section) and comprises two Authority members and two independent members. The role of the RAC is to support the Board in relation to its responsibilities for issues of risk, control and governance and associated assurance with the RAC Chair reporting to the Board on a quarterly basis. The RAC is independent from the financial management of the organisation. In particular, the RAC aims to ensure that the internal control systems including audit activities are monitored actively and independently.

In our discussions with Board members, there was a strong view that the RAC fulfils an important function and provides significant reassurance to Board members in relation to financial and risk

[47] Institute of Public Administration, 'Adoption Authority of Ireland Board Effectiveness Review,' September 2020.

oversight. Our desk-based analysis of the minutes of the four RAC meetings in 2023 supports this assessment where we noted detailed discussion of items relating to financial performance, the AAI procurement plan, data security and the risk register (procurement, the risk register and risk management are considered in more detail below) with the Chair challenging the Executive on some points.

5.2.3 Governance relationship with DCEDIY

As outlined above, the terms of the relationship between the Department and the Authority are defined in the Oversight Agreement (the 'Agreement'), with the current version agreed in November 2022. Inter alia, this agreement sets out how the Authority complies with the Code of Practice for the Governance of State Bodies 2016, and the arrangements between the two parties in respect of oversight, monitoring and reporting. The Adoption Policy Unit (APU) in the Department monitors the Authority's compliance with its statutory and other obligations with reference to the Authority's annual report, business plan (quarterly reports), corporate report, annual accounts and the Code of Governance referred to earlier.

Outside of these formal reporting obligations, the Oversight Agreement provides for meetings between the two parties at six-week intervals, which is a level of frequency that supports good relationships and communication but may result in less tangible progress being reported. On the AAI side, both the Chair and CEO attend these meetings. Governance is a standard agenda item, but a wide range of issues is discussed covering all aspects of the work of the AAI including adoptions, legal issues and costs, and BITA. Based on our consultations, we understand that there is a good, structured dialogue at these meetings, with agreement reached on follow-up actions. The attendance of the Chair at meetings of this frequency is somewhat unusual for a state body and represents a significant time commitment on the part of the Chair.

As set out in the Agreement, issues in relation to staffing of the Authority including recruitment sanctions are dealt with by the Department's External Human Resources Unit. This Unit also provides advice and support to the Authority on human resource issues and on compliance with civil service human resources circulars and policies.

5.3 Financial Oversight

5.3.1 Budget allocation and expenditure

The table below shows a breakdown of the AAI's expenditure in 2020 and 2023 based on the Authority's management accounts and annual financial accounts. The budget of the Authority is allocated in the through a grant-in-aid from DCEDIY. In 2023, the financial allocation of the Adoption Authority was €7,162,930.

Table 5.1: Pay and Non-Pay Expenditure (€)				
		2020	**2023**	**Difference**
Pay	Salaries	2,071,357	4,146,566	100%
	Board Costs	115,958	103,816	-10%
	Total Pay Expenditure	**2,187,315**	**4,250,382**	**94%**
Non- Pay	Rent / Record Storage	-	440,000	-
	Legal Fees	2,253,022	1,483,480	-34%
	Other Professional Fees	359,392	253,658	-29%
	Grant Payments to Accredited Agencies	124,260	244,458	97%
	ICT	75,568	655,503	767%
	Office Expenses and Furniture (under €1,000)	22,832	194,592	752%
	Other Office Expenses, Upkeep and Overheads	155,638	249,752	60%
	Information and Tracing Services	232,314	11,207	-95%
	Travel	6,744	11,113	65%
	Depreciation	37,092	57,931	56%
	Covid-Related Expenses	136,497	-	-
	Total Non-Pay Expenditure	**3,403,359**	**3,601,694**	**6%**
	Total Expenditure	**5,590,674**	**7,852,076**	**40%**

Source: Indeon's analysis of the AAI's 2020 and 2023 Financial Accounts.
Note 1: Indecon's calculations are subject to rounding.
Note 2: Rent in 2020 was funded in Kind by the OPW.

Expenditure at the Authority in 2020 was split approximately 60 per cent to non-pay expenditure and 40 per cent to pay expenditure, while in 2023, reflecting the costs of an expanded staff complement, expenditure was close to being equally divided between pay (54 per cent) and non-pay expenditure (46 per cent). As regards pay, according to the annual review, there was one retirement in 2023, bringing the total number of pensioners in the AAI to nine. No retirements occurred in 2020. The Authority operates both a (pre-existing) AAI Superannuation Scheme and the newer Single Public Service Pension Scheme. Pay expenditure also includes the annual fees payable to Board members, highlighted in the table above.

Total expenditure increased by 40 per cent from 2020 to 2023, with a large proportion of this rise stemming from increases in pay expenditure with salary costs up 100 per cent. This is a direct result of the expansion in staffing that occurred post BITA in 2022. The level of total non-pay expenditure remained somewhat stable, increasing by 6 per cent in the same time period. However, there was significant variance in the different elements of non-pay expenditure, with large increases seen in Office Expenses and Furniture (under €1,000) for example (752 per cent), although this increase is likely linked to works completed at the Authority's office. While expenditure on Information and Tracing Services fell by 95 per cent over the period, much of the expenditure was simply transferred to the 'Rent / Record Storage' category, which stood at €440,000 in 2023. Rent / Record Storage

costs, which in 2020 were fully funded by the Office of Public Works, accounted for about one-eight of non-pay expenditure in 2023.

In terms of non-pay expenditure in 2023, legal fees, while lower than the levels seen in 2020, still account for a significant share, amounting to approximately 41 per cent of non-pay expenditure and 19 per cent of total expenditure. Legal aid and services are an important element of the adoption process and are needed for an array of tasks throughout, including legal advice, compliance, and mediation. While the number of adoptions in Ireland has been decreasing in recent decades, adoption cases are increasingly complex in nature and the Authority is increasingly managing a significant legal caseload. In addition, with the introduction of the BITA, legal advice is now needed on the development and alignment of new policies and procedures, such as with the establishment of the CPR.

The level of expenditure on legal services has been of concern to the Authority and efforts have been made to reduce costs in this area, utilising the legal expertise available to AAI on its current Board; in 2020, legal fees were approximately €2.2 million, accounting for 40 per cent of total expenditure. However, due to significant efforts made by the AAI, expenditure on legal fees and settlements fell by 34 per cent from 2020 to 2023. This substantial reduction in expenditure in legal fees to the level of €1.5 million in 2023 highlights the AAI Board's success in cost cutting where and when appropriate, arising from the direct intervention of the Board members with expertise in this area. The option to employ an in-house solicitor, as had been the case in the past, could be a way to further reduce the high costs of legal services.

5.3.2 Financial management arrangements

The arrangements and procedures for financial management and oversight for the Authority are set out in the *AAI Code of Governance* which describes the roles and responsibilities of various parties including the Chair, Board, Risk and Audit Committee, CEO and the Corporate Services Unit with the latter described as having "a particular oversight role in the management of the Authority's finance responsibilities". It also summarises the key financial control arrangements in place and refers to the Authority's Operations Manual and Financial Procedures Manual.

As explained in the *Code of Governance*, the Authority employs an external financial and accounting services to work closely with the CEO and Head of Compliance. This service provider and Authority staff constitute the Authority's Finance Unit and has overall day-to-day responsibility for accounts, payments, receipts, travel and subsistence, and other allowances, with payroll services provided by the National Shared Services Office (NSSO). It appears that there is a heavy degree of reliance on the external services provider.

In our discussions with Board members and other stakeholders, the consensus view was that the Authority's finances are managed tightly. As noted above, Board members take considerable comfort from the work of the Risk and Audit Committee. As mentioned above, it was felt that the Board would benefit from the presence of a member with financial expertise given its role in monitoring the financial performance of the organisation. The absence of a cost centre structure was also highlighted by several consultees.

5.3.3 Procurement of external services

As a relatively small organisation, the AAI procures a range of external services to support its work. The Authority's procurement approach is set out in a multi-annual corporate procurement plan and an annual plan for each year. The current 2024 – 2026 multiannual plan and the 2024 plan were approved by the Board in January 2024. It should be noted that legal fees, which account for most of the cost of externally procured services and were discussed above, are not covered under these plans.

The higher-level 2024 – 2026 plan sets out the key procurement objectives and strategies for the Authority for the three-year period. It also outlines in considerable detail the systems in place in the Authority to manage procurement with a centralised system in use, whereby the Head of Corporate Services is responsible for all procurement. The role of the Head of Corporate Services, who reports to the CEO are to:

- Provide best procurement advice and best practice to the staff of the AAI;
- Put in place strategic measures, procedures, protocols and controls to deliver AAI's procurement function and meet procurement compliance;
- Liaise and engage with central procurement bodies e.g. the OGP; and
- Streamline procurement practices, identify opportunities for savings and utilise central collaborative procurement arrangements (where possible).

It is also explained that for some more specialised procurement, responsibility can be assigned to a "Senior Responsible Officer" (SRO) who would have the required expertise to best determine how to meet demand, and the roles and responsibilities of the SRO are set out. Important criteria that should inform procurement decisions including value for money principles and green public procurement considerations are also articulated.

As mentioned above, the multiannual plan is complemented by an annual procurement plan. The 2024 plan summarises the approval processes and the approval thresholds for individual senior management roles. It then lists the existing procured services to be renewed in 2024 and the planned new 2024 procurements as set out in the table below.

In total, AAI planned expenditure of at least €678,400 on the procurement of external services is envisaged in 2024 under the plan, as shown in the table below. Much of the envisaged expenditure on procured external services involve the renewals of the same services, such as Strategic Plans and Actuary Valuation Services. In addition to the existing procurement services, 2024 saw the inclusion of some new procurements, including on projects such as Website Updates, Legal Research and External Reviews.

Table 5.2: Planned Expenditure on the Procurement of External Services		
	Title of Work	**Estimated Value**
Existing Service Renewals 2024	Strategic Plans 2025 - 2027 (Including Annual Business Plans)	€150,000
	Stenography	€25,000
	Audio-Visual Maintenance Services - Board and Training Rooms	TBC
	Accounting and Financial Services	€144,000
	Actuary Valuation Services	€25,000
	Total Existing Procured External Services	**€344,000**
New Procurement Projects 2024	Replacement of Office Blinds	€25,000
	Energy Audit	€3,000
	Website Integration, Re-design, Maintenance and Support	€150,000
	ICA Research Project	€50,000
	Legal Researcher	€17,000
	External Training Needs Assessment	€15,000
	External HR Advisory	€10,000
	Climate Action Initiatives	€15,000
	External Review of the Board and Committee's Effectiveness	€15,000
	Knowledge Management Planning/Succession Planning	€20,000
	Records Storage - Service to/Inspection of Fixed Shelving	€2,000
	Information Security Consultancy	€12,400
	Total New Procured External Services	**€334,400**
Total Expenditure on the Procurement of External Services 2024		**€678,400**
Source: AAI's Annual Procurement Plan 2024		

While the procurement of external services can be an effective and efficient way to utilise available services, it can sometimes be more expensive relative to an in-house option, specifically for routine tasks, such as audits, and many legal and financial activities that are common to all adoption cases.

Overall, with one or two exceptions, it would appear that the services planned to be procured in 2024 are appropriate and not services that it would be feasible or efficient to source internally. However, as noted earlier, the reliance on an external services provider for accounting and financial services (at a planned cost of €144,000 in 2024) is of concern. The need to procure external assistance with the preparation of annual business plans (as distinct from the strategic plan for 2025 - 2027 period) is also somewhat surprising as it might be expected this activity would be undertaken or coordinated internally. However, it should be noted that our analysis is based on the information provided in the procurement plan and we did not have sight of more detailed business cases for individual projects.

Based on the review of the documents referred to above and our discussions, our assessment is that the procurement process is well managed at the AAI. The procurement plans are comprehensive in nature and clearly set out the procurement system and approval processes. Tight

controls are in place including Board approval of the plans, and of business cases for projects exceeding €25,000.

5.3.4 Grant funding of accredited bodies

As shown above, grant funding of accredited agencies amounted to just over €244,000 in 2023. This funding was allocated to the Helping Hands Mediation Adoption Agency (HHMAA), an agency that is accredited by the Authority for making arrangements for, or facilitating the adoption or maintenance of the child, and is primarily engaged in inter-country adoption.

The funding of HHMAA is the subject of an annual grant agreement that is approved by the Authority and signed by both it and HHMAA. The agreement includes a breakdown of the eligible budget for the grant, broken down into a list of specified pay and non-pay expenditure items.

The processing of monthly HHMAA grant claims is the subject of a standard operating procedure document which sets out the procedures for the submission of grant claims, HHMAA obligations under the agreement (including the documentation that it must provide to support grant claims), and the procedures for verification and review of the claim by the Authority's external financial and accounting service provider and the subsequent procedures for processing, review and payment execution by the Authority. Claims by HHMAA are submitted through a statement of claim form with costs itemised in line with the grant agreement.

On the basis of our desk-based scrutiny of the documentation governing the grant funding, the procedures are clearly set out with a series of checks and reviews of grant claims built in.

5.4 Risk Management

The Authority's Risk Management Policy is reviewed and approved by the Board on annual basis with the current policy document approved in November 2023. We have already outlined the role of the Risk and Audit Committee which is responsible for reviewing the Risk Management Policy and considers risk management as a standing agenda item. The Head of Compliance, a member of the senior management team, acts as the designated Risk Officer and is responsible for developing and implementing the Authority's risk management policies and for the corporate risk register and reporting to the Risk and Audit Committee and the Board.

The Authority's approach to, and procedures around, risk management are set out clearly in the Risk Management Policy. There is a good description of the organisation's risk appetite with risk appetite set at "low" or "moderate" across all risk types. A combination of the likelihood and impact of each identified risk is used to calculate an inherent risk score with the residual risk level taking account of controls. Any risks deemed as scoring high or medium are included on the Corporate Risk Register and an action plan is required where the controls are deemed less than adequate in the light of the Authority's risk appetite.

In terms of process, the Risk Officer monitors the implementation of the mitigating control action plans and reports on these on a quarterly basis to the Senior Management Team and the Risk and Audit Committee. The Risk Officer facilitates a process of reviewing and updating the Divisional Risk Registers on a quarterly basis with each Senior Manager. The updated Corporate Risk Register (all high and medium risks from each Divisional Risk Register) is then presented to the Risk and Audit Committee for its consideration on a quarterly basis.

We reviewed the Risk Register ("Risk Detail Report") dated May 2024 which sets out the main risks and mitigations in a clear and accessible manner, although there appears to be a degree of repetition, with what is in effect the same risk included more than once but described slightly differently. The highest scoring risks included risks to the Board in not being able to fulfil its statutory obligations owing to time constraints and the complexity of adoption cases, risks arising from the fact that the Board structure as set out in legislation does allow for governance or finance expertise, and the risk of a loss of corporate knowledge and experience owing to the appointment of Board members for the same term.

5.5 Conclusions and Recommendations

Based on our desk-based assessment of relevant documentation and our discussions with Board members, the SMT and DCEDIY officials with policy and other responsibilities vis-à-vis the AAI, we are of the view that the governance arrangements and procedures for the Authority are clearly articulated and well understood by all parties. Board membership represents a very significant time commitment on the part of members given the frequency of meetings, the combination of governance and adoption issues to be considered, and the volume of documentation to reviewed in preparation for meetings. The role of Board chair is particularly demanding given that the Chair attends the regular oversight meetings with the Department and the need for regular contact and interaction with the CEO and other SMT members. We were struck by the dedication and commitment of Board members, but this might not be sustainable and should not be taken for granted. A major concern relates to the prospective loss of significant expertise and corporate knowledge when the term of office of five Board members expires at the same time in late 2025.

In terms of its financial and risk management responsibilities, the Board is supported by the Risk and Audit Committee which plays a valuable role in interrogating financial and risk reports from the Executive. Nevertheless, Board members were of the view that the Board would benefit from the participation of a member with financial expertise.

Based on our consultations, we are of the view that the governance relationship between the Authority and the Department is a good one and benefits from the clear understanding on both sides of the respective roles of each party. It appears there is a good dialogue at the regular oversight meetings. Given the very significant time commitment that the role of Board Chair involves, attendance by the Chair at each meeting with the Department should be reviewed.

The financial oversight and risk management functions are well managed at the Authority. Based on our desk-based analysis of grant funding and procurement planning documentation, the systems and verification and approval arrangements governing these processes are clearly documented and in line with good practice. However, there is a heavy reliance on an external service provider for financial reporting and the absence of a cost centre structure was noted in discussions.

Based on the analysis, there are several potential recommendations that might be considered to enhance the functioning of the Board and assist in the delivery of some of its core responsibilities:

— The legislative provisions on Board membership should be reviewed to allow for staggered Board membership and to avoid a situation where the terms of office of a significant number of members expire at the same time;

- Consideration should be given to the appointment of additional members with relevant governance and financial expertise to assist the Board in executing its responsibilities;
- The attendance by the Board Chair at the regular oversight meetings with the Department should be re-considered, with the Chair perhaps participating on an annual or bi-annual basis;
- Notwithstanding the Authority's success in reducing legal costs, these account for a significant share of overall non-pay expenditure and the option of employing an in-house solicitor or small legal team should be evaluated through a cost-effectiveness analysis;
- The degree of reliance on an external services provider for core financial monitoring and management functions should be addressed by expanding the capacity of the in-house finance team; and
- The Authority should develop a cost centre framework that allows for the tracking of expenditure across different functions and units.

Annex 1 Questions for Interviews with Board Members, CEO and DCEDIY Officials

1. **Purpose of the Adoption Authority of Ireland (AAI):**

a) Thinking about the rationale, objectives, functions and relevance to Government priorities: What do you see as the rationale for, and objectives of, the Adoption Authority of Ireland and the justification for the continued allocation of public money to the AAI?

2. **Key Achievements to Date:**

a) What are the key achievements of the AAI since its inception?

3. **Effectiveness and Efficiency:**

a. Is the AAI achieving its objectives and how effectively do you think it has it achieved its objectives to date?

b. Do you think the original objectives for the AAI are still relevant in light of evolving policy priorities?

c. Do you think that the AAI is achieving the maximum with the resources invested?

d. Are there ways in which greater efficiency could be achieved?

4. **To what extent is the AAI fulfilling its statutory mandate / business remit?:**

a. Do you believe the AAI is delivering effectively on its statutory remit?

5. **Considering changes in the AAI's strategic environment since its establishment and its ability to evolve and adapt (including legislative framework):**

a. How has the AAI and / or its strategic environment changed/evolved over time, if at all?

6. **Looking ahead at the AAI's ability to evolve and meet future strategic challenges:**

a) To what extent, if any, has the AAI looked beyond the next 2 - 3 years and considered longer term strategic changes and challenges?

7. **Alignment between the AAI's mandate and Government / Department priorities:**

a) Is there clear and strong alignment (evidence by examples) between the AAI's strategic priorities and objectives and those of DCEDIY / Government policy?

8. **Comparative approaches in other jurisdictions:**

a) Are you aware of how AAI's remit compares with comparator organisations, internationally?

b) If so, how do you think the AAI governance structure compares?

9. Governance and Leadership structures (including reporting, processes):

a) To what extent is the Board (and its committees) as currently constituted (size, diversity, skills set) effective in directing and controlling the AAI?

b) Do you think that the Board provides appropriate independent challenge of the Executive and adds value to the AAI?

c) Is there clarity of roles and responsibilities of the Board, Committees, CEO and Executive within the AAI?

d) Is the organisation structure, including the size and reporting relationships for the senior leadership team sufficient?

e) Is Board / Senior Team succession planning given time and attention by the Board?

f) Are there any areas of potential "regulatory capture" with the sector in the way the balance of interests is brought to bear in Board proceedings?

10. Fit for purpose structure to deliver on the AAI's priorities, efficiently and effectively (including systems, finance, HR, procurement):

a) To what extent do you believe the AAI's operational capabilities and structures (key systems, processes and skilled people) are adequate and suitable for optimum delivery and effectiveness? (What, if anything, requires attention?)

b) Were the AAI's resources reviewed and considered by the Board in light of its current strategic plan?

c) Is there an up-to-date and robust business continuity and contingency plan in place for the AAI?

11. Performance and Financial Management (including structures, approaches, and attention, and over the short, medium and long term):

a) Does the AAI have effective performance and financial management systems and processes in place?

b) Does the Board undertake a mid-term critical review of organisational strategy?

c) Are sufficient financial / internal control assurances provided to the Board?

d) Does the Board consistently follow-up on all internal, external and risk audit findings?

12. Quality of performance framework, including measurement (KPIs) and reporting on strategic priorities:

a) Has the strategic plan for the AAI set appropriate objectives, goals and targets against which performance may clearly be measured?

b) Is there a system of effective performance measurement in place to allow the AAI to accurately measure progress against relevant performance metrics?

c) Do you think the Department is satisfied with the performance reporting it receives?

13. Focus on Value for Money:

a) Do you think the achievement of value for money is given appropriate consideration in the AAI?

14. Extent to which the client / customer is at the centre of the AAI's delivery:

a) Are the views of families sufficiently gathered and reflected in the strategy and services / work of the AAI?

15. Liaison structures and processes between the AAI and the Department of Children / third parties:

a) Do you think that the governance arrangements (liaison, processes, interaction) currently in place between the Department and the AAI is effective?

16. Balance between autonomy and responsiveness / accountability to the Department of Children:

a) Do you consider that the relationship between AAI and DCEDIY is appropriate, in terms of the balance between autonomy and responsiveness / accountability?

Annex 2 Stakeholder Consultation Questionnaire

Views on external environment of the AAI and AAI strategic response

Q1. Having regard to your own organisation's role and expertise what do you see as the key external developments (including economic, political, legislative, social, technological, environmental) that have affected the operating environment of the AAI over recent years?

Q2. Looking ahead to the medium term, are there emerging issues or developments that will influence the Authority's operating environment and what would you see as the main potential implications of these for the Authority?

Q3. Having regard to wider external and environmental factors that have influenced the AAI operating environment over recent years (Question 1 above), how has the Authority responded to these changes, and do you think the response has been appropriate?

Views on impact of recent changes in AAI mandate and size and AAI organisational capacity

Q4. The Authority has taken on the provision of additional key statutory services under the Birth Information and Tracing Act 2022. The enactment of this legislation and the role of the AAI in establishing services resulted in a significant period of change for the Authority. Alongside new services and new statutory obligations, the Authority significantly increased its workforce, its management team and its annual budget which is overseen by the Department. What are your views on how the AAI as an organisation has adapted to these significant changes to its remit and size?

Q5. Based on your own awareness / experiences and engagement with the Authority, do you have any thoughts on the Authority's governance, financial management and / or process management?

Q6. Based on your own awareness / experiences and engagement with the Authority, does the Authority have sufficient resources and the capacity to deliver on its mandate?

Views on the future of the AAI

Q7. Do you have any views on the future role of the Adoption Authority?

Q8. Do you think there are any functions currently undertaken by the AAI that would be better delivered by another body / agency or any functions completed by others that would be better undertaken by the AAI?

Engagement with the AAI

Q9. Please indicate any involvement you may have with the work of the organisation and your views on their delivery of services.

Other Comments

Q10. Finally, please provide any other comments which you feel may be of relevance to the Periodical Critical Review of the AAI.

Appendix 2: Membership of Steering Group and Project Team

Steering Group Membership

Ms Ciara Pidgeon (Chair) – Research and Evaluation Unit – DCDE

Mr David Byrne – Children Detention Schools Unit – DCDE

Mr Philip Crosby – Interim Chief Executive Officer – AAI (meeting of 22/01/2026)

Ms Tara Downes – Director of Operations & Board Secretary – AAI

Mr Karl Duff – Adoption Policy Unit – DCDE (01/03/2024 – 27/09/2024)

Dr Lorraine Horgan – Chief Executive Officer – AAI (01/03/2024 – 23/05/2025)

Mr Fionn Jenkinson – DPENDR (01/03/2024 – 08/04/2025)

Ms Fiona Kane – DPEIPSR&D (meeting of 22/02/2026)

Dr Seosamh Mac Cárthaigh – Adoption Policy Unit – DCDE (from 30/09/2024)

Mr John McDaid – Chairperson – AAI (meeting of 22/01/2026)

Mr Seán O'Brien – Deputy Chairperson – AAI - (01/03/2024 – 31/10/2025)

Mr Andrew Patterson –Tusla Governance and Performance Oversight Unit – DCDE

Mr Michael Thornhill – Department Learning and Development and External HR Governance Unit – DCDE

Ms Orlaith Traynor – Chairperson – AAI – (01/03/2024 – 31/10/2025)

Project Team

Ms. Sinéad Dooley – Adoption Policy Unit (01/03/2024 – 06/01/2025)

Ms. Karyn Keogh – Adoption Policy Unit (from 06/01/2025

Ms. Amy Sheeran – Adoption Policy Unit (from 12/08/2024)

Ms. Nevena Kostova – Adoption Policy Unit (01/03/2024 – 30/07/2024)

Mr. Cormac McCartan – Adoption Policy Unit (01/03/2-2024- 30/08/2024)

Appendix 3: Steering Group Terms of Reference

Periodic Critical Review of the Adoption Authority of Ireland
Steering Group – Terms of Reference

Introduction

The **Code of Practice for the Governance of State Bodies** (2016) requires that all non-commercial state bodies shall be subject to **Periodic Critical Review** (PCR) no later than every 5 years with a focus on the ongoing business case for the entity, its performance, efficiency and effectiveness, and its governance arrangements.

As the Department with governance responsibility for the **Adoption Authority of Ireland** (AAI), the **Department of Children, Equality, Disability, Integration and Youth** (DCEDIY) is obliged to carry out the first PCR of the Authority's operations.

The PCR will look, inter alia, at the on-going business case for the Adoption Authority, including its continuation in its current form, and look at possible alternative delivery mechanisms. Overall, it will seek to ensure value for money is being obtained and, where possible, to secure improvements in accountability, efficiency and effectiveness.

Aim of PCR

The aim of the PCR is to perform an organisational evaluation of the Authority including its current resourcing, structures and governance arrangements within its current operating environment. Further, this evaluation will assess the original rationale for the establishment of the Authority against the set of services it currently delivers to citizens.

The PCR will examine the way in which the Adoption Authority of Ireland currently operates with a view to securing improvements in accountability, efficiency and effectiveness, while considering the case for rationalising and consolidating the Authority's operations in light of changing requirements, demands and priorities. It will examine the Authority's external environment, organisational capacity and organisational performance.

The output will be a detailed report with a set of findings and recommendations for submission to the Secretary General of the Department of Children, Equality, Disability, Integration and Youth.

Guiding Principles

The Code of Practice provides guiding principles for a Review and states that periodic critical reviews themselves should be:

- **Proportionate**: Reviews must not be overly bureaucratic, administratively burdensome and should be appropriate for the size and nature of the State body in question.
- **Timely:** Reviews should be completed quickly in order to minimise disruption and reduce uncertainty about the State body's future.
- **Challenging**: Reviews should be robust and rigorous and examine and evaluate as wide a range as possible of delivery options.
- **Open and Inclusive**: Key stakeholders should have the opportunity to contribute to reviews.

- **Transparent:** Reviews should be routinely published.

PCR Themes

I. External Environment
II. Organisational performance
III. Organisational capacity

Steering Group

A Steering Group to oversee the conduct of the review and the compilation of the resulting recommendations and report has been established.

Remit of Steering Group

The Steering Group will be responsible for overseeing key aspects of the project, including:

- Approving the Terms of Reference for the Steering Group
- Providing direction and oversight in development and implementation of project deliverables
- Approving the project plan, methodology and associated timeline, and maintaining oversight of any subsequent amendments
- Ensuring project remains within scope
- Seeking and considering input from the Project Team and any other party the Group deems to be beneficial in meeting the project goals (subject to conflict of interest / confidentiality)
- Reviewing Periodic Progress Reports as provided by the Project Team
- Consideration of findings, conclusions and recommendations as periodically delivered by the Project Team
- Approval of the draft report for submission to the Head of Division, Management Board and the Secretary General
- Provision of feedback and input to '*lessons learned'* exercise conducted upon conclusion of the Review

Composition of Group

The Group will be chaired by Ms. Ciara Pidgeon, Principal Officer, Research & Evaluation Unit, DCEDIY and comprise of other DCEDIY officials. There will be AAI representation from both Executive and Board level together with representation from the Department of Public Expenditure and Reform. Other officials and external expertise may be asked to attend meetings as required. (Appendix One – Composition of Group).

Meeting Schedule

It is projected that it will be necessary to hold a minimum of 4 meetings of the Group, the first to take place in May 2024, with provisional dates for the following meetings to be agreed at that meeting. Further meetings will be arranged and held as required. (Appendix Two – Draft Schedule of Meetings).

Quorum

The quorum for the convening of a meeting of the Steering Group will be formed by DCEDIY Chairperson, DCEDIY Head of Adoption Policy Unit, AAI Chair, AAI CEO, Department of Public Expenditure, NDP Delivery and Reform representation.

A duly convened meeting of the Steering Group at which a quorum is present shall be competent to exercise all or any of the responsibilities vested in or exercisable by the Steering Group.

Where a quorum is not possible, the meeting will be adjourned until a time determined by the Chairperson.

Finalisation of Report
The final report shall be subject to the consideration of and the agreement of the Secretary General and Management Board of the DCEDIY. This submission may be appended with a proposal on how the report's recommendations will be addressed by the Department. A lesson learned review may also be produced on completion of the PCR to assist other parties when undertaking a PCR.

Publication
In accordance with the principle of transparency, the final report shall be published as soon as possible following approval by the Secretary General.

Secretariat
Secretariat functions to the Steering Group will be provided by the Project Team.

General Administration
All documentation for consideration by the Steering Group will be shared, no later than two days, in advance of Steering Group meetings. Observations from Steering Group Members will be sought through individual Feedback Templates (Appendix Three – Sample Feedback Template) completion of which will be requested prior to Steering Group meetings. All feedback will be collated and presented to the Chair in advance of Steering Group meetings in order to ensure meetings can be conducted in the most efficient and effective manner possible.