

Further Education and Training Funding Model Review

Final Report by the Independent Expert Panel

JUNE 2022

SOLAS
learning works

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The publication of this report is a milestone moment in the development of the Further Education and Training (FET) system in Ireland. The system, and the Education and Training Boards (ETBs) that coordinate its provision at regional level, have developed significantly in recent years, establishing structures, building capabilities and adopting a more strategic response to meeting current and evolving skills needs. However, there is still a legacy approach to funding ETBs which is largely driven by established costs, and an overly complex 34 programme structure, on which a micro-budgeting and funding allocation system is then based. There is therefore limited incentive for ETBs to seek more efficient means of delivering courses, or to grow their numbers of learners, at a time when it is recognised that FET needs to expand its role and contribution in meeting the needs of economy and society.

The first FET strategy from 2014 to 2019 had the establishment of an outcomes-based funding model as one of its objectives. The second FET strategy, *Future FET: Transforming Learning 2020-2024*, commits to easier access, simplified pathways, a consistent learner experience and a more powerful identity, which will only be possible via a modified funding approach. This new funding approach must allow for the investment in critical capabilities that will enable transformation in areas like learner support, digitalisation, quality assurance, agile course development and capital infrastructure. It must drive innovation and growth in FET provision and facilitate the harmonisation of FET programmes. It must also ensure fairness and transparency in how FET is funded, and more clearly link to the learner outcomes which ETBs generate. However, it must also recognise the individual characteristics and challenges faced by ETBs and their impact on costs, and that change must recognise the relatively fixed nature of these costs.

As proposed in the Terms of Reference, the “Straw Man”, and agreed by SOLAS and the FET sector in 2020, the new FET funding model will seek to consolidate the existing 34 programme funding streams. This will enable more flexible spending by ETBs, ease the burden of reporting for both the sector and SOLAS, and ensure that the system is designed to promote strategic delivery driven by learner demand in each ETB region. Rather than the current system that requires ETBs to predict demand by estimating learner numbers, and subsequently revising these estimates at several points throughout the funding year, the new funding system will be driven by the previous years’ activity. This approach is in line with that of international further education funding allocation models, removing the need for detailed predictions of demand on a course-by-course basis. This effectively means the annual funding “pot” will change from year-to-year, depending on both the overall SOLAS budget granted by the exchequer, with subsequent ETB shares of that “pot” in part driven by FTE numbers (i.e., learner demand) and other regional costs and characteristics.

FET is unique in many ways, not least in that it serves as an important pathway for many: a pathway from school, a pathway back to education and training, a pathway to employment, a pathway to further learning and higher education. Devising a funding model that recognises the unique character of FET provision is challenging, particularly given the disparity in the types of programmes offered. While some FET provision is targeted at young adults at the beginning of their education and career journeys, or for those in employment looking for targeted upskilling solutions in order to change careers or keep pace with the rapidly evolving economy, other provision is designed to help those most vulnerable in our society through literacy interventions, language supports, reintegration following incarceration, and general community outreach. The independent expert panel (the panel)

is keenly aware of the importance of FET not just as an education and training offering, but as a key component of Irish society.

FIGURE 1: RECOMMENDATIONS BY THE INDEPENDENT EXPERT PANEL



Recommendation 1: Advance to a streamlined funding structure with ETBs funded through five discrete pots thereby enabling greater autonomy and flexibility



Recommendation 2: Shared definitions for use of the funding model with associated targets should be agreed by SOLAS and the FET sector and enshrined in the Strategic Performance Agreements



Recommendation 3: Weightings should be used to account for variations in resource intensity, cost, and strategic initiative



Recommendation 4: Intelligent, data-driven reporting and monitoring through use of PLSS will be the foundation of the new funding model. Funding will be allocated based on accurate PLSS data input and analysis



Recommendation 5: Outcomes-based funding should be applied based on numbers of learner completions in the previous year. FET provision and funding will be driven by learner demand and socio-economic need



Recommendation 6: Bespoke funding solutions will be put in place that recognise the unique character of FET, including for apprenticeship and Youthreach provision, with quantitative and qualitative measures in place to ensure focus on outcomes and impact



Recommendation 7: Strategic, multi-annual planning will support the new funding approach, agreed and delivered through the SPAs



Recommendation 8: Programme harmonisation across all FET provision with a focus on agile course development which can respond to regional needs, alongside more consolidated branding of courses in line with the Future FET strategy.

1. INTRODUCTION

The publication of this report is a milestone moment in the development of the Further Education and Training (FET) system in Ireland. The system, and the Education and Training Boards (ETBs) that coordinate FET provision at regional level, have developed significantly in recent years, establishing structures, building capabilities and adopting a more strategic response to meeting current and evolving skills needs. However, there is still a legacy approach to funding ETBs that is largely driven by established costs and an overly complex 34 programme structure, on which a micro-budgeting and funding allocation system is then based. Therefore, there is limited incentive for ETBs to seek more efficient means of delivering courses, or to grow their numbers of learners at a time when it is recognised that FET needs to grow its role and contribution in meeting the needs of the Irish economy and society.¹

The first FET strategy from 2014 to 2019 had the establishment of an outcomes-based funding model as one of its objectives. The second FET strategy, *Future FET: Transforming Learning 2020-2024*, (hereafter *Transforming Learning*) commits to easier access, simplified pathways, a consistent learner experience and a more powerful identity, which will only be possible via a modified funding approach. This new funding approach must allow for the investment in critical capabilities that will enable transformation in areas like learner support, digitalisation, quality assurance, agile course development and capital infrastructure. It must drive innovation and growth in FET provision and facilitate the harmonisation of FET programmes. It must also ensure fairness and transparency in how FET is funded, and more clearly link to the learner outcomes generated by ETBs. However, the funding model must also recognise the individual characteristics and challenges faced by ETBs and their impact on costs, and that change must recognise the relatively fixed nature of these costs.

Given this context, in late 2019 it was decided to embark on a review of the FET funding model, with an independent expert panel (hereafter “the panel”) appointed to oversee it. The overall objective of the review was to devise a FET funding system that was:

- “Future-proofed” and operationally effective for both funders and providers within FET
- Transparent and offered value for money for the Irish taxpayer
- Able to ensure inclusion and equitable access to FET for everyone

This report sets out the comprehensive review process undertaken between November 2019 and June 2021. It provides an overall analysis of the issues and priorities that were identified, the core principles that must underpin the future approach to funding, as well as the conclusions drawn, and recommendations proposed by the panel. More detailed research and analysis is also provided in a series of working papers produced during the course of the review:

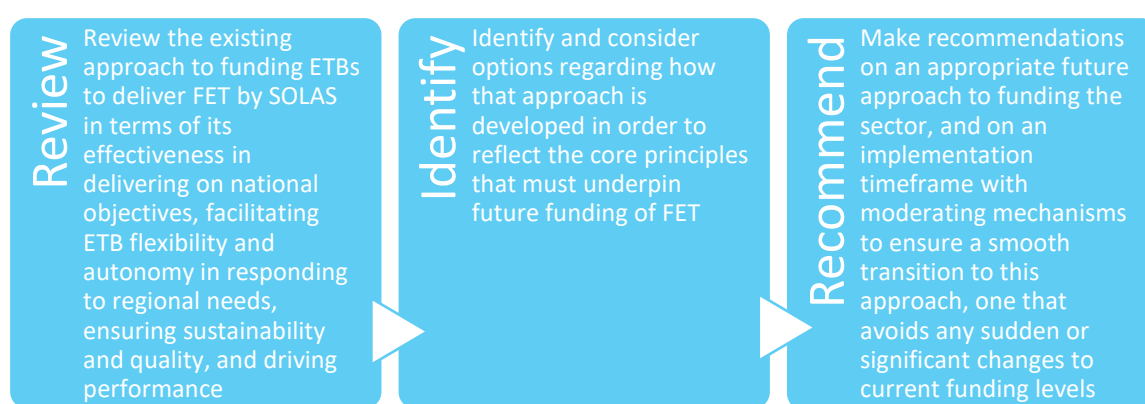
1. Working Paper 1: Further Education and Training in Ireland: Background and Context
2. Working Paper 2: The Funding Allocation Model for the Further Education and Training Sector
3. Working Paper 3: International Approaches to Further Education and Training
4. Working Paper 4: Emerging Strategic and Policy Context for Further Education and Training
5. Working Paper 5: Modelling Approaches to Funding the Further Education and Training Sector
6. Working Paper 6: Summary of Stakeholder Consultations 2020-2021

¹ There is a glossary in Appendix 1 for explanation of terms and abbreviations used through this document.

1.1 TERMS OF REFERENCE

The Terms of Reference (ToR) for the funding model review are set out in Figure 2. The independent expert panel (the panel) appointed to deliver on this ToR comprised Fiona Hartley (formerly Executive Director of SOLAS and Chief Executive of Wicklow VEC), Ted Owens (formerly Chief Executive of Cork ETB) and Ken Rutherford (formerly with the Scottish Funding Council). This ensured that the perspectives of the funder and recipient and of alternative international approaches were reflected in the panel. Short biographies for each of the panel members are provided in Appendix 2 of this report. SOLAS provided relevant information, technical analysis, administrative and logistical support to the panel throughout the process. An internal funding model review advisory group was established to support the panel's work, and a data modelling working group, with membership of both structures also detailed in Appendix 2.

FIGURE 2: TERMS OF REFERENCE FOR THE REVIEW OF THE FET FUNDING MODEL



In delivering on this ToR, the panel was asked to consider the following six key issues:

FIGURE 3: SIX KEY ISSUES FOR CONSIDERATION FOR THE REVIEW OF THE FET FUNDING MODEL

Balance of approaches

- The panel should explore the extent to which core funding, performance funding and competitive funding approaches are applicable to different aspects of FET. In particular, whether different types of provision (e.g. community education, literacy and numeracy support, traineeships, PLC etc.) are more suited to particular types of funding approach than others, and how this should be reflected within the FET funding model.

Value of a unit-based approach

- Given the use of FTE learner-based approaches to drive core funding in other FET systems, the panel should establish whether this is appropriate for all or merely some FET provision. Additionally, how such a standard unit cost of FTE learning might be defined, given the differences in delivery cycle and contact hours between, for example, traineeship and PLC provision.

Weightings to reflect ETB characteristics

- The panel should query when and how best to apply any weightings within the funding model to take account of the unique characteristics of ETBs and the regions they serve. This might include, for example, relative deprivation, socio-economic profile, the discipline mix of provision, the FET infrastructure available, the focus on key skills needs, programme type or NFQ level, or the proportion of marginalised learner cohorts.

Systems development required

- The panel should consider the adequacy of ETB financial systems, management information resources, planning and learner-tracking infrastructure in supporting any proposed changes to the future funding model, and any changes or developments that must be made to support transitions.

Planning across the entire FET system

- The panel should challenge the extent to which gaps or agreed learner allocations should be used to ensure effective planning of FET provision, particularly in the context of the role FET plays alongside higher education in the overall tertiary system. This will include consideration of unintended consequences of a purely FTE student-driven model, for example, where an ETB prioritises learner numbers in order to maximise its share from a fixed funding pot available for FET, to the detriment of overall quality or the optimum capacity of the FET sector.

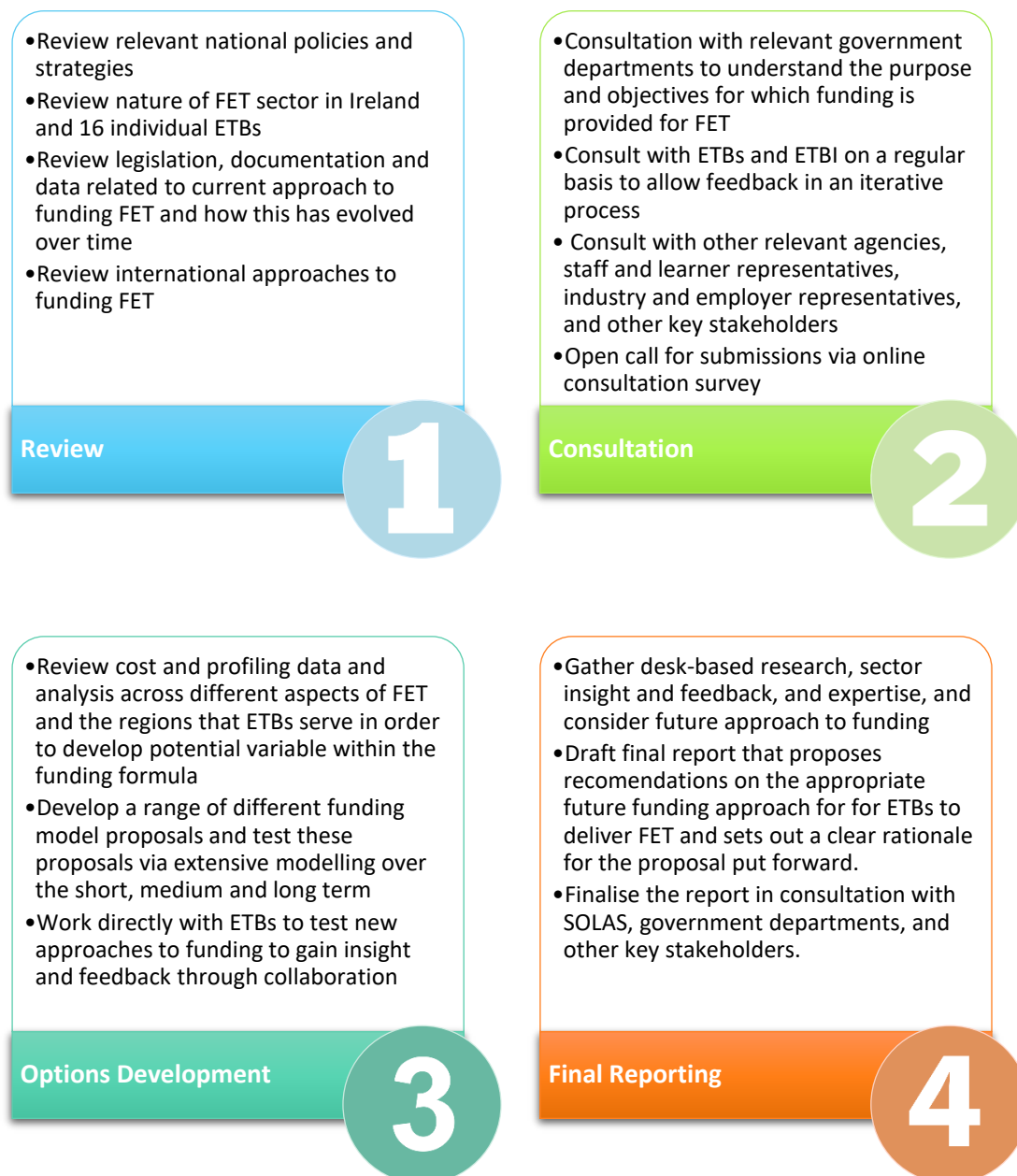
Facilitating an outcomes focus

- The panel should address the challenge in embedding an outcomes-focused approach in funding FET, particularly within the constraints of DPER circular 13/2014, where funding must relate to expenditure within the same calendar year, and be returned if unspent within that year. This makes funding to reward key FET outcomes complex, as progression to sustainable employment or higher education do not occur and cannot be verified until at least the following calendar year. There is also a challenge in articulating softer FET outcomes in terms of the distance travelled by learners, and whether the funding model can recognise such performance. The setting and pursuit of six core FET system targets within ETB strategic performance agreements should be a key focus in the analysis of how achievement of outcomes can be rewarded.

1.2 OVERALL APPROACH

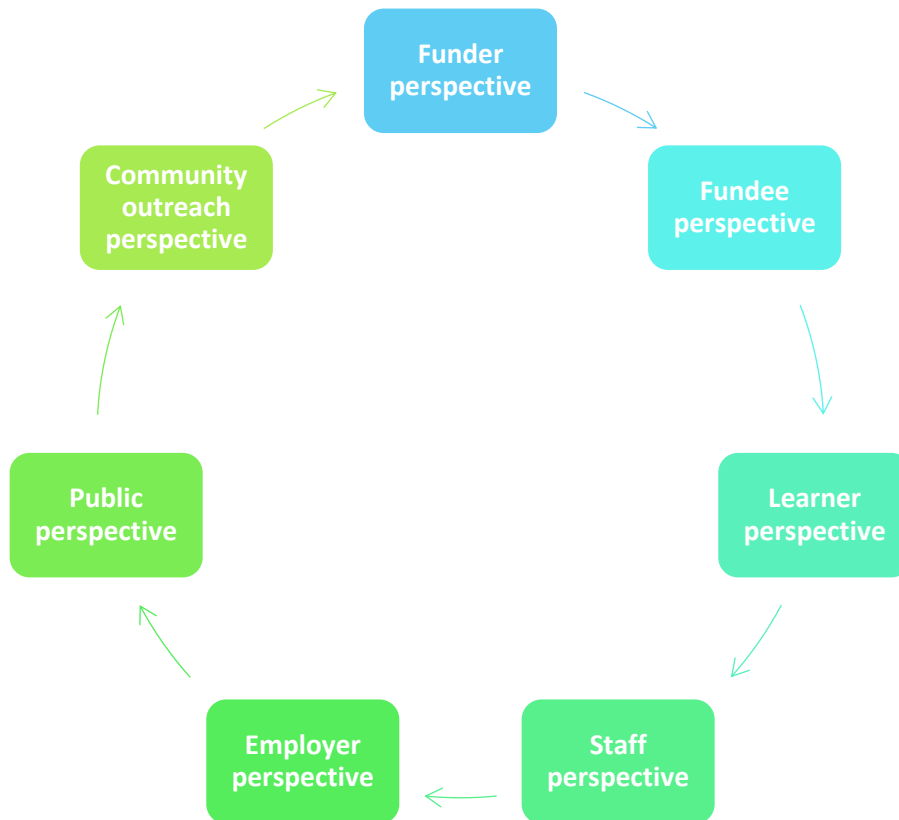
To deliver on the Terms of Reference and consider these issues, a four-stage methodology was devised as outlined in Figure 4.

FIGURE 4: REVIEW METHODOLOGY



The FET sector in Ireland is a complex network of nationwide provision with a number of direct and indirect stakeholders. In the early stages of the review, the panel, in consultation with the SOLAS advisory group, set out a detailed engagement plan to ensure robust consultation would occur at crucial stages throughout the review process. A number of key perspectives were identified, as outlined in Figure 5.

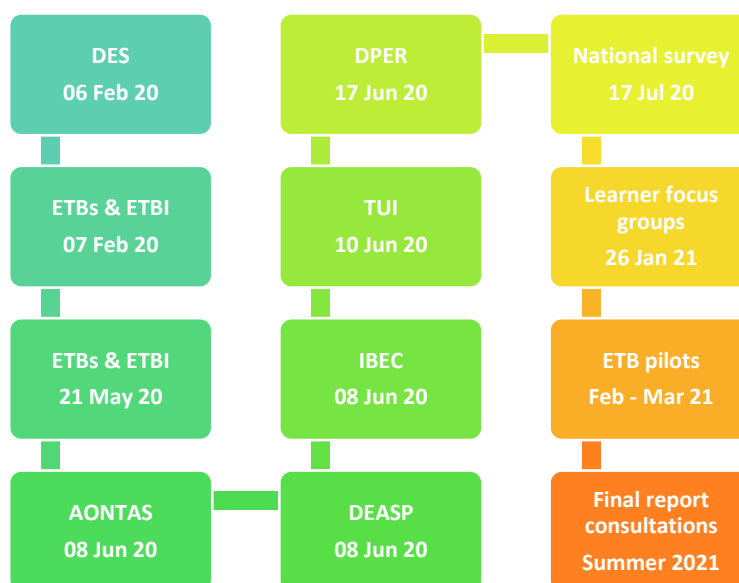
FIGURE 5: KEY STAKEHOLDERS IN THE FET FUNDING MODEL REVIEW



Three key stakeholder groups were identified: those that provide the funding, those that receive the funding, and the end users, i.e., the learners. Additionally, a number of advocacy groups were identified as important stakeholders: those representing FET staff and tutors, those representing the learner, and those representing employers and businesses. The panel, supported by SOLAS, took an inclusive approach to stakeholder engagement tailored to gain maximum information from key stakeholders. Methods included bilateral meetings, written submissions, an anonymised survey, focus groups and detailed pilot workshops to ensure every angle was covered and there was ample opportunity for everyone to have their say at numerous stages in the process.

In respect of the importance of stakeholder feedback, knowledge and buy-in, the consultation process was long and thorough, extending over a year from February 2020 to March 2021. Although the consultation process was initially stalled by the Covid-19 pandemic in March 2020, consultations quickly moved online and facilitated a much wider engagement than would have been possible before remote working began. For the panel and SOLAS, it was critical to take on board the perspectives, insights, opinions and ideas of all those directly involved in FET.

FIGURE 6: STAKEHOLDERS AND DATES CONSULTED



In addition to the above bilateral meetings held between February and June 2020, in July of that year a public call for structured submissions was launched as part of the consultation process. The panel and SOLAS wished to facilitate maximum opportunity for stakeholders to engage with, shape and develop a future funding approach that is equitable to all.

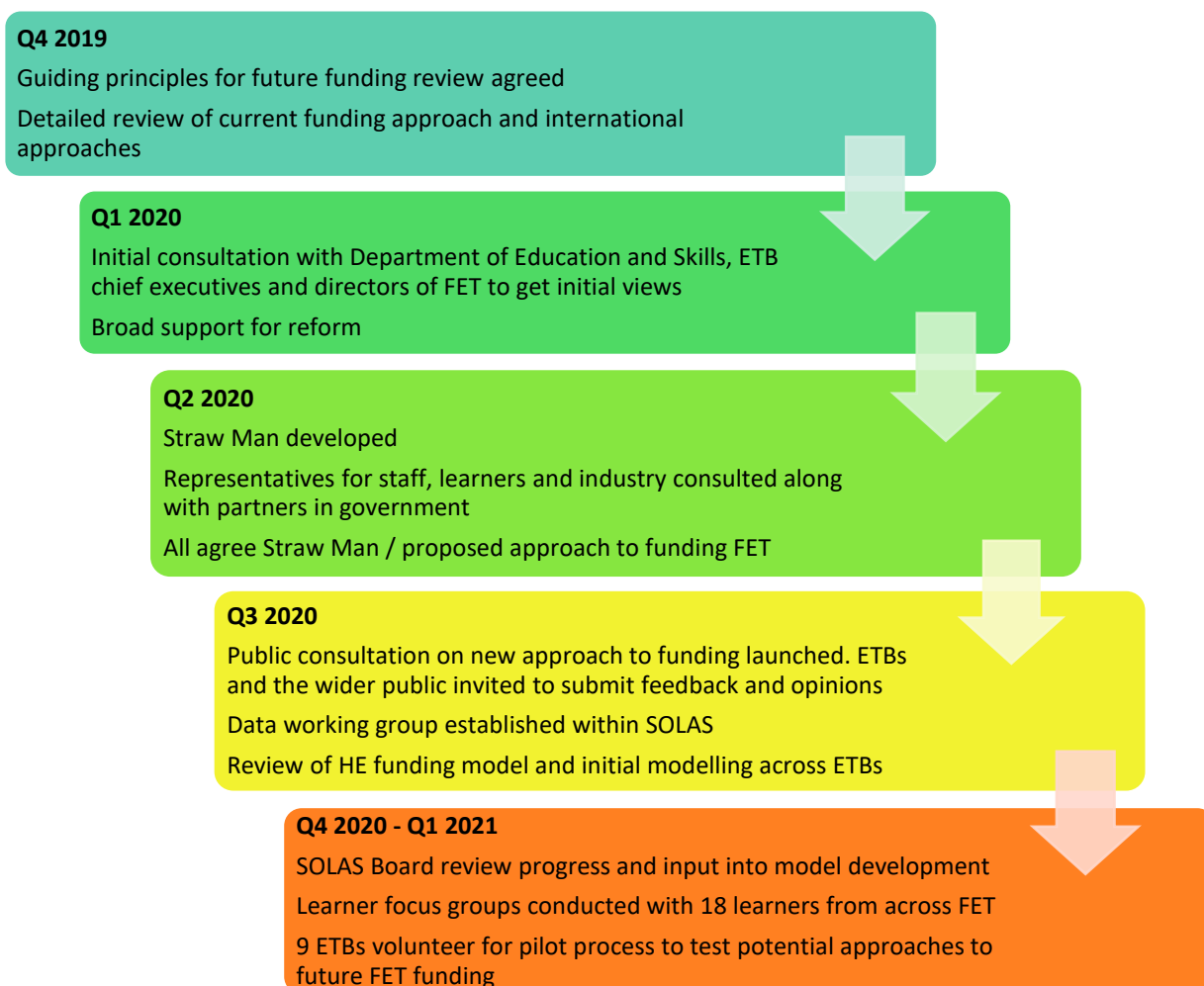
Additionally, learner focus groups were conducted to ensure that the learner perspective was taken into account. Amárach Research was commissioned to conduct two focus groups of nine learners (18 in total) who were currently or had previously been engaged in FET. These focus groups were conducted virtually, which meant that learners from all over Ireland had the opportunity to participate.

Finally, a detailed options development piloting process was conducted with nine ETBs from February to March 2021. The pilots allowed the panel to test some initial modelling and assumptions based upon their background research and stakeholder engagement over the previous year.

1.3 KEY MILESTONES IN THE PROCESS

The review of the FET funding model began in last quarter of 2019. Over the course of the last two years there were a number of key milestones, as shown in Figure 7.

FIGURE 7: KEY MILESTONES



1.4 OUTCOMES OF THE OVERALL PROCESS

The panel has now concluded its review of the FET funding model, gaining incredible insight into the needs of an ever-evolving sector. The Covid-19 pandemic occurred soon after the initial process began and while initially this posed a potential problem for the review, ultimately new ways of working remotely allowed for exceptional engagement across the sector and with key stakeholders around the country. The panel recalibrated its thinking following each phase of the review, adjusting the scope, aims, and achievable outcomes each time. The findings of the ETB pilot workshops in particular were the most striking and substantial to date and allowed direct sector input into the development of a new funding model for FET. Figure 8 below indicates some of the key metrics achieved over the course of the review.

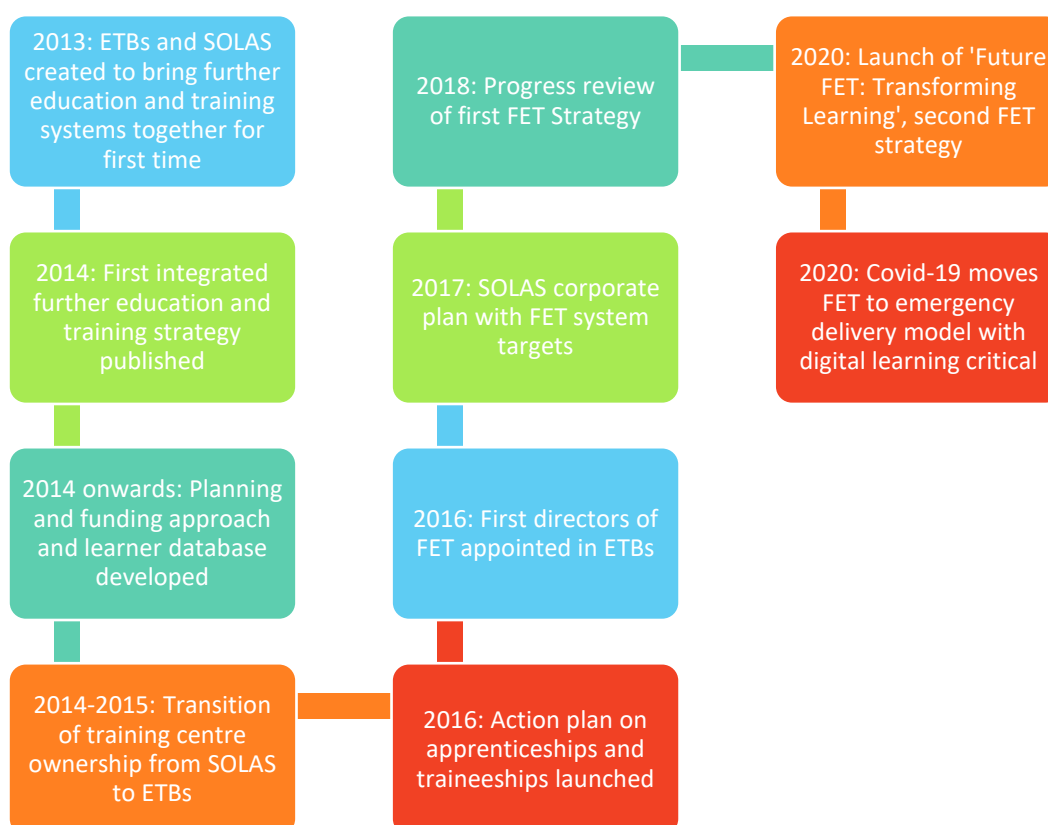
FIGURE 8: KEY METRICS IN THE FET FUNDING MODEL REVIEW



2. THE FURTHER EDUCATION AND TRAINING SYSTEM

The formation of SOLAS and the ETBs in 2013 brought the further education sector and the training sector together for the first time under a devolved delivery model. This made SOLAS responsible for setting strategy, allocating funding, and ensuring accountability and value-for-money,² while the ETBs became responsible for coordinating FET provision for each of their respective regions. Since then, it has been in a development and establishment phase, with some key milestones set out in Figure 9.

FIGURE 9: KEY MILESTONES IN THE DEVELOPMENT OF FET



The immediate priority was setting up the organisations and embedding systems and processes to support planning, funding and gathering of learner data. A clearer agenda for FET began to emerge with the launch of an action plan for apprenticeships and traineeships, and the agreement of national FET system targets with the Minister of Education and Skills, which then framed the establishment of three-year Strategic Performance Agreements (SPAs) between SOLAS and the ETBs in 2018. An independent review of progress of the first FET strategy, also in 2018, acknowledged the significant achievements made in establishing a clear sense of a FET “system”, the successful development of ICT, operational and governance infrastructures and the value of FET for learners, employers and the wider economy. It also stressed the need for a more focused and holistic vision for its future development.

² The legislative responsibilities of SOLAS as defined by the Further Education and Training Act 2013 are set out in Appendix 3.

This was brought to fruition in 2020 with the development and launch of the second FET strategy, ***Future FET: Transforming Learning***. By this point, however, Ireland and the world was in the midst of dealing with the Covid-19 pandemic, posing significant new challenges and changing the economy and society overnight. The way we learn, work, do business and even interact with each other has fundamentally changed, and is unlikely to fully return to the way things were pre-Covid-19. While the new environment supported the need for more agile and responsive FET envisaged in ***Transforming Learning***, there was now an urgency about bringing this to fruition, with the role and effective targeting of investment essential in speeding up this process.

2.1 OVERVIEW OF THE FET SYSTEM

Serving around 200,000 unique learners each year, FET provides a continuum of learning opportunities from Level 1 to Level 6 of the National Framework of Qualifications (NFQ), focused on both core and specific skills development, accompanied by a range of learner supports to facilitate the active inclusion of all citizens. Around €900 million of funding is currently invested by SOLAS annually in FET. The majority of this funding is channeled through ETBs, as set out in Figure 10 (with funding levels for the last pre-Covid-19 year of 2019 noted). The ETBs deliver FET provision either directly or via a network of contracted training or community education and training providers in response to the needs of their respective regions. ETB-led FET provision accounts for approximately 94% of FET places. Outside of the ETB system, independent community and voluntary secondary schools are funded to deliver Post Leaving Certificate (PLC) courses, while a range of support organisations are also supported to deliver specific services across the FET system (e.g., NALA on adult literacy and AONTAS on learner voice). The focus of this review is on FET funding via the ETBs alone.

Even the very high-level overview of respective funding levels and numbers of full-time and part-time learners set out in Figure 10 demonstrates why such a review is potentially critical. While ETBs have markedly different legacy infrastructure inherited from the Vocational Education Committees (VECs) and FÁS (including five of the 16 who did not receive the transfer of a training centre from the latter), and serve regions with markedly different characteristics, it is immediately apparent that funding is not directly proportionate to the number of part-time and full-time learners which each supports. Of course, this is not surprising, as prior to the establishment of SOLAS and the ETBs, budgets were set following a negotiated procedure directly between the Department and VECs, with many legacy arrangements and responsibilities held within the annual agreements. There are also, of course, many factors which contribute to justified funding differentials, including the type of facilities held, geography and nature of provision. However, at an early stage the panel concluded that there must be a clearer link between ETB funding and the learner outcomes produced, in line with the commitment since the first FET strategy in 2013, and that the rationale for divergence in respective funding to take account of these contributory factors had to be made much clearer.

FIGURE 10: ETBS IN IRELAND AND 2019 FUNDING



2.2 FET FUNDING CONTEXT

Funding for FET is currently made available by the Department of Further and Higher Education, Research, Innovation and Skills (DFHERIS). Generally, in quarter 3 of a given year, SOLAS feeds into an estimates process via DFHERIS to the Department of Public Expenditure and Reform (DPER), setting out the projected FET and apprenticeship funding requirements for the following year. This should reflect the commitments in the overall FET strategy, in FET system performance targets set by the minister, other government policy commitments of relevance to FET and evolving skills and labour market needs.

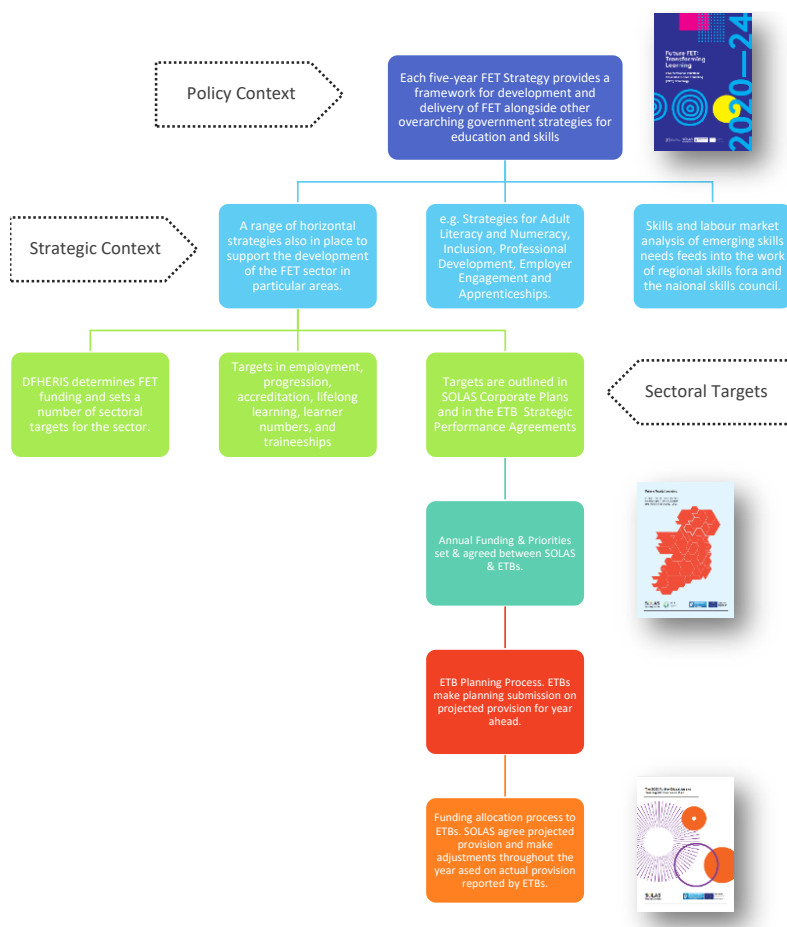
DFHERIS then communicates the overall funding allocation for the next year, identifying any key areas of priority and focus, and the overall planning process for the year ahead commences. The allocation comprises a mix of exchequer funding, funding from the National Training Fund (NTF), and SOLAS costs. A range of FET programmes are also eligible for European Social Fund (ESF) support, and the data gathered in relation to them must support a subsequent claim, which places further conditions on how this activity is planned and managed.

A further consideration at the initial planning stage is the application of DPER Circular 13/2014 for Management and Accountability for Grants from Exchequer Funds. The DPER circular sets out areas of responsibility in the context of grantors and grantees, with the “default position is that grants should be paid on the basis of vouched expenditure”. The circular further stipulates that where pre-funding is required, “for example, in the case of grant funding to a public sector body towards its running costs, prior approval must be sought” from DPER, wherein the rationale for pre-funding should be documented by the grantor. This circular also outlines four principles that apply in the case of bodies in receipt of grant funding provided – directly or indirectly – from exchequer sources:

- Clarity
- Fairness
- Governance
- Value for money

This has ensured that, to date, SOLAS allocates funding to ETBs on the basis of spend throughout the year and reclaims any expenditure that cannot be vouched before the year end. This differs from the approach to funding schools and higher education, where allocations are on the basis of student numbers in the previous academic year. Figure 11 below gives a high-level overview of the existing planning and funding structure for FET.

FIGURE 11: THE FET PLANNING AND FUNDING PROCESS



2.3 CURRENT APPROACH TO FET FUNDING

Given the context outlined above, when the allocation from DFHERIS is made clear, the approach to distributing the funding to ETBs involves two initial steps:

1. The issuing of Planning and Funding Parameters and Requirements to the ETBs, which effectively set the guidelines and conditions for funding during the year
2. An initial planning letter for each ETB, outlining the overall money available and its purpose, and inviting funding allocation requests in return

The existing approach to planning and funding FET is then driven by the Funding Allocation Request (FAR) process. To obtain SOLAS funding, all ETBs must compile and submit a FAR annually using the prescribed templates and to the agreed timescales. The FAR process is a bid process in which the ETBs submit projected expenditure for the forthcoming year, including predicted learner numbers, and a funding proposal on the basis of these estimates. The FAR has four components, as follows:

- **FAR 1:** Declaration of adherence to terms and conditions of funding
- **FAR 2:** Supplemental qualitative documentation including a business case in relation to specific projects as appropriate. Capital allocation requests are also contained in FAR 2
- **FAR 3:** Progress against targets (as per SPAs)

→ **FAR 4:** Financial data documenting how the SOLAS grant allocation will be utilised by the grantee

The FAR must be based on a calendar/fiscal year and must include the overall FET provision costs for that year only. Funding arrangements are agreed by the Board of SOLAS annually with funding provided on the basis that all aspects of the FAR process are met. Each FAR has the potential to be adjusted at certain points in the calendar year: the initial request, a mid-year review, and a quarter-three review. This is to ensure accuracy of funding provision against those predicted in the first FAR submission of any given year and should result in reasonable and acceptable variances at year-end.

Funding to ETBs is assigned to 34 designated programme streams and the FAR submissions must detail projected learners and costs across these individual programmes. Initially projected learners were inputted by ETBs on a course-by-course basis, but the development of the Programme and Learner Support System (PLSS) and its subsequent integration with the FAR system has facilitated the pre-population of learner and course data, which ETBs can then check and amend as required. The success of the funding approach is reliant on provision of robust accurate and consistent data via PLSS and FAR, and this is an issue which continues to require ongoing focus from SOLAS and the ETBs.

Qualitative data is also submitted to SOLAS by grantees through the FAR 2 and, where relevant, FAR 3 templates. The purpose of requests for qualitative data is to give “life” to the quantitative data relating to FET provision and to enhance the understanding of the FET Services Plan content for the reader in the context of key aspects of FET provision. The FAR 2 templates provide an opportunity for provision of supplemental data to ensure that key issues are understood by SOLAS and to provide information on how these issues are being progressed. The FAR 2 template also provides the opportunity for provision of information on innovative and new initiatives, along with detail of how the grantee supports the learner, community and enterprise. The FAR 3 template can encompass both qualitative and quantitative data.

Funding is approved by SOLAS following a due diligence process and approval of the grantee FAR. A mid-year review process is in place, which involves the grantee providing a report on their provision and funding achievement for the year-to-date. Grantees also provide a forecast outturn for the remainder of the calendar year. At this point, allocations can be varied and realigned within the original allocation, or be increased or decreased as appropriate, with SOLAS Board approval. Changes to planned provision can be accommodated and approved through the mid-year review process.

Funding to support capital development was also initially included in the FAR process. Up until 2020, the budget for FET capital investment was very limited, so essential funding was permitted to help sustain operations and provision. Now that more significant commitments to FET capital are included in the National Development Plan, new and separate processes have been established to allocate funding to ETBs. The capital funding approach is therefore not within the scope of this review. However, it is recognised that leased property continues to play an important role in FET provision, and recurrent budget will have to be provided to support these ongoing costs, a feature the future funding model will have to reflect.

2.3 ETB FUNDING AND PERFORMANCE

While the current, detailed programme-based in-year planning and budgeting system does gather estimates of learner numbers, and offers scope for allocation of additional resources if evidence of additional demand for provision can be set out, there is no direct link between the level of funding and overall ETB performance. The cost base of each ETB has largely been driven by historic expenditure in further education by the relevant VECs, and on the training activity previously delivered by FÁS within the region, adjusted incrementally in each year since 2013 to reflect changing circumstances or the scale or nature of provision since the funding base was established.

Although separate from this process of funding, there has been a growing focus on longer-term ETB strategic planning and overall performance in recent years. In 2016, a pilot initiative was established between SOLAS and three ETBs that looked at how strategic priorities could be set, and targets pursued, over a period of three years. Following the success of this initiative, a framework was agreed with ETBs for a new process of strategic dialogue to inform the development of three-year SPAs with SOLAS.³ These included the individual ETB contribution to a series of core national FET system performance targets agreed with the Minister for Education and Skills over that period, as set out in Figure 12.

FIGURE 12: FET SYSTEM PERFORMANCE TARGETS 2018-2020



The resultant agreements harnessed policy, strategies, targets, labour market insight, and a continuing process of programme evaluation and improvement to set out a clear direction for ETB development. The idea was that annual plans could then flow from the agreements, which could in

³ SOLAS and ETBI, “Strategic Performance Agreements: Developing the Further Education and Training System 2018 – 2020” (2018). [To view the report, click on this link.](#)

turn be linked to resource allocations via the FAR process, with a more direct link between funding, outcomes and performance than considered via progression of the funding model review.

The SPAs are crucial to ensuring that the future funding model has clear guidelines for direction of travel over the medium term, with agreed targets at ETB and national level. The agreements must be a robust tool for agreeing priorities, provision, funding and evaluating progress. The Strategic Dialogue Meetings that precede the agreements are also vital to the successful implementation of the new funding model. The Strategic Dialogue Meetings should be effective in targeting performance for each ETB that will then be measured through metrics monitored by SOLAS using PLSS. Much of the detail about sectoral and ETB-specific targets should be defined and enhanced through the Strategic Dialogue Meetings and enshrined in the SPAs.

PLSS is the cornerstone to successful implementation of the new funding model and the lever for change. An effective PLSS will enable SOLAS to interrogate the statistics/data to get a clear picture of activity in each ETB. An understanding of the disparities between ETBs will be fundamental to enabling effective and meaningful engagement at the initial Strategic Dialogue Meetings and then in turn, the SPAs.

PLSS requires significant investment of resources in order to ensure that it is fit-for-purpose for the task required in transforming the FET funding model. The panel recommends that SOLAS and the ETBs work to define and apply consistent categorisation across learner data categories so as to ensure coherent data gathering (starter, completer, progression). Further, it is recommended that SOLAS ensures staff ability to monitor and audit input to PLSS as the key method of reporting from the sector. The panel notes that it is essential that data is robust and can be validated. This is a task for both SOLAS and ETBs and the challenge cannot be underestimated. The panel also supports the use of a qualitative tool for capturing the wider benefits of learning, but it is unclear how the outcomes would be reported on PLSS.

3. FUNDING AS A DRIVER OF STRATEGY

This is a time of unprecedented change, but also one of increasing clarity around the future role and contribution of FET to driving Ireland’s recovery and meeting the needs of economy and society. Since the review commenced, the panel has seen:

- The new five-year FET strategy launched
- A new Programme for Government
- A new department formed focused on a more cohesive “tertiary” approach to FET and HE
- A new Apprenticeship Action Plan

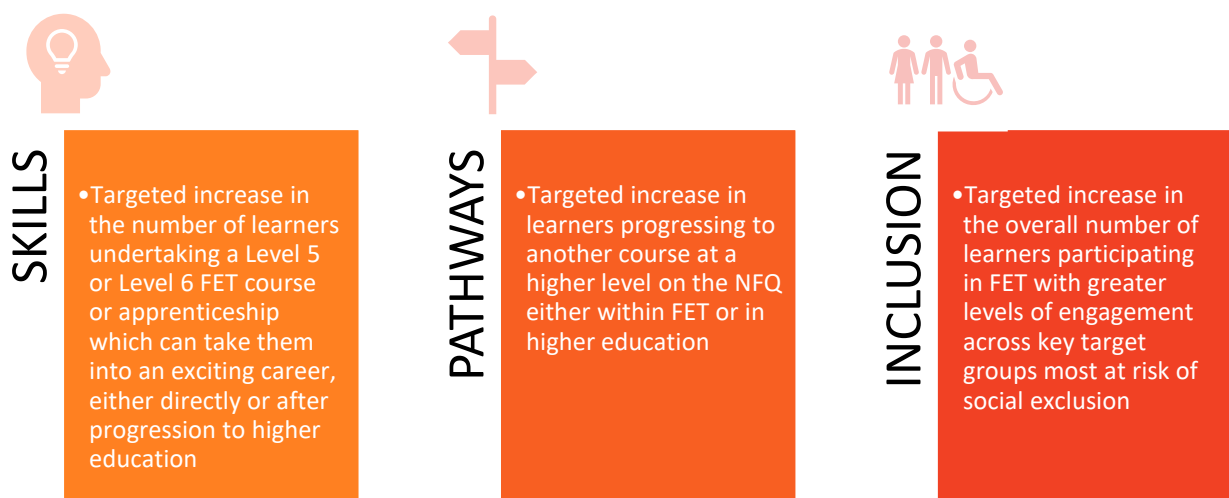
Add to this the lead role which FET has been given in providing the reskilling and upskilling required in the National Recovery and Resilience Programme, allied to additional investment, and there is a clear agenda around what is expected from the FET system in the coming years. It is critical, therefore, that funding is used to ensure that FET delivers on this agenda, and this section identifies the key considerations in building a funding model that will underpin success.

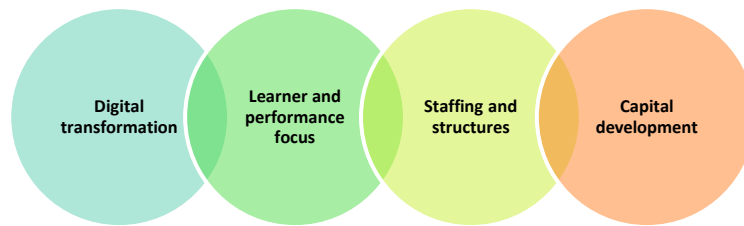
3.1 FUTURE FET: TRANSFORMING LEARNING

The second FET strategy – **Future FET: Transforming Learning 2020-2024** – was published in July 2020. The strategy is built on the central ethos that FET is for everyone, regardless of any previous level of formal education, is available in every community in Ireland, and offers you pathway to take you as far as you want to go. **Transforming Learning** is built upon three strategic pillars as outlined in Figure 13 below. These three pillars are underpinned by four enabling themes: digital transformation; learner and performance focus; staffing and structures; and capital development.



FIGURE 13: STRATEGIC PILLARS FET STRATEGY 2020-2024





In order to enact the aims, objectives and targets identified in the ***Future FET: Transforming Learning*** strategy, FET must have a robust, efficient and data-driven funding model capable of supporting the type of provision required in the coming years. The new model should:

- Enable enhanced planning for **staffing and structures** based upon real-time learner numbers
- Contribute to **digital transformation** through improved financial systems and data recording, enabling ETBs to streamline reporting and ease the administrative burden each year
- Enhance tracking and reporting functions for analysing **learner and performance** metrics throughout the year

3.2 THE APPRENTICESHIP ACTION PLAN 2021-2025

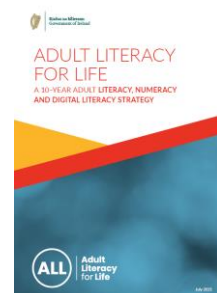
Apprenticeship is a key aspect of FET and is critical in delivering a skilled workforce for the Irish economy. To ensure that the apprenticeship system grows its role and contribution, the Action Plan for Apprenticeship 2021-2025 was launched earlier this year. The action plan commits to increasing the number of apprenticeships to 10,000 per year by 2025, and to expand upon the range of apprenticeships available, building upon the existing 62 programmes. The action plan also commits to ensuring equity of access, particularly focussing on underrepresented groups, by creating simplified pathways to entry and improving flexibility within the system. Moreover, there will be additional support for employers in taking on apprentices through financial incentives and other mechanisms. In taking the action plan into account, the new model should:



- Ensure there is a **separate dedicated funding stream** for ETB apprenticeship activity which reflects the unique characteristics and future priorities of the plan
- Support **greater consistency in approach** to funding apprenticeship activity across FET and HE
- Facilitate ETBs taking **lead roles in coordinating apprenticeship** provision

3.3 ADULT LITERACY FOR LIFE

Adult Literacy for Life (ALL) was launched in September 2021 as a new 10-year strategy to address literacy, numeracy and digital inclusion needs via a cross-government and cross-society approach. Its vision is for “an Ireland where every adult has the necessary literacy, numeracy and digital literacy to fully engage in society and realise their potential. A range of commitments and actions are in place across four pillars to: ensure people can UNDERSTAND their needs and where to go to meet them; that they can ACCESS all of the learning and support they need; that the learning and support available can EXPAND to meet this massive challenge; and that we EMPOWER people and communities to make a real difference to their lives. A national programme office and 16 regional ALL coordinators and literacy coalitions are in the



process of being established to drive the action and partnership required to respond to local needs in a holistic manner. The funding model for FET will be expected to support the delivery of the ALL strategy by:

- Investing sufficiently in **flexible tailored learner support** alongside learning to meet the diverse requirements of those with unmet literacy needs
- Making provision for the **development and expansion of literacy, numeracy and digital upskilling** at Levels 1 to 3 across FET
- Facilitating **competitive funding processes** to support the collaboration and innovation required to delivery on ALL

3.4 THE PROGRAMME FOR GOVERNMENT

In June 2020, the newly formed Government of Ireland published the Programme for Government: Our Shared Future, a five-year plan built upon 12 key targets:

1. A better quality of life for all
2. Reigniting and renewing the economy
3. A green new deal
4. Universal healthcare
5. Housing for all
6. Balanced regional development
7. A new social contract
8. Building stronger and safer communities
9. Better opportunities through education and research
10. A shared island
11. At the heart of Europe and global citizenship
12. Reforming and reimagining our public life



FET makes an economic and societal contribution which cuts across all of these goals. From the outset, it was assigned a particularly central role in reigniting and renewing the economy, a role which continues to evolve as pandemic restrictions prevail. The Skills to Compete initiative was developed to offer those who lost their jobs as a result of Covid-19 a pathway into sustainable work. It did this by using the attributes of existing FET programmes to build employability skills, equip people with the digital capability now required for virtually every job, and target specific growth sectors and occupations through specific upskilling courses. Indeed, in terms of the future funding of FET, the pandemic made clear that flexible learning and the ability to upskill and reskill throughout one's career would be indispensable to our lives post-Covid-19. While shocks to the economy and the ability to support Ireland's workforce through changes were already a key feature of FET, the panel was cognisant of the need to reflect changes to the way we work and learn in the future funding model, primarily in supporting the development of more flexible, agile learning offerings in FET, allowing people to dip in and out of FET throughout lifetimes and careers.

FET has also been identified as having a key contribution to driving the skills pipeline which will support construction of the 33,000 new dwellings per annum under the Housing for All plan. This will involve:

catching up with the Covid-19 backlog and expanding the capacity of craft apprenticeships; investing in greater provision of construction skills at Levels 4-6; reforming Safepass with a new online delivery model; and embedding retrofitting and NZEB skills across the industry's workforce. This latter feature is also a key responsibility for FET in contributing to the climate action agenda and is part of a wider FET green skills action plan, further articulated in the National Recovery and Resilience Programme published in 2021. The programme also committed to development of a core green skills module which could be rolled out across all FET provision to build personal awareness around sustainability and minimising our carbon footprint. Key implications from these various Programme for Government imperatives include:

- **Simplifying the existing complex programme structure**, replaced with a more generic offering focused on level of provision and expected outcome, building on the Skills to Compete initiative which sits over a range of different legacy programmes
- Ensuring the funding model does not serve as a barrier to agile programme development to meet evolving upskilling needs, **incentivising short, flexible courses** alongside more traditional full and part time provision
- Providing **sufficient core funding that will allow the roll-out of green and sustainability skills** as a core aspect of all FET courses
- Developing a system that **rewards short-term development of an expanded portfolio of construction skills programmes** at Levels 4 to 6 that provide a talent pipeline directly to industry to support Housing for All

4. KEY FINDINGS

The extensive consultation, research and analysis undertaken for the review has allowed the panel to draw a range of conclusions. In this section we first of all consider the learning that can be drawn from international funding approaches for further education and training. One of the most valuable steps in reviewing best practice also involved a detailed evaluation of the higher education funding model in Ireland, and in particular how it was developed and applied incrementally with regard to the Institutes of Technology (IoTs), and the learning from this experience is discussed. The key findings emerging from the consultation and other research are then set out. These findings are then built upon with an assessment of the strengths, weaknesses, opportunities and threats around the FET funding model which provided a platform from which the future approach could be scoped out.

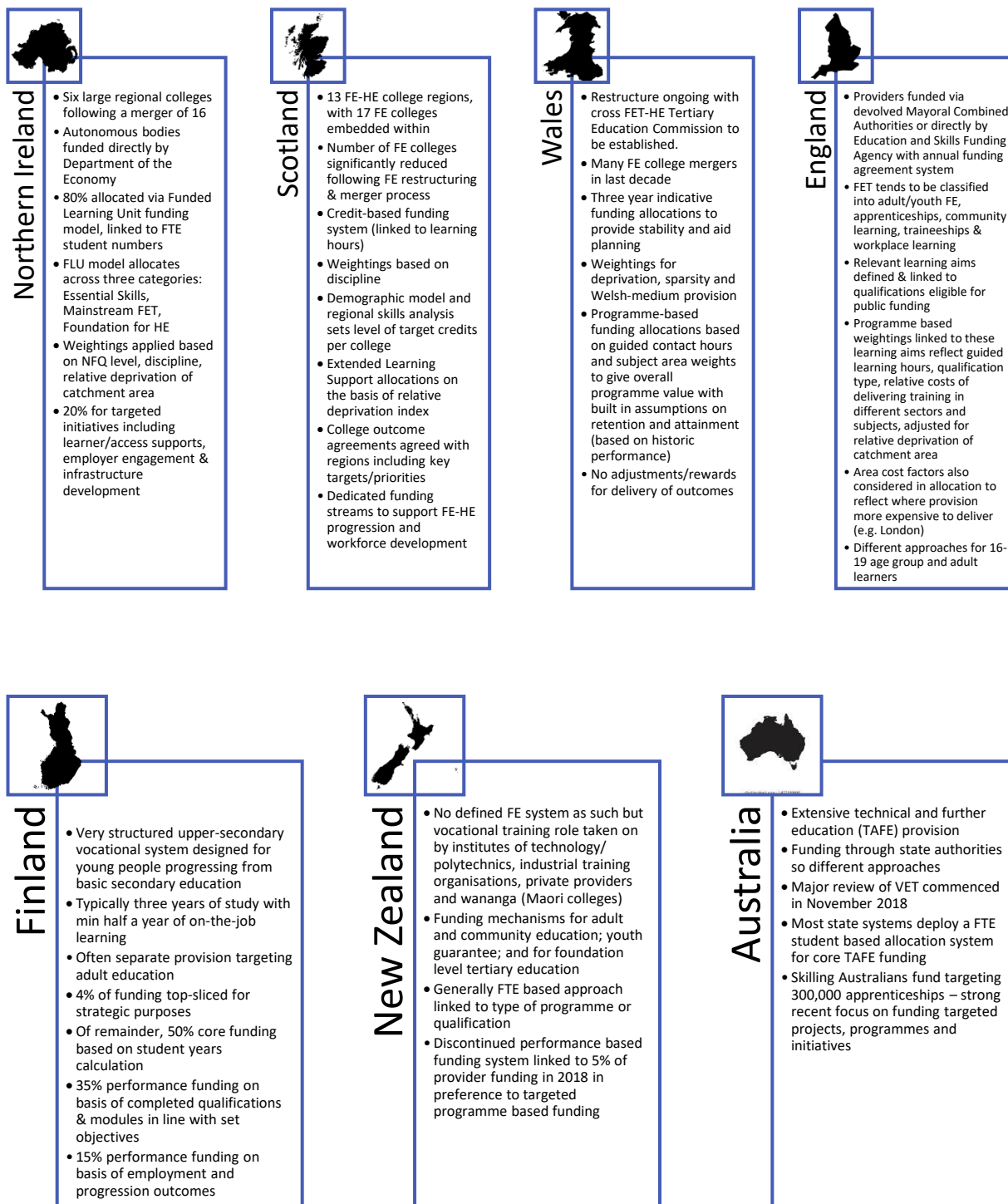
4.1 REVIEW OF INTERNATIONAL FUNDING MODELS

While it is important to consider international approaches to funding further education and training when developing the future approach for Irish FET, it must also be acknowledged that the system here is very different to those in what would typically be considered the most comparable benchmark jurisdictions. Key factors to consider in this regard include:

- Ireland has the highest rate of participation in higher education in Europe with 64% of 25-34 year-olds having participated in higher education, which means that there are occupational pathways and regional skills responses handled by the higher education system in Ireland where further education would play a more prominent role in other economies.
- The way in which community-based FET provision has developed in Ireland, characterised by small college entities with less than 1,000 students and training centres typically serving learner pools of 2,000-3,000, differs significantly from the large, centralised further education college structures elsewhere.
- The role of FET in active inclusion and provision at Levels 1 to 3 of the National Framework of Qualifications, offering support in areas like literacy and numeracy and development of social and personal development skills. In other countries these are often handled via local government or community development systems.

Despite these caveats, there is important learning from international good practice that we can take into account when considering how the Irish FET funding system needs to evolve. Figure 14 below sets out the key aspects of international approaches.

FIGURE 14: INTERNATIONAL APPROACHES TO FET



Despite differences in economy, demographics, infrastructure, political climate, and demand, there are clear patterns of provision, structure and resourcing across further education and training internationally. The key learning identified includes:

- There is more of a balance between FET and HE contributions to the overall tertiary offering, and in line with this FE provision tends to be concentrated in larger scale facilities.
- There is a growing emphasis on linking funding allocations to the delivery of strategic priorities devised at national level.
- Most systems use learner numbers as the principal driver of the state grant given to FE providers, typically using Full Time Equivalency (FTE) models as the basis.
- The most comparable component of Irish FET with international experience surrounds Level 5 and Level 6 provision.
- Some systems have built FE to HE progression into the criteria on which regional grant allocations are based.
- There is a strong focus on using funding to incentivise active partnerships with industry and employers to ensure FET meets labour market demand.
- Weightings for discipline or disadvantage are a common feature of international systems.
- Adult, community and outreach education at NFQ Levels 1-3 and associated support is delivered in a myriad of ways but is more likely to be driven by core grant resourcing of providers rather than purely driven by learner numbers.

This learning will be taken into account in the development of the future FET funding model in Ireland.

4.2 PARALLELS FROM OTHER IRISH FUNDING MODELS FOR EDUCATION

These international comparisons are very valid and provide insight on how to drive efficient and effective approaches to resourcing further education and training. In a similar vein, the panel was keen to see whether there were any Irish examples of funding approaches for education that could inform the process.

Funding of post-primary education in Ireland is based on a student resourcing model, where allocations and associated teacher headcount for individual schools are based on registered student numbers from the previous academic year. Indeed, this has some overflow into FET, as PLC provision has been historically resourced directly by the Department of Education in the same way as schools, with resourcing and teacher allocation driven by student numbers, and a “cap” in place to control overall numbers of PLC places. With the transition of PLC funding responsibility from the start of 2020 from the Department to SOLAS, there is now scope to bring PLC provision into a more integrated, cross-FET funding approach, a primary focus of this review.

The funding model for higher education in Ireland is more complex. HE funding is split into two “pots”, one for the “traditional” universities, and one for technological higher education providers (a rapidly evolving landscape with the merging of institutes of technology into larger regional technological universities). Funding allocations across both pots to institutions **is driven by FTE numbers from the previous academic year**, with other key features including:

- A per student fee contribution, with institutional grants then based on their % share of sectoral FTE numbers, given them access to a % share of the fixed pot of funding available
- An additional “premium” in the allocation for students which meet certain criteria of disadvantage
- Weightings based on discipline to reflect the different costs of providing different types of course (i.e., principally lab-based vs classroom based)
- Top-sliced funding which is allocated on a competitive basis to institutions to address key strategic priorities

The panel was also struck by the significant parallels with the process of development of the future FET funding model and the way in which the HE funding model was introduced for the institutes of technology. When this took place, the arrangements were very similar to the current FET approach, with annual negotiated budgets which largely reflected legacy costs and previous funding levels. A bit like the current situation with ETBs, which will be further explored in the latter sections, there was a lack of comprehensive data on the unit cost of different types of provision, and as such a phased and incremental approach to the introduction of the new funding model was adopted, with securing buy-in and input from the affected institutions a critical part of the process. This approach involved⁴:

- An exercise to collect and interrogate full cost data, including unit costs across provision, over a multi-annual period, from IoTs. Analysis confirmed the relative stability of unit costs over time
- Formation of a HEA Task Force on Development of the IoT Recurrent Funding Models to oversee the implementation approach and advise on key aspects of the emerging model, with significant consultation with Secretary/Financial Controllers
- Production of a consultation document in November 2008 which indicated significant potential transfers based on comparisons of student outcomes with funding received
- An audit of unit cost data undertaken in 2009 which identified the need to tighten up certain areas and cost relativities and showed convergence of relative course costs around three broad subject price groups
- Risk and sensitivity analysis in 2009 which reinforced the change in funding for some individual institutions which the FTE driven model could bring, and the need for a phased approach to avoid sudden funding shocks
- In line with this, the model was introduced from 2009 on a very gradual, phased basis. This involved using an FTE model to allocate only a small proportion of funding, €3million, in 2009, representing only 0.7% of the overall sectoral grant. This increased to €10M in 2010 (2.8% of the overall grant), and then to 25%, 50% and 100% in 2011, 2012 and 2013, respectively. A key aspect of this incremental process was complete transparency around outputs and analysis, with all institutions able to see respective student numbers, levels of funding, and the basis of allocation across their peers, with constant feedback invited from the IoTs to refine and improve the approach
- Recognition of the importance of robust student data with formal audits of the data submitted conducted across the IoTs in 2011, 2012 and 2013

⁴ The panel would like to thank Sheena Duffy from the HEA for her time in explaining the current HE funding model and the approach to introduction of the model to the IoTs.

- Moderating mechanism put in place to limit the extent of funding changes to institutions year on year, protecting them from any destabilising funding effects. Moderator allows funding for an individual institution to change by only + or – 2% from the overall sector funding annual growth percentage. Percentage can be adjusted and is reviewed by the Finance and Governance Committee of the HEA each year.

The panel believes that there are many characteristics from the above approach which should be taken into account in the roll-out of the new FET funding model, with the development of robust cost data, the incremental approach to model introduction, the implementation structures to ensure continuous feedback from grant recipients, ensuring the veracity of student data, and complete transparency of all student and funding data essential components which should be replicated in the FET work.

4.3 KEY THEMES FROM STAKEHOLDER CONSULTATION AND SUBMISSIONS

An important priority at the start of the process was initial engagement with the core stakeholders with a direct interest in the future funding of FET, allowing their input to shape the direction of the review. The panel met with the following key stakeholders within the first few months of the exercise:

- Department of Education and Skills (which evolved into the Department of Further and Higher Education, Research, Innovation and Science), given its responsibility for setting overall policy for FET and oversight of its expenditure vote
- Department of Public Expenditure and Reform, given its role in coordinating state investment, ensuring value-for-money for that investment, and driving overall reform within the public sector
- Department of Social Protection, given the reskilling role of FET in supporting those on the live register with a pathway back into sustainable employment
- Education and Training Boards and their representative body, (Education and Training Boards Ireland (ETBI), given their role as main FET grant recipients and in providing the bulk of FET
- AONTAS, which manages the National FET Learner Forum on behalf of SOLAS, to help the panel understand how FET investment can support diverse learner needs
- TUI, as a key staff representative body in FET, to provide a perspective on how funding relates to staffing across the system and how the approach to staffing needs to develop
- IBEC, as the employer representative, to gain insight into how FET needed to evolve to meet the needs of enterprise and employments and the future world of work

There was strong support from DES/DFHERIS on the overall aims of the funding model review, and in particular the embedding of an outcomes-focused funding approach, a long-held ambition since an integrated FET system was established in 2013. The need to simplify the complex FET programme structure as part of a streamlined funding approach, and the need to recognise ETB performance and growth within it, along with an understanding that this would also result in a simplified reporting framework was also endorsed. There was much discussion about the inconsistency between the existing FET funding approach and the approaches to higher education and schools funding, where allocations are based on student numbers in the previous academic year, and the interpretation of DPER Circular 13/2014 in this context. DES/DFHERIS also expressed an openness to consider a funding

model more in line with other parts of the education system, and the panel hopes that the proposals deliver both this and an approach that will drive outcomes and value-for-money from state investment.

This was also a primary concern from the Department of Public Expenditure and Reform, who indicated they were open to considering a new approach which could drive efficiency and effectiveness across FET. The consultation with DPER also raised issues around the different nature of FET which was focused on core skills development and social inclusion, and more vocational education and training leading to employment or HE, and the need to treat each differently in an overall FET investment strategy. The need for outcomes to go beyond course completion or awards and consider real progression within the tertiary education system or into employment was also raised.

ETBs welcomed the review of the funding model, acknowledging the desire for a more strategic approach to funding, the emphasis placed on qualitative reporting (in addition to quantitative), the transitional/phased approach to implementation, and the commitment to consistently supporting learners across all ETBs. Understanding the individual characteristics, challenges and legacy factors which influenced the levels of investment required by an ETB was a key concern, and this was something further explored in detail during consultation with and analysis of ETBs throughout the funding model review process.

Other key feedback from stakeholders included:

- **Learner diversity:** Understanding that FET has a very diverse learner base, with different cohorts requiring different interventions to get the same advantage, and this needed to be recognised in the way in which the system was funded. Finding more qualitative means to track learner outcomes given this diversity and ways to incentivise the targeting of hardest to reach groups were also stressed.
- **Flexible provision:** The need for any FTE driven model to support and incentivise flexible and part-time provision, which is only likely to grow in coming years, and the different costs characteristics which underpin the model, including the need for full and comprehensive learner support regardless of whether learning is full or part-time.
- **Agility to respond to unexpected events:** With Brexit and now Covid-19, we have seen how immediate and agile responses can be required to respond to sudden economic or labour market changes and the funding approach must be sufficiently flexible to accommodate this. Similarly at a local or regional level there are often labour market “shocks” due to large redundancies where tailored responses and interventions are required in partnership with stakeholders including the Department of Social Protection, and the funding model must allow space for this activity when required.
- **Meeting enterprise needs:** The role of the funding model in driving engagement with enterprise and recognising the particular requirements in upskilling the existing workforce. There will need to be smaller, more focused, “bite-sized” courses offering digital badges and micro-credentials to meet the needs of employers and employees, allowing the build-up of credits over time, but how does that fit with a funding model driven by FTE numbers arising from more traditional approaches to provision.
- **Cross-year and multi-year funding:** The need to reflect that a lot of FET operates across academic rather than calendar years via cross-year funding. While it was recognised that there

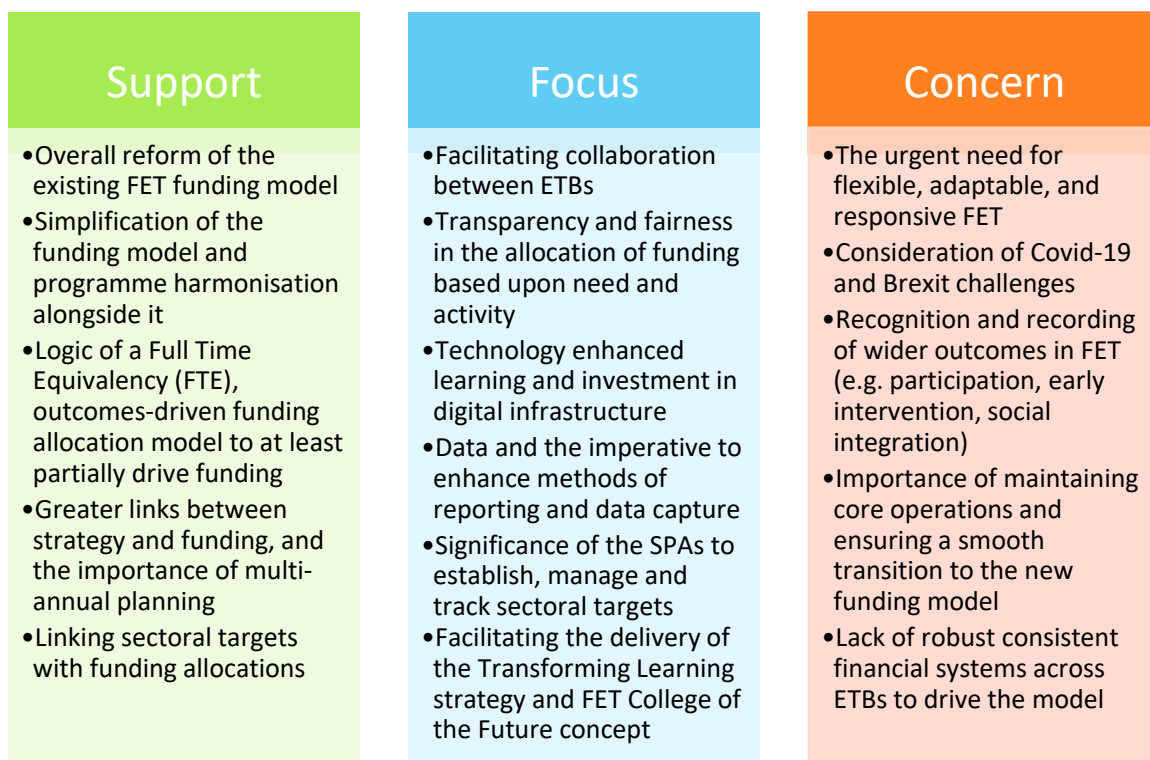
are fiscal constraints on firm commitments to multi-year funding, the use of the SPAs to underpin a more consistent longer-term funding approach was highlighted.

- **Incentives for Innovation:** There was strong support for competitive or discretionary funding to support collaboration and innovation or to address specific challenges or opportunities.
- **Complex Programme and Staffing Structures:** The importance of simplifying the existing complex programme structure and addressing the associated FET staff structure as a key enabler of an effective future funding model was highlighted. It was stressed that if the proposal is to consider only award level and full or part-time nature of provision, providers would need flexibility to deploy staff across different programmes and settings.

All of this feedback was taken on board and used in development and finalisation of the guiding principles and “Straw Man” which are set out in Section 5.

Evolving the funding model represents a landmark development for FET and the panel was very keen to ensure that all potential insight and feedback was gathered during the review process. As noted earlier in the report, SOLAS made a public call for structured submissions which allowed any individuals or organisations who wished to make a contribution to the review to do so. The consultation revealed widespread support for reform of the funding model, and for the guiding principles which are set out in Chapter 5 to underpin the approach. Figure 15 provides an overview of the key themes which emerged from the call.

FIGURE 15: HIGH LEVEL THEMES EMERGING FROM CALL FOR SUBMISSIONS



While there was strong endorsement of an outcomes-based approach to funding FET, there was wide and interesting feedback on how best to achieve this. As Figure 15 reflects, using an FTE model made sense to most respondents, but the definition of the FTE within it provoked different views. More than half favoured either a contact hours-based measure or one based on completion of a course. There was less support for fully linking it to achievement of awards or certifications, perhaps reflecting the complex nature of FET and its learner base, and its focus in some parts on journey travelled rather than full accreditation of all learning, particularly at NFQ levels 1 to 3. A minority favoured an approach based on those starting courses, but it would be hard to reconcile this with the outcomes-based ethos required. The submissions also proposed a range of other ways in which funding should take account of outcomes, including:

- A measure of learner satisfaction with a particular course
- The progression rate of learners
- The effectiveness of enterprise engagement
- Numbers of learners engaged from disadvantaged or vulnerable target groups

The panel was also keen to ensure that learner perspectives influenced their thinking and the learner focus groups held as part of the review process generated a lot of positive feedback about the FET experience. The diversity of their support needs was clear, reinforcing the need to avoid a one size fits all model. One issue that arose was around pathways through FET and clarity on their particular learning journey.

5. THE PROPOSED FUTURE MODEL

These themes identified from the research and consultation allowed the panel to draw conclusions on how to effectively fund FET. Drawing on these findings, this section sets out the proposed future funding model for FET. The section begins with an overview of the guiding principles that underpin the model, and which guided the direction of the review. The core components of the future approach are then described, followed by an overview of a suggested simplified structure around which the future model should be built. There has been an encouraging degree of consensus around the proposed future approach while it has emerged, and while it is clear that significant work on consistent definitions, data gathering and financial systems will be required to fully embed it, a platform now exists to reform the funding approach and support the strategic transformation of the FET system.

5.1 GUIDING PRINCIPLES & CORE COMPONENTS

At the outset of the review, the panel proposed a set of principles that would guide the process. These guiding principles were used as a continual reference point throughout the review and are summarised in Figure 16 below.

FIGURE 16: CORE PRINCIPLES



Building on the guiding principles, and on the themes and findings emerging from the research, a “Straw Man”, or draft proposal, of the future funding approach was constructed and refined throughout the review process. This set out a range of agreed components which are described below.

FIGURE 17: STRAW MAN

Strategically focused	The three-year SPAs between SOLAS and each ETB will be the central planning tool underpinning the funding of FET. Each agreement will set out strategic goals, key priority areas, agreed contributions to national FET targets, and broad projections of the focus and level of provision over each three-year period.
Learner centered	The learner will be at the centre of the new funding model. Funding allocations will relate to the number of learners served by each ETB in a given year. Allocations will recognise the need to offer flexible learning opportunities that lead to a progression pathway within and beyond FET.
Facilitate programme harmonisation	The restructuring of the FET funding system will gradually lead to harmonisation of programmes at particular NFQ levels, in addition to harmonisation of associated costs. This will lead to less granular budgeting and reporting requirements from ETBs year-on-year, with fewer programme-specific budgeting requirements.
Use a moderating mechanism	To avoid shocks and ensure core operations can be maintained, the level of ETB funding will not change substantially to begin with, varying by no more than +/- 2% for a minimum period of two years.
Redress ETB inequalities	The funding model will be a tool to facilitate a fairer distribution of FET resources in relation to the learners supported and outcomes delivered by ETBs. There is also a case for looking at whether allocations should provide for investment in ETBs that are relatively under-staffed or under-resourced.
Be a data-driven model	Funding should only be provided for learners that are fully recorded in the PLSS system. To support data gathering, different requirements for learner details could be considered for some types of provision with more qualitative outcomes.
Enact streamlined ETB reporting	As PLSS becomes further established, and common financial systems are embedded across ETBs, the need will diminish for detailed ETB reporting under the funding allocation system. Reporting will be related to targets as defined in the SPAs and related to learner outcomes.
Accomodate qualitative reporting	With SPAs in place, in-year planning requirements regarding qualitative information (via FAR2) will be replaced by an ETB annual report on progress. Qualitative reporting will continue to play an important role in the new reporting structure to support the analysis of quantitative material for certain types of provision.

Have a two-strand approach

A two-strand funding approach will apply, with some provision funded under different arrangements (e.g., community education, literacy and numeracy support). The approach will include a core grant with associated agreed service levels, set out within SPAs.

Allow cross-year funding

Reflecting the approach in both the Irish school and Higher Education systems, there will be scope to allow ETBs to carry over funding from year-to-year. This will accommodate the base of FET courses that straddle calendar years. This cross-year funding will be facilitated in full agreement with the relevant government departments to ensure compliance and coordination.⁵

Allow multi-annual budgeting

A detailed budget for each year must be provided by each ETB, while a rolling multi-annual budget should also be set, one that projects changes in learner numbers, expenditure and income over a three or five year period (which will form part of the SPA).

Involve a full-time equivalency model

The relative levels of provision by each ETB will be acknowledged by adopting a full-time equivalent (FTE) measure of learners. In defining an FTE measure, it will consider how such a measure reflects the level of provision, number of completers/awards or other qualifying outcomes, and weighted to account for discipline, resource intensity or specialist provision.

Begin with initial focus on full-time provision

An FTE based approach to allocation of funding will initially be focused on full-time FET provision and will then be gradually rolled out across most part-time provision.

Funded on previous years' performance

The fairest way to implement an FTE based funding allocation model is to allocate on the basis of learner numbers in the previous year. This will allow each ETB to receive an appropriate level of funding in exchange for any increase in provision.

Include weightings for differing provision

Weightings should be applied to the FTE measure to reflect discipline, level of resource required, and potentially, the level of learner support required (e.g., an access premium for learners with additional needs). This will require more accurate costing information that will emerge in tandem with development of common ETB financial systems.

Include discretionary funding

A percentage of overall system funding will be "top-sliced" for allocation on the basis of proposals from ETBs. This will provide funding (which can carry across years) to support projects or initiatives that address particular strategic themes.

⁵ Cross-year funding will ensure compliance with the Department of Further and Higher Education, Research, Innovation and Science, the Department of Education, and the Department of Public Expenditure and Reform (particularly DPER 13/2014). Strict controls will also be put in place to ensure there is no build-up of significant FET reserves by ETBs.

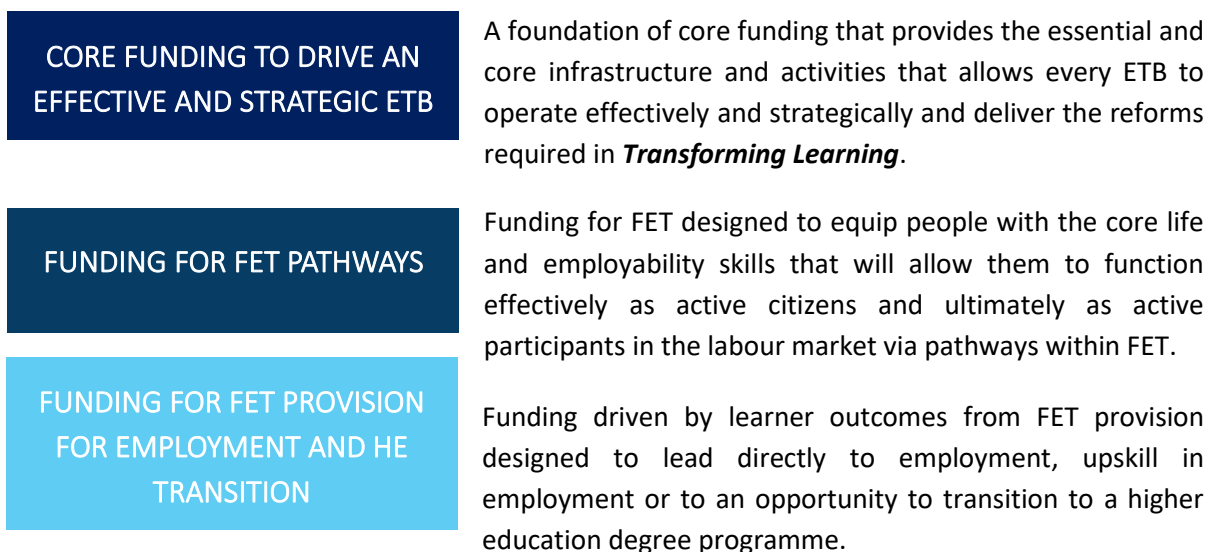
These core components were used to develop and test funding model approaches, and the outcomes from this work are further set out in Sections 5.2 to 5.7. It became clear at an early stage of the process that the current funding system and ETBs are not fully set up to support this proposed new model. Issues around data and categorisation underlined the importance of not assuming that modelling is indicative of a real future scenario, but the analysis, and the discussion of an overall structure and its components, allowed the panel to gain an understanding of what should work and what the future direction should be. While the issues mean there is no “off-the-shelf” model that can be adopted immediately, there are parts of the proposed approach that can be implemented in the short-term, with full roll-out requiring further work and an incremental approach to implementation in partnership with ETBs.

5.2 A SIMPLIFIED STRUCTURE FOR THE FET FUNDING MODEL

One of the biggest barriers identified to people accessing FET in *Transforming Learning* was the complex programme structure, with the simplification of this structure a key priority. The funding model reinforces this with a detailed micro-planning system effectively involving 34 programme-specific funding streams. While there will always be space for programmes or initiatives to address a particular challenge (e.g., Covid-19) or the needs of a particular target group, FET needs to focus more on the discipline, qualification and outcome. The panel has considered the most appropriate means of simplifying the funding approach and proposes a move to a five-pot funding model which is further discussed in the remainder of Section 5. This will ultimately allow ETBs greater flexibility in spend to respond to learner needs. This must be introduced hand-in-hand with a major focus on programme harmonisation, addressing legacy programmes with complex and unique eligibility criteria.

The proposed five-pot funding model represents a move away from the current system – which requires ETBs to predict demand by estimating learner numbers and subsequently revising these estimates at several points throughout the funding year. In line with higher education, schools and most of the international FET funding models considered, funding allocations will be driven by the previous years’ activity and will be structured as set out in Figure 18.

FIGURE 18: FUNDING MODEL STRUCTURE



APPRENTICESHIP FUNDING

Funding to support the ETB role in the development, coordination and delivery of pre-2016 and 2016-plus apprenticeships.

DISCRETIONARY FUNDING

Funding “top sliced” from the overall FET funding allocation and allocated on the basis of: competitive calls; a clear ETB business case evaluated in a transparent manner; or in line with clearly agreed performance criteria.

This proposed core structure was developed and tested through a series of workshops with individual ETBs, and via wider consultation with key stakeholders. This produced broad support for what the simplified structure was intending to achieve, but also allowed significant understanding around how each component of the new funding model should be constructed; the definitional, data and other challenges that would have to be overcome; and the additional measures or mitigations that should be included in order to ensure fairness for all ETBs. In the sections below we discuss each of the proposed model components in turn, highlighting the issues and ideas that were raised during the testing and development of the approach, and what this means for future implementation.

5.3 CORE FUNDING TO DRIVE AN EFFECTIVE AND STRATEGIC ETB

A key theme arising not only during the review process, but also in wider discussions about the implementation of *Transforming Learning*, is the need to invest in the core capabilities of ETBs in order to drive reform, quality, performance and success. Relative to counterparts in higher education, ETBs have very limited resources deployed to central and resource services. The national quality and qualifications body, QQI, has embarked on a re-engagement process with ETBs and is progressing through a process of inaugural quality reviews with each ETB. It has fed back strongly that these limited resources represent a key barrier to development of the ETBs and their agility in responding to regional needs.

In the existing funding approach, the FAR includes categorisation which allows ETBs to claim funding for core operational costs. However, analysis of ETB-by-ETB showed a significant difference between funding requested to meet these costs. It was also clear that there was a difference in attribution of these costs depending on whether activity was related to that traditionally seen as further education, and that traditionally seen as training, with core costs in the former allocated as far as possible to individual programmes. Bringing together existing analysis of core costs claimed by ETBs into this single “pot” approach showed variance in “core funding” of ETBs from €2.8m to

FIGURE 19: CORE FUNDING ALLOCATION



€8.3m, with the proportion of overall funding reflected in this core allocation ranging from 7.1% to 20.5%, and while there was some correlation between overall scale of the ETB or the holding of major training infrastructure, this did not fully explain the discrepancy across the FET system.

The panel therefore proposes that enhanced and consistent funding be deployed under the future model to support ETB core capabilities and central service and support costs that will allow them to serve as an effective and strategic FET provider. The diagram above highlights some of the different cost components that this would involve. There is a growing acknowledgement of the types of core, central capabilities that are now required by an ETB. More focus on strategic planning and data gathering/analysis; quality assurance and enhancement; curriculum development and agile programme development; consistent learner support; technology enhanced learning and digital infrastructure; enterprise engagement; capital management and development; and staff development have all been identified as key priorities. With developments linking FET to the CAO process, it is also important to centralise admissions functions across ETBs and link this to cohesive communications, marketing and recruitment strategies. Provision to ensure consistent investment in these areas across ETBs should be brought into a core funding strand of the future funding model, alongside wider central management and administration costs.

While capital funding is not part of this review, a substantial base of ETB recurrent funding is used to support the costs of leasing property. This has been used as the default approach to meeting gaps in provision while very limited capital funding was available, and a recent SOLAS review of FET estates found that 42% of properties were leased. Many of the leases also included fit-out costs which were then paid for over the remainder of the lease, a practice that should no longer be required as dedicated capital funding ramps up. Clearly this results in different levels of ETB leasing costs, and it is important that they continue to be considered as part of any core funding allocation in the future model.

It is recognised that many ETBs have found means to invest in these areas of core capability, and that levels of expertise exist in some but not in others. The panel was very concerned not to penalise ETBs who had been proactive and already put in place some of these key strategic resources, and indeed the future system and how it is funded should learn from their experiences. Ensuring clear definitions of core funding components and consistent categorisation is also essential to establishing this funding strand. Key implementation steps will therefore involve:

1. Full mapping of current ETB core staffing, an agreed future staffing framework for strategic, core ETB staffing (which also reflects the relative scale of ETBs) and an incremental investment plan to ensure consistent core expertise in all key areas is put in place
2. Work between SOLAS and the ETBs to agree clear definitions of all funding that should be included within the core funding strand
3. Agreement on clear categorisation of all eligible core ETB funding and separation of these costs from funding linked directly to FET provision
4. Understanding of all legacy cost issues within an ETB's core funding allocation, while aiming over time for reconciliation and eradication of legacy issues between ETBs
5. Clear analysis of leasing costs within an ETB's core funding allocation, with a link to a wider estates strategy which will generally reduce reliance on rented property over time (while acknowledging that it still has a role in widening access to FET)

Given all of the above, the panel believes that the core funding pot will have to make a bigger resource pool available than is currently claimed under core operational costs as part of the FAR system. This is essential to support the wider system transformation required and ensure a more consistent approach across ETBs. The Budget announcement of an additional €4m in 2022 to support the core capabilities of ETBs is aligned with this approach and, with the steps above, will allow the sector to clearly identify the core funding and core investment plan over the next few years which will ensure strategic, quality and successful FET.

5.4 FUNDING FOR FET PATHWAYS

FET provision is diverse and complex, with 34 different programmes currently in operation. Nevertheless, when thinking about its nature, we can define two broad categories of FET provision. Firstly, FET designed to equip people with the core life and employability skills that will allow them to function effectively as active citizens and ultimately as active participants in the labour market via pathways within FET. This typically offers qualifications at Levels 1 to 3 on the National Framework of Qualifications. Secondly FET that is designed to lead a graduate directly into employment or to an opportunity to pursue a higher education degree. This typically leads to qualifications at Levels 4-6 on the NFQ. The panel believes there is a need to adopt different funding approaches for each of the two categories. In this section, we focus on the proposed funding approach for the first category, which we define under the “catch-all” term of “Funding for FET Pathways” (while acknowledging there was no clear consensus on the correct terminology to summarise this base of provision). The proposed funding approach for the second category, dubbed “Funding for FET Provision for Employment and HE Transition”, will be the subject of section 5.5.

Inevitably, FET provision that targets development of core personal and employability skills is generally undertaken with learners with significant and diverse support needs, often part-time, often in intensive small-group settings, hence producing a complex underlying cost structure that makes assumptions of broad cost per learner problematic. There are a range of programmes within the FET portfolio that are of this type, and as a first step towards a future funding approach these are grouped together within the FET pathways funding stream. Over time, in line with the simplification of access and pathways set out in *Transforming Learning*, the number of different programmes should reduce, with a focus on learning and outcomes, and wraparound learner support then on hand to cater for the different needs of different target groups. Because of the nature and complexity of this type of provision, the panel deemed that a purely learner outcome method of determining funding levels, such as through an estimate of full-time equivalent (FTE) learners would not be appropriate in the short-term. Rather the panel recommends that a block grant based system is put in place to provide funding for FET Pathways.

FIGURE 20: FUNDING FOR FET PATHWAYS

FUNDING FOR FET PATHWAYS	
Adult literacy, numeracy & digital skills	Skills for Work
Refugee	ESOL
Cooperation hours	Core skills
Community education	Youthreach/ CTC

The block grant awarded to ETBs will initially be based on the costs incurred for delivering on these types of programmes as recorded under the FAR process. However as noted earlier, there are differences in terms of how ETBs allocate and monitor programme costs, with wider work to centralise learner support also having an impact, and this will need to be taken into account in a consistent agreed approach to definitions of eligible funding within this stream and the way in which data is gathered and monitored against this.

Nevertheless, the panel remains of the strong view that there needs to be an emphasis on outcomes across this type of approach, even under a block grant system. During the testing and analysis of potential models there was major inconsistency in the relationship between levels of investment across ETBs and the number of learners completing courses in this proposed category. The average funding per ETB learner in this regard was €4,422, and half of ETBs had average costs in the range of €3,300 to €5,600. However there were notable outliers, perhaps underlining the diversity of provision, length and intensity of engagement, scale of learner support, inconsistency in approach to cost categorisation, etc, with one ETB with an average FET for Pathways cost of €2,310 and one with a level of €7,357. There was strong feedback from ETBs that this type of activity, to build literacy, numeracy and other core skills and facilitate pathways through FET, was subject to a much more varied cost base due to the flexible and diverse nature of provision and the learners served (meaning it was very difficult to define standard contact hours for a part-time learner, for example), and legacy arrangements and buildings that influenced and constrained the nature of provision.

The panel concluded therefore that immediately jumping to an FTE learner driven model for this category of FET would be unfair. However, an approach must be found to drive efficiency and effectiveness and there must be continuous review and challenge of the return on the block grant invested in each ETB in FET pathways, with scope to adjust allocations if relative outcomes remain poor or agreed transformation actions are not implemented. The SPAs should play an important role here, with strategies, reforms and targets for this type of provision embedded within ETB agreements. Aligned to this, there must be close monitoring of outcomes captured in terms of completion of a programme, progression to another FET programme, certification or other qualitative outcome. A qualitative wider benefits of learning tool will also be useful here, together with longitudinal studies of progression from community education to programmes that pursue a major award or certification.

Youthreach and Community Training Centre (CTC) provision is quite a unique aspect of FET, given the younger age cohort of learners and its focus on supporting early school leavers. It supports learners with a complex array of support needs in generally small-scale settings, and as such it has many of the characteristics of the other types of FET provision included within this category, and often facilitates learner progression along wider FET pathways. While Youthreach and CTCs offer awards at Levels 3 to 5 of the NFQ, much of the provision is at Level 4, but the panel believes that, at least in the short to medium term, it is best suited to being supported via a block grant approach as part of this wider funding stream.

To embed this new “Funding for FET Pathways” approach, the following implementation steps will have to be navigated:

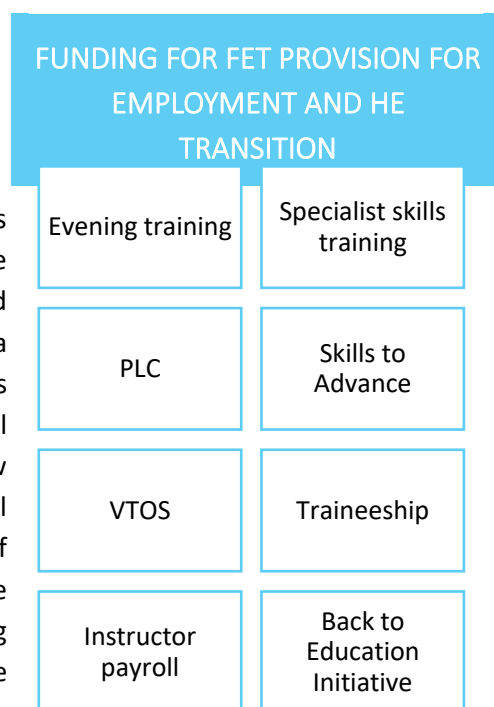
1. SOLAS should formally agree with ETBs all provision which is to be included in the Funding for FET Pathways stream, the costs which will be eligible for funding within the stream, and a consistent approach to data categorisation for both funding and learners.

2. Reforms, developments and growth of provision within this funding stream will be set out within SPAs, and ETBs will be asked to report back on progress each year. The need for funding awarded for FET pathways to be revised to reflect any such changes will be reviewed annually by SOLAS.
3. There will be a full review of the efficiency, effectiveness and impact of Funding for FET Pathways at least every three years which will recommend any major adjustments to funding levels to reflect the relative contribution made by the ETB, or significant changes to key cost drivers.
4. A system for tracking the qualitative learner outcomes should be established, and there should be complete system transparency across all ETBs of individual funding levels, learner numbers and learner outcomes within this strand. System performance targets should include increased certification and FET progression across NFQ levels 1 to 3 with ETB contributions embedded in SPAs.

5.5 FUNDING FOR FET PROVISION FOR EMPLOYMENT AND HE TRANSITION

For FET provision that is more focused on supporting access to employment opportunities, on upskilling those already in employment or on transition to a higher education degree programme, the panel believes that there is a need to move to a funding approach based on learner outcomes, in line with other international funding approaches for further education and training. There are a range of existing FET programmes that fall into this category, as shown in the diagram opposite, and these generally, though not exclusively, involve provision at Levels 4 to 6 on the NFQ. To facilitate this, allocations will be based on the relative ETB level of full-time equivalent (FTE) learners supported, with funding based on learner outcomes of the previous year, based on an agreed and consistently measured definition of what counts as a “completer”. This is an area which requires focused attention, as workshops with ETBs revealed some inconsistency around how full and partial completers are measured, including issues around how completion of individual modules are recorded. Initial modelling of how an FTE driven approach for this type of provision would impact ETBs was undertaken, by grouping the programmes shown opposite into one category and allocating the current level of funding which supports all these programmes across that category on a revised FTE basis. This produced an average of €8,062 estimated funding/cost per FTE learner across provision designed for entry into employment or transition to HE. While there was divergence between the average costs of ETBs, there was closer convergence than in the FET for Pathways strand, with all but two ETBs in the range of €6,500 to €9,700 per FTE, with one outlier having an average cost of €5,850 and one €11,300.

FIGURE 21: FUNDING FOR FET PROVISION FOR EMPLOYMENT AND HE TRANSITION



One of the key issues that emerged from this modelling, however, were the difficulties in drawing overall assumptions about a standard FTE measurement for the very diverse types of part-time courses that are offered across provision of this kind. By examining contact hours and funding allocated via FAR across part-time programmes vis-à-vis full-time ones, it was estimated that the former equates to an average of 21-25% of the cost of the latter. An assumption that every part-time learner equated to 0.25 of a full-time learner was used to drive the initial modelling which produced the variances noted above, but there was much discussion about the appropriateness and accuracy of such a single, broad-based assumption. Added to the complexity of this issue is the emerging need for shorter, more “bite sized” courses, with tailored offerings that may not even amount to the equivalent of a standard module of a full-time course. This is an increasingly important challenge, as the potential of micro-credentials and digital badges is recognised in how further and higher education can deliver on key short-term skills needs in areas like digital transformation, construction and the green skills agenda. We are already seeing this with the Skills to Advance initiative, designed to provide upskilling opportunities for those already in the existing workforce, with over 10,000 employees per annum availing of them, which often involves short courses delivered online, in evenings, and at weekends, often tailored to meet the needs of individual industries or employers. It will be difficult to fit some of this type of provision into an FTE driven model, and the need for investment in innovation and development costs of new ways to deliver FET must also be taken into account.

Nevertheless, the panel does believe that there will continue to be a strong need for full-time FET provision, and for this provision to be offered in more flexible and part-time ways, in line with a growing focus by ETBs on the modularisation of full-time programmes and on workforce upskilling. There is also a base of existing part-time courses with strong demand, delivered over a minimum of four weeks, where an FTE driven model will be valid and should be applied. In the short-term, this FTE model should be driven by the principle of a full-time learner completing a course equating to one FTE, with a part-time learner completing a course equating to a fraction of that which reflects the average cost across the system. Over time, the model should consider how it might move to being driven on a modular rather than a course basis, but this will require wider medium-term reform and should only be considered once the model is fully up and running. For the shorter part-time provision referenced above, a proposed approach under the discretionary funding strand will be set out in Section 5.7.

Another core issue that will need to be resolved surrounds the definition of FET course “completers”. In the existing funding model, data is captured on learners as inputs and outputs, that is, in terms of those numbers beginning a programme and those completing the same programme. Moreover, learner inputs are predicted/estimated at the beginning of the year and used as part of the funding bid in the FAR process. These figures are then adjusted at certain points during the year to reflect actual numbers, while it is also possible to complete a trend analysis on estimates versus actuals through examination of historic data. This is an onerous process for ETBs. The rationale for use of completer data as a measure of outcomes is with a view to simplifying this process and relying on data from the previous year to predict funding need for the forthcoming year.

On PLSS, a “completer” is defined as a learner than has completed greater than 25% of a programme (this can be further differentiated into partial and full completers, with the latter representing completion of at least 75% of the course). This broad definition was used in the modelling conducted by the panel throughout the review. However, upon further consultation with ETBs, it became

apparent that how completers are recorded within the sector can vary, and so the data at present is not consistent. It is possible, in PLSS, to record a completer as a completer of an entire programme made up of a number of modules, or to record a completer as a learner completing a single module as part of a longer programme. Furthermore, one or two-day programmes could potentially generate a number of completers and therefore falsely inflate the number of completers in an ETB.

It is crucial that SOLAS, the FET sector and other stakeholders can arrive at shared agreement in terms of definitions and consistent use of data. This work will continue into the implementation phase, though the panel will offer its recommendation on how this should be achieved in the transition plan.

Another common feature of other funding models for further and higher education is the use of weightings to ensure that state investment reflects the relative costs of delivering courses in different disciplines. This is a key issue for FET, with significant differences in cost characteristics between providing classroom based and laboratory or workshop-based provision, for example, with class sizes, need for technical and technician support, and materials required all contributing to a different funding profile for a learner of each type. While PLSS records the nature of provision in terms of skills cluster and discipline, insufficient cost data existed to include any such modelling in the initial analysis, and it is acknowledged that such factors can have a major bearing on relative funding required by an ETB. The panel therefore believes that for an FTE driven model to be effective, it must include weightings that take account of the core cost drivers of different types of provision within this category. An example of how this might be done across three categories of FET provision is provided in Table 4. This proposes three weightings, similar to the approach currently applied across technical higher education. The really intensive practical hands-on provision, which typically involves workshop type settings with significant kit and equipment, technician support on hand and small groups of learners, would be expected to be the most expensive to run, and hence these courses are weighted at 1.7 in the funding model. Other provision, which is perhaps relies on some technical equipment or specialised software which requires ongoing investment and maintenance and limits class capacity, would be weighted at 1.3. Purely classroom based delivery, where there is scope for larger capacity, little additional kit or materials costs, remains weighted at one.

FIGURE 22: WEIGHTING BY DISCIPLINE AND RESOURCE INTENSITY

Indicative example of discipline weightings		
Workshop based intensive practical learning	Technical learning	Classroom based learning
1.7	1.3	1.0
e.g., Welding, Cooking, Cleanroom Lab Skills, Animal Grooming, Media Production	e.g., CAD Design, Animation, Science	e.g., Business, Law, Office Administration

This initial illustrative example is only based on the perception of the higher cost disciplines. The categorisation and weighting will require full cost analysis across different types of provision and the delivery of different disciplines and will need close input from the ETBs. It may also consider whether weightings should be applied to recognise any other core cost drivers (such as the FET setting).

This funding strand represents the core and critical change in the future funding approach. When implemented fully, it will drive continuous efficiency and effectiveness of provision, and incentivise the growth in FET learners and the FET system’s contribution to meeting future demand for tertiary education. It will require a change of culture, with ETBs planning into the longer-term, continuously reforming provision, and showing agility in adjusting the FET offering, in the knowledge that this will drive improved learner outcomes and be recognised in the future funding of ETBs. While there will remain robust reporting requirements to ensure full accountability for state investment, the model will move away from micro-planning and allow flexibility in how funding is deployed, moving from a funding allocation model to a recoupment of costs-based approach.

To further illustrate how this will work, we will take the future example of an ETB which has 1,000 full-time learners and 1,000 part-time learners completing courses in 2024. The overall allocation for FET for 2025 is confirmed by the Department as €1billion, with the following required across the individual funding strands set out in this report: €150million required to support **core FET infrastructure and capabilities** to allow each ETB to deliver FET effectively and reform it in line with *Transforming Learning*; €300million for core grants to be allocated to fund provision within the **FET Pathways** category; €100mn to support all FET costs in delivering **apprenticeships**; and €50million top-sliced for **discretionary and competitive** funding calls. This leaves €400million to be allocated on the basis of learner outcomes from **provision for employment and transition to HE**, with the funding to be allocated under this funding strand to the ETB derived as follows:

- A weighting for part-time learners completing courses in this category had been agreed at 0.2, meaning the ETB has a baseline level of FTE learners of $1000 + (1000 \times 0.2) = 1,200$.
- Of the full-time learners, 300 completed courses in intensive hands-on workshop based practical FET, weighted at 1.7 in the new model. 300 completed courses in the technical FET disciplines categorised with a weighting of 1.3. The other 400 learners completed courses which were delivered in a basic classroom setting which are categorised with a ‘1’ weighting.
 - $300 \times 1.7 =$ 510 FTEs
 - $300 \times 1.3 =$ 390 FTEs
 - $400 \times 1.0 =$ 400 FTEs
 - **TOTAL** **1,300 Weighted FTEs**
- Of the part-time learners, 200 completed courses in the 1.7 weighting category, 200 completed courses in the 1.3 weighting category and 600 completed courses in the classroom based category. To get an FTE level for part-time provision, there has to be a dual weighting as follows
 - $200 \times 0.2 \times 1.7 =$ 68 FTEs
 - $200 \times 0.2 \times 1.3 =$ 52 FTEs
 - $600 \times 0.2 \times 1 =$ 120 FTEs
 - **TOTAL** **240 Weighted FTEs**

This gives a total weighted FTE level for the ETB of **1,540**. The total weighted FTE level across all FTEs is 20,000. The funding allocation for the provision for employment and transition to HE category for that ETB is equivalent to its relative share of the system wide weighted FTEs. In this imagined scenario, the ETB accounts for 7.7% of sectoral FTEs ($1,500/20,000 \times 100$) meaning that the ETB would receive 7.7% of the available €400million for this pot, which is €30.8m. The panel recommends the use of weightings in this way to reflect the discipline and the full-time or part-time nature of provision, with

scope to also take into account different types of FET delivery model in producing an NFQ level 4, 5 or 6 outcome (e.g., an intensive three or four month full-time course against one delivered across a nine month academic year). The panel also considered whether weightings should be added to reflect additional support needs (e.g., for those learners with a disability) or to reflect an access agenda (by giving an increased weighting to students from an area of relative economic disadvantage, as is the case in the higher education funding model). However, the panel concluded that the focus on core investment to deliver consistent learner support, and the fact that the entire FET system was driven by an ethos of providing access to education for all, meant that this was unnecessary, particularly in the initial period of implementation. Whether weightings should reflect the importance of certification was also considered and while again it was felt that this could overly complicate the allocation approach, this is a matter that should be further discussed in agreeing future definitions of different categories of completer. Nonetheless, there should always be scope for weightings to be added or taken away as required, depending on national and local need or strategic initiative.

The implementation steps that will be essential to embed this funding strand within the wider model will include:

1. A definition of what constitutes a course completer within this category should be agreed between SOLAS and ETBs, along with clear protocols for how this learner data is recorded.
2. SOLAS and the ETBs agree on the provision and the associated NFQ levels which will be included within this category, and the programme harmonisation which should take place which will facilitate the transition to this funding approach.
3. This will include specific focus on the type of part-time provision that should be included in the category, and that which is shorter and more focused and would be more suited to dedicated upskilling funding streams. Further cost analysis should be undertaken to determine the appropriate weighting, or weightings, which should be attached to part-time provision within the future FTE driven component of the funding model, and this should also be agreed between SOLAS and the ETBs.
4. A detailed costing exercise should also be undertaken to determine further appropriate weightings to be applied to reflect the nature of the discipline being taught or other core cost drivers of different types of FET offerings in this category. To maintain the simplicity of the model, no more than three different weightings should be defined to allocate funding on this basis.

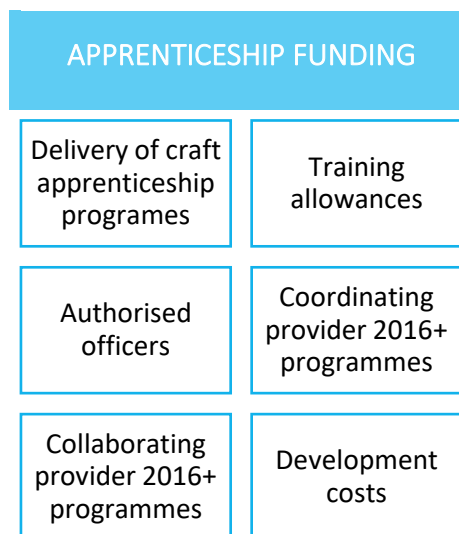
5.6 FUNDING FOR APPRENTICESHIP PROVISION

Within the current FAR approach, there are cost categories dedicated to apprenticeship provision. ETBs can claim funding for the operational costs of delivering craft apprenticeship programmes, and, since 2016, they can obtain funding for the development, management and oversight of new apprenticeship programmes if they serve as the coordinating provider (e.g., MSLETB coordinating the sales apprenticeship; KETB the commis chef; MSLETB the sales and craft butchery; LOETB the scaffolding; and CMETB the original equipment manufacturing). An initial funding approach based on fixed development costs and an allocation based on expected apprentice numbers was introduced to frame these coordinating provider allocations but is under continuous review. ETBs are also funded to fulfil their roles as collaborating providers on these and other new apprenticeship programmes.

Training allowances for craft apprentices to undertake their off-the-job training are also currently allocated via ETBs.

The launch of the new Apprenticeship Action Plan in 2021 has implications for the future FET funding model, as we noted earlier in Section 3.4. It will require ETBs taking on management and oversight roles for craft apprenticeship provision as part of a migration plan to move to a devolved delivery model in line with 2016+ apprenticeships. There is also a commitment to align funding approaches for apprenticeship provision across FET and HE more closely, with a new National Apprenticeship Office playing a role in this regard. Over time, funding for off-the-job training allowances is unlikely to flow through the FET funding model in the same way, with a whole of apprenticeship system core employer grant approach mooted in the action plan, and wider public sector shared service payroll reform leading to a more centralised approach to distributing allowances.

FIGURE 23: APPRENTICESHIP FUNDING



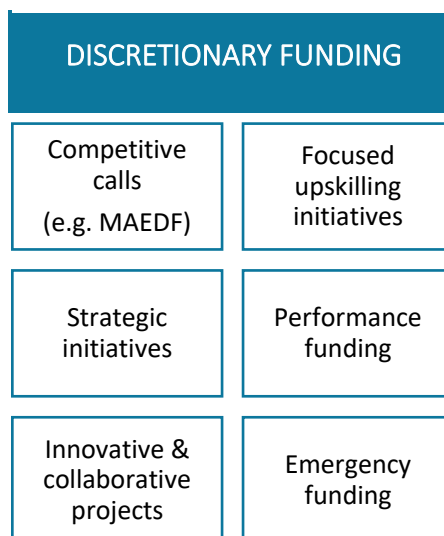
All of this means that it will be critical to maintain a dedicated funding stream for all ETB apprenticeship activity. This will allow the above reforms to be progressed, the role of ETBs in the apprenticeship system to evolve, and for the funding implications to be embedded over time. In the interim, the different components of apprenticeship funding, as set out in the diagram, will be brought together and allocated as a dedicated apprenticeship funding stream.

5.7 DISCRETIONARY FUNDING TO DRIVE INNOVATION, COLLABORATION AND PERFORMANCE

The panel considers discretionary funding to be an important component of the future funding model. This will be effectively “top sliced” off the overall FET funding allocation and allocated on the basis of: competitive calls; a clear ETB business case evaluated in a transparent manner; or in line with clearly agreed performance criteria.

We have already seen the benefits of competitive funding in driving innovation, collaboration and learner outcomes in the development and roll-out of the Mitigating against Educational Disadvantage Fund (MAEDF) and the Skills to Advance Innovation Through Collaboration Fund. It is expected that an increased level of funding will be used in this manner in future years to address specific strategic challenges and stimulate agile FET responses, with areas like green skills, literacy and digital capability likely to be major areas of focus in the short-term. Over time, the aim should

FIGURE 24: DISCRETIONARY FUNDING



always be to mainstream good practice developed through these calls into ongoing provision across the FET system, supported via the other funding model streams.

As the Covid-19 pandemic has demonstrated, there can often be a need to deploy funding to deal with an emergency or rapidly evolving situation, or the labour market consequences of events such as the pandemic or Brexit). The discretionary funding stream can make provision for such requirements. It is also important that there is space to enhance the development of strategic initiatives in support of the reform of the FET system or the delivery of **Transforming Learning**. This could, for example, support the development of specialist FET centres of excellence across the ETB network: or the development of FET-HE co-provision models; or school to FET pathways initiatives. It could also be used to address legacy issues which have an impact on a specific ETB's funding requirements, as long as there is a clear and detailed business case underpinning this.

There could also be scope to use the discretionary funding stream to reward ETB performance in line with, for example, the achievement of targets in SPAs. The higher education experience of performance funding raises questions about the value of this approach however, and it is matter which should be perhaps considered in the medium term when the new funding model is fully established, and the strategic dialogue and performance agreement processes have further matured.

Finally, as noted earlier in Section 5.4, the funding model cannot ignore the ongoing revolution in how education is delivered, a process which a purely FTE driven funding allocation approach based on quite rigid definitions of full and part-time provision will not fully accommodate. The discretionary funding stream should be used to further develop work on agile programme development, and the offering of short, bite sized courses which are essential for workforce upskilling and delivering on immediate construction, green and digital skills challenges.

6. TRANSITIONING TO THE NEW SYSTEM AND MODEL

The previous chapter set out the guiding principles, core components and overall structure of the future FET funding model proposed by the panel. This sets out a direction of travel that will be essential to ensuring that the ambitious *Transforming Learning* strategy can be delivered, and that FET can grow its contribution as part of the tertiary education system and its impact on society and economy. To get to the required destination, as we have highlighted, there will be a need for a number of key implementation steps, and collaboration between SOLAS and the ETBs will be essential in journeying towards the fair and transparent funding approach which will drive future success. In this final chapter, we set out a vision for how the future funding approach will work from an ETB perspective, and then reflect on the transition plan which will be required to implement the future model over time.

6.1 OVERALL RECOMMENDATIONS

Fundamentally, this is about a funding *allocation* system. The proposed model is intended as a simpler, fairer and more transparent approach to defining levels of funding for individual ETBs and encouraging growth and reform in key strategic areas. It intends to do this by ensuring that ETBs have sufficient funds to serve as a strategic and effective coordinator of FET in their regions; to offer a range of provision and supports which will facilitate pathways through FET for a very diverse base of learners; by rewarding and encouraging growth in learner outcomes from courses designed to lead to employment or progression to HE; to support an effective and transforming apprenticeship system; and to stimulate innovation, collaboration and agile skills responses. However, while all of this was used as the basis to determine a level of overall funding for the ETB, the central ethos of the new approach is that the ETB then has flexibility to spend that allocation to develop and deliver FET. There will, of course, continue to be robust reporting requirements to ensure full accountability and that ETB spend on FET is justified and appropriate, but it does not mean that spend must exactly align in each of the five proposed new model strands, and ETBs will be able to prioritise investment in areas of key strategic need, with longer-term multi-annual plans in place to underpin this.

Reflecting the future approach set out in Chapter 5, the panel makes the following overarching recommendations on the future FET funding model:

FIGURE 25: RECOMMENDATIONS BY THE INDEPENDENT EXPERT PANEL



Recommendation 1: Advance to a streamlined funding structure with ETBs funded through five discrete pots thereby enabling greater autonomy and flexibility



Recommendation 2: Shared definitions for use of the funding model with associated targets should be agreed by SOLAS and the FET sector and enshrined in the Strategic Performance Agreements



Recommendation 3: Weightings should be used to account for variations in resource intensity, cost, and strategic initiative



Recommendation 4: Intelligent, data-driven reporting and monitoring through use of PLSS will be the foundation of the new funding model. Funding will be allocated based on accurate PLSS data input and analysis



Recommendation 5: Outcomes-based funding should be applied based on numbers of learner completions in the previous year. FET provision and funding will be driven by learner demand and socio-economic need



Recommendation 6: Bespoke funding solutions will be put in place that recognise the unique character of FET, including for apprenticeship and Youthreach provision, with quantitative and qualitative measures in place to ensure focus on outcomes and impact



Recommendation 7: Strategic, multi-annual planning will support the new funding approach, agreed and delivered through the SPAs



Recommendation 8: Programme harmonisation across all FET provision with a focus on agile course development which can respond to regional needs, alongside more consolidated branding of courses in line with the Future FET strategy.

6.2 THE FUTURE FET FUNDING SYSTEM

So, what will the proposed model set out in Section 5, and the proposed recommendations above mean for how the future funding approach works in practice? Let's imagine we are three years into the full implementation of the new FET funding model. In early January, **ETB A** will receive its funding allocation letter, setting out the overall funding available across four of the five core categories: Core

Funding; Funding for FET Pathways; Funding for FET Provision for Employment and HE Transition; and Funding for Apprenticeship. The letter also confirms that €30m has been “top sliced” for discretionary funding which will be allocated during the year to ETBs via competitive calls or other agreed allocation methods. The letter largely confirms what the ETB had been planning and budgeting for, on the basis of what it had agreed the year before, what it had agreed with SOLAS in terms of changes and developments as part of its SPA, and ongoing budgeting and funding discussions; and on its understanding of how its FTE learner numbers in the last calendar year compared with those across other ETBs. The funding letter broke down the funding allocation as follows:

FIGURE 26: ETB A EXAMPLE ALLOCATION

Core funding

ETB A receives an allocation of **€12million** to fund the costs of the core FET infrastructure, staffing and central FET services that will enable it to deliver and develop FET in its region efficiently and effectively and in line with the future strategy set out in *Transforming Learning*. The allocation for ETB A changed slightly from the year before, as the ETB had agreed to withdraw from two outstanding leases as part of a long-term estates strategy, facilitating coordination and integration of provision in one of its key urban areas. There was also an additional allowance within the allocation to recruit an additional learner support coordinator, as part of an agreed workforce plan in line with the ETB’s SPA.

Funding for FET pathways

In common with most ETBs, ETB A has a large and diverse portfolio of offerings designed to help adults re-engage in education, build key skills that will allow them to lead active lives and help their employability, and facilitate longer-term learning pathways through FET and beyond. In recent years ETB A has worked with SOLAS to simplify these areas and reduce the number of complex individual programme titles. Now there are a range of courses focusing on numeracy, literacy and digital capability, promoted under the Adult Literacy for Life banner, alongside many other adult education offerings in various subjects (including employability, communication skills, personal care, gardening, finance and budgeting) at Levels 1 to 3 on the National Framework of Qualifications. An allocation within this strand is set aside for Youthreach provision, given its unique delivery model and targeting of the specific younger early school leaver cohort. An overall plan for development of the Youthreach offering in the region was set out in the ETB’s SPA, and the allocation to support delivery of this plan via the network of Youthreach and community training centres has been maintained in line with progress made with the ETB.

The initial block grant allocation was set on the basis of historic costs and funding claimed via the old FAR approach, with some adjustments made following a process between SOLAS and the ETBs to ensure costs were categorised and analysed consistently and robustly across the system before the new funding model was formally launched. Within the ETB’s SPA, targets have been set for increasing accreditation levels at all of these courses at Level 1 to 3, and number of learner progression movements along a FET learning pathway. ETB A has placed significant emphasis on ensuring that recognition and awards are available for anyone who wishes to pursue them across all of their offerings, and while some learners choose not to pursue the accreditation path, this has helped to grow Level 1 to 3 certification, and also helped efforts to growth FET learning pathways, with ETB A’s

performance outstripping these targets in both of the years since the agreement was put in place. The block grant allocation for **FET Pathways** for ETB A this year also includes additional funding on the basis of a business case submitted by the ETB in the previous year, which demonstrated growth in provision and set out a strong rationale for additional teaching resources and learning support costs in order to maintain and further grow provision. The case was accepted following consideration by a SOLAS funding evaluation committee on the basis of the need set out and also the strong performance to date by the ETB on delivering on the relevant parts of the SPA. The provisional funding allocation is therefore confirmed as **€16million**.

Funding for FET Provision for Employment & HE transition

There have been significant changes in the way in which provision within this funding stream has changed since the programme-based FAR system. The terms PLC, Traineeship, specific skills training, evening training and Back To Education Initiative are no longer officially used to describe this provision which typically covers levels 4 to 6 on the National Framework of Qualifications. Rather the focus is on the NFQ level, the discipline, and the outcome, in terms of whether the course principally prepares you to move straight into a career or to transition into a higher education degree programme. Some of these courses cover the academic year, some involve more intensive full-time provision over a shorter period of time, and there are a range of different ways by which Level 4 to 6 offerings can be accessed on a more part-time, flexible model. All of this is taken into account in setting ETB A's allocation under the **FET for Employment and HE Transition** funding stream via the weighted FTE funding allocation approach described in Section 5.5.

There is an overall FET system funding pot of €350million for distribution across the ETBs within this funding stream. When all part-time, full-time, discipline-based and other weightings are applied to provision for employment and HE transition in the **previous year**, as recorded in PLSS, this gives an overall number of weighted full-time equivalents (FTE) of 67,500. The weighted FTE total for ETB A for the previous year is 5,700. ETB A's provisional share of the €350million funding pot is therefore 8.4% (5,700/67,500) which equates to **€29.5 million**. This represents a larger proportion of the pot than the previous year, a scenario the ETB had anticipated and broadly budgeted for, given the growth in demand it had generated for these courses which was not fully replicated across all ETBs.

Funding for Apprenticeship

ETB A is heavily involved in craft apprenticeship provision, with three intakes a year of two classes of electrical, carpentry and plumbing apprentices, and two intakes of a class in motor mechanics and metal fabrication, supporting 200 craft apprentices per annum in total in Phase 2 of the programme. An allocation of €4million is provided to meet the costs of this provision and recognise the level of apprentices trained, reflecting an approach agreed between SOLAS and the National Apprenticeship Office. In addition, ETB A has taken on a lead role in the coordination of the national plumbing apprenticeship programme, following the move to a devolved delivery model for craft programmes in recent years, and an allocation of €1million is included to meet the costs of performing this role. It also drove the development, and now serves as coordinating provider, for one of the newer post-2016 apprenticeship programmes, and itself provides

off-the-job training for 120 apprentices per annum under this programme, with an allocation of €1million. This gives ETB A an overall funding allocation for apprenticeship of **€6million**.

Discretionary funding

In the funding allocation letter, SOLAS confirmed that the €30million top-sliced for discretionary funding would provide for two distinct competitive calls during the year:

- (1) A Mitigating Against Educational Disadvantage call with up to €7million available to ETBs for innovative and collaborative proposals for community-led responses to address educational disadvantage
- (2) A Green Skills Fund call to develop responses to support the delivery of the FET green skills action plan, with up to €7million available

In addition, the letter stated that €6million will be made available for allocation to ETBs to develop centres of excellence in specific skills areas, with €8million available to fund development and delivery of short, focused ETB upskilling responses that do not fall into the full or part-time category definitions in the FET for Employment or HE Transition Stream. These two discretionary funds will be allocated on the basis of a business case template submitted by ETBs. All of this project type funding allocated as part of the discretionary funding scheme will facilitate carry-over of project budgets across calendar years. The letter also confirms that €2million of contingency funding will be kept aside and unallocated, for allocation during the year if immediate responses are required to an urgently emerging need or to address an emergency situation.

ETB A submits proposals during the year to the MAED and Green Skills fund, securing an additional €200,000 and €800,000 in project funding, respectively. It is also awarded €1million to develop provision in its centre of excellence in construction and €400,000 to develop a suite of micro-credential courses for use by the manufacturing industry.

Overall allocation & reporting

Given the above, the funding letter sets out a provisional allocation (before discretionary funding) for the ETB of €63.5million (12+16+29.5+6). This represents a 3.6% increase on the funding allocated to ETB A the previous year, when the allocation was €61.2million. As noted above, the overall change in the FET budget for allocation to the FET system was 0.8%. A moderator mechanism, preventing any sudden funding “shocks” for ETBs, is in place, which limits any annual change in funding for an individual ETB to +/- 2% from the overall change in overall FET funding available from year-to-year. This means that ETB A’s allocation can only increase by a maximum 2.8% from the previous year (conversely if FTE numbers or any other factors had caused the initial provisional allocation to decline, this could only be as much as 1.2% less than the previous year’s funding. This means that ETB A’s allocation for the year (prior to allocation of the discretionary funding) is €62.4million.

ETB A is no longer required to fill out FAR reporting templates in the first part of the year. Learner data will all be gathered automatically via PLSS, with significant work undertaken before the formal launch of the funding model to ensure consistent and comprehensive categorisation of learner data and

sufficient resources and expertise to maintain a robust live learner records system across all ETBs. Rather than ETBs being asked for detailed plans for the year as part of the FAR process, they will instead be asked to produce an annual report at year-end demonstrating how they delivered against commitments in SPAs and in relation to any other important themes or issues identified to SOLAS. The effective deployment of FET expenditure remains critically important and a budget for the year in a defined format will still require to be submitted by ETB A. This will be monitored throughout the year, but it is hoped that by this stage shared common financial systems will be in place across ETBs which will allow the updated FET financial position across ETBs to be gathered in real time electronically without the need for submission of detailed reports at periodic intervals.

6.3 TRANSITIONING TO THE FUTURE FET FUNDING MODEL

We have noted in the report the key current challenges that prevent a new “off the shelf” funding model from being immediately implemented across ETBs. These include the need for:

- ETB engagement with the PLSS learner and course record system to further mature, to ensure more consistent and comprehensive data categorisation and real time data entry
- Programme harmonisation from the complex current 34 FET programme structure, facilitating the move to a streamlined, five pot funding approach
- Detailed cost analysis of critical aspects of FET provision that are proposed to drive the future funding model, and agreed definitions and categorisation of cost and funding components to ensure consistent financial data across ETBs
- Common shared financial systems across all ETBs, underpinned by a new chart of accounts, to ensure more robust ongoing financial oversight and facilitate real time analysis of expenditure over the course of a year

Hence the first step following completion of the review should be the establishment of an Implementation Group that will plan and oversee the roll-out of the new funding model, based on the guiding principles, core components, structure and recommendations set out by the panel in this report. Even as the above challenges are addressed, implementation will require a phased and incremental approach, ensuring that ETBs can plan for and respond to the evolving funding model. To support transition, there should be a period where simulated funding allocations under the new model will be communicated on a “notional” basis in tandem with continuation of ongoing funding arrangements. The transition to the new model should also involve initial application of an FTE driven component of the funding model on a small portion of overall funding, mirroring the methodology of adopting the HE funding model for institutes of technology (see section 4.2).

Within this context, we set out the broad steps that should comprise the implementation plan over the next few years to embed the future FET funding approach below.

FIGURE 27: IMPLEMENTATION PLAN

Implementation Plan		
No	Timeline	Action
1	Q2 2022	Establish a Future FET Funding Model Implementation Group involving SOLAS, ETBs and other key stakeholders
2	Q2 2022	New SPAs in place setting out key elements of funding transformation process, including development of staffing and other core services to meet core capabilities, integration of FET offerings, setting of new FET system targets and other key strategic reforms and developments
2	Q4 2022	Establish process to agree consistent definitions, categorisations and input and quality assurance approaches across ETBs for PLSS to ensure it can serve as a robust driver of the future funding model
3	Q4 2022	Continue work to harmonise FET programmes to provide platform for moving to new proposed five pot funding model
4	Q1 2023	Funding Allocation Request process for 2023 to be structured in line with the five pot funding approach
5	Q2 2023	Detailed cost modelling and analysis undertaken to understand in detail all of the key FET cost drivers identified in this report and provide a basis for relative weightings to be agreed by SOLAS in consultation with ETBs
6	Q3 2023	Process to migrate all ETBs onto common financial systems with revised chart of accounts to be completed, allowing development of new financial data system to underpin the FET funding model
7	Q3 2023	SOLAS to enhance usage of PLSS capabilities and explore solutions for varied use of system for reporting, analysing and managing funding data
8	Q4 2023	Implement approach to facilitate qualitative analysis of value of FET for Pathways provision via use of a distance travelled learner records tool
9	Q4 2023	Full testing of new proposed weightings and their impacts over time of the relative funding of ETBs, with any required revisions agreed by SOLAS in consultation with ETBs
10	Q4 2023	Draft detailed parameters for the new future funding model published, including detailed weightings and rules for data categorisation, data gathering, funding and reporting to be published
11	Q1 2024	Full parallel simulation of what a fully implemented funding model would mean for each ETB to run alongside existing funding allocation approach
12	Q4 2024	Final detailed parameters for the new future funding model published, including detailed weightings and rules for data categorisation, data gathering, funding and reporting to be published
13	Q4 2024	Periodic approach to independent auditing of ETB learner data to be agreed
14	Q1 2025	Funding model fully launched with five pot approach ⁶

⁶ It could be considered at this stage whether the FTE component of the model could be applied incrementally to divide up each ETB's share of the funding pot for FET for Employment and HE Progression. This could mean, for example, 25% of this pot being distributed by an FTE approach in year 1, 50% in Year 2 and then 100% in Year 3. This would mirror the phased approach taken within HE to the introduction of the funding model for IoTs. However, there is a notable difference in that the HE funding model was virtually wholly driven by FTEs when fully implemented, where this FET proposal involves only a partial FTE driven approach, which arguably negates the need for any further phasing.

APPENDIX 1: GLOSSARY OF TERMS

BTEI	Back to Education Initiative
CE	Community Employment
CTC	Community Training Centre
DEASP	Department of Employment Affairs and Social Protection (renamed Department of Social Protection Oct 2020)
DES	Department of Education and Skills (from May 2010-Oct 2020 – renamed Department of Education Oct 2020)
DFHERIS	Department of Further and Higher Education, Innovation, Research and Science (since Oct 2020)
DEIS	Delivering Equality of Opportunity In Schools
DPER	Department of Public Expenditure and Reform
ESRI	Economic and Social Research Institute
ETB	Education and Training Board
ETBI	Education and Training Boards Ireland
EU	European Union
FAR	Funding Allocation Request
FARR	Funding Allocation Request Report
FÁS	An Foras Áiseanna Saothair (trans. the training and employment authority)
FE	Further Education
FET	Further Education and Training
HE	Higher Education
HEI	Higher Education Institution
ICT	Information and Communications Technology
IoT	Institute of Technology
MoU	Memoranda of Understanding
NFQ	National Framework of Qualifications
OECD	Organisation for Economic Cooperation and Development
PIAAC	Programme for the International Assessment of Adult Competencies
PISA	Programme for International Student Assessment
PLC	Post Leaving Certificate
PLSS	Programme and Learner Support System
SDP	Strategic Dialogue Process
SOLAS	An tSeirbhís Oideachais Leanúnaigh agus Scileanna (trans. the further education and skills service)
SPA	Strategic Performance Agreement
STP	Specialist Training Providers
ToR	Terms of Reference
VEC	Vocational Education Committees
VET	Vocational Education and Training
VTOS	Vocational Training Opportunities Scheme
QQI	Quality and Qualifications Ireland

THE INDEPENDENT EXPERT PANEL

Fiona Hartley O'Connor

Fiona was Executive Director, Strategy and Knowledge in SOLAS from 2012 – 2017. Prior to that, Fiona was Chief Executive Officer of County Wicklow VEC. Fiona also worked in County Dublin VEC as Education Officer, and in City of Dublin VEC as Deputy Principal and Principal of Whitehall College.

Ted Owens

Ted retired in 2018 as Chief Executive of the Cork Education and Training Board. He was appointed to the position on the establishment of the ETB in June 2013. Prior to then, Ted served as CEO of the City of Cork VEC from June 2005. CETB is one of the biggest providers of further education and training in the country with large further education colleges, training centres, and a wide range of community education provision in a variety of settings. City of Cork VEC was, in its day, the second largest provider of further education in the country. From 2000 to 2005 Ted was Education Officer with County Cork VEC. Prior to that appointment, Ted served as Principal of Glanmire Community College, on the outskirts of Cork City, and before then as Principal of Beara Community School in rural West Cork. Ted has over 40 years' service in the vocational education sector; he began his career in Mallow Vocational School in 1976, while he also taught in St Aidan's Community College in Cork.

Ken Rutherford

Ken has worked in tertiary education for 30 years, including 15 years on the Senior Management Team of Elmwood College in Scotland, and then seven years as an Assistant Director at Scottish Funding Council (SFC). Ken led planning and decision making at a strategic level for the college and university sectors in Scotland. He has also delivered outcomes/outputs within community learning, knowledge transfer, and creativity, innovation and enterprise strategies areas of work. He has considerable experience working with complex, multi-faceted priorities including work with governments and interpreting priorities to set planning developments with the higher education institutions and regional colleges, where the diversity between institutions' missions is considerable. Ken has been involved in many international consultancies in Europe, the Far East and South America, which have included curriculum reviews and planning, quality enhancement and educational management, latterly in Slovenia introducing performance agreements to their universities sector.

MEMBERS OF SOLAS INTERNAL ADVISORY GROUP

Name	SOLAS Role
Andrew Brownlee	CEO
Conor J. Dunne	Executive Director, Support
Nessa White	Executive Director, Transformation
Mary-Liz Trant	Executive Director, Delivery
Gerard Gasparro	Director, Finance
Ciarán Conlon	Director, System Funding and Performance
Mary Lyons	Director, Enterprise, Employees and Skills
Greg Bissett	(Acting) Director, System Funding and Performance
Gerry O'Connor	Manager, FET Capital and Investment
Aoife Dempsey	Project Officer / Secretariat

MEMBERS OF SOLAS DATA WORKING GROUP

As the work of the expert panel and SOLAS progressed over the course of 2020, it was decided that a more robust data working group should be established to begin preliminary examination of financial data and modelling of a full-time equivalency (FTE) approach to funding the sector. The FMR Data Working Group was established in October 2020 and comprises representatives from Planning and Funding (Greg Bissett), from PLSS and Data (Harry Connor) and from Finance (Rod Tierney), with guidance from Andrew Brownlee, Aoife Dempsey and Nessa White. The group was tasked with sense-checking the provisional FTE funding model ahead of the planned ETB pilots in February and March 2021.

APPENDIX 3: THE LEGISLATIVE ROLE OF SOLAS⁷

1	Prepare and submit to the Minister a strategy in respect of the provision of further education and training.
2	Promote an appreciation of the value of further education and training.
3	Consult with the Minister for Social Protection, the Minister for Jobs, Enterprise and Innovation and employers from time to time for the purpose of determining which, or which classes of, further education and training programmes should be the subject of advances by An tSeirbhís [SOLAS].
4	Advance moneys to education and training boards and other bodies engaged in the provision of further education and training programmes.
5	Provide, or arrange for, the provision of training and retraining for employment and to assist in and coordinate the provision of such training by persons other than An tSeirbhís (SOLAS).
6	Assess whether or not education and training boards, and other bodies engaged in the provision of further education and training programmes, to whom money have been advanced under Section 21 perform their functions in an economic, efficient and effective manner. ⁸
7	Promote, encourage and facilitate the placement of persons belonging to such class or classes of person as may be specified by the Minister for Social Protection after consultation with the Minister in further education and training programmes that are funded, in whole or in part, out of public moneys.
8	Promote cooperation between education and training boards and other bodies involved in the provision of further education programmes.
9	Promote equality of opportunity in relation to the provision of further education and training.
10	Develop, and facilitate the development of, new and existing further education and training programmes including the establishment of systems designed to monitor the quality of the education and training concerned for the purpose of ensuring that those programmes serve their purpose.
11	Provide or assist in the provision of training to persons charged with the delivery of further education and training programmes in respect of which moneys have been advanced by An tSeirbhís under Section 21.
12	Conduct, or arrange for the conduct of, research as respects any matters relating to the functions of An tSeirbhís.
13	Advise the Minister in relation to any matter connected with the functions of An tSeirbhís.

⁷ Section 7 (1), “Further Education and Training Act” (2013).

⁸ Section 21 of the “Further Education and Training Act” (2013) relates to the conditions of funding. [Click on this link to view Section 21 of the FET Act.](#)