

# Annual Report and Accounts 2018



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## CHAIR'S FOREWORD



I am pleased to submit SOLAS' fifth Annual Report covering the period from 1st January to 31st December 2018, to the Minister for Education and Skills in accordance with Section 32(1) of the Further Education and Training Act, 2013.

SOLAS was five years old in October 2018. Huge changes have occurred since 2013 at SOLAS, in the FET sector and in the Irish economy. A ground shift happened in Further Education and Training during this reporting period and I am very proud of the contribution SOLAS made to leading this positive change. Most significantly, the funding model for FET, changed radically in 2018 with the development of evidence-based Strategic Performance Agreements for each individual Education and Training Board that were the outcome of intensive strategic dialogues with SOLAS, ETBs and independent experts. The agreements also commit each ETB to contributing to national targets. An increased demand for apprenticeships and work-based learning, excellent engagement with career guidance counsellors and an increasingly positive narrative about Further Education and Training were features of 2018.

Change was also a feature during this time. Joe McHugh TD became Minister for Education and Skills; our CEO, Paul O'Toole left SOLAS to become CEO of our sister organisation, the Higher Education Authority, with Conor Dunne, SOLAS Executive Director for Resources stepping into the vacant CEO role in an acting capacity. This change continued at Board level with Conor Dunne becoming an ex-officio member and the terms of the previous Chair, Pat Delaney and three Board members, Berni Brady, Cathriona Hallahan and William Egerton expiring. On behalf of the Board, I wish to recognise the enormous contribution made by Paul, Pat, Berni, Cathriona and William in establishing and guiding SOLAS through its first five years.

I wish to thank Minister McHugh and the Minister of State for Skills, Research and Innovation, John Halligan TD, and officials from the Department of Education and Skills for their guidance and support throughout the year.

I would like to acknowledge the efforts of the SOLAS CEOs, Paul O'Toole and Conor Dunne, SOLAS staff, ETBI, the Education and Training Boards, government agencies and bodies and our other partners across the FET sector, to constantly strive for excellence in FET and to have it recognised as an education choice by learners and employers.

On behalf of the SOLAS Board, I wish to reiterate our commitment to guide and support SOLAS in all of its endeavours. Our collective experience and shared goals, I believe, are helping to shape a FET sector that delivers for learners, employers and communities.

The Board continues to provide strategic direction to SOLAS through its oversight of the FET Services Plan and associated funding activity, the progression of the FET Strategy 2014-2019 and the implementation of the SOLAS Corporate Plan 2017-2019. On behalf of the Board, we look forward to guiding and supporting SOLAS in the coming years.

**Patricia Carey**  
**Acting Chair**

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## CEO'S FOREWORD



At a time when the economic landscape of Ireland is changing, when more people are in employment and when businesses face new challenges, further education and training now more than ever needs to be responsive and relevant.

Together with our partners in the Education and Training Boards and Regional Skills managers, SOLAS is committed to continuing to build a FET sector that meets the needs of wide and varying cohorts of learners and businesses. Education and training for those who are upskilling to enter the workforce or progress within their existing career, progressing into further or higher education, starting an apprenticeship or traineeship, or those who wish to develop their literacy and numeracy skills. Education and training that recognises the skills needs of employers and businesses and supports the development of their workforce.

SOLAS and the ETBs continue to work closely to ensure that FET provision is responsive to the rapidly evolving skills, technological, social and economic landscape. Each ETB region has unique characteristics so it is important that we recognise this and respond effectively. Strategic Performance Agreements developed by SOLAS and individual ETBs demonstrate this and many interesting and innovative examples of good practice emerged. The agreements set out a clear direction for ETB development over a three year period and include proposed ETB contributions towards national FET system targets.

This year saw the launch of Skills to Advance, a new policy framework developed and launched by SOLAS in partnership with education and enterprise stakeholders. The framework will enable targeted support for vulnerable groups in the Irish workforce and support small and medium sized enterprises (SMEs) who need assistance to invest in and develop their workforce.

This marks the start of an exciting new development in further education and training provision and an opportunity to develop stronger links with enterprise.

An independent Progress Review of the Further Education and Training Strategy 2014-19 was published this year. Many positive developments towards ensuring a more strategic and integrated system in the sector were noted. The outcomes of the review will assist in the development of the next five year FET strategy plan which will commence in 2020.

The national expansion of apprenticeship and traineeship continues, with nine new apprenticeships rolled out in 2018, bringing to 19 the number of new apprenticeships live by the end of 2018. This is alongside 25 existing craft apprenticeships. There are currently over 50 traineeship programmes available around the country. New apprenticeships and traineeships continue to be developed across a range of industries and sectors in response to identified skill needs.

I would like to thank my dedicated team at SOLAS, the SOLAS Board; the Minister for Education and Skills and the Minister of State for Skills, Research and Innovation and officials at the Department of Education and Skills; ETBI; the ETBs and other partners, and I would like to take this opportunity to acknowledge SOLAS' valuable contribution to the progress made in the FET sector. We are grateful for the support of our partners and stakeholders and we look forward to continuing to work together to provide a positive experience for FET learners, businesses and local communities.

A handwritten signature in dark ink, appearing to read 'Conor J Dunne', written in a cursive style.

**Conor J Dunne**  
**Acting CEO, SOLAS**

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## BOARD OF SOLAS

### An tSeirbhís Oideachais Leanúnaigh agus Scileanna Further Education and Training Authority

The Board of SOLAS was appointed on 27 October 2013 by the Minister for Education and Skills. The Board comprises a Chairman and 12 ordinary members, including the CEO – SOLAS (*ex-officio*).



**Patrick Delaney, Chairman**

Former Director of Irish Business and Employers Confederation (Ibec)  
Former Director, Small Firms Association (SFA)



**Bernadette Brady,**

Former CEO, AONTAS, the national adult learning organisation



**William Egenton**

Managing Director,  
Dromone Engineering Limited



**Patrick J Dwyer**

Head of Google Cloud for SMB  
EMEA



**Darragh J Loftus**

Core Technology Account Manager,  
Oracle EMEA Limited



**Patricia Carey**

Former President,  
Skerry's Business College, Cork





**Cathriona Hallahan**

Managing Director,  
Microsoft Ireland



**Seán Burke**

Former Chief Executive Officer,  
Limerick and Clare Education  
and Training Board



**Sinead McCluskey**

Director of Commercial  
Innovation, PEI Surgical



**Cecilia Munro**

Principal, Dun Laoghaire Further  
Education Institute, Dublin and Dun  
Laoghaire ETB



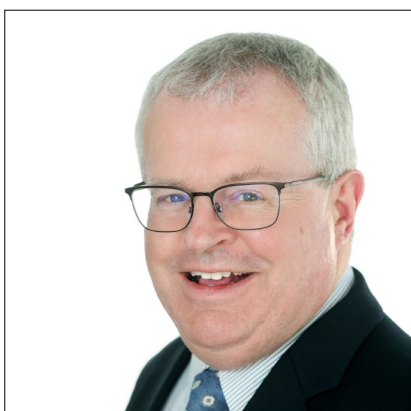
**Paul O'Sullivan**

Former Dean and Director,  
College of Business, Dublin  
Institute of Technology



**Catrina Sheridan**

Founder and CEO, Nafasi.tech



**Paul O'Toole (ex-officio)**

CEO, SOLAS, the Further Education  
and Training Authority  
(to 26th October 2018)



**Conor J. Dunne (ex-officio)**

Acting CEO (from 26th October  
2018)

# BOARD OF SOLAS

## Period covered – 12 months

January to December 2018

## Board of SOLAS

A total of nine SOLAS Board Meetings were held during the 12-month period 1 January to 31 December 2018.

	Meetings attended
<b>Patrick Delaney – Chairman*</b>	<b>8/9</b>
<b>Bernadette Brady</b>	<b>5/9</b>
<b>Seán Burke</b>	<b>9/9</b>
<b>Patricia Carey</b>	<b>8/9</b>
<b>Patrick J Dwyer</b>	<b>9/9</b>
<b>William Egenton</b>	<b>6/9</b>
<b>Cathriona Hallahan</b>	<b>4/9</b>
<b>Darragh J Loftus</b>	<b>6/9</b>
<b>Sinead McCluskey</b>	<b>7/9</b>
<b>Cecilia Munro</b>	<b>8/9</b>
<b>Paul O'Sullivan</b>	<b>6/9</b>
<b>Paul O'Toole</b>	<b>8/9</b>
<b>Catrina Sheridan</b>	<b>8/9</b>
<b>Conor Dunne*</b>	<b>1/9</b>

\* Conor J Dunne was only in situ for one Board Meeting in 2018

\* Patrick Delaney, Bernadette Brady, William Egenton, Cathriona Hallahan and Paul O'Toole eligible to attend eight of the nine meetings during the period.

## Changes during 2018 – (including new appointments and reappointments)

<b>Patrick Delaney</b>	Term of office (five years) as Chairman of the Board concluded on 26 October 2018.
<b>Bernadette Brady</b>	Term of office (five years) concluded on 26 October 2018.
<b>William Egenton</b>	Term of office (five years) concluded on 26 October 2018.
<b>Cathriona Hallahan</b>	Term of office (five years) concluded on 26 October 2018.
<b>Paul O'Toole</b>	Term of office (five years) Chief Executive Officer and ex-officio member of the Board of SOLAS concluded on 26 October 2018.
<b>Conor J Dunne</b>	In his capacity as Acting CEO, Conor J Dunne became an ex-officio member of Board of SOLAS commencing on 27 October 2018.

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# SOLAS BOARD COMMITTEES

## Audit and Risk Management Review Committee

Four meetings were held.

<b>Cathriona Hallahan</b>	Chairperson and SOLAS Board Member
<b>Seán Burke</b>	SOLAS Board Member
<b>Robert Chestnutt</b>	External appointee
<b>Paul O'Sullivan</b>	SOLAS Board Member

## Strategic Planning Committee

Three meetings were held.

<b>Cecilia Munro</b>	Chairperson and SOLAS Board Member
<b>Bernadette Brady</b>	SOLAS Board Member
<b>Darragh J Loftus</b>	SOLAS Board Member
<b>Patrick J Dwyer</b>	SOLAS Board Member
<b>Sinead McCluskey</b>	SOLAS Board Member

## Workforce and Organisational Development Committee

Three meetings were held.

<b>Patrick Delaney</b>	Chairperson and Chairman, Board of SOLAS
<b>Patricia Carey</b>	SOLAS Board Member
<b>Catrina Sheridan</b>	SOLAS Board Member

A member of the SOLAS Board was also a member and Chairman of the National Apprenticeship Advisory Committee during 2017. (See Appendices for further information).

## Independent Evaluation

In accordance with section 4.6 of the Code of Practice for the Governance of State Bodies 2016, the SOLAS Board undertook a review of its performance at the end of 2017. This review was discussed at the Board's annual strategy and planning day in January 2018.



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FET IN 2018

**307,818**

beneficiaries

**33**

skills clusters

**108,891**

full-time beneficiaries

**198,927**

part-time beneficiaries

**232,038**

new entrants

Delivered by

**34**

voluntary secondary  
and community  
comprehensive  
schools

**16**

ETBs

**14**

grant-aided  
consortia

**24**

State agencies  
and bodies

**48,934**

community education  
beneficiaries

**13,859**

eCollege beneficiaries\*

\*excludes fee paying learners

# FURTHER EDUCATION AND TRAINING IN 2018

It is five years since SOLAS embarked on its mission to build a world class Further Education and Training (FET) sector in Ireland. In that time, we have experienced a great deal of change and progress across the FET landscape.

Last year was no different in terms of achievements in FET, with significant developments across the system, including the establishment of strategic performance agreements between SOLAS and ETBs.

Within FET you can find learners upskilling for myriad reasons. Some want to transition into employment or develop an existing career while others are progressing into other FET provisions or higher education options. Some are starting a new career via a traineeship or apprenticeship or developing literacy skills for the first time. It is this versatility and choice that make FET courses such a popular choice.

FET courses are provided across more than 33 skills clusters allowing participants to access education and training that both suit their individual needs and which are relevant to regional labour market opportunities.

There were in excess of 300,000 beneficiaries in FET during 2018, which gives an indication of the scale of provision across levels 1-6 of the National Framework of Qualifications. This was underpinned by approximately €640m of public investment via SOLAS, with a further €140m directly provided by the Department of Education and Skills to ETBs to support PLC provision.

## System Performance

Following an intensive eight month development process, which included input from an independent expert panel, agreements were put in place between SOLAS and each of the 16 ETBs.

A wealth of information arose from this work with agreements reached on matters concerning policy, strategies, targets, and developments within the labour market.

What has followed is an ongoing programme evaluation which sets out a clear direction for ETB development over a three-year period.

Further planning can grow from this evaluation and linked to resource allocations as needed.

In short, these are the pieces that complete the jigsaw of the multi-annual strategic planning framework for FET. A key aspect of these agreements is the setting up of proposed ETB contributions towards six of the core national FET system targets. These include: a focus on employment; progression to other education and training opportunities; transversal skills; lifelong learning; meeting Ireland's key skills needs; and embracing new models of traineeship and apprenticeship.

The establishment of strategic performance agreements - the alignment of personal and organisational growth - during 2018 also allows us to develop an overview of outcomes across the six core targets within these agreements with ETBs.



These include:

1. **Jobs:** We supported 18,500 learners moving into employment from provision which primarily serves the labour market, an increase of over 2,000 on the employment outcomes delivered in 2017.
2. **Progression:** We supported almost 20,000 learners to progress to other further or higher education courses from provision. Interestingly, it is known that 5,300 PLC graduates progressed into Irish higher education in 2017/18, with around 17% of those completing such courses, and 500 graduates securing advanced entry to HE institutions. These figures do not include a significant PLC graduate cohort who progressed to university study in the UK in 2017/18, nor the 300 who progressed to higher education from other FET courses.
3. **Transversal Skills:** We delivered over 13,000 certificates to recognise the transversal skills development of learners in areas such as literacy, numeracy, employability, core ICT and personal development. This marked an increase in the certification rate of 10% on 2017.
4. **Life-long learning:** We offered over 5,000 additional places for adults to engage in lifelong learning FET programmes, with the new 'Skills to Advance' initiative launched in 2018 to fund FET upskilling for those in the workforce whose skills levels are below level 5 on the National Framework of Qualifications.
5. **Critical skills needs:** We provided over 6,500 additional qualifications related to identified national skills requirements.
6. **Embracing new models of delivery:** We continued to rapidly expand the traineeship model, with 50 new traineeships in place by the end of 2018, in areas like medical administration, outdoor activities, animation and healthcare. We had over 3,000 new registrations during the year. By the end of 2018, there were also 35 apprenticeship programmes in place, with 19 new programmes developed since 2016, in the areas of commis chef, software development associate, network engineer associate, auctioneer/property services and butchery within FET during 2018.

## Brexit and FET

Brexit is expected to have a material impact on the Irish economy<sup>1</sup>. It will impact trade, foreign direct investment and the labour market<sup>2</sup>. Small to medium-sized businesses along the border counties may be more badly affected than other businesses<sup>3</sup>. This could give rise to location and/or sector-specific challenges. Consequently in 2018 ETBs, and especially those in or adjacent to the BMW region are scoping and developing programmes to equip individuals impacted by 'Brexit' with new or higher-level skills. Some potential FET-related opportunities may also emerge including an increase in employer and student demand for new and existing FET provision including new apprenticeships, most notably those relating to transport and freight forwarding, financial services and the export of food. These changes will be reflected in the individual ETB strategic performance agreements for 2018 and 2019.

## Evidenced based planning and measuring impact

There were also exciting developments during 2018 around the development of data management and analysis. This ensured an even greater measurement of FET progress and its positive impact.

Significant work has been undertaken by SOLAS and ETBs to develop the Programme Learner Support System (PLSS), as a comprehensive learner data tool. Ways in which this was developed was to link the system with national administrative data sets via data sharing agreements with the Central Statistics Office and the Department of Employment Affairs and Social Protection.

This allows us to demonstrate the value of FET in terms of skills development, progression to other education and training options, the transition into employment and earning capacity of our learners. The collating of such information provides us with strong evidenced-based outcomes.

Indeed initial analysis of 2017 data suggests very strong outcomes for FET learners in this regard and SOLAS will publish significant new analysis on the impact of FET during 2019.

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1 Central Bank of Ireland (2017) Brexit Task Force Update, December 2017.

2 Ibid.

3 ISME (2017) Brexit Survey Results 2017.

## Programme evaluation

SOLAS is committed to the independent evaluations of FET provision. This year saw the publication of the national Post Leaving Certificate Evaluation and SOLAS' response to the findings. The Evaluation of the national Youthreach Programme was completed and is due to be published in 2019. An evaluation of the Vocational Training Opportunities Scheme (VTOS) and Specific Skills Training Programme is also being undertaken and is due for publication in the latter part of 2019.

### Future developments include:

- The mid-term review of strategic performance agreements, allowing SOLAS and ETBs to take stock of progress and plan accordingly;
- A review of the funding model for FET will be initiated to ensure that it reflects ETB outcomes and performance;
- Further build on the strengths of the system to ensure it continues to provide further education and training that is learner focused, meets economic and societal needs and positively impacts on every community in Ireland.

## The Further Education and Training Strategy

An independent *Progress Review of the Further Education and Training Strategy 2014-19* was published in summer 2018. The review noted many positive developments in the sector during 2017 and 2018 to ensure a more strategic and integrated system was being developed. Some examples include:

- Ongoing strategic dialogue between ETBs and SOLAS;
- Advancement of comprehensive data management systems, Funding Allocations Requests and Reporting (FARR) system and the Programme and Learner Support System (PLSS);
- Implementation of the Literacy and Numeracy Strategy;
- Development of new apprenticeship and traineeship programmes.

The review also noted key areas for further development including:

- The need to develop a strategic vision for the future development and direction of FET;
- A closer alignment between the FET and higher education systems and;
- Ways to develop clearer learner pathways into, within, and beyond FET (including into higher education).

SOLAS is proud that the outcomes of this review have shaped and honed our work through 2018 bringing valuable insights into the development of our FET strategy plan over the next five years - the plan which begins in 2020 is already a priority for SOLAS in 2019.

The new strategy will be critical as it seeks to chart a course for FET through a landscape experiencing unprecedented levels of disruption and change. Uncertainties exist around the impact of Brexit and the digital transformation which is influencing the way we learn, work, interact and do business. Changes in industry and the world of work are also significant, with technological, social and economic advancements requiring ongoing updating within the FET system to meet the needs of learners, employers and communities across Ireland.



## 2018 AT A GLANCE

Over

**27,000**

courses listed on [fetchcourses.ie](https://fetchcourses.ie)



**21,948**

CSCS/QSCS cards produced and distributed

**107,481**

Safe Pass cards produced and distributed

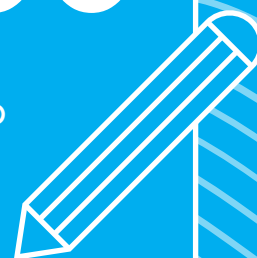


new apprenticeships validated

Circa

**5,600**

new apprenticeship registrations



Over

**50**

Traineeships live



Strategic Performance Agreements and 2018 FET Services Plan published

# OVERVIEW OF ACTIVITIES

## Strategy and Knowledge Division

The SOLAS Strategy and Knowledge Division operates across three core areas of focus:

### Strategy, Research and Evaluation

Supporting development and monitoring implementation of the further education and training strategy; tracking and evaluating the activity, effectiveness, outcomes and impacts from FET provision; and analysing and forecasting national and regional skills requirements via the dedicated Skills and Labour Market Research Unit (SLMRU).



## 2018 KEY ACHIEVEMENTS

### In 2018 key achievements included:

Completion of a progress review of the Further Education and Training Strategy 2014-2019, which identified the key priorities over the remainder of the strategy's life and key areas of focus around which the new 2020-2024 strategy should be framed;

Managing a process of continuous evaluation and improvement of FET provision, with the launch of the SOLAS response to the PLC evaluation, completion of an evaluation of Youthreach, and progression of evaluations on VTOS/SST and the overall impact of an ETB;

The publication of a range of key skills and labour market research reports by the SLMRU, including National Skills Bulletin, Vacancy Overview and Lifelong Learning.

### FET Planning and Investment

Overseeing the overall planning and funding system, linking three-year strategic performance agreements between SOLAS and each ETB with a system of annual funding allocation requests (which includes other non-ETB providers), grant approval, ongoing monitoring and adjustment in line with activity and grant assurance.



## 2018 KEY RESULTS

### In 2018 key results included:

- The development and sign-off of strategic performance agreements between SOLAS and ETBs. These agreements set out plans for delivery of FET in each region over a three-year period and expected ETB contributions to six core national FET targets.
- The 2018 FET Services Plan, setting out the annual funding plan for FET provision and the activities it supports across all FET providers.

### The 2018 Further Education and Training Services Plan

The 2018 FET Services Plan reflects the aims, objectives and goals presented in the FET Strategy 2014-2019, ETBs individual Strategic Performance Agreements with SOLAS for the six strategic sector targets for FET provision and takes into consideration the change in the economic climate and potential future skills demands. The Plan also reflects the detail of the combined contributions by ETBs and SOLAS to support the successful implementation of the 2018 elements of the Strategic Performance Agreements; Developing the Further Education and Training System 2018-2020 as set out in the recently published "Future Ready Learning" document. The aggregate FET sector targets to be achieved by the end of 2020 are:

- 10 percent more learners securing employment after undertaking a relevant FET course
- 10 percent more learners progressing to other FET courses or higher education from relevant courses
- 10 percent increase in adult learners taking part in lifelong learning delivered through FET
- 10 percent increase in the rate of certification on courses primarily focused on social mobility skills development that is transversal in nature
- From 2018, for three years, 10,000 more learners on average each year are to achieve qualifications related to business sectors where employment growth and skills needs have been identified.



The profile of FET provision set out in the 2018 Plan also reflects government policy in education and training, and other related areas. The Plan supports the commitments of SOLAS and ETBs outlined in a range of such government policies, examples of which are set out below:

- The Action Plan for Education 2016–2019
- National Skills Strategy 2025
- Action Plan for Jobs 2018
- Pathways to Work 2016 - 2020
- Comprehensive Employment Strategy for Persons with a Disability 2015-2024.

The above list should not be considered exhaustive.

The Plan presents details of the State's investment in FET through Exchequer funding and the National Training Fund and through support from the European Social Fund. In 2018, this investment was in the region of €830 million (SOLAS €644m).

The Plan also includes a breakdown of SOLAS-funded FET provision, which encompasses circa 28,000 courses, providing for around 307,000 beneficiaries across 28 different programmes.

Note: Figures are based on 2018 summary outturns report from ETBs

### Active Inclusion

Ensuring an effective bridging mechanism between social inclusion policy and its implementation by FET providers; overseeing the delivery of the Adult Literacy and Numeracy Strategy within FET; and articulating and communicating the role of FET in the active inclusion of all citizens.



## 2018 KEY DELIVERABLES

### In 2018 key deliverables included:

- Reviews to inform best practice in active inclusion within FET on: literacy and numeracy assessment at levels 1-3; English language provision for low-skilled and unemployed migrants; and the inclusion of persons with disabilities in literacy services; with a process to establish guidelines on family literacy and universal design for FET learning ongoing.
- Analysis of Government strategies, actions and information sources of relevance to active inclusion in FET.
- Continued implementation of the national adult literacy and numeracy strategy and support for the 'Take the First Step' national literacy awareness campaign.

## Skills Development Division

The Skills Development Division engages with enterprise to support the FET system, undertakes the duties and requirements of SOLAS as the statutory authority for apprenticeships, supports innovation in the FET section and conducts a range of skills based initiatives and work based learning programmes such as the European Globalisation Fund.

The Skills Development Division works across the following areas:

### National Innovation

Including employee development in the wider workforce, professional development for the FET sector, and, technology enhanced learning and eCollege.

In partnership with education and enterprise stakeholders, the SOLAS National Innovation team developed and launched a new policy in 2018, Skills to Advance. This initiative will enable targeted support for vulnerable groups in the Irish workforce.

The new policy framework has a particular focus on employees with lower skills levels who need more opportunities to advance in their working lives and careers, sustain their employment or avail of emerging job opportunities.

The policy also supports small and medium sized enterprises (SMEs) who need assistance to invest in and develop their workforce. While employers continue to be primarily responsible for the skills development of their employees - employees also have responsibility for their own development - this policy will complement employer-based and State initiatives already underway through targeted support and investment by Government.

Supporting those in work to upskill and advance their careers is crucial to making Ireland's education and training service the best in Europe by 2026.

It is planned that by 2021 over 40,000 workers will be engaging in state supported skills development, 4,500 SMEs will be supported to thrive and grow to enhance Ireland's competitiveness on the European and global stage.

In September 2018, a national briefing and series of workshops was delivered to all 16 ETBs who are tasked with implementing policy and support.

ETBs will provide **three access routes** to all levels of FET provision for employees and employers as follows:

**Route 1** Direct employee access – where employees can access further education and training in ETBs directly by enrolling for relevant development option.

**Route 2** Access via enterprise engagement – where employees can access further education and training through their employer partnering with an ETB

**Route 3** Regional initiatives – where employees participate in further education and training as a result of a particular identified regional skills development initiative.

Delivery options for employed people will be expanded to enable greater flexibility and access, by incorporating features such as modularisation, part time provision, blended learning, distance learning, flexible scheduling and learning enhanced by technology.

### FET Professional Development Strategy 2017–2019

SOLAS continues to implement the FET Professional Development Strategy 2017–2019 in collaboration with ETBI and the ETBs.

The implementation plan focuses on a number of actions grouped under three strategic goals. These include:

- Creating the infrastructure and delivery systems for high-quality professional development;
- Increasing FET sector capability through relevant, targeted professional development;
- Sustainable funding and resourcing of professional development.

FET practitioners require retraining throughout their careers to meet the ever-changing needs of learners. To this end, the FET Professional Development Strategy identified several priorities in this area, to include:

- Working with and supporting FET learners
- Vocational upskilling and reskilling
- Employer engagement
- Quality assurance
- Technology enhanced learning (TEL)
- Information and communication technology (ICT)
- Leadership and management development

Practice frameworks have already progressed in five of these areas with professional development initiatives prepared for development.

Initiatives successfully piloted in 2018 include:

- Employer engagement - Workshops have been run across ETBs covering Action Planning and Managing Client Relationships
- Technology enhanced learning (TEL) – Three programmes have been developed and piloted with ETBs with the aim of helping FET practitioners and learners, as well as incorporating TEL practices using digital technologies. These three programmes include:
  - Level 6 Certificate in Learning and Technology
  - Level 7 Certificate in Technology Enhanced Learning in FET
  - Level 8 Diploma in Technology Enhanced Learning in FET
- Leadership and management development - Progress in this area include:
  - A Diploma in Business (Change Management in FET) has been developed and is being piloted in 2018/2019. The programme aims to enhance the skillsets of FET managers in strategic planning and implementation, leadership skills and self-management. These strategies are constantly under revision and will be updated later this year as part of an ongoing commitment to deliver quality up-to-date training.

### **eCollege**

eCollege, the national online learning service, delivered training, free of charge, to over 13,000 unemployed learners. A fee-paying system applies to those in employment with some 400 employed learners using the service in 2018. eCollege courses are available on a continuous intake basis, with no waiting lists and flexible time for completion.

While IT-related courses still form the bulk of the demand-led provision, there continues to be increased demand for accounting, health and safety and marketing courses. In 2018, there was sustained demand for courses, indicating the increased recognition of online learning as a viable medium for career development and lifelong learning.

### **Apprenticeship and Work Based Learning**

All apprenticeships, traineeships and the European Globalisation Fund.

#### **Apprenticeship in Ireland in 2018**

SOLAS holds statutory responsibility for the management of the National Apprenticeship System in Ireland.

The national expansion of the apprenticeship and traineeship continued in 2018 in line with the Government Action Plan for 2016-2020. A total of 19 new apprenticeships were live by the end of 2018, alongside 25 existing craft apprenticeships.

There were a total of 5,648 new registrations in apprenticeship in 2018, including 5,058 in craft apprenticeships and 590 in 2016+ apprenticeships.

The total apprentice population at the end of 2018 was 15,670. This included 14,469 apprentices completing a craft apprenticeship. Craft apprenticeships continued to increase in popular occupations such as electrical, plumbing, and carpentry and joinery.

**It is intended that by 2020, there will be 9,000 registrations onto apprenticeship programmes annually, with a cumulative total of 31,000 apprentices having accessed this route in the five-year period from 2016-2020.**

In addition to increasing the numbers of apprentices, the Action Plan aims to have 67 apprenticeship programmes in place by the end of 2020, in new industry areas and leading to awards from Level 5 to Level 10 on the National Framework of Qualifications

A further nine new types of apprenticeships have been rolled out to-date in 2018, in the industry areas of ICT, Property Services, Biopharma and Hospitality/Food.

**Apprenticeships available in Ireland at the end of 2018 per sector**

<b>Auctioneering and Property Services</b>
Auctioneering and Property Services
<b>BioPharmaChem</b>
Laboratory Technician
<b>Construction</b>
Brick and Stonelaying
Cabinet Making
Carpentry and Joinery
Painting and Decorating
Plastering
Plumbing
Stone Cutting and Stonemasonry
Wood Manufacturing and Finishing
<b>Electrical</b>
Aircraft Mechanics
Electrical
Electrical Instrumentation
Electronic Security Systems
Industrial Electrical Engineering
Instrumentation
Refrigeration and Air Conditioning
<b>Engineering</b>
Farriery
Industrial Insulation
M.A.M.F.
Manufacturing Engineering (Level 6)
Manufacturing Engineering (Level 7)
Metal Fabrication
Pipefitting
Polymer Processing Technology
Sheet Metalworking
Toolmaking

**Financial Services**

Accounting Technician  
Insurance Practice  
International Financial Services Associate  
International Financial Services Specialist

**Hospitality and Food**

Butcher  
Chef de Partie  
Commis Chef

**ICT**

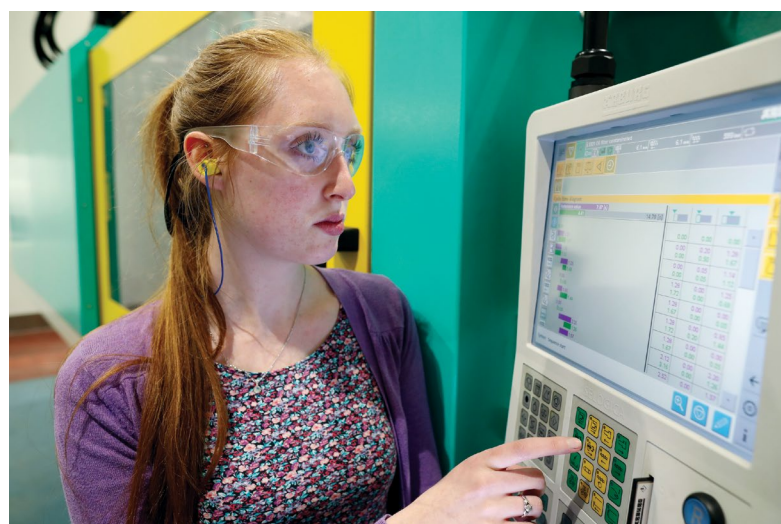
ICT Network Engineering  
ICT Software Development

**Logistics**

Logistics

**Motor**

Agricultural Mechanics  
Construction Plant Fitting  
Heavy Vehicle Mechanics  
Motor Mechanics  
Vehicle Body Repairs



## Employer Participation

Employers approved to train apprentices also increased substantially across the year with more than 5,500 employers now being listed on the national apprenticeship system. Over 500 employers are now participating in the roll out of new apprenticeship programmes as detailed below.

### No. of participating employers on new apprenticeship programmes as of October 2018

Apprenticeship	Number of participating employers
Accounting Technician L6 (2017)	101
Auctioneering and Property Services L6 (2018)	40
Butchery L5 (2018)	3
Chef de Partie L7 (2018)	22
Commis Chef L6 (2017)	104
ICT Network Engineering Associate L6 (2018)	10
Software Development Associate L6 (2018)	15
Industrial Electrical Engineering L7 (2016)	30
Insurance Practice L8 (2016)	103
International Financial Services Associate L6 (2017)	5
International Financial Services Specialist L8 (2017)	8
Laboratory Analyst L7 (2018)	1
Laboratory Technician L6 (2018)	7
Logistics Associate L6 (2018)	15
Manufacturing Technology L6 (2017)	25
Manufacturing Engineering L7 (2017)	28
Polymer Processing Technology L7 (2017)	23
<b>Total number of participating employers</b>	<b>540</b>

Data source: SOLAS National Register of employers approved to train apprentices

An additional 30+ new apprenticeship programmes are due to roll out in 2019. These are listed below:

### New apprenticeship programmes due to roll out 2019

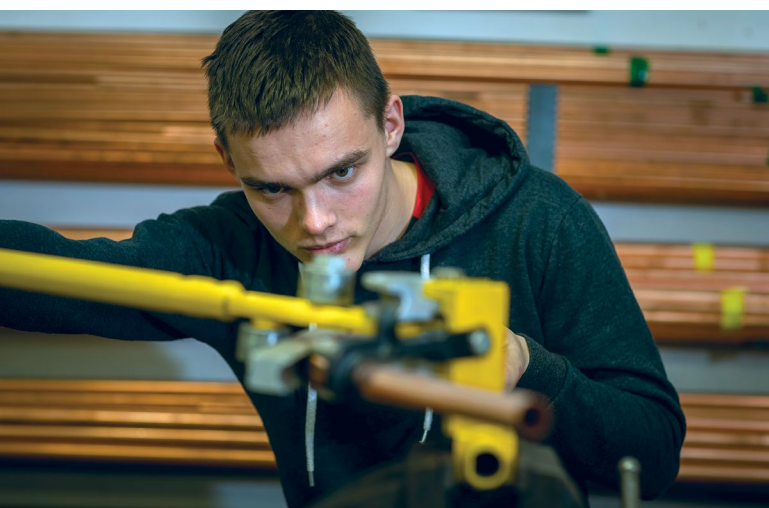
Title and level of new programme
Advanced Quantity Surveyor L9
Applied Horticulture L6
Arboriculture L5
Associate Sales Professional L6
Bakery L6
Bar Manager L7
CGI Technical Artist (Animation, Games, VFX) L9
Engineering Services Management L7
Equipment Systems Engineer L9
Executive Chef L9
Farm Manager L7
Farm Technician L6
Geo-Driller L6
Hairdressing L6
Healthcare Assistant L6
HGV Driver L5
Cybersecurity Associate L6
International Financial Services Advanced Specialist L9
Lean Sigma Manager L9
Manufacturing Data Integration Engineer L7
Precision Turned Parts Manufacturing L6
Principal Engineer L10
Recruitment Practitioner L6
Retail Practice L6
Scaffolding L6
Science Aircraft Asset Management L7
Software System Designer L9
SportsTurf Management L6
Stud Farm Management L7
Supply Chain Associate L7
Supply Chain Manager L9
Supply Chain Specialist L8
Wind Turbine Maintenance L6



## 2018 KEY ACTIONS

**A number of other significant actions were achieved in 2018, including:**

- The commencement of periodic reviews of craft apprenticeships: Electrical; Carpentry and Joinery; Metal Fabrication; Plumbing; and Heavy Vehicle Mechanics.
- The commencement of a pilot apprenticeship jobs market website.
- Tracking the number of women in apprenticeships. There are now 341 women completing an apprenticeship in Ireland, which is a significant increase on previous years, 60 from 2016, and 145 in 2017.
- The issuing of national guidance on traineeship across the sector.
- The inaugural 'A frame' apprenticeship competition commenced as part of the Generation Apprenticeship campaign and was won by Designer Group.
- Significant engagement was undertaken by SOLAS as the secretariat of the Apprenticeship Council with the consortia of new apprenticeships.
- A number of national briefings were facilitated across the country for new apprenticeship programmes rolled out in 2018.



**Table 1: 2018 Pre-2016 apprenticeship programme registrations by apprenticeship**

Pre-2016 Craft Apprenticeship	Annual registrations
Agricultural Mechanics	41
Aircraft Mechanics	74
Brick and Stonelaying	81
Carpentry and Joinery	591
Construction Plant Fitting	71
Electrical	1841
Electrical Instrumentation	108
Electronic Security Systems	65
Farriery	9
Floor and Wall Tiling	0*
Heavy Vehicle Mechanics	176
Industrial Insulation	19
Instrumentation	17
Mechanical Automation and Maintenance Fitting	180
Metal Fabrication	234
Motor Mechanics	380
Painting and Decorating	30
Pipefitting	49
Plastering	29
Plumbing	653
Print Media	0*
Refrigeration and Air Conditioning	119
Sheet Metalworking	70
Stone Cutting and Stonemasonry	7
Toolmaking	79
Vehicle Body Repairs	40
Wood Manufacturing and Finishing	95
<b>TOTAL</b>	<b>5,058</b>

\*currently suspended.



**Table 2: 2018 Post-2016 registrations by apprenticeship**

Post-2016 apprenticeship programmes	Annual registrations
Industrial Electrical Engineering	25
Polymer Processing Technology	15
Manufacturing Engineering (Level 6)	34
Manufacturing Engineering (Level 7)	20
Insurance Practice	80
Accounting Technician	88
Financial Services Associate	11
Financial Services Specialist	10
Commis Chef	112
Auctioneering and Property Services	53
Laboratory Analyst	2
Laboratory Technician	14
Butcher	7
Chef de Partie	31
ICT Associate Professional Technician	22
ICT Associate Professional Developer	39
Logistics	27
<b>Total</b>	<b>590</b>

SOLAS, through its Skills and Labour Market Research team regularly conducts evaluations on the imbalances in skills supply and demand in the workplace including craft apprenticeship occupations. In addition, it provides forecasts of apprenticeship requirements over a five-year period.

The overall craft apprenticeship registration patterns since 2009 reflects the expected forecasts of the SOLAS research team and the Apprenticeship Services Unit.

Table 3 demonstrates pre-2016 apprenticeship registration trends in recent years, which replicates developments taking place within the wider Irish economy.

**Table 3: Apprenticeship registrations 2012–2018**

Year	Registration numbers
2012	1,434
2013	1,929
2014	2,698
2015	3,153
2016	3,742
2017	4,508
2018	5,058

### Recognition of prior learning and appeals applications

Recognition of Prior Learning (RPL) provides apprentices with a facility to present verifiable evidence of trade-related experience (and awards) to enable them to meet the necessary requirements for certification.

In 2018, the Recognition of Prior Learning Sub-Committee of the National Apprenticeship Advisory Committee (NAAC) approved 1,921 applications (to QQI) for the Award of the Advanced Certificate Craft. SOLAS also processes applications from apprentices who wish to seek exemptions from phases or time from the apprenticeship programmes. 114 applications from apprentices for such exemptions were successful in 2018.

SOLAS introduced an RPL programme for the Electronic Security Industry to enable those who worked in the industry prior to the introduction of the Electronic Security Systems apprenticeship in 2007 to validate their competence. In 2018, 44 craftspeople undertook the RPL process.

SOLAS also facilitates craftspeople who completed an apprenticeship during the 'time-served' era to validate their competence through the RPL process. During 2018, SOLAS approved 119 applicants for a Record of Attainment.

The National Apprenticeship Appeals Committee received 70 applications from both apprentices and employers on a range of matters relating to apprenticeship.

## Traineeship

The Education and Training Boards across Ireland substantially increased their commitment to traineeship provision, with over 50 traineeships available across Ireland by the end of 2018.

The *Action Plan to Expand Apprenticeship and Traineeship 2016- 2020* included annual targets to 2020 for traineeship, building on the provision in place and the development work underway since 2014.

**It is intended that by 2020, there will be 5,000 annual enrolments on traineeship programmes and 54 programmes available across a range of industry areas. These awards are equivalent to Levels 4-6 on the National Framework of Qualifications.**

In the period 2016-2020 it is intended that a total of 19,000 trainees will have enrolled. The Action Plan includes targets for enrolments and new programmes for each year leading up to 2020.

During 2018 Education and Training Boards (ETBs) have been working to refresh and relaunch existing services and to develop new traineeship programmes, supported by SOLAS.

A review of traineeship was published in 2018. In addition, a series of four national workshops were held with ETBs.



The table below provides details of the 51 traineeship programmes on offer in 13 broad industry areas by the end of 2018:

### Traineeship programmes on offer October 2018

#### BUSINESS

- Business Administration
- Business Systems Service Technician
- Legal Administration
- Medical Administration
- Office Administration

#### CARE

- Early Childhood Care and Education
- Health Care Assistant

#### CONSTRUCTION

- Construction Skills for Employment
- Interior Systems
- Overhead Lines Operator

#### ENGINEERING

- Aircraft Maintenance Technician
- Aircraft Structures Technician
- Architectural Technology and Computer-Aided Design
- Computer-Aided Design (Revit, Inventor etc)
- Engineering OEM
- Engineering Operations
- Engineering Precision Manufacturing
- Laboratory Assistant
- Welding/Fabrication
- Wind Turbine Maintenance

#### FASHION AND BEAUTY

- Beauty Therapist
- Hairdressing

#### FINANCE

- Accounts Executive
- Certified Accountancy Pathway
- Financial Administration

#### HOSPITALITY

- Food and Beverage Service
- Hospitality L4
- Hospitality L5

## Traineeship programmes on offer October 2018 (continued)

ICT
<ul style="list-style-type: none"> <li>Automated Software Testing</li> <li>Digital Sales and Marketing</li> <li>ICT Systems and Principles for IT Professionals</li> <li>IT Network Security</li> <li>IT Support Specialist</li> <li>Software Developer</li> <li>Tech Support Engineer</li> </ul>
LOGISTICS
<ul style="list-style-type: none"> <li>HGV Driving (pilot)</li> <li>Logistics and Distribution</li> <li>Manufacturing Supply Chain and Customer Service Logistics</li> <li>Supply Chain Logistics</li> </ul>
MANUFACTURING
<ul style="list-style-type: none"> <li>CNC Operator</li> <li>Life Sciences Manufacturing Operations</li> <li>Manufacturing Technician – Maintenance Technology Skills</li> <li>Pharmaceutical Manufacturing</li> <li>Quality Management (Quality Assurance)</li> </ul>
MEDIA
<ul style="list-style-type: none"> <li>Animation</li> </ul>
RETAIL
<ul style="list-style-type: none"> <li>Pharmacy Sales Assistant</li> <li>Retail Associate</li> <li>Retail Skills Health and Beauty</li> </ul>
SPORTS AND LEISURE
<ul style="list-style-type: none"> <li>Equestrian International Instructor (BHSAI)</li> <li>Outdoor Activity Instructor</li> <li>Sports, Recreation and Exercise</li> </ul>

Traineeship enrolments increased in 2018 with an end of year total of 3,068 enrolments recorded via the SOLAS FARR database of further education and training provision.

## The European Globalisation Adjustment Fund

The European Globalisation Adjustment Fund (EGF) is a European-funded programme, designed to assist EU Member States to provide labour market activation supports to citizens who are made redundant through the effects of globalisation.

SOLAS supports the implementation of EGF programmes through its dedicated EGF coordination unit.

## National Construction Schemes

The range of programmes managed by the SOLAS Construction Services team includes 21 Construction Skills programmes, 14 Quarrying Skills programmes and the Safe Pass programme. These programmes are available to the construction and quarry industries to ensure the sectors have access to a workforce with the required leading edge construction skills, quarrying skills and competences for success.

The legislation and policy aspects of these schemes are led by the Department of Business, Enterprise and Innovation and the Health & Safety Authority. The schemes are administered by SOLAS and operated by a series of, mainly SOLAS approved private, providers. CSCS and QSCS programmes require QQI accreditation to meet the statutory requirements of these schemes.



## 2018 KEY ACHIEVEMENTS

Each programme is based on an ethos of first class customer service which ensures employees, potential employees and employers are given primary consideration in the delivery of all aspects of the CSCS/QSCS schemes. Upon completion of CSCS/QSCS training and assessment, a QQI certificate and a SOLAS registration card is issued.

During 2018, the Construction Services Unit maintained its primary goal of incorporating an ethos of continuous improvement into its operations and achieved the following outcomes:

- All SOLAS approved Safe Pass tutors were briefed on the new Safe Pass Version 8 programme and successfully introduced to the new Safe Pass programme in September, 2018.

- SOLAS introduced a new weighting element to the Safe Pass monitoring process in order to promote greater equity and transparency within the monitoring process.
- SOLAS briefed all SOLAS Approved Training Organisations and Trainers on the new Sign, Guarding and Lighting, and Health and Safety at Roadworks programme. SOLAS expects these new programmes will be introduced in 2019.
- SOLAS briefed all relevant SOLAS Approved Training Organisations and Trainers on the introduction of the new Scaffolding programmes, which are scheduled to become operational in 2019.
- SOLAS procured additional monitoring services which expand the scope and scale of its monitoring activities in relation to the CSCS and QSCS. This expanded monitoring service is planned to become operational in early 2019.
- Since the start of 2018 SOLAS processed, produced and distributed 107,481 Safe Pass cards, which is an 18% increase on the same period in 2017.
- SOLAS also managed and administered the processing, production and dissemination of 21,948 CSCS/QSCS cards, which equates to a 24% increase on 2017.
- SOLAS commenced the phased transfer of its results approval and accreditation services from the ETB network to Tipperary County Council. This newly acquired centralised and focused service, provided by Tipperary County Council, has already resulted in reduced waiting times from the assessment completion to the issuing of CSCS and QSCS cards to successful recipients.
- In accordance with the Recognition of Professional Qualifications Regulations 2017, the SOLAS Recognition of Professional Panel conducted 43 meetings resulting in 202 applicants receiving temporary service cards while 43 applicants received permanent services cards.

- SOLAS continued its commitment of evolving the scope and scale of its Construction Services quality assurance system that underpins the operation of the national construction schemes.
- SOLAS retained its Mutual Recognition Agreement with Construction Skills Register Northern Ireland for holders of Safe Pass and CSR cards.
- During 2018, SOLAS maintained the recognition of CSCS cards in the UK through the operation of an agreed harmonisation programme with UK Construction Industry Training Board.
- SOLAS maintained a card validation process for the construction industry to ensure compliance with legislative requirements.
- SOLAS commenced the process of renewing its existing IT infrastructure with a new integrated IT platform that will facilitate the development and delivery of a contemporary and maintainable system.
- In the last quarter of 2018, SOLAS commenced the development of a new online payment system for card renewals and replacement cards. This new service is scheduled to become operational, on a phased basis, by the end of January, 2019.

### Independent Review

The CSCS, the QSCS and the Safe Pass schemes were put in place from 2000 onwards on an administrative and then statutory basis to help improve health and safety practices in the construction sector.

In recognition of the importance and current challenges presented by these schemes and at the request of SOLAS, a group comprised of representatives of the Department of Jobs, Enterprise and Innovation, the Department of Education & Skills, the Health & Safety Authority, QQI and SOLAS was established to consider the current and future arrangements for these schemes. This group will consider the policy, principles, design and content of these schemes into the future.

To contribute to the work of this group and in recognition of the current challenges, SOLAS decided to undertake a formal review of its current processes to ensure they are fit for purpose. To ensure objectivity and transparency, an independently chaired Working Group was also established to provide oversight and guidance to this review.

SOLAS procured the services of process design experts, following consultation, to consider all aspects of the current operation and processes of these schemes and prepare their findings and recommendations. This work was completed at the end of 2017. Based on the findings and recommendations of the Bearing Point report, SOLAS published and circulated a draft blueprint implementation plan for the transformation and transition of CSCS, QSCS and Safe Pass to all relevant stakeholders for consultation.

This then culminated in a revised blueprint implementation plan, sent to the Department of Education and Skills and the Department of Business Enterprise and Innovation for ratification.

## **Resources Division**

The SOLAS Resources Division operates across four areas: Organisational Development and Support, Finance, ICT, and Data Protection.

### **Organisational Development and Support:**

incorporates Human Resources and Staff Relations; Legal and Audit Services; Risk and Record Management; and Facilities Services.

In 2018, the Organisational Development and Support Unit continued to support management and staff in improving SOLAS's capability, strengthening its corporate governance framework and mechanisms, and providing facilities services.

### **Human Resources and Staff Relations**

The Human Resources and Staff Relations Unit manages human resources and pension administration, as well as the administration of the Performance Management and Development System (PMDS).

The unit continued with its development and management of staff policies and procedures and staff relations matters, and it also assisted SOLAS in achieving its corporate objectives through workforce planning. The workforce plan, established in 2016 was progressed throughout 2017 and 2018 with an agreed completion date of 31 December 2020.

### **Legal and Audit Services**

In 2018, the Legal and Audit Services Unit provided a range of legal services. These included the management of legal actions; the provision of legal

advice; compliance with data protection legislation; management of insurances and complaints; and processing certificates of experience.

It also provided a range of audit and governance-related support services, including the management and execution of the annual risk-based audit plan and the management of key corporate governance requirements in relation to the SOLAS annual accounts and liaison with the SOLAS Audit and Risk Management Review Committee (ARMRC).

In 2018, the Unit also completed a procurement process to put in place a panel of four companies to provide Internal Audit audits / reviews and related services for the following four years.

### **Facilities Services**

Throughout 2018, the Facilities Services Unit provided business support services across the organisation. These included in-house printing and managed print; postal, telephone, security, catering and cleaning services; reception, meeting room and audio visual services.

The unit ensures that the premises, including mechanical and electrical services, are maintained and fully functional. It is also responsible for ensuring that SOLAS meets and/or exceeds its statutory responsibilities under environmental and health and safety legislation.

In 2018 the Facilities Services Unit in conjunction with the SOLAS Procurement Unit and the Office of Government Procurement (OGP) successfully completed tender processes for SOLAS Catering and Security. The unit also completed an Open tender for Mechanical & Electrical Services.

### **Risk and Records Management**

The Facilities Services Unit (FSU) are also responsible for the SOLAS Business Continuity and Disaster Recovery process, the enhancement, support and implementation of Risk Management processes and procedures, and Record Management and Record Storage.

The SOLAS Business Continuity and Disaster Recovery process involved the analysis completion of the Business Continuity status for FSU and the development and implementation of the Business Continuity Disaster Recovery plan.

Under Record Management and Record Storage, the FSU developed retention schedules, progressed development and implementation of Record Management Systems and reviewed record storage systems. Under the areas of Risk Management processes and procedures, the FSU reviewed and updated Risk Management Policies and Procedures / Risk Management Framework, executed the review and updates of the Corporate Risk Register by Senior Management / ARMRC / Board in line with Risk Management Policy, and supported the implementation of GDPR practices at SOLAS.

### **Finance**

Providing the organisation with a comprehensive Financial Management function in line with good practice including the administration of funding grant disbursements to all Education and Training Boards and other FET providers.

The Department has a range of other financial responsibilities including staff payments; the operation of the Accounts Department including: Creditors, Debtors and Treasury function; EU Finance including acting as Intermediate Body for the Programme for Employability, Inclusion and Learning (PEIL) 2014-2020; the operation of the General Ledger including the preparation of Statutory Accounts; SAP Support; the operation of the Procurement function; Asset Management and Inventory.

In 2018 the Finance Department completed a procurement process for a SAP Support Partner. A substantial ESF claim for Further Education received from Education and Training Boards in 2018 was processed by SOLAS Finance Department as PEIL Intermediate Body for FET activities.

### **Information and Communications Technology (ICT):**

Supporting the internal business systems and infrastructure used by the business units in SOLAS in order to operate on a daily basis. SOLAS ICT also delivers a number of systems to the FET sector, including:

- The Programme Learner Support System (PLSS): Made up of the Learner Database, National Course Calendar and the National Programme Database;
- The Funding Allocation Request and Reporting System (FARR) – linked to PLSS and used to forecast and track funding for the FET sector;

- The Apprenticeship Client Services System (ACSS) – used to record and track all apprentices for both craft and new apprenticeships in Ireland;
- A Card Management System (CMS) – used in the Construction Services business unit to record and issue CSCS, QSCS and Safe Pass cards.

During 2018, the ICT Department completed 6 tenders, the main one being an ICT Disaster Recovery solution.

### **Data Protection**

The General Data Protection Regulation (GDPR) came into effect on 25th May 2018. An extensive GDPR preparation plan was put in place to ensure full compliance with this new European Law.

Actions taken included: the appointment of a Data Protection Officer; establishment of a GDPR steering committee; a risk assessment of data processing; the delivery of staff training; regular updates to senior management and the SOLAS Board; the implementation of a governance structure including the preparation of relevant policies and procedures; the development of privacy notices for clients and staff; and the preparation of data sharing and non-disclosure agreements in respect of data processors.

The Data Protection Unit will now focus on ensuring compliance with the GDPR.



## Communications and Secretariat

SOLAS has a statutory obligation under Section 7 (1) (b) of the Further Education and Training Act 2013 to promote an appreciation of the value of further education and training (FET). It also has responsibilities under Goal 5 of the Further Education and Training Strategy 2014–2019 to promote the standing of FET.

The Communications Strategy 2015–2018 endeavours to underpin SOLAS's position as a leading expert in the area of FET and to highlight the contribution that SOLAS is making to the FET sector.

Events and briefings around SOLAS' work took place with key stakeholders including: ETBs; Ibec; Chambers; the Construction Industry Federation (CIF); Regional Skills Fora; Aontas NALA; the Institute of Guidance Counsellors (IGC); and Government Ministers and Oireachtas members, all parliamentary parties and relevant officials.

The communications team and other SOLAS representatives continued to support stakeholders by contributing to and participating in conferences and events. The Institute of Guidance Counsellors (IGC) Annual Conference, ETBI's Annual Conference, Trinity College's conference - Education options for young people in care, AHEADs conference – Reshaping the inclusive environment in further and higher education are examples of where SOLAS and in particular, the communications team have supported stakeholders in this way in 2018.

We continued to work closely and support the IGC in relation to their Continuous Professional Development (CPD) programme by presenting at local branch meetings helping to ensure their members are equipped with the necessary knowledge around FET so it can be presented as an option to their students when making their post-secondary school plans. This work will continue into 2019.

The impact of continued focus on building good relationships with education and business correspondents is clear through the positive coverage that FET received and continues to receive.

FET featured in a number of education supplements throughout the year including: The Irish Times "Smart Choices" supplement published around the announcement of the Leaving Certificate results and the Sunday Independent's supplement on School League Tables. SOLAS contributes significantly to such supplements and leveraged the opportunity through advertising and re-use of content on digital media.

Broadcast coverage was high with a number of national and local radio interviews and TV appearances taking place throughout the year.

In 2018, SOLAS continued its work with the Higher Education Authority in leading a promotional campaign for apprenticeship, an element of The Action Plan to Expand Apprenticeship and Traineeship in Ireland 2016–2020. Working with partners such as the ETBs, IOTs, consortia, the Department of Education and Skills and others, the campaign communicated key messages to target audiences and resulted in increased visitor numbers to [www.apprenticeship.ie](http://www.apprenticeship.ie), as well as continued growth across social media channels, Twitter and Facebook. The communications team also manages the SOLAS website and promotes the [www.fetchcourses.ie](http://www.fetchcourses.ie) website. SOLAS' social media following saw a steady increase with the number of LinkedIn followers and YouTube subscribers beginning to grow.

To celebrate International Women's Day 2018, SOLAS hosted an event to celebrate women in FET to help spread the message that education can empower women and help advance gender parity. SOLAS invited a panel of women to share their FET journey with an audience of approximately 100 guests comprising of policy-makers, employers, and FET learners past and present.

Key audiences for FET include: school leavers; parents; guidance counsellors; and career changers. To help generate and build awareness of FET among these audiences SOLAS had a presence at exhibitions such as Higher Options, Zeminar and the National Ploughing Championships.

SOLAS also supported both College Awareness Week and the Europe-wide Vocational Skills Week 2018 campaigns. The purpose of these campaigns was to showcase the diversity of further education and training and all it offers. Ireland's National Opening Event for European Vocational Skills Week, Mid-West Careers Showcase, took place in Limerick in November kickstarting the campaign which saw a number of events showcasing FET take place around the country.

In addition to its communications function, the communications and secretariat team continued to provide secretarial support to the SOLAS Board throughout 2018 as well as managing Freedom of Information (FOI) requests and Parliamentary Questions (PQs).

## 2018 ONLINE ANALYTICS

apprenticeship.ie | 

**1.3 million**

page views

**241,000**

unique users

**435,000**

visits

continued growth across  
social media channels

Apprenticeship



**2,260**

followers



**+14,000**

followers

SOLAS



**+5,000**

followers

solas.ie | 

**1.2 million**

page views

**334,000**

visits

**226,000**

unique users

fetchcourses.ie | 

**3.8 million**

page views

**632,000**

visits

**281,000**

unique users



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# CORPORATE GOVERNANCE

## Legislative Mandate

SOLAS (An tSeirbhís Oideachais Leanúnaigh agus Scileanna) – Further Education and Training Authority was established on 27 October 2013 under the Further Education and Training Act 2013.

Under the Further Education and Training Act 2013, the general functions of SOLAS are defined as:

- a. prepare and submit to the Minister for Education and Skills a strategy in respect of the provision of FET;
- b. promote an appreciation of the value of FET;
- c. 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, FET programmes should be the subject of advances by An tSeirbhís;
- d. advance monies to Education and Training Boards and other bodies engaged in the provision of FET programmes;
- e. provide or arrange for the provision of training and retraining for employment and to assist in and co-ordinate the provision of such training by persons other than An tSeirbhís;
- f. assess whether or not Education and Training Boards, and other bodies engaged in the provision of FET programmes, to whom monies have been advanced perform their functions in an economic, efficient and effective manner;
- g. 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 for Education and Skills in FET programmes that are funded, in whole or in part, out of public money;
- h. promote cooperation between Education and Training Boards and other bodies involved in the provision of FET and programmes;
- i. promote equality of opportunity in relation to the provision of FET;
- j. develop and facilitate the development of new and existing FET 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;
- k. provide or assist in the provision of training to persons charged with the delivery of FET programmes in respect of which monies have been advanced by An tSeirbhís under *section 21*;
- l. conduct, or arrange for the conduct of, research as respects any matters relating to the functions of An tSeirbhís; and
- m. advise the Minister in relation to any matter connected with the functions of An tSeirbhís.

On-going assistance is provided by SOLAS to the ETBs on a range of supports. SOLAS also continues to provide IT support to the Department of Social Protection arising from the transfer of former FÁS Employment Service Offices and related staff to that Department in 2012.

## Code of Practice for the Governance of State Bodies

The Code of Practice for the Governance of State Bodies 2016, which superseded the 2009 code came into effect in September 2016. It has been adopted by SOLAS and processes have been put in place to ensure that all aspects of SOLAS operations comply with the requirements of the Code.

## Performance Delivery Agreement

SOLAS agreed in 2018 a Strategic Performance Agreement with each of the 16 Education and Training Boards.

## Corporate Health and Safety

SOLAS complies with its statutory responsibilities under the Health, Safety and Welfare at Work Act 2005 and all regulations under this Act. Our objective is to provide a safe and healthy work environment for all staff and clients and to meet its responsibilities to other persons, including members of the public who may be affected by its operations. SOLAS management co-ordinates and ensures compliance with its Safety Policy Statement through the implementation of the Safety Management System across the organisation.

## Risk

SOLAS, through its Risk Management Policy, is committed to the implementation of a coherent, effective, and efficient framework for managing risk throughout the organisation. It also provides a proactive and structured approach to identifying, managing and reporting the risks faced by the organisation.

The Board of SOLAS is ultimately responsible for risk management under the Code of Practice for the Governance of State Bodies. The Board has delegated authority to the Audit Risk Management Review Committee (ARMRC) with regard to the on-going oversight and assurance of the Risk Management Framework and Process.

Identified significant risks to the organisation are documented in the SOLAS Corporate Risk Register and as part of the Risk Management Process the Corporate Risk Register is reviewed by the ARMRC four times yearly and presented to the Board for review twice yearly.

### **Data Protection**

The Data Protection Acts 1988 and 2003, the Data Protection Act 2018 and the EU General Data Protection Regulation (GDPR) are designed to provide individuals' with rights and protections regarding the processing of their personal data. Data protection is a fundamental right set out in Article 8 of the EU Charter of Fundamental Rights, which states that everyone has the right to the protection of personal data concerning him or her; such data must be processed fairly for specified purposes and on the basis of the consent of the person concerned or some other legitimate basis laid down by law and that everyone has the right of access to data which has been collected concerning him or her, and the right to have it rectified.

The purpose of the GDPR and the Data Protection Acts (together "Data Protection Law") are to protect the privacy of individuals whose personal data is processed. Data Protection Law provides individuals with a number of rights regarding the processing of their personal data including; the right to access; to be informed; to rectification; to erasure; to data portability; to object to automated processing; to object to processing and to restrict processing.

SOLAS is committed to ensuring the Lawful, Fair and Transparent processing of Data Subjects Personal Data through the use of appropriate technical and organisational measures. SOLAS will take all reasonable steps to secure and protect Data Subjects personal Data while complying with Data Protection Law.

### **Protected Disclosure Act 2014**

In 2018, there were no new matters raised under the Protected Disclosures Act.

### **Energy Efficiency and Environmental Policy Statements**

In June 2001, the Government issued a Memorandum requiring all State Agencies to outline, in their Annual Report, measures being taken to reduce energy usage, where they have responsibility for new premises or major refurbishment of buildings and/or in buildings occupied by them. Under Statutory Instrument (SI) 542 European Communities (Energy End-Use Efficiency and Energy Services) Regulations 2009, the public sector has specific energy reporting obligations.

SOLAS is committed to contributing to the achievement of verifiable energy efficiency savings of 33% in the Public Sector by 2020 in line with the National Energy Efficiency Action Plan 2009-2020.

In partnership with the Sustainable Energy Authority of Ireland (SEAI), SOLAS actively reports and monitors its energy usage, and puts in place strategies and actions to achieve and exceed, where possible, targeted savings.

In the Annual Report 2018 on Public Sector Energy Efficiency Performance, SOLAS was noted to have achieved 30.1% Energy Savings since SEAI baseline and an overall status of more efficient than baseline and on track for 2020 target.

SOLAS recognises its duty to ensure that its operations and activities have minimal impact on the local and wider environment.

Through the Waste Management System, and in conjunction with the Waste Management Contractor, SOLAS has implemented actions that ensure a high level of recycling waste material, minimising waste to landfill. SOLAS is committed to good practice in terms of environmental awareness and green procurement practices, where possible.

The priorities in 2018 will carry into 2019 and will include the monitoring and control of energy costs, energy auditing, and a focus on energy efficiencies and savings when procuring equipment and implementation of Energy Efficiency Design for any relevant projects that may arise.

### **Irish Human Rights and Equality Commission Act, 2014**

SOLAS recognises how services will change with the emergence of positive duty as set out in section 42 of the Irish Human Rights and Equality Commission Act 2014. SOLAS met with Irish Human Rights and Equality Commission (IHREC) on a number of occasions in 2017 to ensure that it is managing its public duty obligations in the best way possible.

SOLAS is committed to a policy of equal opportunity and adopts a positive approach to equality in the organisation. SOLAS develops and implements appropriate policies and programmes that address the labour market needs of socially excluded people and incorporates a proactive equality perspective into all SOLAS supported services and programmes. All SOLAS services are open to men and women equally and to all citizens of the European Union and the European Economic Area.

SOLAS is an equal opportunities' employer. To this end, SOLAS is committed to ensuring that no staff member, or applicant for employment to SOLAS, receives less favourable treatment than any other on grounds of gender, marital status, family status, sexual orientation, religion, age, disability, race, membership of the Traveller community or on any other grounds not relevant to good employment practice.

The organisation's continued focus is to develop and encourage an equality culture and attitude within SOLAS. The objective is to ensure that all staff are treated fairly and are provided with equal opportunities for development and career progression.

This involves integrating equality into day-to-day performance management and staff development programmes, so that it becomes part of the culture of the organisation and a core management practice – encouraged by all managers and adopted by all staff throughout the organisation.

In 2018, SOLAS undertook a consultation programme with key stakeholders in order to address diversity in apprenticeship. Desk research found that Irish apprentices are almost exclusively (85%) young men under 25 years of age. Of 14,953 apprentices completing training in October 2018, just 332 or 2% were women. People with disabilities are also under-represented, comprising 423 or 2.8% of the apprentice population. There is no nationally-collected data on the socio-economic or ethnic background of Irish apprentices.

Consultation with key stakeholders, including the Apprenticeship Council; Managers of Regional Skills Fora and over 100 people who attended structured meetings, two of which were in a 'Café Dialogue' format and one plenary meeting at which emerging findings from the research exercise were published in a Pathways document.

### **Ethics in Public Office Act, 1995 and Standards in Public Office Act, 2001**

SOLAS became subject to the Ethics in Public Office Act, 1995 and Standards in Public Office Act, 2001 with effect from 29 January 2015.

### **Freedom of Information Act, 2014**

The provisions of the Freedom of Information Act apply to SOLAS. The Act establishes three statutory rights:

- A legal right for each person to access information held by public bodies
- A legal right for each person to have official information relating to him/herself amended where it is incomplete, incorrect or misleading, and
- A legal right to obtain reasons for decisions affecting oneself.

In 2018, SOLAS received 15 requests for information under the FOI Act.

### **Official Languages Act, 2003**

SOLAS engaged with the Department of Arts, Heritage and the Gaeltacht to develop an Official Languages Scheme in 2015 and is currently awaiting confirmation of the scheme. In the meantime, SOLAS' Annual Reports, its Financial Statements and other relevant documents are published simultaneously in both official languages, in compliance with the general provisions of the Act. The SOLAS website will be accessible in Irish and English.

### **Prompt Payment of Accounts Act, 1997**

The Board of SOLAS has overall responsibility for the organisation's compliance with the Prompt Payment of Accounts Act, 1997. The European Communities (Late Payment in Commercial Transactions Regulations, 2012) introduced significant amendments to the Prompt Payment requirement as contained in the Act.



The Board has delegated this responsibility to SOLAS management. The system of internal financial control incorporates such controls and procedures that are considered necessary to ensure compliance with the Act. The organisation's system of internal control includes accounting and computer controls designed to ensure the identification of invoices and contracts for payment within the prescribed payment dates. These controls are designed to provide reasonable, though not absolute, assurance against non-compliance with the Act.

The Board is satisfied that in 2018, SOLAS complied with the provisions of the Act in all material respects. In total, a sum of €3,642.14 was paid in relation to late payment interest penalties.

## **Governance Statement and Board Members' Report**

The Governance Statement and Board Members' report is presented in accordance with the Code of Practice for the Governance of State Bodies 2016 and guidelines issued in November 2017.

### **Governance**

The Board of SOLAS was established under the Further Education and Training Act, 2013. The functions of SOLAS are set out in sections 7, 8 and 9 of this Act. The functions of the Board are set out in the Schedule of Matters reserved for the Board. The Board is accountable to the Minister for Education and Skills and is responsible for ensuring good governance and performs this task by setting strategic objectives and targets and taking strategic decisions on all key business issues. The regular day-to-day management, control and direction of SOLAS are the responsibility of the Chief Executive Officer and the senior management team. The CEO and the senior management team follow the broad strategic direction set by the Board, and ensure that all Board members have a clear understanding of the key activities and decisions related to the entity and of any significant risks likely to arise. The CEO acts as a direct liaison between the Board and management of SOLAS.

### **Board Responsibilities**

The work and responsibilities of the Board are set out in the Schedule of Matters Reserved for the Board which contain the matters specifically reserved for Board decision. Standing items considered by the Board include:

- declaration of interests,
- reports from committees,
- financial reports/management accounts,
- performance reports, and
- reserved matters.

Section 31(1) of the Further Education and Training Act, 2013 requires the Board of SOLAS to keep, in such form as may be approved by the Minister for Education and Skills with consent of the Minister for Public Expenditure and Reform, all proper and usual accounts of money received and expended by it.

In preparing these financial statements, the Board of SOLAS is required to:

- select suitable accounting policies and apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that it will continue in operation, and
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.

The Board is responsible for keeping adequate accounting records which disclose, with reasonable accuracy at any time, its financial position and enables it to ensure that the financial statements comply with section 31 (2) of the Further Education and Training Act, 2013.

The Board is responsible for approving the annual FET Services Plan and budget. A review of the services plan and budget was carried out by the Board at its meeting on 4th September, 2018 - the mid-year review of the FET Services Plan 2018 and Proposed Funding Amendments.

The Board is also responsible for safeguarding its assets and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Board considers that the financial statements of SOLAS give a true and fair view of the financial performance and the financial position of SOLAS at 31 December 2018.

### Board Structure

The Board consists of a Chairperson and 11 ordinary members, all of whom are appointed by the Minister for Education and Skills. The SOLAS CEO is an ex-officio member of the Board. During 2018, the term of four Board members including the Chairman expired. The previous CEO, Paul O'Toole also left the Board when he left SOLAS. Acting CEO, Conor J. Dunne was appointed an ex-officio Board member at that time. The duration of each Board Member's tenure is determined by the Minister for Education and Skills on appointment. The Board met on nine occasions in 2018.

The table below details Board members and their date of appointment:

Board Member	Role	
Patrick Delaney	Chairperson	27.10.13
Bernadette Brady	Ordinary Member	27.10.13
Patricia Carey	Ordinary Member	27.10.17 (second term)
Cecilia Munro	Ordinary Member	27.10.17 (second term)
Cathriona Hallahan	Ordinary Member	27.10.13
Darragh J. Loftus	Ordinary Member	27.10.17 (second term)
Paul O'Sullivan	Ordinary Member	27.10.17 (second term)
William Egenton	Ordinary Member	27.10.13
Sinead McCluskey	Ordinary Member	27.10.17
Seán Burke	Ordinary Member	27.10.17 (second term)
PJ Dwyer	Ordinary Member	27.10.17
Catrina Sheridan	Ordinary Member	27.10.17
Conor J. Dunne	Ex-officio Member	27.10.18
Paul O' Toole	Ex-officio Member	27.10.13

### Board members whose term expired during the period are

Board Member	Role
Patrick Delaney	Chairperson
Bernadette Brady	Ordinary Member
Cathriona Hallahan	Ordinary Member
William Egenton	Ordinary Member
Paul O' Toole	Ex-officio Member

Section 4.6 of the Code of Practice for the Governance of State Bodies, 2016 obliges the Board to undertake an annual review of its performance and an external evaluation at least every three years. The IPA was commissioned to undertake an evaluation of Board effectiveness in 2018. This review included an online survey, one-to-one interviews with Board members and a meeting with the full Board. The findings were presented to the Board in September 2018.

The Board has three sub-committees:

- Audit and Risk Management Review Committee:** comprises of three Board members and one independent member. The role of the Audit and Risk Management Review Committee (ARMRC) is to support the Board in relation to its responsibilities for issues of risk, control and governance and associated assurance. The ARMRC is independent from the financial management of the organisation. In particular, the Committee ensures that the internal control systems, including audit activities, are monitored actively and independently. The ARMRC reports to the Board after each meeting, and formally in writing annually.

For this period, the members of the Audit and Risk Management Review Committee were Cathriona Hallahan, Chair; Seán Burke, Board member; Paul O'Sullivan, Board member, and Robert Chestnutt, independent member. There were four meetings of the ARMRC held in 2018. Cathriona Hallahan's last ARMRC meeting was 30 August 2018.

- Strategic Planning Committee:** comprises of five Board members. The aim of the Strategic Planning Committee is to maintain a strategic focus on both the SOLAS Further Education and Training Strategy and the SOLAS Corporate Plan in the exercise of the organisation's functions and the conduct of its business. The Committee provides oversight on the implementation and evolution of the SOLAS Corporate Plan in the context of the FET Strategy and other SOLAS responsibilities.

The members of the Strategic Planning Committee are: Ms. Cecilia Munro, Chair, Bernadette Brady, Board member, Patrick J. Dwyer, Board member, Darragh J. Loftus, Board member, Sinead McCluskey, Board member. There were three meetings of the Strategic Planning Committee held in 2018. Bernadette Brady's term expired during this period.

- 3. Workforce and Organisational Development Committee:** comprises of three Board members. The purpose of the Committee is to provide advice and assurance to the Board on all matters relating to the workforce and organisational development including issues relating to:
- Human resources including remuneration, workforce monitoring and planning and development of staff;
  - Organisational development;
  - Equality and diversity including strategy, policy and monitoring within the organisation.

During this period the members of the Workforce and Organisational Development Committee were Patrick Delaney – Chair, Patricia Carey, Board member, and Catrina Sheridan, Board member. There were three Committee meetings held in 2018. Patrick Delaney's term expired during this period.

### **Schedule of Attendance, Fees and Expenses**

A schedule of attendance at the Board and Committee meetings for 2018 is set out below including expenses received by each member.

In accordance with the requirements of Paragraph 1.4(iv) of the Code of Practice for the Governance of State Bodies – Business and Financial Reporting Requirements 2016, expenses paid to the Board in the year ended 31 December 2018 are disclosed hereunder. As SOLAS Board members do not receive any fees, the disclosure relates only to expenses paid in respect of attendance at Board meetings.

	Board	Audit & Risk Management Review Committee	Workforce and Organisational Development Committee	Strategic Planning Committee	Fees 2018 €	Expenses 2018 €
Number of meetings scheduled/Meetings Attended	9	4	3	3		
DELANEY, Patrick	8/9	-	3/3	-	0	0
BRADY, Bernadette	5/9	-	-	0/3	0	0
BURKE, Seán	9/9	4/4	-	-	0	0
CAREY, Patricia	8/9	-	2/3	-	0	2,884
DWYER, Patrick J.	9/9	-	-	3/3	0	0
EGENTON, William	6/9	-	-	-	0	0
HALLAHAN, Cathriona	4/9	3/4	-	-	0	0
LOFTUS, Darragh J.	6/9	-	-	3/3	0	211
MCCLUSKEY, Sinead	7/9	-	-	3/3	0	0
MUNRO, Cecilia	8/9	-	-	3/3	0	0
O'SULLIVAN, Paul	6/9	2/4	-	-	0	0
O'TOOLE, Paul	8/9	-	-	-	0	0
SHERIDAN, Catrina	8/9	-	3/3	-	0	0
DUNNE, Conor J.*	1/9	-	-	-	0	0
<b>Total</b>					<b>0</b>	<b>3,095</b>

\* Conor J Dunne was only in situ for one Board Meeting in 2018

### Key Personnel Changes

The terms of five members of the Board expired during the year - Patrick Delaney, Bernadette Brady, William Egerton, Paul O'Toole and Cathriona Hallahan. The Minister will appoint four new Board members following an open competition, to bring the Board complement up to 13 members.

### Disclosures Required by Code of Practice for the Governance of State Bodies (2016)

The Board is responsible for ensuring that SOLAS – Further Education and Training Authority has complied with the requirements of the Code of Practice for the Governance of State Bodies ("the Code"), as published by the Department of Public Expenditure and Reform in August 2016. The following disclosures are required by the Code:

#### Consultancy Costs

Consultancy costs include the cost of external advice to management and exclude outsourced 'business-as-usual' functions. The following consultancy costs were charged to overheads:

	2018 €	2017 €
Legal (general legal advice)	244,580	344,680
Financial/actuarial advice	6,604	3,998
Human Resources	72,174	68,277
Business improvement	59,781	140,944
Other	4,674	11,611
<b>Total Consultancy Costs</b>	<b>387,813</b>	<b>569,510</b>
Consultancy costs capitalised	0	0
<b>Consultancy costs charged to the Income and Expenditure and Retained Revenue Reserves</b>	<b>387,813</b>	<b>569,510</b>
<b>Total</b>	<b>387,813</b>	<b>569,510</b>

The following consultancy costs were charged to direct programme costs in 2018:

	2018 €	2017 €
Legal advice (general legal advice)	0	0
Financial/actuarial advice	0	0
Human Resources	0	0
Business improvement	0	0
Other	17,549	35,711
<b>Total Consultancy Costs</b>	<b>17,549</b>	<b>35,711</b>
Consultancy costs capitalised	0	0
Consultancy costs charged to the Income and Expenditure and Retained Revenue Reserves	17,549	35,711
<b>Total</b>	<b>17,549</b>	<b>35,711</b>

### Legal Costs and Settlements

The table below provides a breakdown of amounts recognised as expenditure in the reporting period in relation to legal costs, settlements and conciliation and arbitration proceedings relating to contracts with third parties. This does not include expenditure incurred in relation to general legal advice received by SOLAS which is disclosed in Consultancy costs above.

	2018 €	2017 €
Legal fees of SOLAS – legal proceedings	189,728	600,310
Counterparty legal fees – legal proceedings	42,500	156,000
Conciliation and arbitration payments	0	0
Settlements	42,500	285,000
<b>Total</b>	<b>274,728</b>	<b>1,041,310</b>

### Travel and Subsistence Expenditure

Travel and subsistence expenditure is categorised as follows:

	2018 €	2017 €
Domestic		
– Board*	3,095	3,022
– Employees <sup>°</sup>	323,674	320,760
International		
– Board	0	0
– Employees <sup>°</sup>	17,984	19,077
<b>Total</b>	<b>344,753</b>	<b>342,859</b>

\* all domestic travel and subsistence paid directly to Board members in 2018 and 2017.

<sup>°</sup> all domestic travel and subsistence paid directly to staff members in 2018 and 2017.

◊ includes travel and subsistence of €11,139 paid directly to staff in 2018 (2017: €8,722). The balance of €6,845 (2017: €10,355) relates to expenditure paid by SOLAS on behalf of the staff.

Travel & Subsistence expenses of €4,491 were reclaimed from the European Centre for the Development of Vocational Training (CEDEFOP) and the European Union.

### Hospitality Expenditure

The Income and Expenditure Account includes the following hospitality expenditure:

	2018 €	2017 €
Staff Hospitality	2,674	3,338
Client Hospitality	2,661	740
<b>Total</b>	<b>5,335</b>	<b>4,078</b>

### Statement of Compliance

SOLAS has complied with the requirements of the Code of Practice for the Governance of State Bodies, as published by the Department of Public Expenditure and Reform in August 2016.

During 2018 expenditure of €405,639 was incurred on four supply contracts procured in 2017 and disclosed as non-compliant in the 2017 accounts. Contracts were put in place for these supplies in 2018 and SOLAS is now fully compliant regarding procurement.



**Patricia Carey**  
Acting Chairperson,  
SOLAS

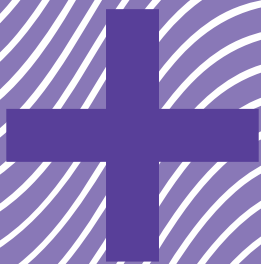
Date: 3 May 2019



**Conor J. Dunne**  
Acting Chief Executive  
Officer, SOLAS

Date: 3 May 2019





# FINANCIAL STATEMENTS

## Statement of Responsibilities of SOLAS

Under the Further Education and Training Act 2013, An tSeirbhís Oideachais Leanúnaigh agus Scileanna (SOLAS) was established with effect from 27 October, 2013.

Under the Further Education and Training Act 2013, the general functions of SOLAS are defined as:

- a. prepare and submit to the Minister a strategy in respect of the provision of further education and training;
- b. promote an appreciation of the value of further education and training;
- c. 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;
- d. advance moneys to Education and Training Boards and other bodies engaged in the provision of further education and training programmes;
- e. 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;
- f. assess whether or not Education and Training Boards and other bodies engaged in the provision of further education and training programmes, to whom moneys have been advanced, perform their functions in an economic, efficient and effective manner;
- g. 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 for Education & Skills in further education and training programmes that are funded, in whole or in part, out of public moneys;
- h. promote cooperation between Education and Training Boards and other bodies involved in the provision of further education and training programmes;
- i. promote equality of opportunity in relation to the provision of further education and training;
- j. 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;
- k. 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;
- l. conduct, or arrange for the conduct of, research as respects any matters relating to the functions of An tSeirbhís; and
- m. advise the Minister in relation to any matter connected with the functions of An tSeirbhís.

SOLAS is required under section 31(1) of the Further Education and Training Act 2013, to prepare annual accounts, as may be approved by the Minister for Education and Skills with the consent of the Minister for Public Expenditure and Reform.

In preparing those financial statements, SOLAS is required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that SOLAS will continue in operation; and
- disclose and explain any material departures from applicable accounting standards.

SOLAS is also responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time its financial position and which enable it to ensure that the financial statements comply with paragraph 31(1) of the Act. SOLAS is also responsible for safeguarding its assets and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

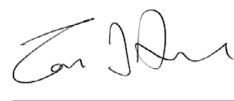
SOLAS has complied with the above requirements in preparing the financial statements.

SOLAS approved the financial statements on 25 April 2019.



**Patricia Carey**  
Acting Chairperson,  
SOLAS

Date: 3 May 2019



**Conor J. Dunne**  
Acting Chief Executive  
Officer, SOLAS

Date: 3 May 2019

# COMPTROLLER AND AUDITOR GENERAL REPORT FOR PRESENTATION TO THE HOUSES OF THE OIREACHTAS



## Ard Reachtaire Cuntas agus Ciste Comptroller and Auditor General

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

#### An tSeirbhís Oideachais Leanúnaigh agus Scileanna (SOLAS)

##### Opinion on financial statements

I have audited the financial statements of SOLAS for the year ending 31 December 2018 as required under the provisions of section 31 of the Further Education and Training Act 2013. The financial statements comprise

- the statement of income and expenditure
- the statement of comprehensive income
- the statement of financial position
- the statement of cash flows
- the statement of changes in reserves and capital account and
- the related notes, including a summary of significant accounting policies.

In my opinion, the financial statements give a true and fair view of the assets, liabilities and financial position of SOLAS at 31 December 2018 and of its income and expenditure for 2018 in accordance with Financial Reporting Standard (FRS) 102 — *The Financial Reporting Standard applicable in the UK and the Republic of Ireland*.

##### Basis of opinion

I conducted my audit of the financial statements in accordance with the International Standards on Auditing (ISAs) as promulgated by the International Organisation of Supreme Audit Institutions. My responsibilities under those standards are described in the appendix to this report. I am independent of SOLAS and have fulfilled my other ethical responsibilities in accordance with the standards.

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

##### Report on information other than the financial statements, and on other matters

SOLAS has presented certain other information together with the financial statements. This comprises the statement on internal control and the annual report including the governance statement and Board members' report. My responsibilities to report in relation to such information, and on certain other matters upon which I report by exception, are described in the appendix to this report.

I have nothing to report in that regard.

Seamus McCarthy  
Comptroller and Auditor General

10 May 2019

## Appendix to the report

### Responsibilities of Board members

The governance statement and Board members' report sets out the Board members' responsibilities, which include

- the preparation of financial statements in the form prescribed under section 31 of the Further Education and Training Act 2013
- ensuring that the financial statements give a true and fair view in accordance with FRS102
- ensuring the regularity of transactions
- assessing whether the use of the going concern basis of accounting is appropriate, and
- such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### Responsibilities of the Comptroller and Auditor General

I am required under section 31 of the Further Education and Training Act 2013 to audit the financial statements and to report thereon to the Houses of the Oireachtas.

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

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

- I identify and assess the risks of material misstatement of the financial statements whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- I obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal controls.
- I evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures.
- I conclude on the appropriateness of the use of the going concern basis of accounting and, based on the audit evidence obtained, on whether a material uncertainty exists related to events or conditions that may cast significant

doubt on the ability of SOLAS to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my report. However, future events or conditions may cause SOLAS to cease to continue as a going concern.

- I evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

### Information other than the financial statements

My opinion on the financial statements does not cover the other information presented with those statements, and I do not express any form of assurance conclusion thereon.

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

### Reporting on other matters

My audit is conducted by reference to the special considerations which attach to State bodies in relation to their management and operation. I report if there are material matters relating to the manner in which public business has been conducted.

I seek to obtain evidence about the regularity of financial transactions in the course of audit. I report if there is any material instance where public money has not been applied for the purposes intended or where transactions did not conform to the authorities governing them.

I also report by exception if, in my opinion,

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



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# STATEMENT ON INTERNAL CONTROL

## Scope of Responsibility

On behalf of the Board of An tSeirbhis Oideachais Leanúnaigh agus Scileanna (SOLAS) I acknowledge our responsibility for good governance (in line with the requirements of the Code of Practice for the Governance of State Bodies 2016) and for ensuring that an effective system of internal control is maintained and operated. In discharging its functions, the Board has delegated clearly defined authority levels to the SOLAS executive and staff while reserving certain matters for its own decision.

## Purpose of the System of Internal Control

The system of internal control is designed to manage risk to an acceptable level rather than to eliminate it and therefore can only provide reasonable and not absolute assurance that assets are safeguarded, transactions are authorised and properly recorded and that material errors or irregularities are either prevented or would be detected in a timely period. The system requires that line management, the executive and the finance, procurement and HR functions exercise stringent control and report any significant control failures to the Board.

## Capacity to Handle Risk

SOLAS has an Audit and Risk Management Review Committee which comprised of three Board Members and one external expert, for the period up to and including August 2018. Subsequent to this and until the year end the Committee comprised of two Board Members and one external expert. The ARMRC met four times in 2018.

The internal audit function in SOLAS operates in accordance with the Internal Audit Principles set out in the Code of Practice for the Governance of State Bodies 2016. The work of Internal Audit is informed by a risk analysis profile of expenditure and activity; strategic objectives; cyclical audit coverage; and the outcomes of previous audits. The focus of this work is generally on the areas of significant potential risk to the organisation. The 2018 Internal Audit Plan was approved by the ARMRC, on behalf of the Board. During 2018, twelve Internal Audit Reports were issued covering areas of apprenticeship, governance compliance, strategic management, GDPR compliance, internal financial controls and operations.

The ARMRC meets the Head of Internal Audit on a regular basis to review the work of Internal Audit, which includes a report of internal audit activity. The ARMRC

reports to the Board on its work on a regular basis. Annually, the ARMRC provides the Board with a formal report on the internal audit activity for the year.

An agreement is in place between the ARMRC and the Internal Audit Unit of the ETBs (IAU) on SOLAS's input to the Audit Plan of the IAU and on receiving audit reports from the IAU carried out on Further Education and Training expenditure.

## Risk and Control Framework

SOLAS's Executive Risk Management Committee, whose membership includes all Executive Directors and which is chaired by the Acting Chief Executive Officer, promotes, directs and monitors risk management processes within SOLAS. To assist this process, SOLAS has appointed a Director as Risk Co-ordinator. The Risk Co-ordinator is responsible for supporting the work of the Risk Management Committee and for compiling and preparing reports for the ARMRC. The Board and the ARMRC provide independent oversight and review of the effectiveness of SOLAS's risk management.

A formal process for the identification, evaluation, mitigation and management of business risks has been established and includes:

- identification of risks;
- assessment of the likelihood of occurrence;
- assessment of the financial or other implications;
- identification of the mitigating controls and factors;
- the maintenance of a corporate risk register;
- plans to manage the identified risks;
- monitoring and reporting on the process;
- the review of risk on an ongoing basis by management and on a formal basis by the ARMRC at least twice a year; and
- aligning key risks by business unit to the annual business plans.

## Ongoing Monitoring and Review

The Board has taken steps to ensure an appropriate control environment is in place by:

- clearly defining and documenting management responsibilities and authority;
- ensuring clear lines of accountability for management;
- establishing formal procedures through various committee functions to monitor the activities and safeguard the assets of the organisation;

- establishing procedures for reporting significant control failures and ensuring appropriate corrective action is taken;
- developing a strong culture of accountability across all levels of the organisation;
- adopting and adhering to the Code of Practice for the Governance of State Bodies;
- reviewing the effectiveness of the board;
- ensuring the control environment includes an active ARMRC, an Internal Audit function, the Chief Executive Officer's monthly report to the Board and the presentation to the Board of activity and financial results, current month and year to-date, on a monthly basis.

The system of internal control is based on a framework of regular management information, policies and procedures including segregation of duties and a system of delegation and accountability. In particular it includes:

- the identification of key risks and implementation of related controls and ongoing monitoring of the operation where any identified deficiencies are reported to SOLAS's Executive Risk Management Committee and the ARMRC;
- a comprehensive budgeting system with an annual budget, which is reviewed and agreed by the Board. This incorporates a detailed business planning process;
- setting targets to measure financial and other performance;
- reviews by the Board of monthly and annual Financial Reports which indicate activity and financial performance against budgets;
- established procurement procedures under which goods and services are procured in accordance with EU and national procurement requirements;
- that any foreign travel request is subject to approval by the Chief Executive Officer, or in his case by the Chairman.
- procedures for the control of capital investment that are in accordance with Guidelines for the Appraisal and Management of Capital Expenditure Proposals, issued by the Department of Finance in February 2005;
- Terms and Conditions of funding in place for each Education and Training Board, a parameters document that outlines the business planning process including objectives for each year, a comprehensive business service plan that is reviewed twice a year; and

- SOLAS has agreed Strategic Performance Agreements with all ETBs covering the three year period 2018-2020 including national based targets.

### Procurement

We confirm that we have procedures in place to ensure compliance with current procurement rules and guidelines as set out by the Office of Government Procurement.

During 2018 expenditure of €405,639 was incurred on four supply contracts procured in 2017 and disclosed as non-compliant in the 2017 accounts. Contracts were put in place for these supplies in 2018 and SOLAS is now fully compliant regarding procurement.

### Review of Effectiveness

The Board's monitoring and review of the effectiveness of the System of Internal Control is informed by the work of:

- the Executive Directors/Managers within SOLAS, who have responsibility for the development and maintenance of the financial control framework;
- the Head of Internal Audit;
- the ARMRC, which oversees the work of Internal Audit and reviews the Statement on the System of Internal Controls;
- the comments made by the Office of the Comptroller and Auditor General in his management letter or other reports;
- A review of the effectiveness of control was considered under the Internal Control Framework by the Board on 25th April 2019. This review focused on Internal Audit findings, the Corporate Governance Register and disposals of fixed assets.

### Internal Control Issues

No material breaches in internal control, material losses or frauds were identified during the course of the year.



**Patricia Carey,**  
Acting Chairperson, SOLAS

Date: 3 May 2019



# SOLAS

## Statement of Income and Expenditure for the year ended 31 December 2018

	Note	2018	2017
		€'000	€'000
<b>Income</b>	2	<b>620,700</b>	<b>603,131</b>
<b>Expenditure</b>			
Payroll Costs	5	12,596	11,397
Overheads	5	6,822	7,304
<b>Solas Operational Costs</b>		<b>19,418</b>	<b>18,701</b>
Retirement Benefit Costs	5	<b>14,320</b>	<b>15,210</b>
Programme Costs	6	<b>5,697</b>	<b>7,936</b>
Grants to Education and Training Boards	7(a)	568,718	548,613
Grants to VSCCS*	7(b)	661	725
Grants to Organisations in the FET sector	7(c)	8,742	7,006
<b>Total Grants</b>		<b>578,121</b>	<b>556,344</b>
<b>Total Expenditure</b>		<b>617,556</b>	<b>598,191</b>
<b>Surplus for the Year</b>		<b>3,144</b>	<b>4,940</b>

Notes 1 to 19 form an integral part of these Financial Statements.

\* Voluntary Secondary and Community and Comprehensive Schools

Signed:



**Patricia Carey,**  
Acting Chairperson, SOLAS

Date: 3 May 2019



**Conor J. Dunne**  
Acting Chief Executive Officer, SOLAS

Date: 3 May 2019

# SOLAS

## Statement of Comprehensive Income for the year ended 31 December 2018

	Note	2018	2017
		€'000	€'000
<b>Surplus for the Year</b>		<b>3,144</b>	<b>4,940</b>
Actuarial Gain/(Loss) on Retirement Benefit Assets/(Liabilities)	13(i) (e)	45,066	7,340
Adjustment to Deferred Retirement Benefit Funding		(45,066)	(7,340)
<b>Total Recognised Surplus for the Year</b>		<b>3,144</b>	<b>4,940</b>

Notes 1 to 19 form an integral part of these Financial Statements.

Signed:



**Patricia Carey,**  
Acting Chairperson, SOLAS

Date: 3 May 2019



**Conor J. Dunne**  
Acting Chief Executive Officer, SOLAS

Date: 3 May 2019

# SOLAS

## Statement of Financial Position as at 31 December 2018

	Note	2018		2017	
		As at 31 December 2018		As at 31 December 2017	
		€'000	€'000	€'000	€'000
<b>Non Current Assets</b>					
Property, Plant & Equipment	8		911		739
<b>Current Assets</b>					
Inventory	9	7		7	
Receivables	10	1,271		770	
Cash and Cash Equivalents		3,325		5,810	
		<b>4,603</b>		<b>6,587</b>	
<b>Amounts falling due within one year</b>					
Payables	11	(1,207)		(1,431)	
<b>Net Current Assets</b>			<b>3,396</b>		<b>5,156</b>
<b>Total Assets Less Current Liabilities before Retirement Benefit Obligations</b>			<b>4,307</b>		<b>5,895</b>
SOLAS Retirement Benefit Liabilities	13 (i)(b)	(672,660)		(734,480)	
Deferred Retirement Benefit Funding	13 (i)(b)	672,660	0	734,480	0
<b>Total Assets</b>			<b>4,307</b>		<b>5,895</b>
<b>Capital and Reserves</b>					
Capital Reserve		911		739	
Capital Account		230	1,141	194	933
Revenue Reserve			3,166		4,962
			<b>4,307</b>		<b>5,895</b>

Notes 1 to 19 form an integral part of these Financial Statements.

Signed:



**Patricia Carey,**  
Acting Chairperson, SOLAS

Date: 3 May 2019



**Conor J. Dunne**  
Acting Chief Executive Officer, SOLAS

Date: 3 May 2019

# SOLAS

## Statement of Cash Flows for the year ended 31 December 2018

	Note	2018	2017
		€'000	€'000
<b>Cash flow from Operating Activities</b>			
Surplus for the Year		3,144	4,940
Interest Paid/(Received)		43	19
Refund to the Department of Education & Skills		(4,940)	(9,450)
<b>Adjustment for non-cash items</b>			
(Increase)/Decrease in Inventory	9	0	2
(Increase)/Decrease in Receivables	10	(501)	463
Increase/(Decrease) in Payables	11	(224)	(229)
<b>Net Cash Inflow/(Outflow) from Operating Activities</b>		<b>(2,478)</b>	<b>(4,255)</b>
<b>Cash flow from Investing Activities</b>			
Proceeds from Sale of Fixed Assets		17	0
Payments to Acquire Fixed Assets	8	(441)	(89)
Capital Grants Received	3	6,000	3,000
Capital Grants to ETBs	7(a)	(5,524)	(2,885)
Refund to Department of Education & Skills		(17)	0
Adjustment for rounding		1	0
<b>Cash flow from Financing Activities</b>			
Interest (Paid)/Received		(43)	(19)
<b>Increase/(Decrease) in Cash and Cash Equivalents in the Year</b>		<b>(2,485)</b>	<b>(4,248)</b>
<b>Cash and Cash Equivalents at the beginning of the Year</b>		<b>5,810</b>	<b>10,058</b>
<b>Cash and Cash Equivalents at the end of the Year</b>		<b>3,325</b>	<b>5,810</b>

Notes 1 to 19 form an integral part of these Financial Statements.

The Surplus is stated after taking account of Depreciation and Amortisation of Capital Grant.

# SOLAS

## Statement of Changes in Reserves and Capital Account for the year ended 31 December 2018

		Revenue	Capital	Capital	Total
	Note	Reserves	Account	Reserves	
		€'000	€'000	€'000	€'000
<b>Balance as at 31 December 2016</b>		<b>9,472</b>	<b>168</b>	<b>1,005</b>	<b>10,645</b>
Surplus for the Year		4,940	0	0	4,940
Refund to the Department of Education and Skills		(9,450)	0	0	(9,450)
Capital Grants Received	3	0	3,000	0	3,000
Capital Grants to ETBs	7(a)	0	(2,885)	0	(2,885)
Payments to Acquire Fixed Assets	8	0	(89)	89	0
Amortisation of Capital Grant - Depreciation	2 & 8	0	0	(355)	(355)
<b>Retirement Benefits</b>					
Actuarial Gain/(Loss) on Retirement Benefit Assets/(Liabilities)	13(i) (e)	7,340	0	0	7,340
Adjustment to Deferred Exchequer Retirement Benefit Funding		(7,340)	0	0	(7,340)
<b>Balance as at 31 December 2017</b>		<b>4,962</b>	<b>194</b>	<b>739</b>	<b>5,895</b>
Surplus for the Year		3,144	0	0	3,144
Refund to the Department of Education and Skills		(4,940)	(17)	0	(4,957)
Sale of Asset to the Higher Education Authority *		0	17	(17)	0
Capital Grants Received	3	0	6,000	0	6,000
Capital Grants to ETBs	7(a)	0	(5,524)	0	(5,524)
Payments to Acquire Fixed Assets	8	0	(441)	441	0
Revaluation of Assets		0	0	35	35
Adjustment for rounding		0	1	0	1
Amortisation of Capital Grant - Depreciation	2 & 8	0	0	(287)	(287)
<b>Retirement Benefits</b>					
Actuarial Gain/(Loss) on Retirement Benefit Assets/(Liabilities)	13(i) (e)	45,066	0	0	45,066
Adjustment to Deferred Exchequer Retirement Benefit Funding		(45,066)	0	0	(45,066)
<b>Balance as at 31 December 2018</b>		<b>3,166</b>	<b>230</b>	<b>911</b>	<b>4,307</b>

Notes 1 to 19 form an integral part of these Financial Statements.

\* The former CEO's car provided by SOLAS was transferred to the Higher Education Authority (HEA) following his secondment to the HEA. The HEA paid SOLAS the Net Book Value of the car which SOLAS subsequently refunded to the Department of Education and Skills.

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# NOTES TO THE FINANCIAL STATEMENTS

## **1 Accounting Policies**

The basis of accounting and significant accounting policies adopted by SOLAS are as follows:

### **Establishment of SOLAS**

SOLAS was established on 27 October 2013 in accordance with the Further Education and Training Act 2013.

These financial statements set out the results of SOLAS for the year ending 31 December 2018 with comparatives for the period from 1 January 2017 to 31 December 2017.

The functions of SOLAS are set out in sections 7 to 9 of the Further Education and Training Act 2013.

### **Significant Accounting Policies**

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements of SOLAS.

### **Basis of Preparation**

The financial statements have been prepared under the modified historical cost convention and with Financial Reporting Standard (FRS) 102 in a form approved by the Minister for Education and Skills with the consent of the Minister for Public Expenditure and Reform under the Further Education and Training Act 2013.

The financial statements have been prepared using the accruals method of accounting except as stated below and in accordance with accounting practice generally accepted in Ireland. Accounting standards generally accepted in Ireland in preparing the financial statements giving a true and fair view are those published by the Institute of Chartered Accountants in Ireland and issued by the Financial Reporting Council.

In accordance with DPER Circular 21/2015 relating to FRS 102, these financial statements comprise the Statement of Income and Expenditure, Statement of Comprehensive Income, Statement of Financial Position, Statement of Cash Flows and Statement of Changes in Reserves and Capital Account. In addition notes 1 to 19 form an integral part of the financial statements.

## **Property, Plant & Equipment**

### **Capitalisation**

Property, Plant and Equipment are stated at historic cost less accumulated depreciation and provisions for impairment. Land is stated at revalued amount.

The cost of an asset is made up of the purchase price of the asset plus any costs directly attributable to bringing the asset into working condition for its intended use.

Fixtures and fittings below the capitalisation threshold are charged to the Statement of Income and Expenditure in the year of purchase. The capitalisation threshold amount is €1,000 inclusive of VAT. All computer equipment is capitalised regardless of value.

### **Depreciation**

Depreciation is calculated to write off the original cost of the asset or the revalued amount less the estimated residual value on a straight-line basis over its estimated useful economic life as follows:

- Land - Nil
- Leasehold Improvements (over the term of the lease)
- Equipment and Furniture – 5 years (20%)
- Computers and other computer equipment – 3 or 5 years (33 1/3% or 20%)

No provision for depreciation is made in respect of freehold land. Depreciation on capital assets is matched by a transfer from the Capital Reserve.

The carrying value of tangible fixed assets is reviewed for impairment if events or changes in circumstances indicate that the carrying amount value may not be recoverable.

### **Capital Reserve**

The capital reserve represents the net amount expended on tangible assets, funded by Exchequer Grants. These grants are amortised to revenue over the expected life of the assets in line with the depreciation, tangible asset impairments and tangible asset write-offs.

### **Inventory**

Inventory is stated at cost less appropriate write-downs for diminution in value. Cost comprises invoice price of the goods.



## Cash

Cash, for the purpose of the cash flow statements, comprises cash in hand and deposits repayable on demand.

## Provision

A provision is recognised in the Statement of Financial Position when SOLAS has a present legal or constructive obligation and it is probable that an outflow of economic benefits would be required to settle the obligation.

## Revenue

### **State Funding**

Current and capital grants are accounted for on a cash received basis. Capital grants which are included in capital reserves are recognised in the income statement over the expected life of the assets in line with the depreciation, tangible asset impairments and tangible asset write-offs.

Surpluses that have arisen in previous years are carried forward to the current year with the agreement of the Department of Education and Skills and refunded or part-refunded to the Department in the current year when requested.

### **Other Income**

In general, other income is accounted for on a cash received basis except where invoices are issued. In this case, income is accounted for as invoiced.

### **Foreign Currency and Functional Currency**

Items included in the financial statements are presented in "Euro", the currency of the primary economic environment in which SOLAS operates (the "functional currency").

Transactions denominated in foreign currency during the period have been translated at the rate of exchange ruling at the date of the transaction. Assets and liabilities denominated in foreign currencies are translated into Euro at the rates of exchange ruling at the Statement of Financial Position date. The resulting profits or losses are dealt with in the Statement of Income and Expenditure.

## Grants

Current and capital grants paid to Education and Training Boards, Voluntary, Community and Secondary Schools, various other agencies and bodies, for the purposes of Further Education and Training are accounted for on a cash basis. This is consistent with the manner in which State funding is accounted for by SOLAS.

### Capital Grants to Education and Training Boards

Capital Grants disbursed to Education and Training Boards are accounted for in the Statement of Income and Expenditure. Income is released from the Capital Account to finance such grants.

## Bad Debts

Debtors are disclosed at original invoice amount less an allowance for potentially uncollectible debts. Provision is made where there is objective evidence that SOLAS will not be in a position to collect the associated debts. Bad debts are written off to the Statement of Income and Expenditure on identification.

## Leasing

Rentals in respect of operating leases are charged to the Statement of Income and Expenditure on a straight-line basis over the lease term. There are no financial leases in place. Operating leases relate to buildings occupied by SOLAS.

## Legal Cases

Legal costs including those in relation to legacy cases involving FÁS are recognised in the financial statements as they are incurred. Provision is made for the Board's best estimate of the cost of any settlement when judged probable that a settlement will occur in the case and the cost of settlement can be measured reliably.

## Retirement Benefits

SOLAS operates two legacy retirement benefit schemes as follows:

- A defined benefit scheme which provides retirement benefits to former AnCO staff. This scheme was closed to new members on 1 January 1988. On 31 December 2009 the assets of the scheme were transferred to the National Pension Reserve Fund in accordance with the Financial Measures (Miscellaneous Provision) Act 2009. Contributions from SOLAS and staff in this scheme are paid over to the Department of Education and Skills each year.
- An unfunded defined benefit scheme whose benefits are paid out of the funding provided annually by the Department of Education and Skills. Contributions from staff in this scheme are paid over to the Department of Education and Skills each year.

Retirement benefit costs reflect retirement benefits earned by employees in the period.

Actuarial gains or losses arising on scheme liabilities are reflected in the Statement of Comprehensive Income and a corresponding adjustment is recognised in the amount recoverable from the Department of Education and Skills.

Retirement benefit liabilities represent the present value of future retirement benefit payments earned by staff to date. Deferred retirement benefit funding represents the corresponding asset to be recovered in future periods from the Department of Education and Skills.

- SOLAS also operates the Single Public Service Pension Scheme (Single Scheme) which is the defined benefit pension scheme for pensionable public servants appointed on or after 1 January 2013. Single Scheme member's contributions are paid over to the Department of Public Expenditure and Reform.

## Critical Accounting Estimates and Judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision only affects that period or in the period of the revision and future periods if the revision affects both current and future periods. The areas involving a high degree of judgement or complexity or areas where assumptions or estimates are significant to the financial statements include:

### Impairment of Property, Plant and Equipment

The carrying values of items of land and buildings, equipment and furniture are reviewed for indicators of impairment at each reporting date and are subject to impairment testing when events or changes in circumstances indicate that the carrying value may not be recoverable.

When the carrying value exceeds the estimated recoverable amount (being the greater of fair value less costs of disposal and value-in-use), an impairment loss is recognised by writing down the assets to their recoverable amount. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount that reflects current market assessments of the time value of money and the risks specific to the asset for which the future cash flow estimates have not been adjusted.

The impairment testing process requires management to make significant judgements and estimates regarding the future cash flows expected to be generated by the use of and, if applicable, eventual disposal of, long-lived assets as well as other factors to determine the fair value of the assets.

## Retirement Benefits

The liabilities and costs associated with the legacy defined benefit retirement benefit schemes (both funded and unfunded) are assessed on the basis of the projected unit method by professionally qualified actuaries and are arrived at using actuarial assumptions based on market expectations at the financial reporting date. The discount rates employed in determining the present values of the schemes' liabilities are determined by reference to market yields at the financial reporting date on high-quality corporate bonds of a currency and term consistent with the currency and term of the associated post-employment benefit obligations.

The net surplus or deficit arising on the defined benefit retirement benefit schemes, together with the liabilities associated with the unfunded schemes, are shown either within non-current assets or non-current liabilities in the Statement of Financial Position.

## Assumptions

The assumptions underlying the actuarial valuations from which the amounts recognised in the financial statements are determined (including discount rates, rates of increase in future compensation levels, mortality rates and healthcare cost trend rates) are updated annually based on current economic conditions and for any relevant changes to the terms and conditions of the retirement benefit and post-retirement plans.

These assumptions can be affected by:

- (i) For the discount rate, changes in the rate of return on high-quality corporate bonds.
- (ii) For future compensation levels, future labour market conditions.
- (iii) For healthcare cost trend rates, the rate of medical cost inflation in the relevant regions.

The weighted average actuarial assumptions applied in the determination of retirement benefit and other post-retirement liabilities are contained in Note 13. While management believes that the assumptions used are appropriate, differences in actual experience or changes in assumptions may affect the obligations and expenses recognised in future accounting periods. The assets and liabilities of defined benefit retirement benefit schemes may exhibit significant period-on-period volatility attributable primarily to changes in bond yields and longevity. In addition to future service contributions, significant cash contributions may be required by the Department of Education and Skills to remediate past service deficits.

## 2 Income

	Note	2018	2017
		€'000	€'000
State Funding - Non Capital	3	627,310	612,991
ETB Capital Grants		5,524	2,885
Net Deferred Retirement Benefit Funding	13(i)(c)	(16,754)	(16,810)
Other Income	4	4,333	3,710
Amortisation of Capital Grant - Depreciation	5 & 8	287	355
<b>Total Income</b>		<b>620,700</b>	<b>603,131</b>

## 3 State Funding

	2018	2017
	€'000	€'000
<b>State funding was received under the following headings:</b>		
<b>Non Capital</b>		
<b>Vote 26 (Subheads B3, B5 &amp; B7) - Department of Education and Skills</b>		
<b>Administration and General Expenses</b>		
Staff Costs and Overheads (B3)	17,476	17,505
Less: Employee Retirement Benefit Contributions paid to the State	(697)	(650)
Less: Employer Retirement Benefit Contributions paid to the State	(142)	(173)
	16,637	16,682
SOLAS Training Programmes (B3)	4,631	5,758
Further Education & Training Pay Grants (B5)	102,175	97,707
Further Education & Training Non Pay Grants (B5)	190,475	163,128
Retirement Benefit Funding (B7)	32,500	33,000
<b>Total Vote 26 - Department of Education and Skills</b>	<b>346,418</b>	<b>316,275</b>

### 3 State Funding (continued)

	2018	2017
	€'000	€'000
Other Oireachtas		
National Training Fund †	280,892	296,716
<b>Total State Funding - Non Capital #</b>	<b>627,310</b>	<b>612,991</b>
Capital		
Vote 26 (Subhead B3.1 & B5.3) - Department of Education and Skills	6,000	3,000
<b>Total State Funding - Capital</b>	<b>6,000</b>	<b>3,000</b>
<b>Total State Funding</b>	<b>633,310</b>	<b>615,991</b>

† An amount of €280.892m (2017 : €296.716m) was received during the year from the National Training Fund. These funds were used to part-finance a range of Further Education & Training Programmes for both the employed and the unemployed including Apprenticeship, Skills Training, Traineeship, Bridging Foundation, Local Training Initiatives, Foundation/Progression in Community Training Centres, Specialist Training Providers, Workplace Basic Education Fund and Vocational Training Opportunities Scheme.

# Non Capital State funding is reported net of surpluses recovered from ETBs amounting to €7.2m relating to previous years. Excluding this recovery Non Capital State funding for FET activities in 2018 would have been €634.6m and total income would have been €627.9m.

State funding includes an advance of European Social Fund (ESF) funding and European Globalisation Fund (EGF) funding where relevant. In line with DPER Circular 13/2014, a refund of €4.940m was made by SOLAS during 2018 to the Department of Education and Skills at the request of the Department.

### 4 Other Income

	2018	2017
	€'000	€'000
Construction Activities	4,155	3,516
Miscellaneous Income	178	194
<b>Total</b>	<b>4,333</b>	<b>3,710</b>

## 5 Payroll Costs, Retirement Benefit Costs and Overheads

		2018	2017
	Note	€'000	€'000
<b>Payroll Costs</b>			
CEO, Communications and Secretariat		643	653
Strategy & Knowledge		3,083	2,545
Skills Development		3,365	2,970
Construction		919	829
Resources		4,586	4,400
<b>Total Payroll Costs *</b>		<b>12,596</b>	<b>11,397</b>
<b>Total Retirement Benefit Costs</b>	<b>13(i)(a)</b>	<b>14,320</b>	<b>15,210</b>
<b>Overheads</b>			
Travel & Subsistence †		342	292
Staff Training & Development		150	136
Depreciation	8	287	355
Establishment Costs		2,498	2,509
Programme Development Costs		265	253
Communications & Information Technology		1,620	1,594
Insurance & Accidents		495	328
Other Overheads ‡		1,165	1,837
<b>Total Overheads</b>		<b>6,822</b>	<b>7,304</b>
<b>Total Payroll, Retirement Benefit and Overhead Costs</b>		<b>33,738</b>	<b>33,911</b>
Comptroller & Auditor General Audit Fee		40	40

\* Total Payroll Costs comprises salaries of €12,556k allowances of €34k and overtime of €6k.

† Travel & Subsistence above is composed of national €324k and international €18k.

‡ Other Overheads include Comptroller & Auditor General Audit Fee.



## 6 Programme Costs

	2018	2017
	€'000	€'000
eCollege	1,875	1,915
Technology Enhanced Learning	1,297	1,693
European Globalisation Fund	0	308
Momentum (Labour Market Education & Training Fund)	0	365
<b>Training For Employment</b>	<b>3,172</b>	<b>4,281</b>
Apprenticeship	974	1,943
Construction	968	1,248
<b>Training In Employment</b>	<b>1,942</b>	<b>3,191</b>
Programme Evaluations & Reviews	200	148
Skills Development/Traineeship	19	12
Programme Innovation	322	304
Active Inclusion	42	0
<b>Other Programmes</b>	<b>583</b>	<b>464</b>
<b>Total Programme Costs</b>	<b>5,697</b>	<b>7,936</b>

## Direct Provision of Funding

### 7(a) Summary of Grants Paid to Education and Training Boards

			2018	2017
Education and Training Board	FET Provision	Capital	Total	Total
	€'000	€'000	€'000	€'000
Cavan & Monaghan	16,111	69	16,180	16,556
City of Dublin	78,424	530	78,954	76,659
Cork	48,616	931	49,547	49,556
Donegal	21,265	293	21,558	19,709
Dublin & Dun Laoghaire	58,776	561	59,337	63,577
Galway & Roscommon	34,804	506	35,310	33,867
Kerry	27,442	305	27,747	25,334
Kildare & Wicklow	29,077	85	29,162	29,287
Kilkenny & Carlow	18,446	108	18,554	16,686
Laois & Offaly	19,056	50	19,106	16,877
Limerick & Clare	52,687	424	53,111	52,350
Longford & Westmeath	24,275	223	24,498	22,523
Louth & Meath	29,227	350	29,577	28,261
Mayo, Sligo & Leitrim	31,709	434	32,143	31,997
Tipperary	22,181	184	22,365	16,599
Waterford & Wexford	51,098	471	51,569	48,775
<b>Total Grants to Education and Training Boards</b>	<b>563,194</b>	<b>5,524</b>	<b>568,718</b>	<b>548,613</b>

Grants to ETBs are reported net of surpluses recovered amounting to €7.2m relating to previous years. Excluding this recovery Grants to ETBs in 2018 would have been €575.9m.

## Direct Provision of Funding

### 7(b) Summary of Grants Paid to Schools and Miscellaneous Grant Payments

FET Voluntary Secondary and Community and Comprehensive Schools (PLC)	2018	2017
	€'000	€'000
Ballyhaunis Community School, Co Mayo	3	2
Castlecomer Community School, Co Kilkenny	2	3
Castlerea Community School, Co Roscommon	2	2
Central College, Limerick	38	33
Clifden Community College, Co Galway	2	2
Colaiste Chiarain, Summerhill, Athlone	5	0
Colaiste Mhuire, Co Galway	2	1
Donahies Community School, Donaghmede, Dublin 13	1	2
Dunmore Community School, Co Galway	1	1
Glenamaddy Community School, Co Roscommon	6	5
Gorey Community School, Co Wexford	10	13
Jesus & Mary Secondary School, Co Sligo	14	9
Kilrush Community School, Co Clare	4	1
Mary Immaculate Secondary School, Lisdoonvarna, Co Clare	5	5
Mercy College, Chaple Hill, Co Sligo	5	6
Moate Business College, Co Westmeath	51	32
Our Lady's Secondary School, Belmullet, Co Mayo	3	1
Our Lady's College, Galway	1	0
Ramsgrange Community School, Co Wexford	2	2
Sancta Maria College, Co Mayo	2	1
Scoil Phobail Mhic Dara, Co Galway	0	1
St Cuan's College, Co Galway	7	6
St Joseph's College, Co. Westmeath	0	4
St Louis Community School, Kiltimagh, Co Mayo	28	9
St Patrick's Comprehensive School, Co Clare	0	1
Tullogh Community School, Co Carlow	2	5
	<b>196</b>	<b>147</b>

## Direct Provision of Funding

### 7(b) Summary of Grants Paid to Schools and Miscellaneous Grant Payments

<b>FET Voluntary Secondary and Community and Comprehensive Schools (Programme BTEI)</b>	<b>2018</b>	<b>2017</b>
	<b>€'000</b>	<b>€'000</b>
Central College, Limerick	57	57
Donahies Community School, Donaghmede, Dublin 13	57	55
Mary Immaculate Secondary School, Lisdoonvarna, Co Clare	43	41
Nagle Rice Secondary School, Doneraile, Co Cork	19	18
North Presentation Secondary School, Co Cork	74	72
Presentation Secondary School, Cannon Street, Waterford	(5)	34
Sacred Heart Secondary School, Clonakilty, Co. Cork	1	41
Sancta Maria College, Co Mayo	14	13
Scoil Bernadette, Montenotte, Cork	0	12
Scoil Mhuire, Ennistymon, Co Clare	14	13
St Joseph's Secondary School, Spanish Point, Co Clare	44	43
St Louis Community School, Kiltimagh, Co Mayo	0	11
St Michael's Castlerea, Co Roscommon	30	29
	<b>348</b>	<b>439</b>
<b>Miscellaneous Grant Payments</b>		
Department of Education and Skills (LDA re-imburement) ‡	117	138
Payments to various schools for QQI Authentication	0	1
	<b>117</b>	<b>139</b>
<b>Total Grants Voluntary Secondary and Community and Comprehensive Schools</b>	<b>661</b>	<b>725</b>

## Direct Provision of Funding

### 7(c) Summary of Grants paid to the Further Education Sector and European Union and Specific Projects

Further Education and Training - Support Organisations	2018	2017
	€'000	€'000
AONTAS - The National Adult Learning Organisation	1,155	1,093
Dyslexia Association of Ireland	130	129
Education and Training Boards Ireland (ETBI)	221	540
National Adult Literacy Agency (NALA)	1,705	1,638
National Centre for Guidance in Education (NCGE)	278	217
Association for Higher Education Access and Disability (AHEAD)	80	0
	<b>3,569</b>	<b>3,617</b>
<b>Further Education and Training - Staff Representative Organisations</b>		
Education and Training Boards Ireland (ETBI) #	60	60
National Association of Adult & Community Education Directors (NACED)	21	4
	<b>81</b>	<b>64</b>
<b>Further Education and Training - Lifelong Learning Opportunities</b>		
Age Action Ireland	67	67
Irish Countrywomen's Association	21	21
Peoples College	92	92
	<b>180</b>	<b>180</b>
<b>Further Education and Training - Continuing Professional Development</b>		
Waterford Institute of Technology (WIT/NALA)	<b>495</b>	<b>494</b>
<b>European Union and Specific Projects</b>		
Department of Foreign Affairs & Trade (PIAAC)*	28	31
Fasttrack into Information Technology (FIT)	1,102	1,144
Irish Association of Community Training Organisations (IACTO)	162	166
Irish National Organisation of the Unemployed (INOU)	20	20
Leargas	22	0
	<b>1,334</b>	<b>1,361</b>
<b>Further Education and Training - Other Providers</b>		
Irish Deaf Society	241	240
National Adult Literacy Agency (NALA) - Write On/Phone Tuition	255	220
	<b>496</b>	<b>460</b>

## Direct Provision of Funding

### 7(c) Summary of Grants paid to the Further Education Sector and European Union and Specific Projects

	Operational Grants	Development Grants	Total	Total
			2018	2017
Further Education and Training - Grants to Consortia & Coordinating Bodies	€'000	€'000	€'000	€'000
<b>Accounting Technicians Ireland</b>				
Accounting Technician Apprenticeship	828	0	828	0
<b>Associated Craft Butchers</b>				
Butcher Apprenticeship	0	0	0	48
<b>City of Dublin ETB</b>				
Property Services Apprenticeship	0	0	0	2
<b>Construction Industry Federation (CIF)</b>				
Engineering Services Management Apprenticeship	0	13	13	0
<b>Fasttrack into Information Technology (FIT)</b>				
ICT Software Developer Associate	365	0	365	0
ICT Network Engineer Associate	365	0	365	0
ICT Cybersecurity Apprenticeship	0	32	32	0
<b>Freight Transport Association Ireland</b>				
Logistics Associate Apprenticeship	0	78	78	0
<b>Irish Business and Employers Confederation (Ibec)</b>				
International Financial Services Associate	0	0	0	46
International Financial Services Specialist	0	0	0	46
International Financial Services Advanced Specialist	0	0	0	40
Laboratory Technician Apprenticeship	0	84	84	0
Laboratory Analyst Apprenticeship	0	53	53	0
Polymer Processing Technologist, Manufacturing Engineer & Manufacturing Technologist	0	0	0	48
Retail Supervisor Apprenticeship	0	72	72	0



## Direct Provision of Funding

### 7(c) Summary of Grants paid to the Further Education Sector and European Union and Specific Projects

	Operational Grants	Development Grants	Total	Total
			2018	2017
Further Education and Training - Grants to Consortia & Coordinating Bodies (continued)	€'000	€'000	€'000	€'000
<b>Institute of Technology Carlow</b>				
Geo-Driller Apprenticeship	0	25	25	0
<b>Irish Film Board</b>				
CGI Technical Artist Apprenticeship	0	27	27	0
<b>Irish Hotels Federation</b>				
Commis Chef Apprenticeship	0	0	0	20
<b>Kerry ETB</b>				
Commis Chef Apprenticeship	239	0	239	0
<b>Laois &amp; Offaly ETB</b>				
Scaffolding Apprenticeship	0	22	22	0
<b>Limerick &amp; Clare ETB</b>				
Hairdressing Apprenticeship	0	26	26	0
<b>Limerick Institute of Technology</b>				
Manufacturing Data Integration Engineer	0	0	0	25
<b>Mayo Sligo Leitrim ETB</b>				
Associate Sales Professional	0	24	24	0
<b>Restaurants' Association of Ireland</b>				
Chef de Partie, Sous Chef, Executive Chef	0	23	23	0
<b>SAMB T/A Scottish Bakers</b>				
Baker Apprenticeship	0	38	38	0
<b>TEAGASC</b>				
Horticulture Applied	0	12	12	0
Farm Management	0	14	14	0
Farm Production Technician	0	12	12	0
Stud Farm Assistant Manager	0	14	14	0
Sportsturf Management	0	12	12	0
<b>Total</b>	<b>1,797</b>	<b>581</b>	<b>2,378</b>	<b>275</b>

## Direct Provision of Funding

### 7(c) Summary of Grants paid to the Further Education Sector and European Union and Specific Projects

	2018	2017
	€'000	€'000
<b>Further Education and Training - Standards Based Apprenticeship Phase Two Grants</b>		
Cork Institute of Technology	0	161
<b>ICT Associate Professional Initiative</b>		
Fasttrack into Information Technology (FIT)	209	394
<b>Total Grants to Organisations in the FET Sector</b>	<b>8,742</b>	<b>7,006</b>

‡ Locally Devised Assessments (LDA) payments to teachers in Voluntary Secondary, Community and Comprehensive Schools paid via the Department of Education and Skills.

# This grant is in respect of grant aid to various staff representative bodies including:

Adult Education Officers Association (AEOA)  
Adult Literacy Organiser's Association (ALOA)  
National Association of Youthreach Co-Ordinators (NAYC)  
National Association of VTOS Co-Ordinators (NAVCO)  
Adult Education Guidance Association of Ireland (AEGAI)  
Community Education Facilitators Association (CEFA)

\* Programme for the International Assessment of Adult Competencies (PIAAC)

## 8 Property, Plant & Equipment

	Note	2018	2018	2018	2017
		Land & Buildings	Equipment & Furniture	Total	Total
Cost		€'000	€'000	€'000	€'000
Opening Balance		564	3,154	3,718	3,734
Additions during the period		0	441	441	89
Revaluation	8 (i)	35	0	35	0
Disposals during the period	8 (ii)	0	(341)	(341)	(105)
Balance at the end of the period		<b>599</b>	<b>3,254</b>	<b>3,853</b>	<b>3,718</b>
<b>Accumulated Depreciation</b>					
Opening Balance		111	2,868	2,979	2,729
Depreciation on Disposals	8 (iii)	0	(324)	(324)	(105)
Charge for the period		53	234	287	355
		<b>164</b>	<b>2,778</b>	<b>2,942</b>	<b>2,979</b>
<b>Net Book Value at the end of the Year/Period</b>		<b>435</b>	<b>476</b>	<b>911</b>	<b>739</b>

**8 (i)** Revaluation of Birr land by State Valuation Office.

**8 (ii)** The disposal of equipment and furniture in the period was €0.341m (2017: €0.105m). €0.324m related to fully depreciated legacy and obsolete equipment. The balance related to assets sold in 2018.

**8 (iii)** All depreciation, asset disposal, asset write-off and impairment charges are financed by a corresponding transfer from the Capital Reserve.

## 9 Inventory

	2018	2017
	As at 31 December 2018	As at 31 December 2017
	€'000	€'000
Stationery	7	7
<b>Total</b>	<b>7</b>	<b>7</b>

## 10 Receivables

	2018	2017
	As at 31 December 2018	As at 31 December 2017
	€'000	€'000
Trade and Other Receivables	183	37
General Prepayments	1,088	677
Payroll Receivable	0	56
<b>Total</b>	<b>1,271</b>	<b>770</b>

## 11 Payables

	2018	2017
	As at 31 December 2018	As at 31 December 2017
	€'000	€'000
Trade Payables	495	640
Accruals	562	639
Holiday Pay Provision	144	113
Payroll Deductions	6	39
<b>Total</b>	<b>1,207</b>	<b>1,431</b>

## 12 Remuneration

### 12(a) Aggregate Employee Benefits

	Note	2018	2017
		€'000	€'000
Wages and Salaries		11,714	10,659
Employer PRSI Costs		882	738
Retirement benefit costs		14,320	15,210
<b>Total</b>	<b>5</b>	<b>26,916</b>	<b>26,607</b>

Employee benefits include salary and BIK but exclude employer retirement benefit contributions. Total employer retirement benefit contributions for the organisation amounted to €142k in 2018 (2017: €173k).

A total of 203 staff (full time equivalents) were being paid by SOLAS at 31 December 2018 (2017: 178).

In July 2015 the moratorium on Public Service recruitment was lifted and a new Staffing Resource Management Framework (SRMF) replaced the Employment Control Framework approach to staffing. The new approach gives delegated authority to the Department of Education and Skills (DES) to approve the recruitment and promotion of staff without reference to the Department of Public Expenditure and Reform (DPER), subject to compliance with a binding pay ceiling and other related conditions. The SRMF will enable SOLAS to fill vacancies up to and including Director (Grade 4) and equivalent, as per the SOLAS' agreed Workforce Plan 2017 – 2020, and Executive Director (Grade 3) and above, subject to approval of the required business cases by DES.

A further 14 staff (2017: 22) were unpaid being on leave of absence, on career breaks, in receipt of Permanent Health Insurance, on nil pay due to sick leave or on pension rate of pay.

An amount of €564,660 was deducted from Wages and Salaries for the year 1 January 2018 to 31 December 2018 in relation to the Pension Levy and paid to the Department of Education and Skills (2017: €506,973).

No severance/termination payments were made in 2018 or 2017.

## 12(b) Table of Employee Benefits

Benefit Band	Number of Employees in 2018	Number of Employees in 2017
20,001 - 60,000	162	143
60,001 - 70,000	20	24
70,001 - 80,000	23	20
80,001 - 90,000	11	5
90,001 - 100,000	1	3
100,001 - 110,000	5	5
110,001 - 120,000	0	0
120,001 - 130,000	1	0
130,001 - 140,000	0	1
140,001 - 150,000	1	1
150,001 - 160,000	1	0
160,001 - 170,000	1	0
170,001 - 180,000	0	0
180,001 - 190,000	0	0
190,001 - 200,000	0	1
<b>Total</b>	<b>226</b>	<b>203</b>

The above table reflects all employees, both full time and part time employed by SOLAS in 2018 and 2017, employees that retired within the year are also counted.

Note: For the purposes of this disclosure, short-term employee benefits in relation to services rendered during the reporting period include salary, overtime, allowances and other payments made on behalf of the employee, but exclude employer's PRSI.



### 12(c) Staff Short-Term Benefits

	2018	2017
	€'000	€'000
Basic Pay	12,556	11,360
Allowances	34	30
Overtime	6	7
<b>Total</b>	<b>12,596</b>	<b>11,397</b>

### 12(d) Key Management Personnel

Key management personnel in SOLAS consists of the members of the Board, the Chief Executive Officer and three Executive Directors. The Board of SOLAS do not receive fees, Board expenses are set out in note 12(f). The total value of employee benefits for key management personnel is set out below:

	2018	2017
	€	€
Salaries	581,097	529,034
Allowances	14,523	11,700
<b>Total</b>	<b>595,620</b>	<b>540,734</b>

This does not include the value of retirement benefits earned in the period. The key executive management personnel are members of SOLAS's pension scheme and their entitlements in that regard do not extend beyond the terms of the model public service pension scheme. The Board are not members of any SOLAS pension scheme.

### 12(e) Chief Executive Officer and Benefits

The CEO remuneration package for the financial period was as follows.

	2018	2017
	€	€
CEO Salary	156,642	178,314
Allowance *	9,900	11,700
Acting CEO Salary	26,481	0
Allowance #	4,623	0
<b>Total</b>	<b>197,646</b>	<b>190,014</b>

The former Chief Executive Officer and Acting Chief Executive Officer are members of SOLAS's pension scheme and their entitlements in that regard do not extend beyond the terms of the model public service pension scheme. The value of retirement benefits earned in the period is not included above.

The Chief Executive Officer was seconded to another state agency on the 26th October 2018 and has been replaced by an Acting Chief Executive Officer, pending an open competition to recruit a permanent CEO.

\* Benefit in Kind on CEO's car.

# Acting CEO allowance.

## 12(f) Fees and Expenses paid to Board members

In accordance with the requirements of Paragraph 1.4 (iv) of the Code of Practice for the Governance of State Bodies-Business and Financial Reporting Requirements 2016, expenses paid to the Board in the year ended 31 December 2018 are disclosed hereunder.

As SOLAS Board members do not receive any fees the disclosure relates only to expenses paid in respect of attendance at Board meetings.

	2018	2017
	€	€
	Expenses	Expenses
Pat Delaney (Chairman)	0	0
Paul O Toole (Chief Executive Officer)	0	0
Conor J. Dunne (Acting Chief Executive Officer)	0	0
Bernadette Brady	0	0
Sean Burke	0	0
Patricia Carey	2,884	1,135
Liz Cassidy	0	1,887
Patrick J Dwyer	0	0
William Egenton	0	0
Cathriona Hallahan	0	0
Darragh J Loftus	211	0
Sinead McCluskey	0	0
Cecilia Munro	0	0
Paul O Sullivan	0	0
Catrina Sheridan	0	0
<b>Total</b>	<b>3,095</b>	<b>3,022</b>

## **13 Superannuation Schemes**

Under Section 8 of the Labour Services Act, 1987, An Foras Áiseanna Saothair was required to prepare and administer retirement benefit schemes for the granting of retirement benefit entitlements to its staff. The superannuation schemes were approved in 1998 by the then Ministers for Finance and Enterprise, Trade and Employment.

There are two legacy retirement benefit schemes as follows:

- A defined benefit scheme which provides retirement benefits to former AnCO staff. This scheme closed to new members on 1 January 1988. On 31 December 2009 the assets of the scheme of €364.6m were transferred to the National Pension Reserve Fund (NPRF) in accordance with the Financial Measures (Miscellaneous Provisions) Act 2009. In line with the provisions of the Act, the obligation to pay benefits in accordance with the approved benefit rules of the transferred retirement benefit fund has effect after the date of the relevant transfer. Benefits are paid out of the funding provided annually by the Department of Education and Skills.
- An unfunded defined benefit scheme whose benefits are paid out of the funding provided annually by the Department of Education and Skills each year.

Contributions from staff in both schemes are paid over to the Department of Education and Skills each year.

SOLAS also operates the Single Public Service Pension Scheme (Single Scheme) which is the defined benefit pension scheme for pensionable public servants appointed on or after 1 January 2013. Single Scheme member's contributions are paid over to the Department of Public Expenditure and Reform.

In accordance with Section 46 of the Further Education and Training Act 2013 the retirement benefit payments and other superannuation liabilities of staff transferred to Education and Training Boards (ETBs) on 1 January and 1 July 2014 became the liability of the ETBs.

### 13 (i)

SOLAS commissioned an actuarial valuation of accrued liabilities at the financial reporting date and the cost of benefits (service cost) accrued during the year. The results of this valuation and assumptions used based on the projected unit method are listed hereunder.

	2018	2017
<b>(a) Retirement Benefit Costs</b>		
	<b>€'000</b>	<b>€'000</b>
Current Service Cost	3,310	3,840
Interest Expense	11,010	11,370
Contributions from Plan Members	697	650
<b>Funding Recoverable in respect of current period Retirement Benefit Costs</b>	<b>15,017</b>	<b>15,860</b>
Employee Retirement Benefit Contributions paid to the Department	(697)	(650)
<b>Retirement Benefit Costs</b>	<b>14,320</b>	<b>15,210</b>
<b>(b) Present Value of SOLAS Accrued Liability at beginning of year</b>	734,480	758,630
Funding Recoverable in respect of current period Retirement Benefit Costs	15,017	15,860
Actuarial (Gain) / Loss	(45,066)	(7,340)
Benefits Paid	(31,771)	(32,670)
<b>Present Value of SOLAS Accrued Liability at end of year</b>	<b>672,660</b>	<b>734,480</b>
<b>(c) Net Deferred Funding for Retirement Benefits in the Year</b>		
<b>The net deferred funding for retirement benefits recognised in the Statement of Income and Expenditure is as follows:</b>	<b>2018</b>	<b>2017</b>
	<b>€'000</b>	<b>€'000</b>
Funding Recoverable in respect of current period Retirement Benefit Costs	15,017	15,860
State Grant applied to pay Retirement Benefits	(31,771)	(32,670)
	<b>(16,754)</b>	<b>(16,810)</b>

<b>(d) Financial Assumptions</b>		
<b>The Financial Assumptions used for FRS102 purposes were:</b>	<b>2018</b>	<b>2017</b>
Discount Rate	1.60%	1.50%
Price Inflation	1.40%	1.70%
Salary Increases	1.90%	2.20%
State Pension Increases	1.40%	1.70%
Pension increases in payment	1.90%	2.20%
Pension increases in deferment	1.90%	2.20%
Ill-health retirement	5% loading	5% loading

The assumptions are set by reference to yield curves at the relevant accounting dates and reflect the Scheme's duration. The above assumptions are the single assumptions that give the same value of liabilities as if the figures were calculated using the yield curves described below.

The discount rate is set by reference to yields available at the accounting date on high quality corporate bonds, which we take to be AA rated for FRS102 purposes, having regard to the duration of the Scheme's liabilities. The assumption for future price inflation is based on the difference in yields on fixed-interest and index-linked bonds as at the accounting date and reflects the duration of the pension liabilities.

The salary increase assumption is consistent with the price inflation assumption. The general rate of salary increase has been set at 0.5% pa above the rate of price inflation. Note that pension increases in payment and deferment are linked to general salary increases. A separate promotional salary increase table was used for active members.

The assumption for life expectancy post-retirement is important and there is considerable uncertainty, particularly when considering the projection of future changes in mortality rates. The assumptions used for our results are set out below, in terms of life expectancies from normal retirement age. The mortality tables that we have used are the 58.0% of ILT15 and 62.0% of ILT15 tables. Improvements in annuity rates of 0.30% pa for males and 0.25% pa for females from 2014 have been assumed.

<b>The average life expectancy, in years, of a pensioner retiring is as follows:</b>		
	<b>2018</b>	<b>2017</b>
	<b>Retiring at 60</b>	<b>Retiring at 60</b>
Males	26.3 years	26.2 years
Females	28.9 years	28.7 years
	<b>Retiring at 65</b>	<b>Retiring at 65</b>
Males	21.5 years	21.4 years
Females	23.9 years	23.8 years

<b>(e) Actuarial Gain / (Loss)</b>		
	<b>2018</b>	<b>2017</b>
	<b>€'000</b>	<b>€'000</b>
Actuarial Gain / (Loss) Recognised in the SCI †	45,066	7,340
Cumulative Gains / (Losses) Recognised in the SCI	22,885	(22,181)

† Statement of Comprehensive Income

### **13 (ii)**

The retirement benefit liability of €672.660m includes an amount of €528.170m (78.5%) related to the retirement benefit liabilities of legacy organisations currently being administered by SOLAS. These retirement benefits are being paid by the Payroll Shared Service Centre (PSSC). Arrangements are under consideration with the Department of Education & Skills to have the funding associated with such retirement benefits assigned directly to the PSSC rather than being routed through the books of SOLAS.

### **13 (iii)**

SOLAS recognises as an asset, amounts owing from the State for the unfunded deferred liability for retirement benefits on the basis of a number of past events. These events include the statutory backing for the superannuation scheme and the policy and practice in relation to funding public service retirement benefits including the annual estimates process. SOLAS has no evidence that the funding policy will not continue to progressively meet this amount in funding in accordance with current practice. The deferred funding asset for retirement benefits as at 31 December 2018 amounted to €672.660 million. The calculation of the deferred asset is solely for FRS102 reporting purposes.

From 2010 onwards, in accordance with the provisions of the Financial Measures (Miscellaneous Provisions) Act 2009, future retirement benefits of the transferred retirement benefit fund will be met on a "pay as you go basis" out of the funding provided annually by the Department of Education and Skills. Contributions from staff and the employer in this scheme are paid over to the Department on a monthly basis.

## **14 Lease Commitments**

SOLAS had the following future minimum lease payments under non-cancellable (up to lease break clauses where these apply) operating leases.

	2018	2017
	As at 31 December 2018	As at 31 December 2017
<b>Operating Lease Commitments</b>	<b>€'000</b>	<b>€'000</b>
Payable within one year	1,213	1,590
Payable within 2 to 5 years	3,145	3,369
Payable after 5 years	393	1,103
<b>Total</b>	<b>4,751</b>	<b>6,062</b>

All Operating Leases are in relation to Buildings. SOLAS has no other Operating Leases.

The lease commitments at 2018 year end was €4.751m for 1 property.

The lease commitments at 2017 year end was €6.062m for 1 property.

Operating lease payments recognised as an expense in 2018 were €1.717m (2017: €1.553m).

The property was utilised in 2018. The Operating Lease is reviewed on an ongoing basis by SOLAS.

Under the lease agreement for the SOLAS office on Castleforbes Road, Dublin 1 a rent free period of 10 months commenced after the payment of the first quarter rent. The value of the incentive has been spread across the life of the lease.

### **Finance Lease Commitments**

There were no Finance Leases.



## **15 Funding**

Most of SOLAS' income is a grant from the Department of Education and Skills which is provided to meet liabilities maturing during the year, as opposed to expenditure incurred during the year. SOLAS recognises its income from the Department of Education and Skills on a cash basis, whereas expenditure is recognised as incurred. As a result, the annual surplus or deficit on the Statement of Income and Expenditure and the accumulated surplus or deficit do not represent normal operating surpluses or deficits and are largely attributable to the difference between accruals expenditure and cash-based funding.

## **16 Capital Commitments**

At 31 December 2018 SOLAS had entered into total capital commitments amounting to €12k. Capital commitments at 31 December 2017 amounted to €6k.

## **17 Contingent Liability**

In the normal course of business SOLAS is involved in various legal actions including the finalisation of legacy cases. After careful assessment of each case, the Board is confident that there are no actions, including the legacy actions, which, when settled, are likely to have a material impact on the financial statements.

## **18 Related Party Disclosures**

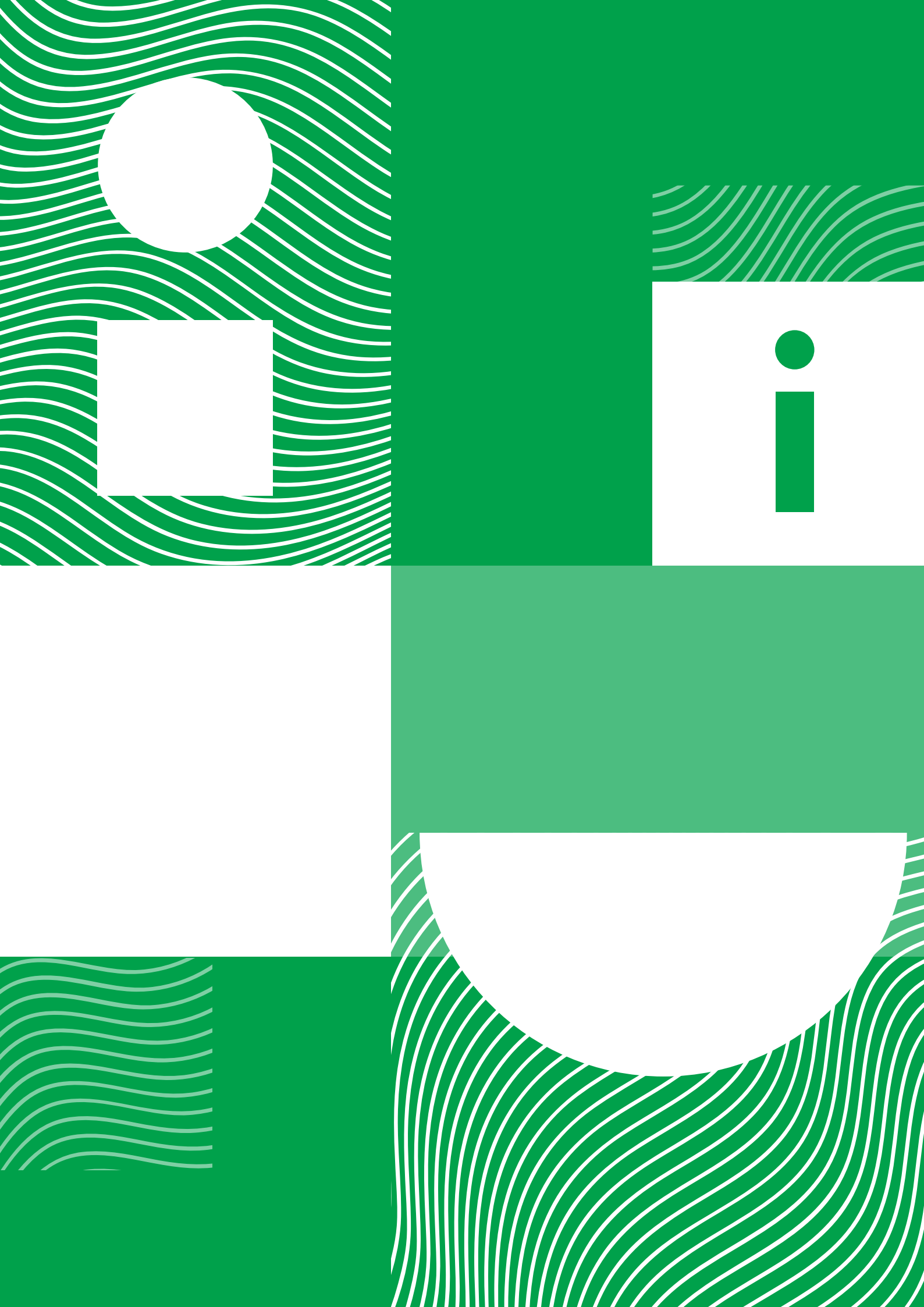
Related party personnel in SOLAS consist of the CEO and members of the Board of Directors. Total compensation paid to related party personnel, including Board members' fees and expenses and total CEO remuneration, amounted to €200,741 (2017: €193,036). A breakdown of remuneration and benefits paid to related party personnel is provided in notes 12(e) and 12(f).

SOLAS adopts procedures in accordance with the guidelines issued by the Department of Public Expenditure and Reform covering the personal interests of Board members. In the normal course of business, SOLAS may approve grants or enter into other contractual arrangements with entities in which SOLAS Board members are employed or are otherwise interested.

In cases of potential conflict of interest, Board members do not receive Board documentation on the proposed transactions nor do the members participate in or attend Board discussions relating to the matters. All such instances are recorded in the Board minutes. There were four occasions during the year when a Board member did not participate in or attend Board discussions relating to matters that represented a conflict of their interests.

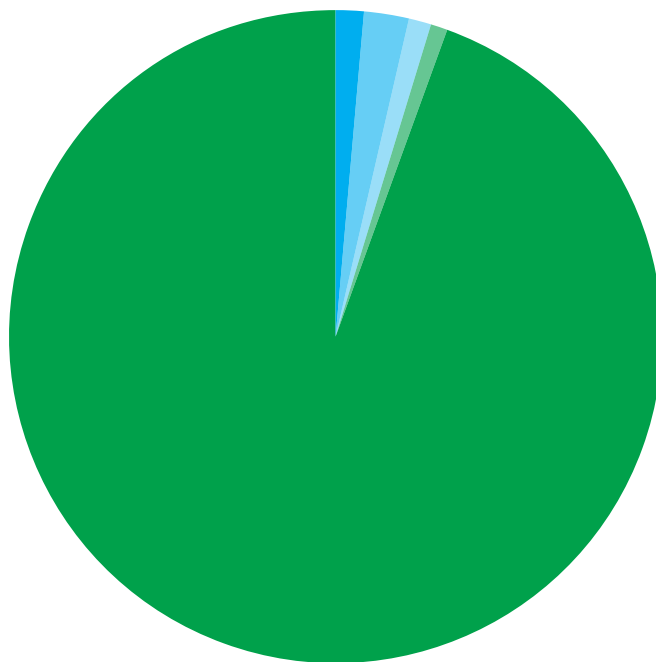
## **19 Board Approval**

The Board approved the Financial Statements on 25 April 2019.



## ADDITIONAL INFORMATION

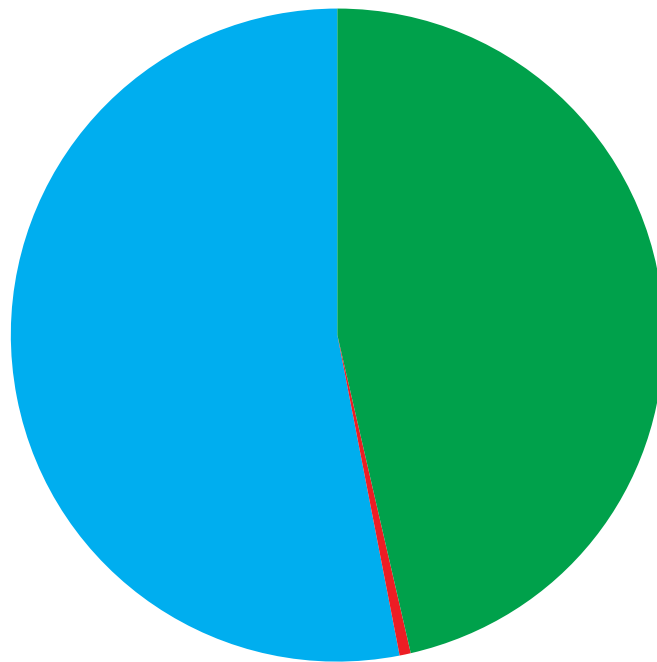
### Breakdown of Expenditure Excluding Pensions



- **Total Grants to ETBs** 94.28%
- **Total Grants to Schools & Other Organisations** 1.56%
- **Total Payroll Costs** 2.09%
- **Total Overheads** 1.13%
- **Total Programme Costs** 0.94%

Breakdown of Expenditure Excluding Pensions	
	€'000
Total Payroll Costs	12,596
Total Overheads	6,822
Total Programme Costs	5,697
Total Grants to ETBs	568,718
Total Grants to Schools & Other Organisations	9,403

## Sources of Income Excluding Pensions



- **National Training Fund** 46.43%
- **Other Income** 0.72%
- **Exchequer Funding** 52.85%

<b>Sources of Income Excluding Pensions</b>	
	<b>€'000</b>
National Training Fund	280,892
Other Income	4,333
Exchequer Funding	319,729

**Direct Provision of Funding (Further Education Grants)**  
**Breakdown of Grants by Programme as Reported by the Education and Training Boards**

Education & Training Board	Adult Guidance	Adult Literacy	Back To Education Initiative	Community Education	English for Speakers of Other Languages	Innovation Projects	Intensive Tuition Adult Basic Education	Delivering Equality of Opportunity	Post Leaving Certificate
	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
Cavan & Monaghan	356	1,032	944	413	140	0	82	18	719
City of Dublin	417	4,727	2,718	2,377	617	1,517	(4)	0	1,106
Cork	423	2,238	1,502	1,052	162	756	210	66	1,405
Donegal	355	1,033	1,197	553	57	21	59	15	45
Dublin & Dun Laoghaire	664	1,866	3,719	1,203	0	187	337	0	561
Galway & Roscommon	380	2,208	2,618	517	0	255	110	0	443
Kerry	255	785	710	307	94	925	44	20	241
Kildare & Wicklow	439	1,675	1,139	511	229	0	155	(3)	220
Kilkenny & Carlow	602	1,055	1,299	353	0	0	68	16	213
Laois & Offaly	384	1,094	1,425	443	0	0	46	7	100
Limerick & Clare	595	2,868	1,956	845	314	1,093	0	0	153
Longford & Westmeath	358	1,203	925	217	0	0	72	21	95
Louth & Meath	322	1,357	1,131	322	237	209	14	9	690
Mayo, Sligo & Leitrim	490	1,288	1,566	675	154	32	107	46	191
Tipperary	130	927	1,439	446	210	25	107	(1)	240
Waterford & Wexford	305	1,832	1,851	624	164	744	25	28	499
<b>Total</b>	<b>6,475</b>	<b>27,188</b>	<b>26,139</b>	<b>10,858</b>	<b>2,378</b>	<b>5,764</b>	<b>1,432</b>	<b>242</b>	<b>6,921</b>

*The negative balances reported by some ETBs on some programmes are the result of surpluses carried forward from prior years.*

VTOS	Workplace Education Fund	Youthreach	Further Education Operational Costs	Adult Refugee Programme	Other Programmes	Advocacy	Sub-Total	Capital Building	Capital Equipment	Total
€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
550	233	2,784	261	73	0	0	<b>7,605</b>	0	69	<b>7,674</b>
11,355	130	8,740	1,705	0	0	55	<b>35,460</b>	49	236	<b>35,745</b>
2,940	190	5,937	1,568	82	0	28	<b>18,559</b>	221	0	<b>18,780</b>
2,423	100	3,244	771	17	0	86	<b>9,976</b>	0	0	<b>9,976</b>
4,061	385	7,366	1,005	0	0	0	<b>21,354</b>	266	0	<b>21,620</b>
5,532	100	5,015	1,108	543	236	195	<b>19,260</b>	5	0	<b>19,265</b>
2,645	0	2,597	2,169	18	0	0	<b>10,810</b>	0	107	<b>10,917</b>
8,492	96	4,102	631	68	0	0	<b>17,754</b>	0	85	<b>17,839</b>
2,545	100	1,011	99	125	0	0	<b>7,486</b>	0	108	<b>7,594</b>
2,963	157	2,731	36	45	0	0	<b>9,431</b>	0	0	<b>9,431</b>
7,434	245	5,086	2,851	(1)	0	0	<b>23,439</b>	308	0	<b>23,747</b>
2,236	86	2,005	53	(45)	0	0	<b>7,226</b>	0	0	<b>7,226</b>
2,002	93	4,403	440	166	0	0	<b>11,395</b>	0	194	<b>11,589</b>
3,625	353	3,350	773	240	0	0	<b>12,890</b>	0	0	<b>12,890</b>
2,667	166	1,734	157	(1)	0	14	<b>8,260</b>	0	184	<b>8,444</b>
8,173	205	5,544	1,222	704	0	0	<b>21,920</b>	0	0	<b>21,920</b>
<b>69,643</b>	<b>2,639</b>	<b>65,649</b>	<b>14,849</b>	<b>2,034</b>	<b>236</b>	<b>378</b>	<b>242,825</b>	<b>849</b>	<b>983</b>	<b>244,657</b>



**Direct Provision of Funding (Training Grants)****Breakdown of Grants by Programme as Reported by the Education and Training Boards**

Education & Training Board	Apprentice-ship	Apprentice-ship 2016*	Bridging Foundation	Community Training Centres	Justice Workshops	Evening Courses	On-Line Blended Learning	Local Training Initiatives
	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
Cavan & Monaghan	543	102	0	0	0	24	0	822
City of Dublin	9,504	570	(16)	10,262	175	1,010	0	955
Cork	8,223	150	(6)	2,129	0	341	3	3,518
Donegal	1,781	0	0	0	0	253	0	129
Dublin & Dun Laoghaire	5,283	42	117	2,584	203	912	755	1,705
Galway & Roscommon	2,674	184	0	858	152	419	214	1,365
Kerry	3,311	64	67	869	0	57	(18)	0
Kildare & Wicklow	(205)	320	(98)	945	0	150	50	1,537
Kilkenny & Carlow	2,164	130	7	2,631	0	0	0	1,468
Laois & Offaly	0	235	7	1,244	0	66	0	754
Limerick & Clare	7,824	86	0	3,249	254	619	0	1,637
Longford & Westmeath	2,999	0	(97)	2,253	28	279	(2)	674
Louth & Meath	4,516	0	(721)	992	0	423	0	1,785
Mayo, Sligo & Leitrim	3,408	0	0	1,657	0	300	(129)	1,984
Tipperary	5,543	0	282	2,762	0	165	0	1,234
Waterford & Wexford	8,459	0	363	2,090	0	887	1	2,767
<b>Total</b>	<b>66,027</b>	<b>1,883</b>	<b>(95)</b>	<b>34,525</b>	<b>812</b>	<b>5,905</b>	<b>874</b>	<b>22,334</b>

The negative balances reported by some ETBs on some programmes are the result of surpluses carried forward from prior years.

Skills Training	Specialist Training Providers	Traineeship	Libraries	Training Pay Grants	Training Operational Costs	Sub-Total	Capital Building	Capital Equipment	Total
€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
2,684	1,300	865	0	1,094	1,072	<b>8,506</b>	0	0	<b>8,506</b>
1,694	9,681	2,041	0	5,123	1,965	<b>42,964</b>	(2)	247	<b>43,209</b>
3,674	4,322	1,148	4	4,121	2,430	<b>30,057</b>	0	710	<b>30,767</b>
2,434	1,030	2,515	0	2,158	989	<b>11,289</b>	200	93	<b>11,582</b>
6,513	4,128	5,420	3	6,988	2,769	<b>37,422</b>	212	83	<b>37,717</b>
3,037	2,334	667	0	2,704	936	<b>15,544</b>	213	288	<b>16,045</b>
3,301	2,519	2,080	0	2,812	1,570	<b>16,632</b>	0	198	<b>16,830</b>
2,926	3,113	1,097	0	894	594	<b>11,323</b>	0	0	<b>11,323</b>
812	422	2,366	0	681	279	<b>10,960</b>	0	0	<b>10,960</b>
52	2,097	2,719	0	1,170	1,281	<b>9,625</b>	50	0	<b>9,675</b>
2,616	2,859	2,270	27	4,459	3,348	<b>29,248</b>	0	116	<b>29,364</b>
3,756	2,446	1,032	0	2,726	955	<b>17,049</b>	75	148	<b>17,272</b>
2,452	2,216	2,622	0	2,722	825	<b>17,832</b>	119	37	<b>17,988</b>
2,695	3,514	1,896	0	2,346	1,148	<b>18,819</b>	(5)	439	<b>19,253</b>
2,152	885	460	0	539	(101)	<b>13,921</b>	0	0	<b>13,921</b>
4,022	1,722	2,333	0	4,981	1,553	<b>29,178</b>	0	471	<b>29,649</b>
<b>44,820</b>	<b>44,588</b>	<b>31,531</b>	<b>34</b>	<b>45,518</b>	<b>21,613</b>	<b>320,369</b>	<b>862</b>	<b>2,830</b>	<b>324,061</b>

## Five Year Financial Summary

	2014 #	2015	2016	2017	2018
	14 months	12 months	12 months	12 months	12 months
	€'000	€'000	€'000	€'000	€'000
<b>Statement of Income and Expenditure</b>					
<i>Total Income</i>	<b>708,526</b>	<b>591,325</b>	<b>605,341</b>	<b>603,131</b>	<b>620,700</b>
<b>Expenditure</b>					
Payroll Costs SOLAS	16,134	12,139	11,734	11,397	12,596
Payroll Costs Transferred Operations ~	19,194	-	-	-	-
Overheads SOLAS	9,470	7,908	6,874	7,304	6,822
Overheads Transferred Operations ~	10,236	-	-	-	-
<b>SOLAS Operational Cost</b>	<b>55,034</b>	<b>20,047</b>	<b>18,608</b>	<b>18,701</b>	<b>19,418</b>
Retirement Benefit Costs	44,968	19,190	19,200	15,210	14,320
Programme Costs	15,826	17,069	11,978	7,936	5,697
Programme Costs Transferred Operations ~	126,065	-	-	-	-
Grants to Education and Training Boards °	458,764	527,377	538,232	548,613	568,718
Grants to VSCCS *°	399	581	726	725	661
Grants to Organisations in the FET sector °	5,891	5,639	7,147	7,006	8,742
<b>Total Expenditure</b>	<b>706,947</b>	<b>589,903</b>	<b>595,891</b>	<b>598,191</b>	<b>617,556</b>
<b>Surplus</b>	<b>1,579</b>	<b>1,422</b>	<b>9,450</b>	<b>4,940</b>	<b>3,144</b>
<b>Statement of Financial Position</b>					
Fixed Assets	540	754	1,005	739	911
Net Current Assets	3,758	1,653	9,640	5,156	3,396
	<b>4,298</b>	<b>2,407</b>	<b>10,645</b>	<b>5,895</b>	<b>4,307</b>
<b>Financed by:</b>					
Capital Account	420	231	168	194	230
Capital Reserves	540	754	1,005	739	911
Revenue Reserve	3,338	1,422	9,472	4,962	3,166
	<b>4,298</b>	<b>2,407</b>	<b>10,645</b>	<b>5,895</b>	<b>4,307</b>

# 2014 financial year for SOLAS was from 27 October 2013 to 31 December 2014.

~ 2014 costs of operational units subsequently transferred to Educational & Training Boards (ETB) during 2014.

° The 2014 grants related to the calendar year 1 January 2014 to 31 December 2014 only.

\* Voluntary Secondary and Community and Comprehensive Schools

### Five Year Review Operating Grants to ETBs

Education & Training Board	Operating Grant 2014	Operating Grant 2015	Operating Grant 2016	Operating Grant 2017	Operating Grant 2018
	€'000	€'000	€'000	€'000	€'000
Cavan & Monaghan	6,896	8,340	14,630	16,515	16,111
City of Dublin	85,863	81,739	79,651	76,580	78,424
Cork	51,584	48,524	50,211	48,665	48,616
Donegal	14,622	22,246	20,348	19,444	21,265
Dublin & Dun Laoghaire	68,776	64,134	65,387	63,471	58,776
Galway & Roscommon	24,663	32,819	31,984	33,616	34,804
Kerry	23,780	23,963	24,227	25,071	27,442
Kildare & Wicklow	17,107	20,263	26,667	29,259	29,077
Kilkenny & Carlow	7,408	7,363	14,230	16,686	18,446
Laois & Offaly	7,892	7,507	14,631	16,882	19,056
Limerick & Clare	34,496	53,207	49,839	51,948	52,687
Longford & Westmeath	23,630	34,520	22,444	22,411	24,275
Louth & Meath	23,074	28,180	29,665	28,286	29,227
Mayo, Sligo & Leitrim	20,692	27,783	30,131	31,728	31,709
Tipperary	6,987	8,221	13,567	16,599	22,181
Waterford & Wexford	37,995	55,863	48,143	48,567	51,098
	<b>455,465</b>	<b>524,672</b>	<b>535,755</b>	<b>545,728</b>	<b>563,194</b>

### Five Year Review Capital Grants to ETBs

Education & Training Board	Capital Grant 2014	Capital Grant 2015	Capital Grant 2016	Capital Grant 2017	Capital Grant 2018
	€'000	€'000	€'000	€'000	€'000
Cavan & Monaghan	0	0	2	41	69
City of Dublin	100	278	101	79	530
Cork	354	494	381	891	931
Donegal	75	108	87	265	293
Dublin & Dun Laoghaire	140	168	294	106	561
Galway & Roscommon	135	128	246	251	506
Kerry	1,217	391	212	263	305
Kildare & Wicklow	0	0	0	28	85
Kilkenny & Carlow	0	0	0	0	108
Laois & Offaly	0	0	15	(5)	50
Limerick & Clare	255	737	95	402	424
Longford & Westmeath	730	0	211	112	223
Louth & Meath	87	174	19	(25)	350
Mayo, Sligo & Leitrim	90	65	454	269	434
Tipperary	0	0	0	0	184
Waterford & Wexford	116	162	360	208	471
	<b>3,299</b>	<b>2,705</b>	<b>2,477</b>	<b>2,885</b>	<b>5,524</b>

The negative balances reported by some ETBs on some programmes are the result of surpluses carried forward from prior years.

## Membership of Advisory Committees

(for the period 1 January to 31 December 2018)

### National Apprenticeship Advisory Committee (NAAC)

Number of meetings held in 2018: Three meetings and one Workshop

### Membership – 2018

<b>William Egenton</b>	Chairman & SOLAS Board Member
<b>Cecilia Munro</b>	SOLAS Board Member
<b>Shauna Dunlop</b>	SOLAS Executive
<b>Phil O'Flaherty</b>	Department of Education & Skills (DES)
<b>Cathy Holahan</b>	Enterprise Ireland (EI)
<b>Eamon Devoy</b>	Technical, Engineering & Electrical Trades (ICTU)
<b>Brian Nolan</b>	Connect Trade Union (ICTU)
<b>Dermot Carey</b>	Construction Industry Federation (CIF)
<b>Ruaidhrí Neavyn</b>	Higher Education Authority (HEA)
<b>Michael Hannon</b>	Technological Higher Education Association (THEA)
<b>John Kearney</b>	Education & Training Boards Ireland (ETBI)
<b>Colin Tyrell</b>	Apprentice Representative
<b>Brian Head</b>	<b>Secretariat (SOLAS)</b>

## Membership Changes in 2018

Number of meetings held: Two

<b>William Egenton</b>	Chairman and SOLAS Board member attended his last meeting on 4th October, 2018. Mr. Egenton later concluded his five year term of office as a SOLAS Board member on 26th October, 2018.
<b>Cecilia Munro</b>	SOLAS Board Member replaced Elizabeth Cassidy, former SOLAS Board Member as the Board Member representative in February 2018.
<b>Michael Hannon</b>	replaced Barry O'Connor as the ITAC (THEA) representative in March 2018.
<b>Shauna Dunlop</b>	replaced Ray Kelly as the SOLAS Executive representative representative in April 2018.
<b>Cathy Holahan</b>	New Member to the committee in April 2018.
<b>Colin Tyrrell</b>	New Learner Representative to the committee in May 2018.
<b>John Kearney</b>	replaced Martin G. O'Brien as the ETBI representative in July 2018.

### **NAAC – National Apprenticeship Appeals Committee**

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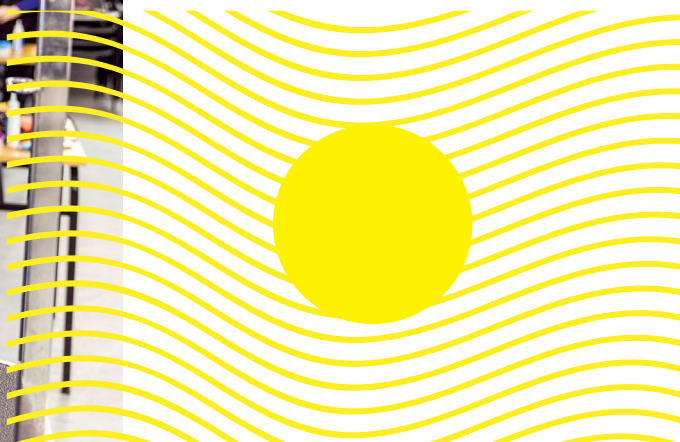
Number of meetings held: Three

<b>Patricia Cassells</b>	Chair
<b>Paddy Kavanagh</b>	Technical Engineering and Electrical Union (TEEU)
<b>David Nicholson</b>	Dun Laoghaire Further Education Institute (DFEI)
<b>Tommy Flaherty</b>	BAM Group
<b>Peter Heffernan*</b>	City of Dublin Education and Training Board (CDETb)
<b>Trevor Sinnott</b>	Waterford and Wexford Education and Training Board (WWETB)
<b>Joe Roe</b>	SOLAS Legal Services
<b>Brian Head</b>	Chairman & SOLAS Board Member
<b>Bryan Redmond</b>	<b>Secretariat SOLAS</b>

### **Changes during 2018**

Peter Heffernan retired in May 2018





## ANNUAL REPORT 2018

Pursuant to Section 32 (1) of the Further Education and Training Act 2013, An tSeirbhís Oideachais Leanúnaigh agus Scileanna (SOLAS) herewith presents to the Minister for Education and Skills its Annual Report and Financial Statements for the 12-month period from 1 January 2018 to 31 December 2018.

## Official Languages Act, 2003

This Annual Report is published simultaneously in each of the official languages.

SOLAS, the Further Education and Training Authority, is responsible for funding, planning and co-ordinating Further Education and Training programmes. All programmes are either funded or co-funded by the Irish Government. Some programmes are co-funded by the European Union under the Programme for Employability, Inclusion and Learning 2014–2020.

**SOLAS – An tSeirbhís Oideachais  
Leanúnaigh agus Scileanna**  
Further Education and  
Training Authority

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