

National Training Fund Expenditure Report 2019



**An Roinn Oideachais
agus Scileanna
Department of
Education and Skills**

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Introduction

The purpose of this Expenditure Report is to set out the expenditure allocations, targets and indicators for each programme in receipt of the National Training Fund for 2019 in the context of funding reform in Higher and Further Education, the National Skills Strategy and the current economic climate.

Background

The National Training Fund (NTF) was established by the National Training Fund Act, 2000, as a dedicated fund to support the training of those in employment, and those seeking employment. The Act also provides for the funding of research to provide information on existing and likely future skills requirements of the economy.

The creation of the fund was announced in Budget 2000 by the then Minister for Finance to raise the skills of those in employment, to give jobseekers relevant skills and to facilitate lifelong learning. The NTF replaced the Apprenticeship Levy which was set up under The Industrial Training (Apprenticeship Levy) Act 1994. In May 2010, responsibility for the NTF was transferred from the Minister for Enterprise, Trade and Innovation to the Minister for Education and Skills.

Following a consultation process, the Government, as part of Budget 2018, decided to raise the rate of the National Training Fund (NTF) levy by 0.1% in 2018 to 0.8%. As part of Budget 2019, the levy was raised by a further 0.1% to 0.9% and by 0.1% in 2020 on the basis of the implementation of planned reforms.

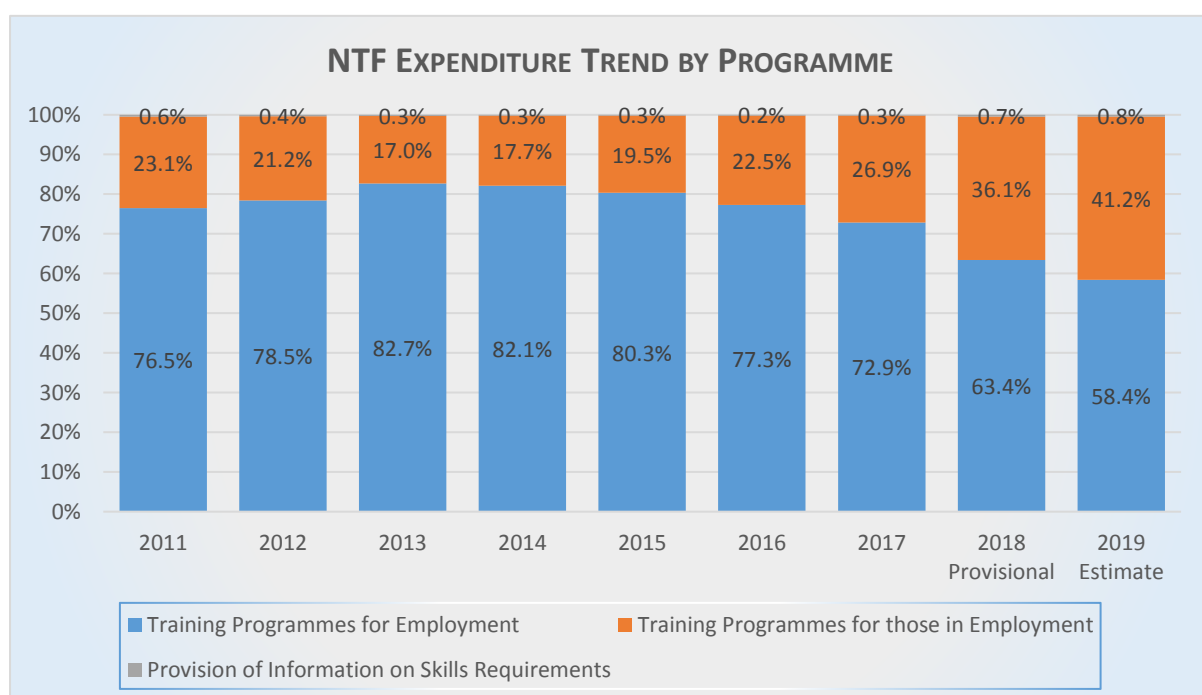
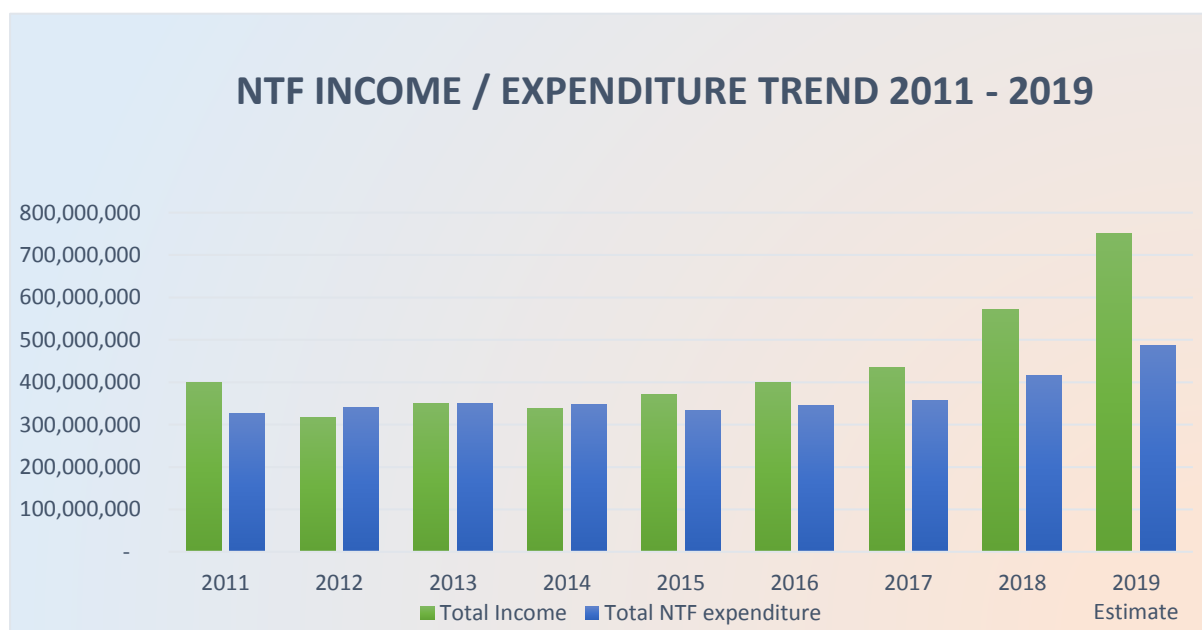
The National Skills Council was launched in April 2017 with a purpose to make Ireland a leader in anticipating and responding to the rapidly changing skills needs across all sectors. The advice of the National Skills Council will also be made available to inform downstream decisions in respect of NTF programming, as appropriate.

Current Context

The National Training Fund (NTF) is used to raise the skills of those in employment, to provide training to those who wish to acquire skills for the purposes of taking up employment and to provide information relating to existing or future requirements for skills in the economy. The NTF is funded by a levy of 0.9 per cent of reckonable earnings in respect of employees in classes A and H employments, which represents approximately 75 per cent of all insured employees. The NTF levy generated €566 million in 2018 and is expected to

generate €744 million in 2019. The amount collected through the levy has varied over the last number of years primarily due to changes in the labour market.

One of the key features of the NTF is its flexibility and the way it responds to changing economic/labour market conditions. By way of illustration, the following tables show the income and expenditure trends from 2011 until 2019, which demonstrate that as the economic climate has improved, expenditure on training for those in employment has increased. There has been a corresponding reduction in expenditure on training for those seeking employment in the same interval. The income trend shows a steady increase from 2014 – 2018 due to an improving employment situation and the increases in the levy for 2018. The projected 2019 income also incorporates the additional increase in the levy.



Funding reform to meet changing labour market need

During the recession, the focus moved sharply from training those in employment to supporting unemployed people back into the workplace. However there has been a fundamental shift in the labour market over the last 6 years with unemployment falling from a 16% high in 2012 to 5.6% in February 2019. This has been reflected in a changed and rebalanced suite of NTF-funded programmes to support the larger working population, to address the higher demand for lifelong learning as the influence of technology increases and to seek to address emerging areas of skills and labour shortage. .

The NTF enables more flexible responses to changing economic/labour market conditions. As the economic climate has improved, expenditure on training for those in employment has increased with a corresponding reduction in expenditure on training for those seeking employment. This trend is evident from 2014 to 2018 and will continue in 2019.

The strong recovery is building up a reserve in the National Training Fund which puts the state in a strong position to make the structural improvements necessary to underpin the resilience of the recovery in the face of new threats such as Brexit.

New spending is of course restrained by fiscal expenditure rules and new programmes must be justified within the parameters which are applied across Government through the public spending code.

Reform of the National Training Fund:

The Government, as part of Budget 2018, decided to raise the rate of the National Training Fund (NTF) levy by 0.1% in 2018 to 0.8% and by a further 0.1% in both 2019 and 2020 on the basis of the implementation of planned reforms. This measure allowed for additional expenditure of €47.5 million from the NTF in 2018 and will allow for an additional €69m in 2019 under the EU fiscal rules.

These increases in the NTF levy were accompanied by a package of reforms to the Fund. These reforms were or are being introduced following a consultation process with the employers with the aim of making the Fund more responsive to employer needs and to give employers a greater say in informing priorities for the Fund.

An independent review of the National Training Fund was commissioned by the Department of Education and Skills as part of the package of reforms. This independent review, which

was undertaken by Indecon, was published by the Minister for Education and Skills on 17 August 2018. The report made 14 specific recommendations across 4 key areas:

- Reform of the future direction of the NTF.
- Utilising the NTF to support investment in Higher Education.
- Enhancing enterprise engagement and input to NTF priorities.
- Improvements in monitoring/evaluation of the NTF.

An Implementation Plan to deliver the recommendations contained in the Independent Review was published as part of Budget 2019 along with details of a new advisory group to the National Skills Council in order to optimise enterprise engagement on NTF priorities. This advisory group is being chaired by Mr Liam Ryan, a member of the National Skills Council, and includes key stakeholders from the enterprise sector and bodies who have a strategic and oversight role in delivery of skills provision.

Regarding oversight, the implementation of the Plan will be monitored by an Interdepartmental Group comprising Department of Education and Skills, Department of Public Expenditure and Reform, Department of Finance, Department of Business, Enterprise and Innovation and related agencies.

The actions contained in this Plan sets out a clear path for transforming the National Training Fund into a strategic, enterprise-focussed response to meeting the skills needs of the economy. The full Implementation Plan can be found at the following link:

<https://www.education.ie/en/Publications/Education-Reports/review-of-national-training-fund-implementation-plan.pdf>

Summary of 2019 allocations

The 2018 NTF allocations represented a major shift in the focus of expenditure from the Fund. Programmes were more tightly focused on labour market skill needs across higher education, further education and training and other partners.

As part of Budget 2019 this shift has continued and a number of steps have already been taken to align with the recommendations set out in the Independent report:

- There has been additional support for close to labour market skills requirements – additional funding has been provided to continue the expansion of apprenticeships and traineeships, increase the number of places on Springboard, support Skillnet Ireland to meet the skills gaps in the economy, and invest in a new ETB employee development programme.
- From January 2020, a new ring-fenced funding line, the Human Capital Initiative, will be established within the National Training Fund to invest €60 million per annum from the accumulated surplus, over a 5-year period. The ring-fenced allocation, totalling €300 million over the period 2020-2024 will form a key part of the Government’s strategic response to Brexit and other challenges facing the economy; it will meet the future skills needs of the economy and provide additional investment at levels 6-8 in Higher Education; address skills needs at a regional level via the Regional Skills; give employers a greater role in determining the strategic direction of the Fund; and allow the Education sector to take a more medium-term approach to budgeting through an agreed multi-annual allocation. Strict criteria in the oversight and use of the fund will ensure that the funding is consistent with overall fiscal policy and will guarantee that an adequate surplus is maintained in the Fund at all times.
- There is increased focus on supporting in-company training - The NTF is delivering €6.3 million in extra funding to Skillnet Ireland in 2019 and supplying a new funding line of €11 million for the implementation of the new SOLAS/ETB framework to upskill lower skilled workers and support SMEs.
- There has already been a reallocation of NTF funding of FET for employment programmes below NFQ Level 5 to the Exchequer and this process, begun in Budget 2018, has been accelerated in Budget 2019. €57 million in investment in programmes with significant activity below level 5 on the NFQ, previously resourced from the NTF, will now be funded from the Exchequer.
- The NTF will be deployed to support close-to-labour-market skills programmes in areas of identified skills needs with support for enterprise-focused higher education programmes increased from €37 million in 2018 to €120 million in 2019. As was the case in Budget 2018, the NTF will fund all of some programmes as part of this investment. This includes programmes in the following key skills areas:
 - Pharmaceuticals

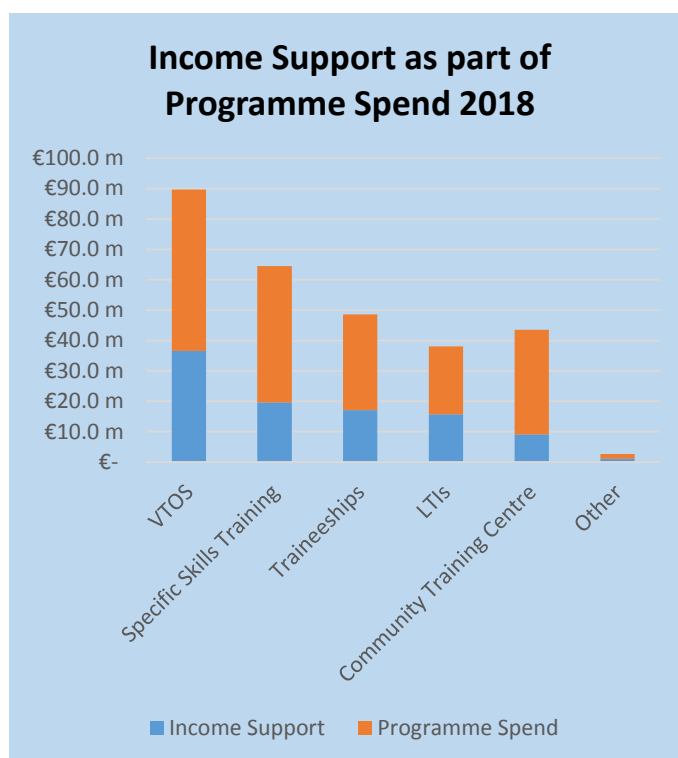
- Medical Diagnostics
- Tourism & Food
- Financial Services

NTF Higher Education Expenditure 2014 - 2019							
		2014	2015	2016	2017	2018	2019
		Spend	Spend	Spend	Spend	Spend	Allocation
HEA Apprenticeships							
	Exchequer	13.1	12.5	14.6	19.1		
	NTF			0.4	4.3	32	37
	Total	13.1	12.5	15	23.4	32	37
Springboard							
	NTF	28.7	27.4	27.8	26.8	30.2	34.4
Enterprise Focused Higher Education Provision							
	Exchequer	37	37	37	31.4		
	NTF				5.6	37	120.1
	Total	37	37	37	37	37	120.1

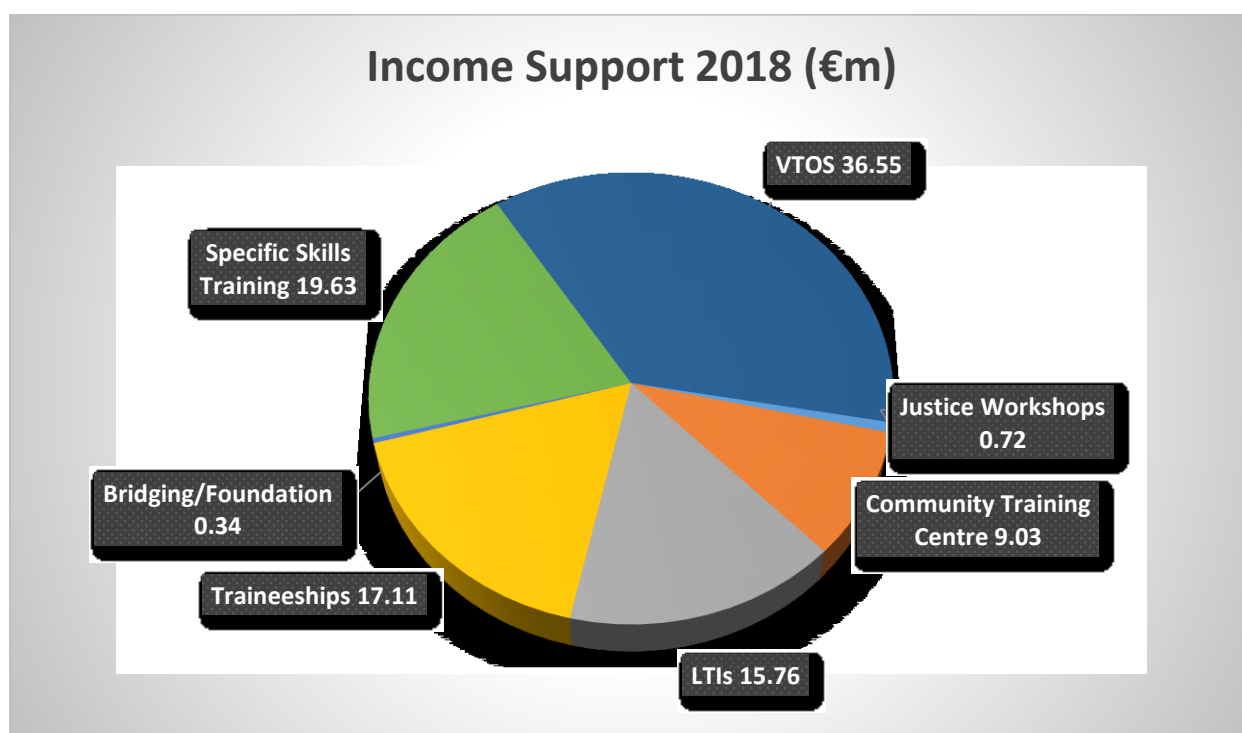
SOLAS/ETB training for employment activity will now mainly concentrate on strongly labour market focused programmes. The largest programmes supported will be Traineeship and Specific Skills Training, which are predominantly commercially contracted and can be deployed flexibly.

Income Supports

Apprentices are paid an allowance equivalent to their on-the-job wages for periods spent in education and training institutions. In addition, unemployed participants on training courses are paid a training allowance by ETBs based on their DEASP payment. In the case of training for unemployed people, these allowances are integral parts of the programmes, as (i) they facilitate the participation of individuals who would not otherwise be in a position to take up training and (ii) they ensure that only individuals who are active participants in the training are in receipt of the allowances.



Income support paid from the National Training Fund for 2018 was €99.1 million, which is 23.9% of the overall €415.4 million expenditure from the fund. A breakdown of this support by programme is shown below:



Expenditure by beneficiary

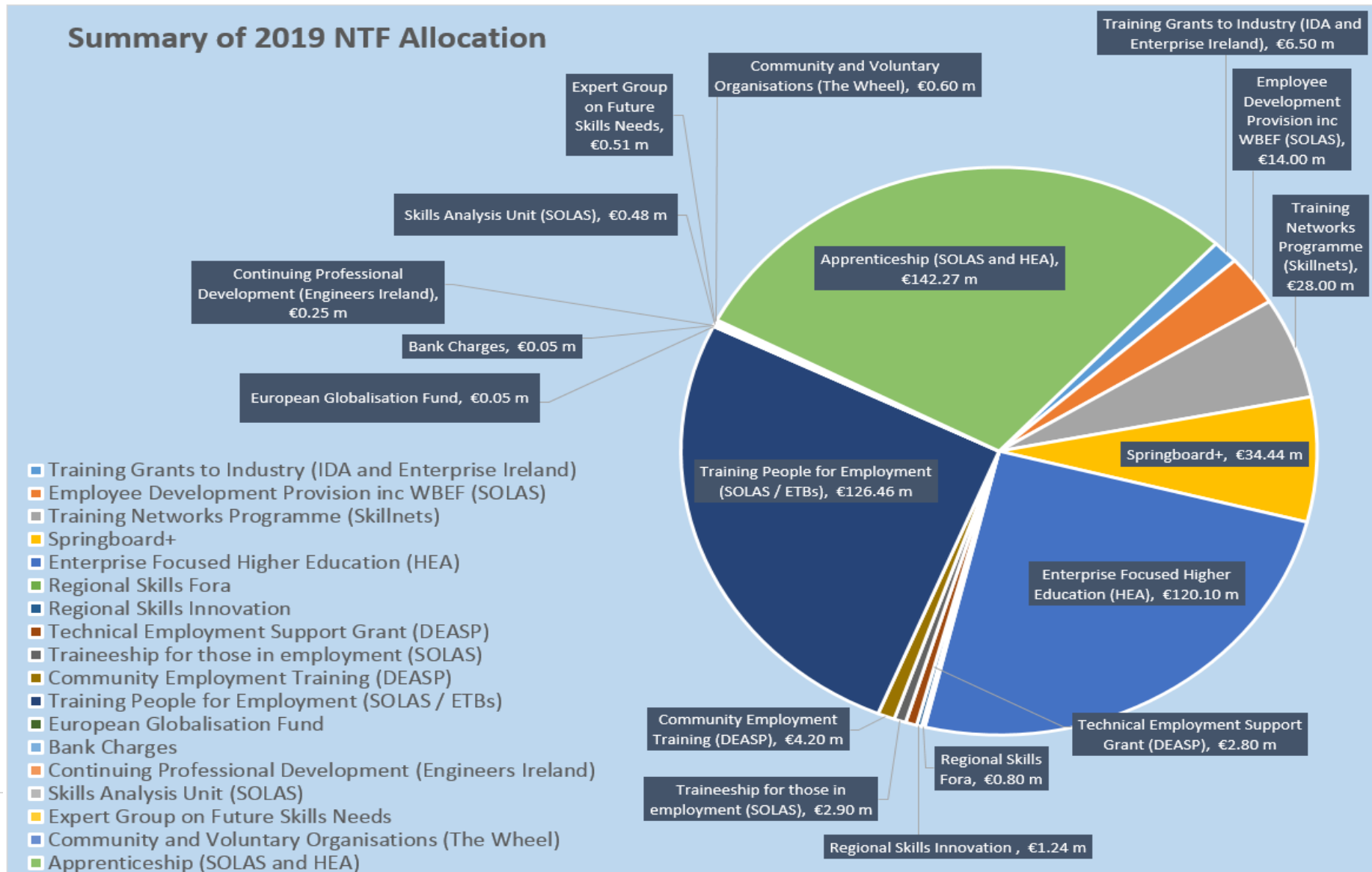
The attached appendix outline the details of programmes funded by the NTF, including the funding being provided in 2019 compared to 2018, a brief explanation of the purpose of the programme, and an outline of the targets and indicators for 2019. A summary of the trends in expenditure and participation from 2011 - 2019 for each component of the NTF are also included at tables A1 and A2 in the appendix.

The following table sets out the NTF allocation for 2019 as compared with 2018:

Programme	Programme Type	2018 Allocation (€m)	2019 Allocation (€m)	% Change
Training People for Employment (SOLAS / ETBs)	Training for Employment	182.5*	126.5*	-31% (Switched back to Exchequer)
Apprenticeship (SOLAS and HEA)	Training in Employment	122	142.3	17%
Enterprise Focused Higher Education (HEA)	Training for Employment	37	120.1	225% (switched from Exchequer – No Change)
Springboard+	Training for Employment	30.4	27.6	-9%
Springboard+	Training In Employment	0	6.9	New Allocation (Previously included in For Employment)
Training Networks Programme (Skillnets)	Training in Employment	19.5	25.6	32%
Training Grants to Industry (IDA and Enterprise Ireland)	Training in Employment	6.5	6.5	No Change
Community Employment Training (DEASP)	Training for Employment	4.2	4.2	No Change
Technical Employment Support Grant (DEASP)	Training for Employment	3.2	2.8	-13%
Employee Development Provision inc WBEF (SOLAS)	Training in Employment	3	14.0	367% (includes €11m new allocation)
Training Networks Programmes (Skillnets)	Training for Employment	2.2	2.4	7%
Traineeship for those in employment (SOLAS)	Training in Employment	1.5	2.9	93%
Regional Skills Innovation	Training in Employment	1	1.2	24%
Regional Skills Fora	Provision of Skills Needs	1	0.8	-20%
Skills Analysis Unit (SOLAS)	Provision of Skills Needs	0.5	0.5	-4%
Expert Group on Future Skills Needs	Provision of Skills Needs	0.4	0.5	27%
Community and Voluntary Organisations (The Wheel)	Training in Employment	0.4	0.6	50%
Continuing Professional Development (Engineers Ireland)	Training in Employment	0.1	0.3	150%
European Globalisation Fund	Training for Employment	0.1	0.1	No Change
Bank Charges		0.05	0.05	-
Overall Total		415.5	485.6	17%

* See breakdown by programme in appendix 1

The total allocation for NTF expenditure for 2019 is €485.64 million. The proposed 2019 NTF allocations represent a major shift in the focus of expenditure from the Fund. Programmes will be tightly focused on labour market skill needs across higher education, further education and training and other partners. The split of this allocation can be seen in the chart below:



Appendix 1 - details
of programmes
funded by the NTF

Table A1: NATIONAL TRAINING FUND: Income and Expenditure 2011-2019

INCOME	2011	2012	2013	2014	2015	2016	2017	2018 Provisional	2019	
National Training Fund Levy	316,000,000	299,000,000	317,000,000	338,000,000	364,000,000	390,000,000	431,000,000	565,500,000	684,824,000	
EXPENDITURE										
Training People for Employment (SOLAS/ETBs)	235,091,000	243,719,400	237,960,000	222,625,000	212,008,000	216,266,000	218,489,000	187,738,195	126,456,000	
Vocational Training Opportunities Scheme (VTOS)	-	-	7,500,000	13,441,000	6,000,000	6,000,000	-	-	-	
Apprenticeship (SOLAS and HEA)	54,236,000	52,467,000	39,600,000	39,600,000	42,600,000	55,100,000	69,885,150	118,650,000	142,273,000	
Labour Market Focused Higher Education (HEA)						-	-	5,597,701	37,000,000	120,100,000
Springboard+ (inc ICT Skills)	-	12,765,550	21,699,780	28,688,000	27,438,000	27,818,000	26,752,814	30,169,585	34,438,000	
Training Networks Programme - Skillnets	11,600,000	11,470,600	11,020,000	11,924,000	12,636,000	12,636,000	16,380,000	19,530,000	25,649,000	
Training Grants to Industry (IDA and Enterprise Ireland)	6,175,231	5,755,532	5,802,935	6,500,000	6,500,000	6,500,000	6,500,000	6,500,000	6,500,000	
Community Employment Training (DEASP)	-	1,575,261	3,589,760	3,731,224	4,200,000	4,200,000	4,200,000	4,200,000	4,200,000	
Technical Employment Support Grant (DEASP)	-	4,344,077	3,810,241	3,668,776	3,200,000	2,900,396	2,486,284	2,222,651	2,800,000	
Employee Development Provision inc WBEF (SOLAS)	2,800,000	2,170,203	2,549,707	2,800,000	2,800,000	2,799,000	2,800,000	3,000,000	14,000,000	
Training Networks Programme (Skillnets)	-	3,029,000	3,480,000	3,766,000	3,564,000	3,564,000	1,820,000	2,170,000	2,351,000	
Traineeship for those in Employment (SOLAS)								1,500,000	2,900,000	
Regional Skills Innovation								444,784	800,000	
Regional Skills Fora								845,002	1,236,000	
Provision of Information on Skills Requirements (SOLAS and EGFSN)	1,376,000	1,138,000	906,000	816,000	706,000	648,000	822,502	940,000	987,000	
Community & Voluntary Organisations (The Wheel)	375,087	375,000	375,000	375,000	375,000	375,000	375,000	375,000	600,000	
Continuing Professional Development (Engineers Ireland)	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	250,000	
European Globalisation Adjustment Fund (EGF)	1,721,159	861,044	429,130	889,146	-	184,475	94,067	0	50,000	
Labour Market Education & Training Fund (LMETF) Momentum	-	1,144,000	10,000,000	8,000,000	11,800,000	5,100,000	834,000	-	-	
Labour Market Activation Fund (LMAF)	12,818,592	Replaced by Momentum		-	-	-				
Total	326,268,069	340,889,667	348,797,552	346,899,146	333,902,000	344,165,871	357,111,518	415,360,217	485,590,000	

Table A2: NATIONAL TRAINING FUND: Participants 2011-2019

PARTICIPANTS	2011	2012	2013	2014	2015	2016	2017	2018	2019 Estimate
Training for Employment (SOLAS)									
Bridging/Foundation (SOLAS)	3,379	2,292	1,926	2,633	2,231	1,281	813	615	*
Community Training Centres (SOLAS)	4,543	3,239	3,168	3,633	2,646	3,167	3,408	3,142	*
Local Training Initiatives (SOLAS)	5,593	5,057	4,734	5,147	4,071	4,292	4,097	3,541	*
Specialist Training Providers (SOLAS)	3,655	2,996	2,996	3,889	3,124	3,687	3,813	3,671	*
Specific Skills Training (SOLAS)	18,683	18,541	14,419	15,227	13,693	14,310	13,805	10,456	*
Traineeships (SOLAS)	4,937	5,234	3,863	4,366	4,079	4,151	3,075	4,627	*
Vocational Training Opportunities Scheme (VTOS)	N/A	N/A	N/A	8,590	9,285	8,235	7,235	6,778	*
Apprenticeship Population (SOLAS and HEA)	8,328	6,223	5,711	6,913	8,317	10,445	12,849	12,464	*
Enterprise Focused Higher Education (HEA)							8,500	9,732	31,000
Springboard+ (HEA)	4,767	5,425	5,320	4,321	7,016	5,205	5,569	8,247	8,500
ICT Skills Programme (HEA)		694	643	781	1,168	2,070	Combined with Springboard		
Training Networks Programme (Skillnets)	36,238	37,293	38,572	39,591	42,228	44,413	45,489	54,159	60,300
Training Grants to Industry (IDA and Enterprise Ireland)	N/A	N/A	N/A	7,401	8,643	9,627	14,198	15,988	14,016
Community Employment Training (DEASP)	N/A	21,081	22,575	23,249	22,813	22,356	17,947	15,828	17,000
Technical Employment Support Grant (DEASP)	9,855	12,613	13,416	16,551	10,580	9,557	7,486	6,425	6,000
Employee Development Provision inc WBEF (SOLAS)	N/A	N/A	N/A	N/A	3,155	2,958	3,435	4,064	*
Training Networks Programme (Skillnets)	5,875	7,012	7,306	6,858	6,695	5,915	3,705	2,023	1,700
Regional Skills Innovation								200 Enterprises 400 Explore Participants	155 Enterprises 250 Explore Participants
Community & Voluntary Organisations (The Wheel)	5,500	5,631	5,835	2,183	2,323	3,832	4,330	5,028	6,000
Continuing Professional Development (Engineers Ireland)	16,243	16,658	17,145	17,650	18,957	20,829	17,304	18,500	30,000
European Globalisation Adjustment Fund (EGF)	836	103	276	137	15	66	32	0	Unknown
Labour Market Education & Training Fund / Momentum			6,179	3,574	5,553	735	Programme Completed		
Labour Market Activation Fund (LMAF)	10,200	Replaced by Momentum							

* figures from SOLAS not available until later in 2019.

** Participants on programs are counted in different ways according to the methodologies used by their funding bodies

SOLAS - Training people for employment (€126.456m)

Allocation	2018	2019	Difference
SOLAS Training for Employment	182,502,000	126,456,000	-56,046,000

Brief explanation for the Purpose of the Provision

The NTF will contribute €126.5 million in 2019 to SOLAS for training provision for those seeking employment. This money will be dispersed to Education and Training Boards who are responsible for the delivery of this service. This figure is decreased by €56m from 2018 because the following programmes which was previously funded by the NTF now being paid from the exchequer.

- Justice Workshops
- Bridging/Foundation
- Community Training Centres
- Local Training Initiatives

Justice Workshops (JW) provide training, education, personal and social development for those at risk of offending, and ex-offenders aged 17 and upwards. JW provides opportunities for learners to gain nationally recognized certification in education and training. Services have a focus on rehabilitation and reintegration with the objective of helping people to gain/return to employment. This initiative is funded by the Department of Justice and Equality, Probations Service, and is supported by the ETBs through provision of learner training allowances.

Bridging/Foundation Training: These training Programmes are intended to bridge the gap in a person's educational development, bringing them from a low level to a higher level. They are designed to build bridges to further training / education or employment and in the process considerably strengthen links with employers. Targeted at the unemployed and persons who are socially disadvantaged, both Early School Leavers and Long Term Unemployed.

Essentially a Foundation Skills Programme with the added advantage that at the end of the training period participants are given some work experience while still being monitored by their Instructor. During this work experience period participants are brought together on a regular basis to ascertain if they have become aware of further training needs as a result of their work experience. When participants go into full time employment regular contact is maintained with the Training Centre for the first 6- 12 months.

Community Training Centres: As part of the Youthreach Umbrella, Community Training Centres (CTCs) are independent community-based organisations funded by

SOLAS \ Education and Training Boards, catering for the training and employment needs of early school leavers, primarily aged between 16 and 21.

The training is certified leading to recognised awards on the National Framework of Qualifications. All programmes offer personal and social skills development through modules such as communications, personal effectiveness, teamwork, career planning and literacy and numeracy support which are integrated with the vocational training modules. Trainees are entitled to a training allowance on the programme and may be entitled to a meal/travel allowance.

Local Training Initiative: The Local Training Initiative programme (LTI) is a project-based training and work experience programme carried out in the local community run by local community groups. The programme is designed for people who are unemployed, primarily those aged 18 – 35 years who are experiencing difficulty in gaining entry to the labour market due to personal, social or geographic disadvantage. Participants on LTI programmes are entitled to a training allowance and the training is certified and leads to recognised awards on the National Framework of Qualifications at levels 3, 4 and 5. These projects are full-time, 35 hours a week and the duration of the projects vary. Participants must be unemployed and over 16 years of age.

Programme type, targets & indicators 2019

SOLAS has a very comprehensive planning and funding process in place for programmes funded by the 16 ETBs. It is the outcome of this process that will determine the allocation for each ETB by programme.

The annual planning process involves a focus on a range of factors, including emerging employment opportunities, skill shortages and vacancy trends in the local and national labour markets to inform annual provision in each ETB area.

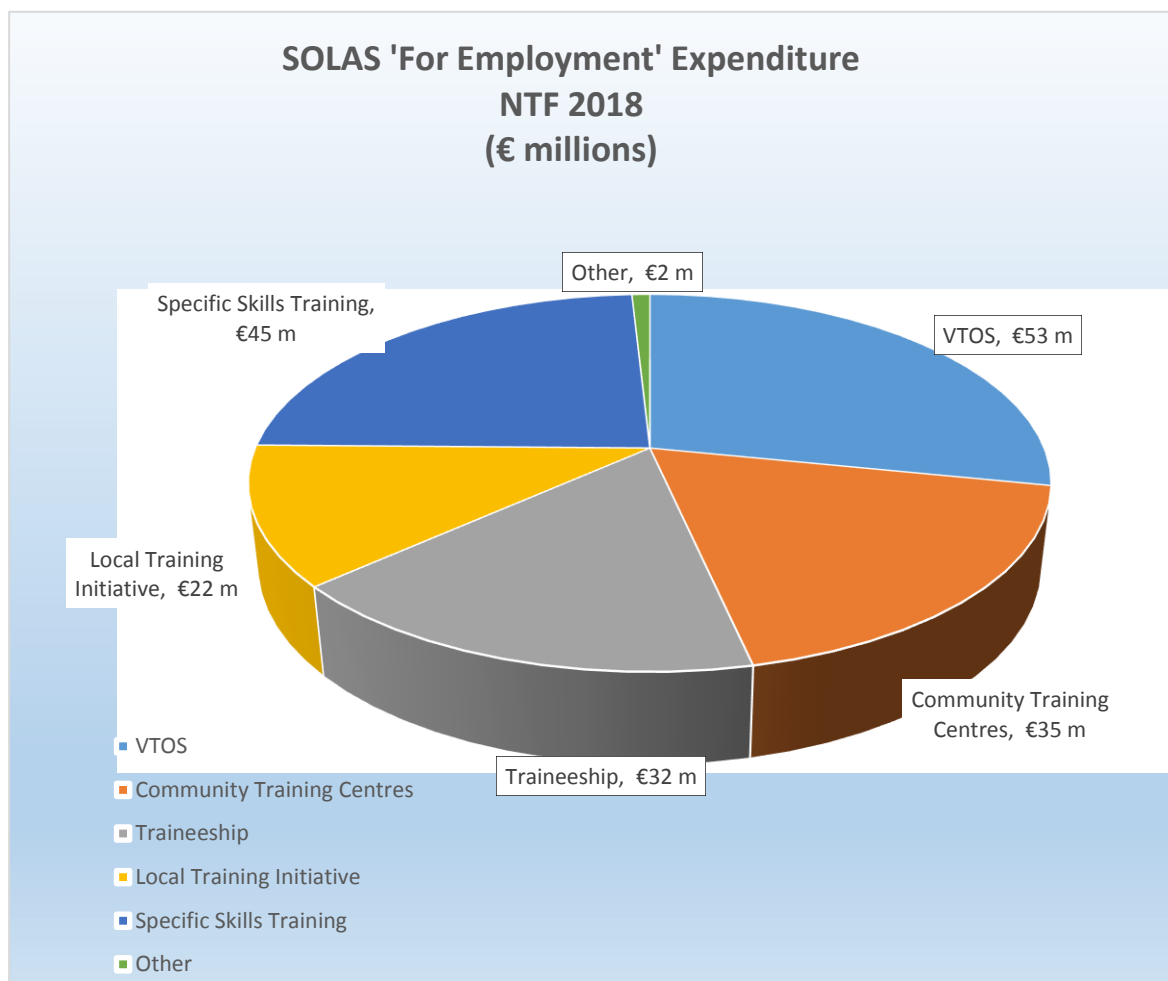
It includes a top-down and bottom up approach with SOLAS providing detailed funding parameters to ETBs at the outset that set out deliverables and priorities based on Departmental and Government strategies, programmes and action plans, and ETBs providing information on requirements gathered from detailed local consultation with employers and other stakeholders and engagement with partners on the Regional Skills Fora.

In 2018, SOLAS and the ETBs further enhanced the planning of FET through the implementation of a strategic dialogue process that has led to strategic performance agreements between SOLAS and each of the 16 ETBs. The agreements set out targets for

each ETB that contribute to the overall targets for the sector. These overall sectoral targets, as well as the individual ETB agreements, can be found at the following link:

<http://www.solas.ie/Pages/Strategic-Performance-Agreements.aspx>

The total estimated expenditure for 2018 from the NTF for the programmes funded by SOLAS for employment was €187.7 as the following chart shows. Of this spend 52.7% or €99.1m was on income support



The target participation rates and funding for 2019, following the process outlined above, will be available in Q2 2019.

Below is an outline of the programmes, which will be funded or part funded from the NTF in 2019 and the associated reported actual participation rates and expenditure for 2019 from the 'SOLAS training for employment' line of the NTF.

Programme type	Participation	Estimated Cost 2018
<p>VTOS: The Vocational Training Opportunities Scheme (VTOS) is targeted at unemployed persons over 21 years of age. Its primary target groups are the longer-term unemployed, the low-skilled and disadvantaged. It aims to give participants education and training opportunities which will develop and prepare them to go into paid employment or on to further education opportunities leading to paid employment. If eligible, participants receive a training allowance in lieu of their welfare payment as well as travel and meal allowance and can access childcare supports under the CET scheme under DEASP.</p> <p>VTOS is funded from both the NTF and the Exchequer B5 ETB Grants allocation. The total cost for VTOS in 2018 is €69.65m</p>	<u>7,235</u>	<u>€53.1m</u>
<p>Specific Skills Training:</p> <p>Long Courses typically take 6+ months to complete and are designed to meet the needs of industry across a range of sectors and are fully certified leading to a QQI Award on the National Framework of Qualifications or certification from a recognised external accredited body. Examples of courses include; Computer Applications and Office Skills (25 weeks), Retail Skills Health and Beauty (37 weeks), Business Administration (40 weeks), IT Security Management (29 weeks), Business Process Improvement (20 weeks), Manual and Computerised Payroll and Book-keeping (20 weeks), Life Sciences Manufacturing Operations (47 weeks).</p> <p>Short are approximately 10 weeks in duration and were introduced to allow individuals to quickly upgrade their skills. The majority of the programmes on offer are QQI or externally certified. Examples of courses include Kerb, Flag and Paviour Laying (6 weeks), Welding MMA Flat</p>	<u>13,805</u>	<u>€44.59m</u>

<p>Horizontal (6 weeks), Domestic Solar Hot Water (5 weeks), Oil Fired Appliances Servicing (4 weeks), HGV (9 weeks), IT Applications (10 weeks).</p> <p>Traineeships typically take from 4-9 months to complete and provide occupation-specific training and integrate formal training and workplace coaching with a host employer. All programmes are fully certified leading to QQI Major Awards, ranging from a Major Level 4 to a Major Level 6 on the National Framework of Qualifications, or certification from a recognised external accredited body. Examples include; Beauty Therapist (49 weeks), Outdoor Activity Instructor (45 weeks), Business Systems Service Technician (33 weeks), Office Administrator (50 weeks).</p>	<p><u>3,075</u></p>	<p><u>€31.5m</u></p>
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SOLAS Training Programmes for those in Employment (Apprenticeship) (€108.173m)

Allocation	2018	2019	Difference
SOLAS Apprenticeship	90,000,000	105,273,000	15,273,000
SOLAS Traineeship	1,500,000	2,900,000	1,400,000
Totals	91,150,000	108,173,000	16,673,000

Brief explanation for the Purpose of the Provision

SOLAS holds statutory responsibility for the management of the National Apprenticeship System in Ireland. Apprenticeship is the recognised means by which people are trained to become craftspeople. It is a demand-driven, workplace and classroom, educational and training programme for employed people aimed at developing the skills of the apprentice to meet the needs of industry and the labour market. The Curriculum for each apprenticeship programme is based on uniform, pre-specified standards which are agreed and determined by industry.

NTF funding is used to supplement the Exchequer allocation for SOLAS and contributes to the SOLAS training provision for the apprenticeship programme. This figure includes an allocation of €2.9m for new Traineeship.

Funding has been increased to meet the additional demand for existing apprenticeship training and the introduction of a new phase of apprenticeship training.

Programme type, targets & indicators 2019

Programme type	Output 2018	Targets 2019	Indicators
Apprenticeship	<ul style="list-style-type: none"> Population of 15,373 	<ul style="list-style-type: none"> Population of 18,000 2,297 registrations on new apprenticeships 5,087 new registrations on craft apprenticeship 	<p>Cumulative 35 new apprenticeships</p> <p>Increase number of new registration</p>
Traineeship	<ul style="list-style-type: none"> N/A 	<ul style="list-style-type: none"> Population of 5,000 1,500 new enrolments on new traineeships 3,500 new enrolments on existing traineeships 	<p>A cumulative 20 new traineeships</p> <p>Learners continue to avail of existing traineeship opportunities</p>

HEA Apprenticeship: (€37m)

Allocation	2018	2019	Difference
HEA: Apprenticeship in higher education	32,000,000	37,000,000	5,000,000

Brief explanation for the Purpose of the Provision

The Action Plan to expand Apprenticeship and Traineeship in Ireland 2016 – 2020 acknowledged the ambitious targets as set out in the National Skills strategy 2025 and in this context set a cumulative total target of 3,413 planned new registrations under the new apprenticeship programmes by 2020.

Following on from the first call for new apprenticeship programmes launched in January 2015, the HEA is responsible for the administration of funding to the consortia with a higher education lead provider to run new apprenticeship programmes.

The HEA are also responsible for the allocation for the craft block apprenticeship provision to the Institute of Technology providers.

The NTF will contribute €37m in 2019 to the HEA training provision for the purposes of Apprenticeships. This represents an increase of €5m on the 2018 allocation.

Programme type, targets & indicators 2019

Programme type	Targets	Indicators
New Apprenticeship Provision	Cumulative Total Target of 3,413 planned new registrations by 2020.	An increase in the number of providers
Craft Apprenticeship Provision	An increase in block provision of approx 50 blocks based on average increase over the last three years.	Increased demands in trades driven mainly by electrical recruitment requirements.

Enterprise Focused Higher Education Provision (€120.1m)

Allocation	2018	2019	Difference
HEA: Labour Market focused Higher Education	37,000,000	120,100,000	83,100,000

Brief explanation for the Purpose of the Provision

The funding is to provide Enterprise Focused Higher Education Provision for higher education for programmes that are producing graduates to meet identified areas of skill need. Support for enterprise-focused higher education programmes supported by the NTF has been increased from €37 million in 2018 to €120 million in 2019. As was the case in Budget 2018, the NTF will fund all of some programmes as part of this investment. All of these costs were met by the exchequer in previous years. This funding contributes towards both grant and 'Free Fees'.

In 2019 it will be expanded to include Pharmaceuticals and Financial Services.

Programme type, targets & indicators 2019

Programme type	Targets	Indicators
<ul style="list-style-type: none">• Pharmaceuticals• Medical Diagnostics• Tourism & Food• Financial Services	The planned provision will contribute towards the recurrent costs of approximately 31,000 students	The numbers associated with the identified skills areas will be monitored on an annual basis by the HEA.

HEA - SPRINGBOARD+ (€34.438m)

Allocation	2018	2019	Difference
Springboard + Training For Employment	30,438,000	27,550,000	-2,888,000
Springboard + Training In Employment	0	6,888,000	6,888,000
Totals	30,438,000	34,438,000	4,000,000

Brief explanation for the Purpose of the Provision

Springboard+ which incorporates the ICT Skills Conversion programme, provides free upskilling and reskilling higher education opportunities in areas of identified skills need. From 2018 newly-funded courses were open to people irrespective of their employment status. Courses from all sectors of the economy with a demonstrated skills shortage were eligible for funding.

Employed participants on courses from a level 7 to 9 qualification were eligible to have 90% of their course fees paid by the HEA, contributing the remaining 10% themselves. Unemployed people continued to have their full course funded at this level. Level 6 courses continued to be free for all eligible participants.

Course providers were encouraged to be flexible in the provision of courses so that the criteria upskilling could be met. As in previous years of the programme work placements or credit-bearing projects appropriate to the participants continued to be key elements of approved courses.

The increase in allocation for 2019 aims to support 1,000 more people to reskill or upskill in priority strategic areas in order improve their employment opportunities and address key skills needs in the economy. The increased funding will also support the implementation of the ICT Skills Action Plan.

Programme type, targets & indicators 2019

Programme type	Output 2018	Targets 2019	Indicators
Springboard + will be open to both unemployed persons and those in employment	8,247 Places provided.	There is provision for 1,000 additional places.	Expansion of eligibility criteria

Training Networks Programme (Skillnet Ireland) (€28m)

Allocation	2018	2019	Difference
Skillnet Training In Employment	19,530,000	25,649,000	6,119,000
Skillnet Training For Employment	2,170,000	2,351,000	181,000
Totals	21,700,000	28,000,000	6,300,000

Brief explanation for the Purpose of the Provision

Skillnet actively supports and works with businesses in Ireland to address their current and future skills needs. Training and up-skilling are key elements in keeping Irish companies competitive. Skillnet fund groups of companies in the same region/sector, and with similar training needs, through training networks that deliver subsidised training to Irish businesses.

Skillnet networks arrange relevant, cost-effective and innovative training courses for member companies who operate on both a regional and sector-specific basis. The Skillnet allocation has increased in 2019. Approx 10% of the allocation will be used to provide training for jobseekers in 2019, the same as in 2018. This allows for an allocation of €25.649m for Training in Employment and €2.351m for Training for the Unemployed for Skillnet in 2019.

Programme type, targets & indicators 2019

Programme type	Output 2018	Targets 2019	Indicators
<ul style="list-style-type: none"> Provision of Life Sciences Provision in Shared Services / Global Business Services Brexit and International Financial Services (IFS) Growth in Provision of Work-Based Learning in the Retail sector General Skills Gaps within ICT Provision in Data Analytics, 	<ul style="list-style-type: none"> 52,800 Employed Trainees 2,200 Unemployed Trainees 	<ul style="list-style-type: none"> 60,300 Employed Trainees 1,700 Unemployed Trainees 17,200 Participating Firms 391,285 Training Days 	<ul style="list-style-type: none"> Number of Employed Trainees Number of Unemployed Trainees Number of Programmes Delivered Number of Training Days Delivered Number of Participating Firms Type / Classification of Programmes Delivered Accredited Programmes Delivered

<p>“DevOps” and Cyber security</p> <ul style="list-style-type: none"> • Demand from Software & Design Sectors • Skills Needs within Hospitality 			<ul style="list-style-type: none"> • Participant Details – Age, Educational Base, Skills Base, occupational Category, Gender • Progress on Actions Assigned to Skillnets in Government Skills and Sectoral Strategies
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Training Grants to Industry €6.5m

Allocation	2018	2019	Difference
IDA Ireland	3,000,000	3,000,000	No Change
Enterprise Ireland	3,500,000	3,500,000	No Change
Totals	6,500,000	6,500,00	No Change

Brief explanation for the Purpose of the Provision

€3 million is allocated to IDA Ireland. This initiative provides training grants to industry to up-skill the workforce. The allocation is the same as that provided in 2018. The Training Grant programme aims to facilitate a significant upgrade of the skills base of a company. Staff training is viewed as a mechanism to continuously improve a company's long term competitiveness. Training supports are a key element of IDA's Transformation Agenda.

€3.5 million is allocated to Enterprise Ireland. Monies provided under the NTF subhead relate to indigenous industry projects, that support in-company training grants and the costs associated with the provision of long and short management development programmes for Enterprise Ireland client companies. Enterprise Ireland offers customised management development programmes, delivered in collaboration with leading international providers, to inspire business leaders, to equip them with the tools and techniques to operate more effectively, and to achieve real business results in international markets. This funding provides training grants to industry to up-skill the workforce. The allocation is the same as that provided in 2018.

Programme type, targets & indicators 2019

Programme type	Output 2018	Targets 2019	Indicators
<p>IDA</p> <p>The main objectives of companies in availing of training grants are:</p> <p>(i) to alleviate skills deficits;</p> <p>(ii) to introduce new processes or new products; and</p> <p>(iii) to raise value added.</p> <p>Companies ranked the following as the main impacts of the grant:</p> <p>(i) improved competitiveness;</p>	<ul style="list-style-type: none"> • 43 Companies supported • 14,126 trainees 	<ul style="list-style-type: none"> • 50 Companies supported • 12,000 trainees 	<ul style="list-style-type: none"> • The 2019 projection is based on an estimate of grants payable to client companies that were approved by IDA for Training Grant assistance over the last seven years. • Training plans in line with the IDA's transforming agenda.

<p>(ii) increased productivity;</p> <p>(iii) increased Irish status in the company globally;</p> <p>and</p> <p>(iv) improved sustainability in Ireland.</p>			<ul style="list-style-type: none"> • When a client company submission represents value for money.
<p>Enterprise Ireland</p> <ul style="list-style-type: none"> • Leadership 4 Growth 2018 • Go Global 4 Growth Programme 3 • ISP Programme 2018/2019 • Innovation 4 Growth • HPSU Founders forum • SPRINT • Online Learning Portal • Programme Alumni Events • Connectivity Portal • IPO Programme • Open University Programme 	<ul style="list-style-type: none"> • 1,862 Beneficiaries 	<ul style="list-style-type: none"> • 2,016 Forecast Beneficiaries 	<p>Take up from client companies</p>

Department of Employment Affairs and Social Protection (DEASP) (€7.4m)

Allocation	2018	2019	Difference
DEASP: Technical Employment Support Grant (TESG)	3,200,000	2,800,000	-400,000
DEASP: Community Employment Training	4,200,000	4,200,000	No Change
Totals	7,400,000	7,000,000	-400,000

Brief explanation for the Purpose of the Provision

Technical Employment Support Grant (TESG)

The Training Support Grant Scheme is designed to fund quick access to short term training or related interventions, obtain/renew certification/permits for individual jobseekers that have identified work opportunities or where DEASP Case Officers have identified an immediate skills gap that represents an obstacle to taking up a job offer or accessing other activation interventions. TESG is a demand driven scheme and allocation is based on this.

Community Employment Training (CE)

The DEASP Community Employment (CE) training spend includes the National Training Fund allocation of €4.2m. The provision is designed to enable the long term unemployed and other disadvantaged groups to access qualifications which support their progression into employment or to further education and training. For some, this qualification is their only educational achievement and puts them on the first step of the ladder of lifelong learning.

Programme type, targets & indicators 2019

Programme type	Output 2018	Targets 2019	Indicators
<u>Training Support Grants (TSG):</u> Case Officers, throughout the network for DEASP Intreo Centres will work with clients on the Live Register to assist them in accessing the labour market.	6,425	6,000	Where skills gaps are identified the TSG is one of the instruments that will be used to assist clients.
<u>Community Employment Scheme (CE):</u> DEASP have developed a web-based Individual Learner Plan which allows participant learning needs to be identified, requested, approved by DEASP, delivered and recorded.	15,828	17,000	New CE eligibility criteria introduced in July 2017 increases access to training and educational opportunities for a wider range of CE participants.

Continuing Professional Development (CPD) (14.0m)

Allocation	2018	2019	Difference
SOLAS: Employee Development including Workplace Education Fund	3,000,000	14,000,000	11,000,000

Brief explanation for the Purpose of the Provision

A new employee development programme in 2019, aimed at developing the skills of people in employment, targeting support for vulnerable groups in the Irish workforce as it has a particular focus on employees who have lower skills levels. The €11 million investment for 2019 in this new initiative will deliver support for 5,000 additional workers, including those with literacy and numeracy difficulties, through the Education and Training Boards.

This provision will also include the Workplace Basic Education Fund (Skills for Work) which will support training to help employees deal with the basic skills demands of the workplace. The allocation to Employee Development which includes the Workplace Education Fund has increased by €11m to provide for the new programme and to continue the provision of the WBEF.

Programme type	Targets 2019	Indicators
Skills for Work initiatives for employees to be run through the ETBs.	Deliver support for 5,000 additional workers.	Increased demand for service.

Regional Skills Innovation (€0.8m)

Allocation	2018	2019	Difference
Regional Skills Innovation	444,784	800,000	355,216

Brief explanation for the Purpose of the Provision

This provision supports the costs of innovative projects aimed at the provision of tailored solutions to identified skills needs at regional level, including the EXPLORE programme and the Skills for Growth project.

The full allocation for 2018 was not spent as the Skills for Growth mapping was not ready to proceed.

Programme type	Targets 2019	Indicators
Department of Education & Skills: <ul style="list-style-type: none">• Skills for Growth initiative• EXPLORE Programme	<ul style="list-style-type: none">• 200 Enterprises Ireland client companies and 50 other companies will participate in the Skills for Growth initiative.• 400 Participants in EXPLORE Programme.	Provide skills needs information to employees in enterprises participating in the Skills for Growth and EXPLORE Programme.

Skills Analysis – Regional Skills Fora (€1.236m)

Allocation	2018	2019	Difference
Department of Education & Skills: Regional Skills Fora	845,002	1,236,000	390,998

Brief explanation for the Purpose of the Provision

Established in 2018, under the National Skills Strategy 2025, along with the National Skills Council, the network of nine Regional Skills Fora has been established by the Department of Education and Skills as a mechanism for Employers and the Further and Higher Education and Training system to work together in identifying and building the skills needs of their respective regions through sustainable engagement with all relevant stakeholders. This funding supports nine Regional Skills Fora Manager posts and their associated costs. In 2018 there was an underspend due to two vacant posts. The 2019 allocation has also increased due to increments on salaries and ancillary costs in relation to the regional skills website.

Programme type, targets & indicators 2019

Programme type	Targets 2019	Indicators
Continued support of the network of nine Regional Skills Fora and continued engagement with enterprise at a regional level.	Engagement with 1,000 enterprises nationally.	<ul style="list-style-type: none">• 70% of engagement to be with SMEs.• 10% of engagement with enterprise to be specifically in the area of skills needs assessments

SOLAS Skills Analysis Unit and the Expert Group on Future Skills Needs (EGFSN)
(€0.987m)

Allocation	2018	2019	Difference
SOLAS: Skills and Labour Market Research Unit	480,000	480,000	No Change
Department of Business, Enterprise & Innovation: EGFSN	460,000	507,000	47,000

Brief explanation for the Purpose of the Provision

The Skills Analysis Unit in SOLAS provides information in relation to existing, or likely future, requirements for skills in the economy.

EGFSN:

This provision supports the work of the Expert Group on Future Skills Needs (EGFSN). The Expert Group on Future Skills Needs (EGFSN) advises the Irish Government on current and future skills needs of the economy and on other labour market issues that impact on Ireland's enterprise and employment growth. As well as providing skills information to the National Skills Council, it has a central role in ensuring that labour market needs for skilled workers are anticipated and met.

The Expert Group on Future Skills Needs carries out research, analysis and horizon scanning in relation to emerging skills requirements at thematic and sectoral levels. Established in 1997, and refreshed in 2017, the EGFSN reports jointly to the Minister for Business, Enterprise and Innovation and the Minister for Education and Skills. The EGFSN membership includes representatives of business, employees, education and training providers, government departments and state agencies.

The allocation of €507,000 is reflective of the funding required from the pay and non-pay sides in 2019. The EGFSN has committed to expenditure for a number of projects that will require external consultancy.

Programme type	Targets 2019	Indicators
EGFSN: The Expert Group provides policy advice. This is based on research which can be done by staff internally or by consultants hired for the purpose.	Providing quality advice on current and future skills issues within the labour market.	Provision of reports as per agreed work programme.

The Wheel (€0.6m)

Allocation	2018	2019	Difference
The Wheel	375,000	600,000	225,000

Brief explanation for the Purpose of the Provision

The Wheel is Ireland's support and representative umbrella network for community, voluntary and charitable organisations, and social enterprise sectors. They represent their shared interests to Government and other decision-makers and promote a better understanding by the public of them and their work.

The 2019 allocation has increased to €600,000 to provide for increased costs in the CVC sector due to the increased demand for the skills required.

Programme type, targets & indicators 2019

Programme type	Output 2018	Targets 2019	Indicators
<ul style="list-style-type: none">• Training and skills building in the areas such as GDPR, governance, regulation and compliance.• Assist the sector in engaging in outcome-focused activities in campaigns and EU funding.	5,028 beneficiaries	6,000 beneficiaries	<ul style="list-style-type: none">• Increased participation

Continuing Professional Development (Engineers Ireland) (€0.025m)

Allocation	2018	2019	Difference
Engineers Ireland	75,000	250,000	175,000

Brief explanation for the Purpose of the Provision

The CPD Accredited Employer standard has been developed by Engineers Ireland as a robust, independent benchmark of the Continuing Professional Development (CPD) policies, processes and practices of engineering-led organisations operating in and out of Ireland. The CPD standard challenges leadership teams to continually develop the skillsets of their engineering and technical people through a structured, holistic CPD Framework.

This is a continuation of a scheme to support the continuing professional development (CPD) of engineers in Ireland through a CPD Accreditation Scheme. The NTF has supported this scheme since 2002. The increased allocation for 2019 will provide for increased research, development, design and implementation of at least 12 new technical training programmes to meet emerging skills needs.

Programme type, targets & indicators 2019

Programme type	Output 2018	Targets 2019	Indicators
<ul style="list-style-type: none"> • Structured CPD Framework • Marketing the benefits of a CPD framework for orgs • Accreditation against CPD Standard • Re-accreditation against CPD Standard • Mid-Accreditation Term Review Meeting • Networking & Benchmarking • Knowledge Sharing • Specialist Management Learning & Development Programme 	18,500 beneficiaries	30,000 Projected beneficiaries	<ol style="list-style-type: none"> 1. to increase the support and services provided to both existing and potential CPD accredited employers, with focus on the key growth sectors of manufacturing, life sciences, energy and environment and ICT. 2. to benchmark, showcase and facilitate knowledge transfer between engineers and technical staff in different disciplines as fast paced technological change, Building Information Modelling (BIM), a housing crisis and other significant challenges call for far deeper convergence of skills and disciplines. 3. to add a minimum of 10 new organisations to the CPD Accredited Employer standard. 4. to research, develop and deliver a minimum of 12 new technical

			<p>training programmes in 2019, informed by our CPD Accredited Employers, to meet emerging skills needs.</p> <p>5. to work with CPD Accredited employers to develop and deliver accredited training programmes in key technical areas.</p> <p>6. to communicate and embed the new version of the CPD Accredited Employer standard and its 90 page Support Guide across the community of CPD Accredited Employers.</p>
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European Globalisation Fund Initiatives (EGF) (€0.050m)

Allocation	2018	2019	Difference
EGF	0	50,000	50,000

Brief explanation for the Purpose of the Provision

The European Globalisation Adjustment Fund (EGF) is an EU co-funding instrument to assist Member States to provide a programme of upskilling and retraining to workers who are made redundant as a result of globalisation or due to a global financial and economic crisis. The EGF allows EU funding of up to 60% of the cost of providing relevant supports, with the remaining 40% of funding required to be provided through national supports. EGF programmes run for at least 24 months in duration from the date of the original application for supports and may span a number of calendar years, depending on the date of the first redundancies from the company.

The National Training Fund (NTF) is used to provide national co-funding towards the cost of non-mainstream further and higher education supports provided in respect of persons eligible under approved EGF programmes.

From 2016 onwards, EGF technical assistance costs which had been paid from the NTF, are being paid from the Department's Vote (subhead B.4.1).

EU EGF co-financed contributions towards eligible programme expenditure that was pre-financed from the NTF are lodged as NTF income.

The PWA International programme ceased operating on 19 June 2017 with the Final Report and Statement of Expenditure being submitted to the Commission in December 2017. In 2018 there was no programme in operation.

The €50,000 provision for 2019 recognises that at present no EGF programmes are currently in operation.

Programme type, targets & indicators 2019

Programme type	Targets	Indicators
Possible Future EGF programmes	Discussions with all the key EGF stakeholders including the affected workers and NEETs if applicable	Proposals for new programmes may be formulated during the year and a submission(s) made to the EU authorities for approval