

Public Accounts Committee

Report on Developing the skills for Northern Ireland's future

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Report: NIA 91/22-27 Public Accounts Committee

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Powers and Membership

Powers

The Public Accounts Committee is a Standing Committee established in accordance with Standing Orders under Section 60(3) of the Northern Ireland Act 1998. It is the statutory function of the Public Accounts Committee to consider the accounts, and reports on accounts laid before the Assembly.

The Public Accounts Committee is appointed under Assembly Standing Order No. 56 of the Standing Orders for the Northern Ireland Assembly. It has the power to send for persons, papers and records and to report from time to time. Neither the Chairperson nor Deputy Chairperson of the Committee shall be a member of the same political party as the Minister of Finance or of any junior minister appointed to the Department of Finance.

Membership

The Committee has 9 members, including a Chairperson and Deputy Chairperson, and a quorum of five members. The membership of the Committee is as follows:

- Mr Daniel McCrossan MLA (Chairperson)
- Ms Cheryl Brownlee MLA (Deputy Chairperson)
- Mr Cathal Boylan MLA
- Mr Tom Buchanan MLA
- Mr Pádraig Delargy MLA
- Ms Diane Forsythe MLA
- Mr Colm Gildernew MLA
- Mr David Honeyford MLA
- Mr Colin Crawford MLA^{1,2}

¹ With effect from 5 March 2024 Mr John Stewart replaced Mr Robbie Butler

² With effect from 21 October 2024 Mr Colin Crawford replaced Mr John Stewart

List of Abbreviations and Acronyms used in this Report

The Assembly The Northern Ireland Assembly

C&AG Comptroller and Auditor General

DE Department of Education

DfE Department for the Economy

ETI Education and Training Inspectorate

FE Further Education

MEGA Manufacturing and Engineering Growth and

Advancement

The Skills Strategy The Skills Strategy for Northern Ireland: Skills for a

10x Economy

STEM Science, Technology, Engineering and Mathematics

Executive Summary

The Public Accounts Committee (the Committee) met on 21 November 2024, 5
December 2024 and 30 January 2025 to consider the Comptroller and Auditor
General's (C&AG's) Report "Developing the skills for Northern Ireland's future".
The main witnesses were:

21 November 2024, the Department for the Economy (DfE)

- Ian Snowden, Accounting Officer, Department for the Economy;
- Moira Doherty, Deputy Secretary, Skills and Education Group,
 Department for the Economy;
- **Graeme Wilkinson**, Director, Skills Division, Department for the Economy;
- Dorinnia Carville, C&AG, Northern Ireland Audit Office; and
- Stuart Stevenson, Department of Finance.

5 December 2024, the Department of Education (DE)

- Ronnie Armour, Accounting Officer, Department of Education;
- Linsey Farrell, Grade 3, Department of Education;
- Karen McCullough, Grade 5, Department of Education;
- Dorinnia Carville, C&AG, Northern Ireland Audit Office; and
- Stuart Stevenson, Department of Finance.

30 January 2025, the Northern Ireland Youth Assembly

- Paige Brennan-Collins, Youth Assembly;
- Rory Brown, Youth Assembly;
- Bláthnaid Girvan, Youth Assembly;
- Harrison Kerr, Youth Assembly;
- **Dorinnia Carville**, C&AG, Northern Ireland Audit Office; and
- Stuart Stevenson, Department of Finance.
- 2. Following its oral evidence sessions, the Committee sought written submissions from DfE and DE in respect of a number of issues raised during their initial oral evidence.

3. Workforce skills are essential for a healthy and growing economy. Developing relevant skills and using them effectively is crucial for Northern Ireland's ability to thrive. Whilst effective development of skills is dependent on collaboration across government and industry, DfE has responsibility for leading on government skills policy.

There needs to be significant focus and pace to achieve the Skills Strategy goals

- 4. The Skills Strategy for Northern Ireland: Skills for a 10x Economy (the Skills Strategy) was launched in March 2022 by DfE to drive economic growth, and to establish a Skills Framework that addresses the key issues which have constrained Northern Ireland's economic and social development. DfE told the Committee that it has delivered 30 of the 50 actions included in the Skills Strategy, that some of the actions will not be possible to achieve, and significant acceleration is needed to achieve the targets in the Skills Strategy.
- 5. The Committee heard that a new Minister has brought a change of focus and a new skills action plan will be published in 2025. The Committee was left unclear as to how, or indeed if, the new skills action plan supports the Skills Strategy. The Committee considers that DfE must reaffirm its commitment to the Skills Strategy and ensure there is a clear focus on achieving the goals included within the Skills Strategy.

Spend on the delivery of the Skills Strategy is significant but the impact is not evident

- 6. Support for skills and learning is the largest area of spend for DfE, with approximately £470 million spent in 2023-24. At March 2024, there were 379 staff in DfE's Skills and Education Group (with a further 46 vacant posts), and associated salary and administrative costs in 2023-24 of £13.9 million. DfE provides a broad spectrum of programmes with different objectives and whilst each is subject to review and evaluation, the evaluation arrangements differ across the programmes.
- 7. The Committee is concerned that despite the range of skills programmes provided, and the substantial funding and staffing resource, there has been little progress towards achieving the Skills Strategy's strategic goals. The strategic

- goals and policy objectives of the Skills Strategy do not appear to be actively shaping the work of those involved in development and delivery of skills programmes and initiatives.
- 8. It is crucial that DfE collates evidence to understand how both individually and collectively its programmes and initiatives contribute towards achieving the overarching strategic goals. Currently, such evidence does not exist.

There must be effective governance arrangements and collaborative working across departments

9. The Committee considers that successful delivery of the Skills Strategy, intended as a whole of government strategy, will require significant improvement in how the skills system is governed and more collaborative working by all stakeholders. However, a whole of government approach has not been achieved. While DfE and DE cited a lack of resources as a challenge, the Committee is firmly of the view that the significant resources currently deployed within skills could be used more effectively if there was improved collaboration and a clearer focus on achieving strategic outcomes. DfE and DE have found effective joint working challenging in practice due competing demands from other responsibilities, ineffective governance structures, and constitutional arrangements. A cohesive approach to the delivery of the Skills Strategy is essential, and departments need to do much better.

DfE has access to a wide range of data but it is not being used to best effect

10. DfE has access to a range of data to identify and understand the skills needs within Northern Ireland, now and in the future. The Committee heard from witnesses that sometimes the volume of data can be overwhelming. There is a need to streamline and make better use of data, and new technologies, including to understand why performance against strategic goals is limited; enable more timely identification of ongoing changes in skills needs, including early identification of growth areas in NI's economy; and thereby enable more informed actions.

More must be done to identify and remove barriers to education, training and employment, especially for those with SEN and disabilities

- 11. The Committee heard that job vacancies in areas with skills shortages are about five times higher now than they were between 2015 and 2022, and that DfE needs to focus attention on reducing the number of people who are economically inactive for various reasons.
- 12. To help people get into appropriate employment, they need to be equipped with the necessary skills. This requires proactive collaboration with other departments; active engagement with those facing barriers; and active engagement with employers in an effort to explore new ways of working.
- 13. There are more young people with SEN leaving formal education and moving into education and training, than there has been in previous years. The Committee considers that this is an area which requires urgent attention and is extremely concerned that data held in the DE school system, that could be used to help plan for the transition of pupils with SEN and/or physical disabilities and inform the design of education and training courses, is not shared with DfE and the FE colleges. The current IT system does not have the functionality to effectively share and receive relevant data. This must change.

Businesses struggle to navigate and engage in the complex skills landscape

- 14. The skills landscape remains complex with businesses finding it confusing to navigate. A lot of businesses within Northern Ireland are micro or small businesses, and they struggle to interface with the skills landscape. It is crucial that these stakeholders can have their voices heard.
- 15. DfE created the Northern Ireland Skills Council in 2023 as a channel for effective engagement between government, business and the education sectors in the development and delivery of skills policy. The Committee heard that, despite its part-time structure, the Northern Ireland Skills Council has made a fast start, established itself incredibly quickly, and during its first year developed the digital skills policy, published the digital skills action plan and is currently developing a green skills action plan.

- 16. The Committee heard that the Skills Strategy included a recommendation that the Skills Council will undertake a review and rationalisation exercise of advisory bodies and simplify the skills structure below the Skills Council. However, the Committee was concerned to hear that this review will not complete until March 2027.
- 17. The Committee considers that there remains a crucial role for DfE, as the lead department for government skills policy, to ensure the structures are accessible, clearly understood by users and that the skills needs of local businesses are heard and integrated into the planning and delivery of skills initiatives.

DfE, working with DE, needs to do more to ensure provision, and incentivise uptake, of courses that reduce the skills gap in Northern Ireland

18. The Committee recognises that we live in a society where people are free to choose what they want to study. However, more can and should be done to educate those studying on where they may best find employment in order to help influence choice positively for both individuals and for the local economy. DfE spent £372 million during 2023-24 on funding to further and higher education institutions, for support on skills and learning, however it appears to have little authority to direct them in terms of which topics they provide courses on.

Careers education in schools and Careers Service guidance needs to be consistent and made available at an early stage

- 19. The Committee heard from the Youth Assembly that most members were not aware of the skills needed in Northern Ireland. That must change. While current careers education and advice is working for many students, DE accepted that there is a clear need to do better.
- 20. The Committee is strongly of the view that there must be parity of esteem between schools, further and higher education institutions and taking vocational courses or going down the more traditional academic route. Pathways must be clearly set out in the education and guidance given to learners and those who support them.

21. The Education and Training Inspectorate (ETI) reviews the provision of careers education and guidance as part of school inspections, but school inspections have been severely hampered for years due to teachers' industrial action short of strike. Therefore, there is a lack of assurance as to the quality of provision that must be addressed urgently.

There has been a failure to sufficiently progress the development of a coherent approach to 14-19 education and training

- 22. The joint DfE and DE 14-19 Framework was intended to develop a more strategic and coherent approach to education and training for the 14-19 age group. This phase of education is considered by the Departments to be central to the delivery of the objectives set out in the Skills Strategy, however the Committee concluded that there is little evidence of any actual outcomes, achievements or impact to date. It was told that officials in DE and DfE are in the process of reframing the delivery of the 14-19 Framework within the context of Ministerial priorities. Both Departments must do better and there is a clear need for a renewed focus and commitment to delivering improved outcomes for children and young people.
- 23. The Committee was shocked to hear that the current action plan for the 14-19 Framework does not include SMART targets but instead uses a RAG status. DE witnesses gave a commitment that going forward the new action plan will include SMART targets and actions would be assigned action owners and departmental leads to ensure accountability.

Duplication of provision by schools and Further Education Colleges is a waste of public money and must be addressed

24. The Committee heard that there is duplication of educational services between schools and Further Education (FE) Colleges. It was told that this issue is frequently debated, but no action has been taken to address it or to quantify the extent of it. The Committee is deeply concerned that previous collaborative practices between schools and FE Colleges have ended and become competitive. It is not acceptable that this duplication in provision is known by both DE and DfE and no demonstrable action has been taken to ensure best use of public money.

Summary of Recommendations

Recommendation 1

25. The Committee recommends that the skills action plan, to be published in 2025, must be suitably challenging, timebound and actions must be clearly allocated to responsible officers. DfE must reaffirm its commitment to the Skills Strategy and ensure there is clarity on how the skills action plan supports the strategic goals included within the Skills Strategy. DfE must ensure that time spent developing the action plan does not result in further slippage in achieving the strategic goals.

Recommendation 2

26. The Committee recommends that DfE develops clear monitoring arrangements to enable regular, comprehensive progress monitoring and these results should be published annually. This should cover both progress in the implementation of the skills action plan and progress in the delivery of the Skills Strategy goals.

Recommendation 3

27. DfE must finalise the monitoring and evaluation framework for its skills programmes and quickly commence the strategic assessment of its skills programmes to determine how, both individually and collectively, they support and contribute to the achievement of the Skills Strategy goals. The timeline for the strategic assessment must be reflective of the importance of collating this evidence base, and enabling informed interventions, therefore the Committee expects that the strategic assessment is completed within the next 12 months.

Recommendation 4

28. The Committee recommends that DfE takes the lead in ensuring clear governance arrangements and reporting structures to support the delivery of the Skills Strategy are established within 12 months. This should include clearly defined roles, responsibilities, and clarity on priorities and outcomes across departments to ensure a cohesive and collaborative approach to the delivery of the Skills Strategy and reduce unnecessary duplication. Given the importance

of wider buy-in across government, this should be approved/endorsed by the Executive.

Recommendation 5

29. The Committee recommends that DfE streamlines and makes better use of data, particularly data that can help identify and understand the skills challenges, including why performance against strategic goals is limited. It should also focus on identifying more timely data that can be collated and analysed to identify ongoing changes in skills needs and enable early action. The Committee would like an update on how data is being used to better effect to enable achievement of the Skills Strategy goals, including how new technologies are being harnessed, within the next 12 months.

Recommendation 6

30. The Committee recommends that, within the next six months, DfE establish a data sharing agreement with DE and Department of Health bodies. Once the agreement is in place, data should be shared regularly to plan for the transition of young people with SEN and/or physical disabilities into further education, training or employment, and inform the design of relevant courses.

Recommendation 7

31. The Committee welcomes the work of the Skills Council to date and considers it has been tasked with a crucial role as the key interface with businesses. The Committee recommends that DfE formally reviews the impact of the Skills Council across Northern Ireland to date, including if the part-time structure is appropriate and what other arrangements could be put in place to strengthen the delivery of its role and ensure its engagement has a meaningful impact at pace. The Committee expects this review to be completed within six months and would like to see the results.

Recommendation 8

32. The Committee recommends that DfE evaluates which aspects of the current business engagement landscape are working well (including learning from the success of existing collaborative models to ensure regional balance), and those which are unnecessary, duplicative, or where bureaucracy can be reduced. This evaluation should be completed within the next 12 months and include feedback from businesses and inform a new collaborative engagement strategy.

Recommendation 9

33. The Committee recommends that DfE must do more to ensure that the substantial funding which it provides to further and higher education bodies is directed towards the provision of courses that address the skills needs in Northern Ireland and adapts quickly to provide for growth areas in the Northern Ireland economy. Further, working with DE, it must do more to raise awareness and incentivise the uptake of these courses to reduce the skills gaps in the Northern Ireland economy. The Committee expects to see a specific action on this included within the skills action plan.

Recommendation 10

34. The Committee recommends that DE commissions ETI to carry out a specific thematic review on the quality of careers education provided within education settings, including in both primary and post primary settings. This should consider the appropriateness of the timing of the careers education and advice provided; whether it is being introduced early enough; the work experience offered; and the identification of gaps in provision. The findings of this review should inform an action plan to address gaps in provision and deliver better, more equitable access to careers advice at an earlier stage and to work experience opportunities.

Recommendation 11

35. The Committee expects that the revised delivery plan, to underpin the 14-19
Framework must include SMART targets, be sufficiently detailed, include action owners and be set within clear governance and reporting structures to enable robust progress monitoring. The Committee would like to see a copy of the joint

delivery plan for the 14-19 Framework once it has been agreed by Ministers and will request an update on implementation within 12 months.

Recommendation 12

36. It is not acceptable that duplication in education provision in the 14-19 age group is known by both DfE and DE and allowed to persist - this is not a good use of public money. The Committee recommends that as a matter of urgency DfE and DE quantify the extent of the duplication of provision and identify the root cause. The Committee expects an action plan to eradicate the duplication of provision to be developed within the next 12 months.

Introduction

37. The Public Accounts Committee (the Committee) met on 21 November 2024, 5 December 2024 and 30 January 2025 to consider the Comptroller and Auditor General's (C&AG's) Report "Developing the skills for Northern Ireland's future". The main witnesses were:

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- Stuart Stevenson, Department of Finance.

5 December 2024, the Department of Education (DE)

- Ronnie Armour, Accounting Officer, Department of Education;
- Linsey Farrell, Grade 3, Department of Education;
- Karen McCullough, Grade 5, Department of Education;
- Dorinnia Carville, C&AG, Northern Ireland Audit Office; and
- Stuart Stevenson, Department of Finance.

30 January 2025, the Northern Ireland Youth Assembly

- Paige Brennan-Collins, Youth Assembly;
- Rory Brown, Youth Assembly;
- Bláthnaid Girvan, Youth Assembly;
- Harrison Kerr, Youth Assembly;
- Dorinnia Carville, C&AG, Northern Ireland Audit Office; and
- Stuart Stevenson, Department of Finance.
- 38. Following its oral evidence sessions, the Committee sought written submissions from the Department for the Economy (DfE) and the Department of Education (DE) in respect of a number of issues raised.

- 39. A new economic strategy for Northern Ireland was published in 2021, A 10x Economy – Northern Ireland's Decade of Innovation (the 10x strategy), setting out a vision of economic growth through innovation which benefitted all of society. It identified key priority clusters considered to be important strategic drivers of economic competitiveness.
- 40. DfE leads on skills policy in Northern Ireland and has a strategic objective to 'enhance education, skills and employability'. In support of the delivery of the 10x Strategy, DfE in March 2022 launched the Skills Strategy for Northern Ireland: Skills for a 10x Economy (the Skills Strategy) to be achieved by 2030. The Skills Strategy was intended as a whole of government strategy, recognising the need for significant improvement in how the skills system is governed and that addressing the skills challenges facing Northern Ireland required all stakeholders to work together. The Skills Strategy has 50 actions with two, five and eight year implementation plans and was intended to have annual monitoring reports to demonstrate progress, using 2020 as the baseline.
- 41. Support for skills and learning is the largest area of spend for DfE, with approximately £470 million spent in 2023-24, including £372 million funding to further and higher education institutions, and £84 million to support other skills initiatives (including apprenticeships). At March 2024, there were 379 staff in DfE's Skills and Education Group (with a further 46 vacant posts), and associated salary and administrative costs in 2023-24 of £14 million.
- 42. In 2017, the DfE and DE Ministers agreed to develop a more strategic and coherent policy for education and training for the 14-19 age group. This age group is where young people face significant milestones and make important decisions about what, how and where to study, or whether they will leave education and training. They established a jointly funded project in 2019 and published the joint overarching framework, Developing a More Strategic Approach to 14-19 Education and Training: A Framework to Transform 14-19 Education and Training Provision (the 14-19 Framework), in June 2022.
- 43. Following the development of the 14-19 Framework a Programme Board was formed. The 14-19 Framework has 34 actions underpinning twelve strategic actions, set out under five key themes, including: curriculum and qualifications;

careers; post-16 provision; awareness and engagement; and 14-19 education and training system. DE lead on the majority of the actions. The implementation of a more strategic approach to 14-19 education and training was intended to be central to delivering the objectives set out in the Skills Strategy.

There needs to be significant focus and pace to achieve the Skills Strategy goals

- 44. Witnesses told the Committee that it is impossible to overstate the importance of skills to the economy and that there is a need for significant change to meet the needs of the growing economy in Northern Ireland. DfE considers that it has delivered 30 of the 50 actions included within the Skills Strategy and considers that to be a good achievement at this stage in the eight-year strategy. Of note, is the introduction of all age apprenticeships.
- 45. However, the Committee also heard that if performance trends from 2017 continue then DfE will fall short of the targets in the Skills Strategy.
- 46. There have been changes in the Ministerial and senior leadership in DfE since the Skills Strategy was launched. This has brought a change of focus with a departure from 10x and the Minister setting out his own economic vision in February 2024 which focuses on regional balance, productivity, good jobs and decarbonising the economy. A £12 million skills fund has been announced, and a skills action plan is to publish in 2025. The Committee heard that it is time to move beyond strategy and focus on delivery of the new skills action plan, however there was little detail given as to what that will look like and how, or if, it will align with the existing Skills Strategy goals.
- 47. The Committee was told that only one annual monitoring report on the Skills Strategy has been put into the public domain (2023). The Committee heard that the 2024 monitoring report remains in draft as the Minister wanted to focus on his own economic vision.

Recommendation 1

The Committee recommends that the skills action plan, to be published in 2025, must be suitably challenging, timebound and actions must be clearly allocated to responsible officers. DfE must reaffirm its commitment to the Skills Strategy and ensure there is clarity on how the skills action plan supports the strategic goals included within the Skills Strategy. DfE must ensure that time spent developing the action plan does not result in further slippage in achieving the strategic goals.

Recommendation 2

The Committee recommends that DfE develops clear monitoring arrangements to enable regular, comprehensive progress monitoring and these results should be published annually. This should cover both progress in the implementation of the skills action plan and progress in the delivery of the Skills Strategy goals.

Spend on the delivery of the Skills Strategy is significant but the impact is not evident

- 48. Support for skills and learning is the largest area of spend for DfE at 73 per cent, approximately £470 million in 2023-24. When asked about the value for money of the service provided, DfE witnesses told the Committee that it provides a broad spectrum of programmes with different objectives. Each programme is subject to review and evaluation, albeit the evaluation arrangements differ across the programmes.
- 49. The Committee is concerned that despite the range of skills programmes provided, and the substantial funding and staffing resource, there has been little progress towards the Skills Strategy's strategic goals (see **Figure 1**).

Figure 1: Performance against the Skills Strategy goals as reported to the Committee

Skills Strategy goals	2020 Baseline	2021	2022	2023	Overall Progress	2030 Target
Workforce Level 2+ qualifications	76.3%	78.5%	76.4%	78.1%	1.8%	85-90%
Workforce Level 3+ qualifications	56.0%	59.9%	57.2%	59.2%	3.2%	70-75%
Narrow STEM graduates	24.0%	24.0%	24.0%	-	0%	27%
Adult learning rate/ Participation in Lifelong Learning	18.2%	17.3%	16.3%	17.6%	-0.6%	25%

Note: 2023 narrow STEM graduate data was not available.

- 50. The Committee considers that there is a disconnect between the strategic goals and policy objectives of the Skills Strategy and the development and delivery of skills programmes and initiatives. It is crucial that the department collates evidence to understand how, both individually and collectively, its programmes contribute towards achieving the overarching strategic goals. Currently such evidence does not exist.
- 51. DfE accepts that it has 'an obligation... to assure ourselves that we are getting the best value for money from the totality of the support that is delivered, not just from specific projects and schemes.' DfE is currently developing a Monitoring and Evaluation Strategy, to be published in April 2025. This will provide a Framework for a strategic assessment of skills programmes and set out how they contribute towards achieving its objectives.

Recommendation 3

DfE must finalise the monitoring and evaluation framework for its skills programmes and quickly commence the strategic assessment of its skills programmes to determine how, both individually and collectively, they support and contribute to the achievement of the Skills Strategy goals. The timeline for the strategic assessment must be reflective of the importance of collating this evidence base, and enabling informed

interventions, therefore the Committee expects that the strategic assessment is completed within the next 12 months.

There must be effective governance arrangements and collaborative working across departments

- 52. Whilst DfE is the lead government department on skills policy in Northern Ireland, and accountable for much of the spend on government funded skills initiatives, one of the issues identified in DfE's 2020 evaluation of the previous Skills Strategy, 'Success through Skills Transforming Futures', was the need for wider buy-in from across government and particularly DE and the Northern Ireland Executive. In recognition of this, the Skills Strategy recommended the creation of a cross-departmental NICS management board, with representation from all government departments, to ensure cohesive delivery of actions. However, a cross-departmental steering group for the Skills Strategy was not achieved. Witnesses advised that it was difficult without an Executive agreed strategy, instead, a programme was set up, but this is now not considered an appropriate mechanism for effective delivery.
- 53. The Committee is firmly of the view that effective governance arrangements and collaborative working are crucial in developing workforce skills and considers that the significant resources currently deployed within skills could be used more effectively if there was improved collaboration and a clearer focus on achieving strategic outcomes. Witnesses acknowledged that they need to do better on collaboration and assured the Committee that they are planning to put in place much more effective and appropriate governance arrangements, which will minimise or remove duplication across departments and ensure collaboration on a number of levels. The Committee contends that there must be protocols in place to facilitate effective cross departmental working.

Recommendation 4

The Committee recommends that DfE takes the lead in ensuring clear governance arrangements and reporting structures to support the delivery of the Skills Strategy are established within 12 months. This

should include clearly defined roles, responsibilities, and clarity on priorities and outcomes across departments to ensure a cohesive and collaborative approach to the delivery of the Skills Strategy and reduce unnecessary duplication. Given the importance of wider buy-in across government, this should be approved/endorsed by the Executive.

DfE has access to a wide range of data but it is not being used to best effect

54. The Committee heard that DfE has access to a range of data to identify and understand skills needs, now and in the future. It produces a range of data that feeds into the whole of the UK statistical publications and other surveys.

However, despite the range of data available, DfE is not achieving the strategic goals set out in the Skills Strategy. Witnesses added that the volume of data can be overwhelming and the need to use data to better effect was accepted. Witnesses referred to engagement with the new Chief Scientific and Technical Adviser to harness new technologies, which could deliver a significant change in the way data is used.

Recommendation 5

The Committee recommends that DfE streamlines and makes better use of data, particularly data that can help identify and understand the skills challenges, including why performance against strategic goals is limited. It should also focus on identifying more timely data that can be collated and analysed to identify ongoing changes in skills needs and enable early action. The Committee would like an update on how data is being used to better effect to enable achievement of the Skills Strategy goals, including how new technologies are being harnessed, within the next 12 months.

More must be done to identify and remove barriers to education, training and employment, especially for those with SEN and disabilities

- 55. The Committee heard that vacancies in areas with skills shortage are about five times higher now than they were between 2015 and 2022, as a result of COVID-19. The Northern Ireland economy is growing and there is a need to make sure that there is a pipeline of people coming through to fill jobs.
- 56. DE told the Committee that school attendance is an area of concern, and it has been worse since the COVID-19 pandemic. Attendance rates of 80 to 85 per cent in schools are now commonplace. DE aims to increase attendance rates by revising the Attendance Strategy, engaging a modern curriculum, public messaging to parents, and using learning from the Attendance Summit. However, DE accepts that this will be a 'difficult nut to crack' and acknowledges that those children not in school may lack the skills they need in later life which will add to the skills gap.
- 57. DfE's evidence to the Committee highlighted the need to focus attention on reducing the number of people who are economically inactive or unable to access work for a variety of reasons. Recent extrapolated survey data suggests that there are around 20,000 people (including disabled people and the long-term sick) that could be brought back into work if there was appropriate provision. Statistics show that the employment rate for disabled 16-24 year olds is 33 per cent compared to 50 per cent for non-disabled 16-24 year olds. Witnesses advised that it is not just about the skills to do the job; there is a need to make sure that employers make the job opportunities as flexible as possible.
- 58. DfE considers that the two most significant barriers to accessing skills are time and cost and it has tried to address those barriers through free and part-time provision. The online Skill Up programme has been successful in encouraging inclusion, including those in rural areas (70 per cent from outside the greater Belfast area), people aged 35 plus, and those with disabilities. The Step Up programme is assisting young people with acquired disabilities to get back into learning and have a realistic career path.

- 59. DfE recognised that there are more young people with SEN leaving formal education and moving into education and training, than there had been in previous years. Statistics show that fewer than half of SEN school leavers achieve five GCSE's including Maths and English compared to over 84 per cent of school leavers who do not have SEN. DfE has submitted a bid for transformation funding to put in place a scheme to support more people with additional needs but recognises that it will not be suitable for everybody with SEN.
- 60. The Committee heard that data held in the DE school system, that could be used to help plan for the transition of pupils with SEN and/or physical disabilities and inform the design of education and training courses, is not shared with DfE and the FE colleges. The current IT system does not have the functionality to effectively share and receive relevant data.
- 61. The Committee sought written clarification from DE on how it works with DfE and the FE colleges to share relevant data held in the school system. DE's response reflected that a draft SEN Reform Agenda and associated delivery plan will be made available in 2025. It is anticipated that for pupils with SEN moving into or out of education or transitioning to different provision, an agreed data sharing arrangement between health services, DE and DfE will be introduced. DE added that the new IT system, to replace the current school management system, will have enhanced interoperability to share and receive relevant data with other departments, with appropriate data sharing agreements in place. The Committee is however concerned that it will be a number of years before this new system is fully implemented and feels it is imperative that more is done urgently to improve transitional arrangements for those with SEN.

Recommendation 6

The Committee recommends that, within the next six months, DfE establish a data sharing agreement with DE and the Department of Health bodies. Once the agreement is in place, data should be shared regularly to plan for the transition of young people with SEN and/or physical disabilities into further education, training or employment, and inform the design of relevant courses.

Businesses struggle to navigate and engage in the complex skills landscape

- 62. A survey issued by the NIAO to stakeholders to gain an understanding of current perspectives of the skills system in Northern Ireland found that the majority of respondents did not agree that there is clarity on the roles and responsibilities across government for developing skills. The survey also reported that there is no coherent approach to the policies, initiatives and interventions to address identified skills needs, businesses find the skills landscape confusing to navigate, and the delivery of skills provision is fragmented. The Committee finds this extremely worrying.
- 63. DfE recognised the complexity of the skills system and the fact that it is very difficult to navigate but also commented that skills systems of all advanced economies are inherently complex. The Committee was told that the Northern Ireland Skills Council, established in June 2023 and fully operational from September 2023, is intended to support a strategic approach to skills policy and to develop a more cohesive skills system. It has been established as an advisory body, to provide strategic advice to Northern Ireland Executive ministers and government departments on issues pertaining to the development of skills policy. The Skills Council provides a channel for effective engagement between government, businesses and the education sector in the development and delivery of skills policy.
- 64. The Skills Council includes a total of nine positions for members appointed through open competition, this includes the chair and six members from a business background, one member with a trade union background and one representative from a community and voluntary background. A further ten exofficio members representing various stakeholder groups make up the remainder of the Council's membership. In addition, four senior civil servants attend the Council meetings as associate members representing DfE, DE, DfC and Invest NI. DfE witnesses explained that it is not possible to cover every sector in terms of membership and it aims to have a broad base linked to those sectors that have the highest growth potential.

- 65. The Chair and appointed members to the Skills Council are paid a modest annual fee and meet four times a year. The Skills Council is supported by a number of 'task and finish' subgroups, including, the equality and diversity inclusion group, a digital skills group, and a green skills group. These groups move the work forward between the quarterly meetings.
- 66. Witnesses put forward the view that the Skills Council has made a fast start, established itself incredibly quickly, and its work 'is a testament to their dedication to the subject'. During its first year, it developed the digital skills policy, published the digital skills action plan and is currently developing a green skills action plan. DfE had planned to evaluate the Skills Council after three years, however this evaluation has been brought forward to February 2025.

Recommendation 7

The Committee welcomes the work of the Skills Council to date and considers it has been tasked with a crucial role as the key interface with businesses. The Committee recommends that DfE formally reviews the impact of the Skills Council across Northern Ireland to date, including if the part-time structure is appropriate and what other arrangements could be put in place to strengthen the delivery of its role and ensure its engagement has a meaningful impact at pace. The Committee expects this review to be completed within six months and would like to see the results.

67. A lot of businesses within Northern Ireland are micro or small businesses, and they struggle to interface with the skills landscape and manage the paperwork, bureaucracy and insurance issues associated with, for example, taking on apprentices. It is crucial that these stakeholders can have their voices heard. The Manufacturing and Engineering Growth and Advancement (MEGA) network in mid-Ulster was one of the successful models referred to. The Committee questioned whether models such as MEGA could be further rolled out, resourced and hard-wired into the skills landscape to ensure regional balance. Witnesses advised that Invest NI is investing £16 million on similar collaborative networks across Northern Ireland. The role of Labour Market Partnerships

- bring focus on what local area and industries' need, with some local councils working well to address local needs in rural areas.
- 68. The Committee heard that the Skills Strategy included a recommendation that the Skills Council should undertake a review and rationalisation exercise of advisory bodies to minimise duplication, ensure clarity of purpose among existing advisory bodies, and simplify the skills structure below the Skills Council. It will look at the current 16 sectoral partnerships, with industries and businesses, to ensure they are correctly delineated, look for overlaps or gaps and identify changes to make it easier for individual companies to understand the process and engage more effectively. This review is not due to complete until March 2027. DfE witnesses advised that any transition from the current arrangements to a new one must be managed effectively without disrupting or diminishing any of the existing services and should not be rushed. The Committee considers that there remains a crucial role for DfE to ensure it is proactively driving and taking responsibility for enabling change.

Recommendation 8

The Committee recommends that DfE evaluates which aspects of the current business engagement landscape are working well (including learning from the success of existing collaborative models to ensure regional balance), and those which are unnecessary, duplicative, or where bureaucracy can be reduced. This evaluation should be completed within the next 12 months and include feedback from businesses and inform a new collaborative engagement strategy.

DfE, working with DE, needs to do more to ensure provision, and incentivise uptake, of courses that reduce the skills gap in Northern Ireland

69. In 2023-24, DfE spend on support for skills and learning included £372 million on funding to further and higher education institutions. The FE colleges produce annual development plans, proposing what they intend to deliver during the academic year. FE colleges consult with employers, in their region,

to identify the skills required and develop short term courses. DfE acknowledged that there is room for improvement in the interface between colleges and microbusinesses, and the courses offered, and curriculum needs to change regularly. However, it also commented that we live in a society where people are free to choose what they want to study and the demands of young people in terms of what courses they want to study, which will not always be in the skills or subject areas the Northern Ireland economy needs.

- 70. Universities are autonomous organisations, so the DfE Minister does not have the legal authority to direct them to provide only certain kinds of courses. Outcome agreements have been put in place from September 2024, whereby DfE has agreed what the universities will deliver in return for the money provided. However, this is a wide-ranging agreement and is not specific to the delivery of particular courses. To help increase skills DfE provides substantial sums of money to support PHDs, with 63 per cent being in STEM subjects, and a pilot for an additional 53 STEM places.
- 71. Given the significant level of funding provided to further and higher education bodies, DfE, working with DE and other providers of educational services, needs to do more to encourage provision and incentivise uptake of particular courses that reduce the skills gaps in the Northern Ireland economy. This should include ensuring quality and timely careers advice and awareness of all education and training pathways across the UK and Ireland.

Recommendation 9

The Committee recommends that DfE must do more to ensure that the substantial funding which it provides to further and higher education bodies is directed towards the provision of courses that address the skills needs in Northern Ireland and adapts quickly to provide for growth areas in the Northern Ireland economy. Further, working with DE, it must raise awareness and incentivise the uptake of these courses to reduce the skills gaps in the Northern Ireland economy. The Committee expects to see a specific action on this included within the skills action plan.

Careers education in schools and Careers Service guidance needs to be consistent and made available at an early stage

- 72. Witnesses from the Youth Assembly told the Committee that 'most members were not aware of the skills needed in Northern Ireland'. In a wider survey conducted by the PAC across schools in Northern Ireland there appears to be a wider awareness, however, there was a feeling that the curriculum does not meet these needs. This must change. The Committee understands that children receive careers information from two main sources in schools a careers teacher within the school, and the DfE Careers Service.
- 73. The Committee was told that the DfE Careers Service, is considered professional, independent and impartial, and costs £5.5 million per annum. It is carrying a significant number of staff vacancies. The Careers Service was subject to an independent assessment in 2022 that found it to be 'punching above its weight'. As a result, DfE is confident that it is getting Value for Money from the Careers Service. When surveyed by the PAC the majority of those aged 14 to 19 who had received advice from the Careers Service found the service useful, suggesting that the service is providing benefits to students who engage with it.
- 74. DE witnesses told the Committee that the joint strategy for careers education and guidance for the five years to 2020 was subject to a review by DE and DfE and then another by the ETI. The recommendations from these reviews are being taken forward as part of the implementation of the 14-19 Framework. The ETI review found that careers education and advice was working for the vast majority but not for everybody. A Young Persons Behaviour and Attitude Survey found that one third of learners did not feel in a position to make effective careers decisions and, in a similar survey by ETI, one fifth wanted more careers education. The Committee and the DE witnesses consider that this is not a good result and there is a clear need to do better.
- 75. Witnesses told the Committee that there is a misalignment in desired jobs/aspirations and actual opportunities. They outlined that careers advice

- needs to start at a young age to engage, educate, influence subject choices (including STEM) and generate the pipeline of future skilled workers.
- 76. There is a need for clear messaging and education on the skills needs and associated job opportunities, and to promote parity of esteem for the different pathways that lead to those opportunities, including schools, FE colleges and universities. The Committee is strongly of the view that there must be parity of esteem between schools, further and higher education institutions and taking vocational courses or going down the more traditional academic route. All pathways must be clearly set out in the education and guidance given to learners and those who support them. There is a need to value and recognise individuals that choose vocational pathways in the same way as those that choose to continue their education at university. Witnesses from the Youth Assembly commented that 'the vast majority of members stated that academic and vocational qualifications are not equally promoted or valued' whilst only half of respondents, to the PAC survey, felt that there was parity of esteem between academic and vocational qualifications. DE and DfE need to work together to change societal perceptions and understanding of different qualifications.
- 77. Witnesses from the Youth Assembly added that 'careers education should begin earlier in the school journey' and 'that more personalised advice that takes into account every student's specific situation and individual strengths would be appreciated'. They also commented that 'members would like opportunities to find out more about careers through guided research and work experience.' The majority of PAC survey respondents felt that work experience is important in informing their choices of qualifications and career pathways. However, the Committee was disappointed to hear that work experience is no longer arranged in many schools, with students required to arrange opportunities independently.
- 78. Witnesses from the Youth Assembly added that their 'members also reported problems with consistency of delivery of careers advice, which can vary greatly across schools, and some students may be disadvantaged in future as a result'. DE witnesses advised that to gain greater consistency in the quality and quantity of careers education it has been working with the Northern Ireland Schools and Colleges Careers Association, which represents careers advisers

in schools. They determined that 40 per cent of its members had been in post for only five years and 50 per cent in post for just under two years, and there is a professional development training need. DfE witnesses also commented that work is ongoing to strengthen the partnership between the Careers Service and the schools. Despite the assurances, the Committee remains concerned that there is a disconnect between the advice given by DfE Careers Service and that provided by careers teachers in schools.

79. ETI can review the provision of careers education, guidance and employability as part of school inspections or as a separate, thematic exercise. However, school inspections have been severely hampered for many years due to teachers' industrial action short of strike, and no separate exercise has been completed, therefore there is a lack of data on the quality of provision. It remains unclear to the Committee how the departments can be confident that all learners are accessing consistent and complete careers education and advice of a high standard. The Committee is also concerned that careers education and advice is not provided at a suitably early stage and as a result learners may make ill-informed subject choices that limit future educational, training and career opportunities.

Recommendation 10

80. The Committee recommends that DE commissions ETI to carry out a specific thematic review on the quality of careers education provided within education settings, including in both primary and post primary settings. This should consider the appropriateness of the timing of the careers education and advice provided; whether it is being introduced early enough; the work experience offered; and the identification of gaps in provision. The findings of this review should inform an action plan to address gaps in provision and deliver better, more equitable access to careers advice at an earlier stage and to work experience opportunities.

There has been a failure to sufficiently progress the development of a coherent approach to 14-19 education and training

- 81. The Committee understands that in 2017, the DE and DfE Ministers agreed that departmental officials should work together to develop a coherent education policy for the 14-19 age group. The Transition of Young People into Careers (14-19) Project, established in January 2019, aims to transform the education and training system to deliver better outcomes for children and young people. The 14-19 phase of education and training is considered by the Departments to be central to delivering the vision for a 10x economy and in delivering the Skills Strategy. The overarching 14-19 Framework was published in June 2022, outlining challenges to be addressed, and underpinned by a range of strategic and supporting actions, set out by key themes:
 - Curriculum and Qualifications (including the Entitlement Framework);
 - Careers;
 - Post 16 provision;
 - Awareness and engagement; and
 - 14-19 education and training system.
- 82. The Committee heard that despite the importance of the 14-19 Framework there were implementation issues, including no budget allocation nor the resources to deliver them. There is little evidence of any actual outcomes, achievements or impact to date.
- 83. In January 2024 DE and DfE sought a Gateway Review to help identify the main challenges in successfully implementing the 14-19 Framework. The Gateway Review awarded a red status, meaning 'successful delivery of the programme or project to time, cost and quality appears to be unachievable; there are major issues which, at this stage, do not appear to be manageable or resolvable, the programme or project may need re-baselining and/or its overall viability to be re-assessed'.

- 84. Following the Gateway Review, the DE and DfE Ministers determined that the Careers theme should be the first priority delivery area and that would test how they build the capacity for joint working and build confidence in the 14-19 Framework by delivering a visible product sooner rather than later. A DE and DfE joint delivery plan, including timeframes, was to be delivered to Ministers by the end of December 2024.
- 85. The Committee understands from witnesses' oral evidence and written clarification on joint responsibility for the 14-19 Framework that officials in DE and DfE are in the process of reframing the delivery of the 14-19 Framework within the context of Ministerial priorities and with an emphasis on impact and deliverability within the remainder of the mandate. This resulted in the establishment of three Thematic Working Groups (made up of DE and DfE staff) to reflect the key strategic priority areas: careers; curriculum and qualifications; and Post 16 provision.
- 86. The Committee heard that there is no shortage of desire or will to work together in a joined up collaborative way, but 'the day job has to take priority'. The witnesses advised that the fundamental barrier is how it identifies and then profiles the capacity that is required for joint work. Witnesses agreed that joint working within the constitutional arrangements, was 'not an area that we have cracked perfectly', and this is hampered by problems with the lack of joint reporting structures.
- 87. The Committee heard that the current delivery model for the 14-19 Framework does not include SMART targets but instead uses a RAG status. Witnesses agreed SMART targets are a much better measure and that these will be used in the new joint delivery plan, reporting and oversight structure being developed for Ministerial consideration. DE witnesses gave a commitment that the new joint delivery plan will also be assigned action owners to ensure accountability.
- 88. The Committee expects there to be a much greater focus across both Departments to progress the delivery of this Framework and support the delivery of the Skills Strategy goals. Looking to the future, the Committee suggests that there may be merit in considering the expansion of the framework to the 11-19 landscape.

Recommendation 11

The Committee expects that the revised delivery plan, to underpin the 1419 Framework must include SMART targets, be sufficiently detailed,
include action owners and be set within clear governance and reporting
structures to enable robust progress monitoring. The Committee would
like to see a copy of the joint delivery plan for the 14-19 Framework once it
has been agreed by Ministers and will request an update on
implementation within 12 months.

Duplication of provision by schools and Further Education Colleges is a waste of public money and must be addressed

- 89. The Committee heard that there is duplication of educational services as young people that would have traditionally gone to the FE colleges are staying at sixth form in schools, to do vocational courses. The FE colleges have the industry standard specifications and specialist equipment and therefore may be the best place to complete these vocational courses. This duplication issue is frequently debated but neither DE nor DfE could quantify the extent of duplication.

 Duplication was identified as an issue to be addressed in the 14-19 Framework however there has been no progress to ensure best use of public money.
- 90. The Committee is concerned that duplication by schools is driven by the funding model. DE advised that the funding model is one of the issues on the list of things to look at under the 14-19 Framework, but nothing has been progressed yet and currently there are no proposals to change the funding model. It added that, DE is developing a stand-alone, refined sixth-form policy, that will require the quantification of the duplication of educational services.
- 91. DfE advised that as a cross-cutting matter, changes to funding models between schools and colleges would be a matter for the Executive. However, DfE is planning to review the current funding model for FE Colleges through its Further Education Transformation Project.
- 92. The Committee heard from DE that the Entitlement Framework aims to provide access for pupils to a broad and balanced curriculum no matter which school

they attend or where they live. Schools are required to offer 21 courses at Key Stage 4 and at post-16 of which at least one third must be general and one third applied. DE witnesses added that they intend to review the Entitlement Framework to establish the extent to which it has delivered on its targets and identify the challenges and barriers. DE is collecting and analysing data and information relating to the Entitlement Framework to establish patterns and the impacts of reduced funding.

- 93. DE advised that legislation requires that qualifications taught in schools are approved by DE. Further, there are processes in place to ensure qualifications are appropriate for teaching in a school setting, including the awarding organisation setting out in its qualification specification the resources required to deliver that course of study. Once a qualification is approved it is added to the Northern Ireland Entitlement Framework Qualifications Accreditation Number and can be offered by schools. The Committee is concerned that DE is thereby enabling duplication of provision with FE Colleges.
- 94. DE's written evidence advised that through Area Learning Communities, schools work in collaboration with other schools, FE colleges and other training providers to deliver access to the Entitlement Framework. However, the Committee is aware that the 14-19 Framework refers to breakdowns in collaborative practices between schools and FE Colleges and is deeply concerned that collaboration has become competition.

Recommendation 12

It is not acceptable that duplication in education provision in the 14-19 age group is known by both DfE and DE and allowed to persist - this is not a good use of public money. The Committee recommends that as a matter of urgency DfE and DE quantify the extent of the duplication of provision and identify the root cause. The Committee expects an action plan to eradicate the duplication of provision to be developed within the next 12 months.

Links to Appendices

Appendix 1: Minutes of Proceedings

View Minutes of Proceedings of Committee meetings related to the report

Appendix 2: Minutes of Evidence

View Minutes of Evidence from evidence sessions related to the report

Appendix 3: Correspondence

View correspondence issued and received related to the report

Appendix 4: Other Documents

View other documents related to the report

Appendix 5: List of Witnesses that gave evidence to the Committee

- Ian Snowden, Department for the Economy
- **Moira Doherty**, Department for the Economy
- **Graeme Wilkinson**, Department for the Economy
- Ronnie Armour, Department of Education
- Linsey Farrell, Department of Education
- Karen McCullough, Department of Education
- Paige Brennan-Collins, Youth Assembly
- Rory Brown, Youth Assembly
- Bláthnaid Girvan, Youth Assembly
- Harrison Kerr, Youth Assembly

- Ms Dorinnia Carville, Northern Ireland Audit Office
- Mr Stuart Stevenson, Department of Finance

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