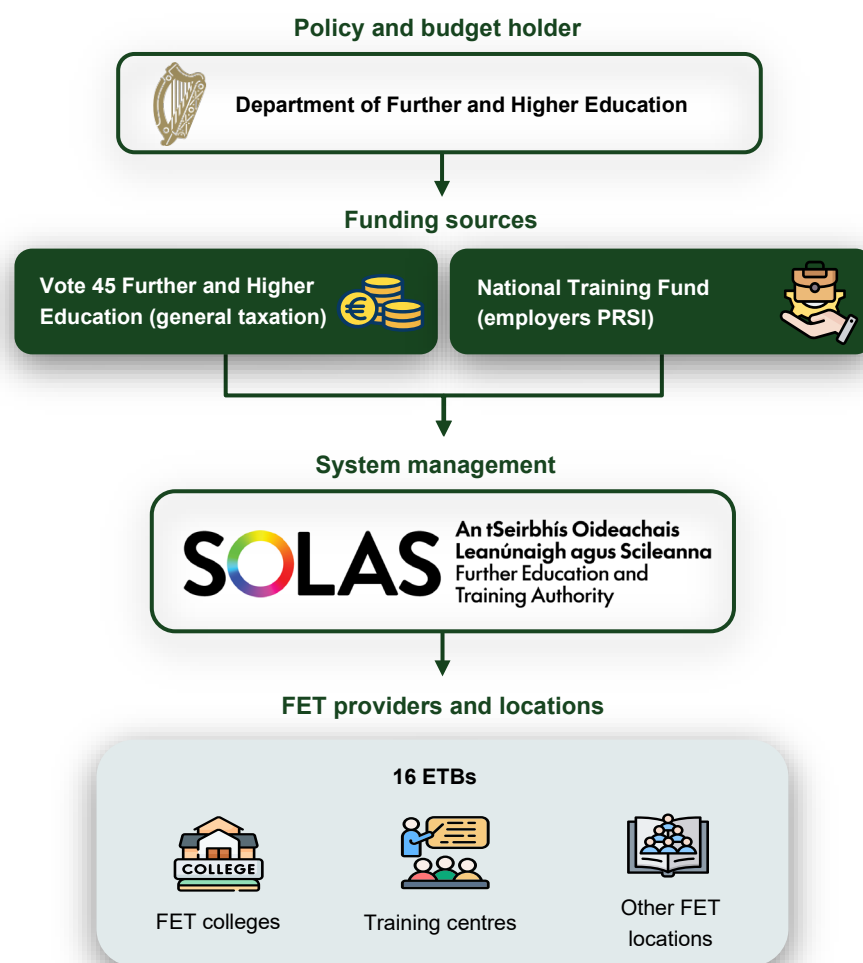


28 Delivery of effective further education and training

- 28.1** The further education and training (FET) system provides post-second-level education and skills training programmes outside of the higher education sector. It caters for learners aged 16 years and over, including school leavers, jobseekers, and those who want to reskill or upskill.
- 28.2** The Department of Further and Higher Education, Research, Innovation and Science (the Department) is responsible for setting policy direction for the FET system. SOLAS is responsible for developing and implementing the national FET strategy to support the delivery of relevant policy objectives.¹
- 28.3** The Department allocates funding and oversees the performance of SOLAS. In turn, SOLAS allocates funding to 16 education and training boards (ETBs) and coordinates FET provision nationally (see Figure 28.1).²

Figure 28.1 Further education and training system



¹ SOLAS — An tSeirbhís Oideachais Leanúnaigh agus Scileanna — was established under the Further Education and Training Act 2013 as an agency of the Department.

² SOLAS allocates around 90% of the funding it receives to ETBs. It also allocates funding to other providers of FET services including the National Adult Literacy Agency and Aontas (a national adult learning organisation).

Focus of this examination

28.4 The examination was undertaken to review

- whether the FET system is allocating and managing funding in a way that reflects learner demand
- the new funding model introduced in 2022
- the alignment of FET provision with identified labour market skills needs.

28.5 The examination team interviewed management of SOLAS and of three selected ETBs, and issued information requests to the Department, SOLAS and the ETBs. The examination team also reviewed relevant documentation and various reports produced by SOLAS and other organisations on national skills and labour market demand.

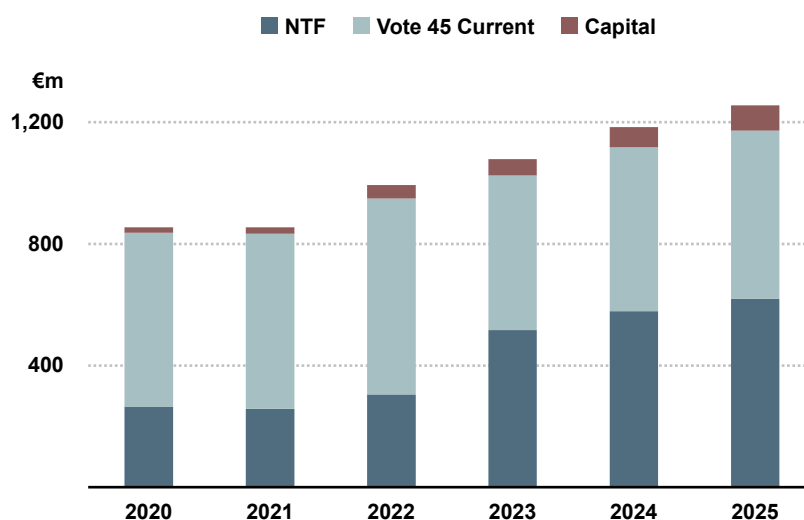
Funding structure

28.6 SOLAS receives funding from the Department, sourced from both Vote 45 and the National Training Fund (NTF). In turn, SOLAS distributes this funding across the FET system.

28.7 Annual funding for the FET system has increased significantly in recent years, rising from approximately €800 million in 2020 to over €1.2 billion by 2025 (see Figure 28.2). Most of that increase relates to NTF funding which was up by nearly 135% (€356 million). Capital funding grew by €67 million over the same period.³

28.8 The Department has responsibility for the management and utilisation of the resources of the NTF, which is financed by a levy on employers (currently 1% of reckonable earnings paid through PRSI).⁴ The NTF supports training that improves workforce skills and addresses labour market needs. It finances apprenticeships, traineeships, skills programmes for workers and enterprise-focused training initiatives.

Figure 28.2 Source of FET system funding, 2020 to 2025



³ To date, capital funding to SOLAS has been provided by the Exchequer through Vote 45. The [National Training Fund \(Amendment\) Act 2025](#), signed into law in December 2025, permits capital expenditure from the NTF for the first time.

⁴ See *Report on the Accounts of the Public Services 2022*, chapter 19, [National Training Fund](#).

Source: SOLAS. Analysis by the Office of the Comptroller and Auditor General.

- 28.9** Vote 45 funds the broader, socially oriented and education-focused FET courses, especially those supporting inclusion, second-chance education and community learning.
- 28.10** While the Vote and NTF funding allocations have different policy objectives, some areas of FET provision address both social inclusion and labour market objectives. As a result, some FET programmes may draw funding from both sources depending on the purpose, target learners and intended outcomes of individual education and training interventions.
- 28.11** SOLAS is also responsible for the strategic planning of national FET provision based on labour market analysis, and for monitoring performance and outcomes.
- 28.12** The 16 ETBs are statutory bodies, governed under the Education and Training Boards Act 2013. ETBs plan, manage and deliver FET courses locally. Programmes are offered in further education colleges, training centres and a range of adult and further education centres delivering FET programmes.
- 28.13** The FET system offers a wide variety of education options (see Figure 28.3).

Figure 28.3 Further education and training programmes

Full-time programmes	Part-time and flexible programmes
• Apprenticeship • Youthreach • Traineeship • Post Leaving Certificate • Vocational Training Opportunities Scheme (VTOS) • Bridging/foundation courses • Specific skills training	• Skills to Advance • Skills to Compete • Skills for Work • Back to education initiative • Adult literacy and numeracy • Community education • English for Speakers of Other Languages • Evening FET courses • Blended learning courses
Third party providers ^a	Digital delivery
• Local training initiatives • Community training centres • Specialist training providers	• eCollege

Source: SOLAS

Note: a In some cases, ETBs engage third-party training providers to support the delivery of specific courses, specialist expertise, or additional training capacity.

FET demand

- 28.14** Learner demand for FET courses is identified from several data sources and feedback loops that together show what people want to study and where demand is growing.
- 28.15** The most direct demand measures are the numbers of course applications and enrolments, the ratio of course applications to places available, and the numbers on waiting lists for oversubscribed courses. This data is collected by ETBs and national systems like the Programme and Learner Support System (PLSS).⁵
- 28.16** FET learner demand is measured using a demographic-based modelling approach developed by SOLAS. The model combines population projections from the Central Statistics Office, broken down by age, gender and region, with observed participation rates in FET, derived from PLSS.
- 28.17** The demand forecasting methodology used by SOLAS, known as the participation ratio method, applies current age and gender-specific participation rates to projected population data to estimate future demand. This approach assumes that participation patterns remain broadly stable over time, while scenario analysis is used to account for variables such as migration, fertility, and labour market conditions.
- 28.18** During 2023 – 2024, the model was revised to incorporate data from the Census of Population 2022 and enhanced scenario modelling, with the aim of improving the accuracy of demand projections.⁶ This work was commissioned and overseen by the Department, with input from SOLAS and other stakeholders. The Department published the final report in July 2026.⁷
- 28.19** Demand for programmes in identified skills needs areas is also measured through structures like Regional Skills Fora, by engagement with employers, learners and education providers and identification of skills shortages and local interest in courses.⁸

5 PLSS was fully implemented across all ETBs and other SOLAS-funded providers during 2017. The system records total enrolments, completions (along with certification, if any) and outcomes (employment, further studies) of learners.

6 The original analysis underpinning the model utilised the Central Statistics Office population projections for the period 2016 – 2037, derived from the 2016 Census demographic data.

7 [Projections of Demand for Further Education and Training 2025 – 2042](#), published July 2026.

8 The Regional Skills Fora comprise nine collaborative partnerships, funded by the NTF, across Ireland designed to connect employers with education and training providers.

9 The National Skills Council is made up of high-level representatives from Irish industry, social partners and the main non-governmental stakeholders.

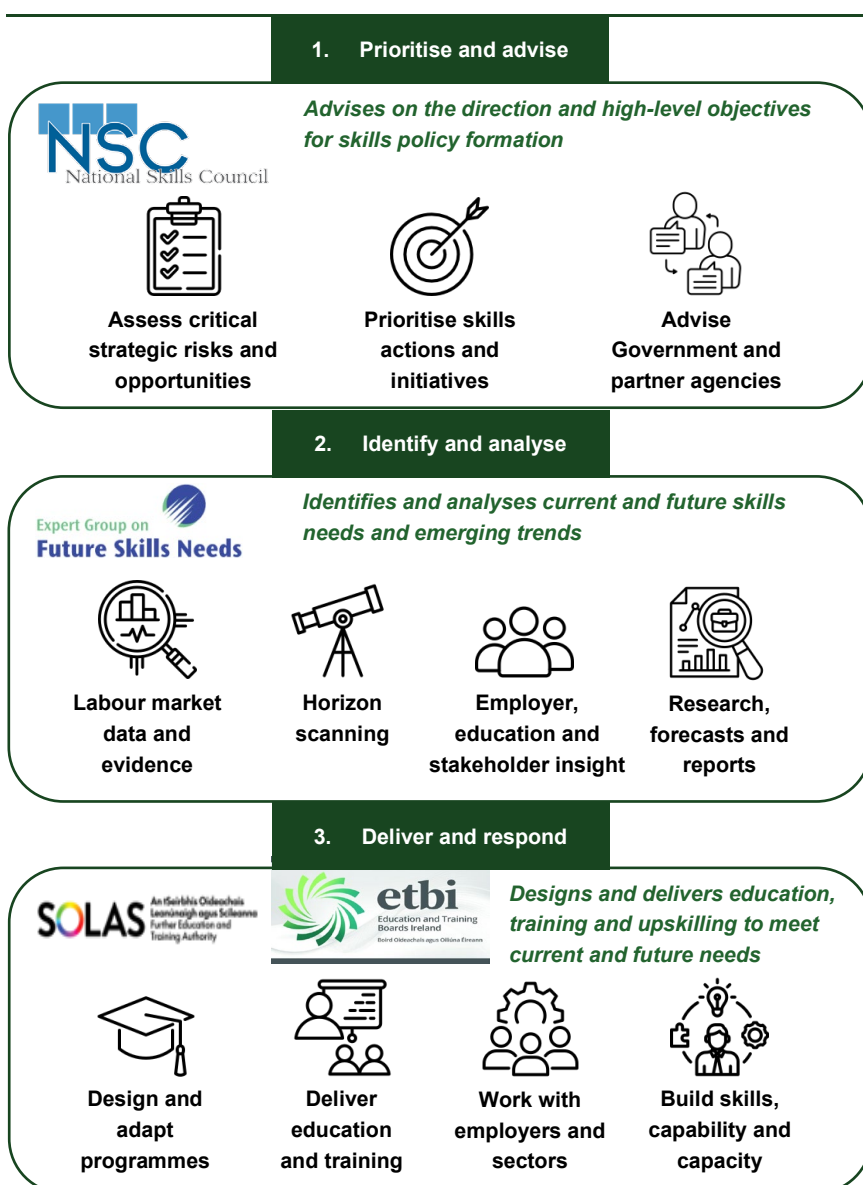
Identifying labour market skills needs

- 28.20** Understanding of labour market and skills trends in Ireland is informed by a combination of national analysis, expert advisory structures and international evidence.
- 28.21** The national early warning system for skills shortages and future workforce needs consists of three elements — the National Skills Council, the Expert Group on Future Skills Needs and the Skills and Labour Market Research Unit in SOLAS (see Figure 28.4).
- 28.22** The National Skills Council is a non-statutory body that advises on workforce development, skills governance and lifelong learning.⁹ The Council advises on how the education and training system responds effectively to labour market needs by focusing on high-impact areas and how to develop a coordinated government approach to skills development.

28.23 The Expert Group on Future Skills Needs (the Expert Group) is an independent advisory group to the Irish Government regarding skills and labour market needs.¹⁰ The core functions of the group include to forecast future skills needs, to conduct research on emerging areas (e.g. artificial intelligence (AI), climate-related skills) and to advise on education and training system changes. The Expert Group produces reports with recommendations and action plans.

28.24 SOLAS also analyses and forecasts national labour market and skills needs through its own specialised Skills and Labour Market Research Unit. The role of the research unit within SOLAS is to provide evidence to support planning and policy in the FET system. The unit gathers and analyses datasets, including information on employment, education, sectoral demand and any skills mismatches.¹¹

Figure 28.4 Skills and labour market needs system



¹⁰ The Expert Group comprises representatives of employers, education providers, unions and government agencies like SOLAS.

¹¹ Reports published by the SOLAS Skills and Labour Market Research Unit are available [here](#).

Source: SOLAS; Expert Group on Future Skills Needs. Analysis by the Office of the Comptroller and Auditor General.

- 28.25** SOLAS plans FET provision in line with national skills priorities directed by the Department and informed by the work of the Expert Group, strategic advice from the National Skills Council and data from its own research unit.
- 28.26** Across all information sources, the most consistent finding is shortages in ICT/digital/AI, engineering and construction, healthcare, and green/climate-related jobs.
- 28.27** The Department expects that a planned new National Skills Observatory will strengthen Ireland's skills intelligence landscape.¹² The aim is to enhance the future skills pipeline and provide education and training responses with greater precision and foresight.
- 28.28** At an international level, the OECD provides comparative evidence through its skills and labour market reports, offering insights on global trends such as skills demand, shortages, and the impact of structural changes like digitalisation and the green transition. These analyses help to benchmark Ireland's performance and to identify emerging risks and opportunities.
- 28.29** For Ireland, the OECD highlights very high vacancy rates for ICT and 'green' jobs (e.g. ICT vacancies are more than double the average for vacancies across all sectors). It identifies digitalisation as a major driver of change in the world of work. Alongside demographic, environmental and global economic shifts, digital technologies are reshaping jobs, skills requirements and labour market demand.
- 28.30** SOLAS national skills bulletins and annual 'difficult to fill vacancies' reports have repeatedly identified skills shortages in the same sectors, primarily due to a lack of suitably skilled candidates. The findings indicate strong demand for these skills, with employers offering increasingly higher salaries and accepting lower experience levels in response to recruitment challenges.
- 28.31** The OECD has reported that vacancies for green jobs in Ireland are on average 82% higher than for jobs in other sectors.¹³ Climate transition is becoming a major driver of skills demand, similar to digitalisation. Recent research from the Skills and Labour Market Research Unit in SOLAS highlights that 75% of employment in Ireland now requires some level of green skills, underscoring the growing importance of sustainability across all sectors of the economy.¹⁴
- 28.32** The OECD finds that for 34% of workers, there is a mismatch between their own skills and the skills required to do their jobs. SOLAS research highlights that both under-skilling (worker cannot meet job requirements) and over-skilling (worker's skills are underutilised) are a feature of the labour market. Consequently, the concern is not just about skills shortages — it also relates to the allocation and utilisation of skills that already exist.

¹² The establishment of a National Skills Observatory is one of the deliverables in the [National Digital and AI Strategy 2030](#), published in February 2026.

¹³ [Job Creation and Local Economic Development 2024 – Country Notes: Ireland](#), OECD, November 2024.

¹⁴ [Spring Skills Bulletin 2025: Is Ireland Truly Green? Measuring Green Jobs and Skills in the Irish Labour Market](#).

Expansion of high-demand provision

- 28.33** Annual government support for apprenticeships, at over €410 million in core funding in 2026, has more than doubled since 2020. From 2020 to 2025, apprentice numbers increased by 59% to more than 31,000.
- 28.34** The investment in 2026 is supporting additional training capacity, including almost 1,600 apprenticeship places across high-demand areas such as electrical, carpentry, mechanics or plumbing. This investment also supports the continuation of additional places introduced in 2024 and 2025.
- 28.35** High-demand programmes (especially apprenticeships, construction, digital, and green skills) are being expanded everywhere but the increase is uneven and there is a challenge to ensure that provision can match demand in growth areas as it arises.
- 28.36** In total, over 400,000 FET places were taken up in 2024.¹⁵ The learner base has expanded by a quarter since 2022. There has been strong growth in digital, sustainability and robotics through the *Skills to Advance* programme, and online learning. In 2024, the number of unique learners enrolling in eCollege had increased by 38% compared to 2022.
- 28.37** Phase 2 apprentice training capacity expanded by 45% in 2024, increasing the number of apprentices that could participate in the first off-the-job training stage, which includes practical workshop and classroom-based learning. The Department stated that this expansion was a priority response to address large and rising backlogs driven by Covid-related disruptions. The significant increase in apprenticeship registrations in 2024 required extra infrastructure e.g. training facilities, equipment, workshop and instructor capacity, and employer coordination. Given the close relationship between apprenticeship activity and the wider economy, the system is sensitive to changes in employer demand and broader economic shocks.
- 28.38** The Department stated that the system must remain responsive to employer demand because craft apprenticeships operate on a demand-led basis.¹⁶ It stated that planning is underway for expansion of the apprenticeship system to meet the government target of 12,500 registrations annually by 2030, of which two thirds are in craft or construction sectors.

¹⁵ Individual learners may take up more than one FET place in a year due to the short duration or part-time nature of some courses. The number of unique learners in 2024 was just over 230,000.

¹⁶ SOLAS stated that future demand forecasting for craft apprenticeships is undertaken to inform planning and the development of capacity where required.

¹⁷ FET also has a social inclusion mandate. SOLAS supports social inclusion by improving access to, and participation in, FET for disadvantaged and underrepresented groups.

Supply of FET — availability and capacity of training

- 28.39** The supply of FET programmes reflects both the national strategic direction set by SOLAS and local planning by individual ETBs (see Figure 28.5).

Programme offerings and identified sectoral priorities

- 28.40** At system level, FET is mandated to respond to national economic and skills priorities.¹⁷ SOLAS works with employers and regional stakeholders to ensure programmes are “responsive to the rapidly evolving skill needs” including digitalisation, climate change and demographic change.

- 28.41** Decisions to expand or increase capacity in high-demand FET programmes are informed by a combination of factors e.g. labour market intelligence, policy priorities, system performance data, and learner demand. Programme expansion is implemented over multiple years to ensure sustainability and impact.

Figure 28.5 Roles of SOLAS and ETBs in deciding FET supply

Area	Role of SOLAS	Role of ETBs
Strategic direction	Develops and proposes national FET strategy	Align local provision with national strategy
Performance targets	Strategic performance agreements with each ETB	Deliver against strategic performance agreement targets and priorities
Funding	Issues annual funding requirements and funding allocations	Develop budgets and allocate resources across programmes
Planning	Reviews FET section of the ETBs' annual service plans	Develop annual service plans including FET provision
Needs analysis	Uses national learner, programme, and labour market data	Identify local learner, employer, and regional labour market needs
Financial reporting and monitoring	Conducts mid-year, Q3, and year-end financial reviews	Report on delivery and adjust provision where required
Governance and oversight	Provides oversight of FET funding and performance	Programme decisions approved through ETB senior management and board governance
Flexibility	Monitors system-wide trends and adjusts priorities over time	Can amend provision during the year in response to emerging demand

Source: SOLAS. Analysis by the Office of the Comptroller and Auditor General.

- 28.42** Critical skills needs are identified through national and regional labour market analysis, including skills needs assessments, employer engagement, and evidence from bodies such as the Skills and Labour Market Research Unit in SOLAS and the Regional Skills Fora. This intelligence highlights sectors and occupations experiencing skills shortages and informs priority areas for programme expansion.
- 28.43** Sectoral priorities (e.g. digital skills, green skills, construction and engineering) are important considerations in FET planning and programme provision.
- 28.44** In response to emerging green skills needs, SOLAS published the first national FET strategy for the green transition in October 2024.¹⁸ It provides workers in carbon-heavy or vulnerable industries with the pathways to pivot, reskill, or upskill into secure, long-term green jobs e.g. teaching traditional plumbers to install heat pumps, or car mechanics to work on electric vehicles.

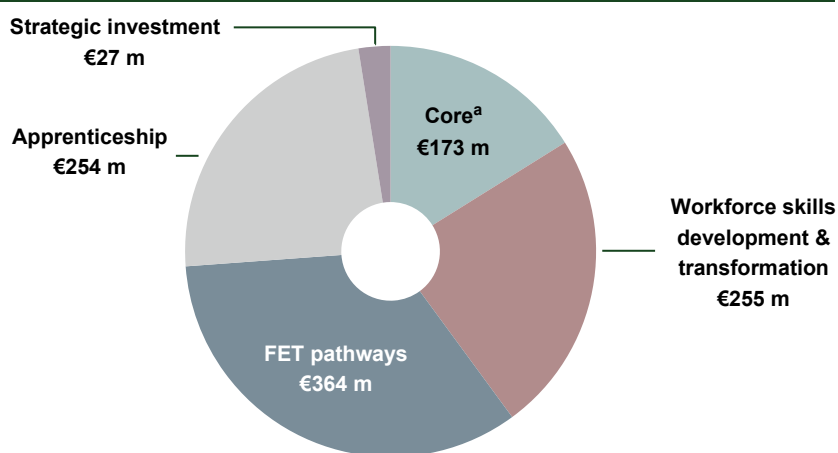
¹⁸ [green skills 2030](#). *The 1st National Further Education & Training (FET) Strategy for the Green Transition*, October 2024.

- 28.45** SOLAS introduces targeted programmes aligned to emerging needs. For example, a new programme of micro-qualifications was launched in 2024 providing short, subsidised upskilling courses under the *Skills to Advance* initiative. The qualifications are offered in high-demand emerging disciplines such as digital skills, green skills, advanced manufacturing and climate literacy.
- 28.46** There is also evidence that FET provision is responding to labour shortages in construction. For example, programmes have been expanded in the areas of retrofitting, modern methods of construction and sustainable building technologies.
- 28.47** Decisions to expand capacity in apprenticeship programmes were made in 2024 based on a system-wide review of apprenticeship capacity including the 2024 apprenticeship waitlist, 2025 demand projections and existing or pipeline provision. This review identified likely capacity shortfalls across a number of apprenticeship programmes.¹⁹
- 28.48** Following the review, SOLAS invited ETBs to submit proposals for additional workshop capacity in identified high-demand programmes. Four projects were subsequently approved by SOLAS, of which two are currently progressing. SOLAS stated that the two projects are expected to increase apprenticeship training capacity by 28 places in plumbing and 24 places in heavy vehicle mechanic.

Allocation of funding

- 28.49** SOLAS allocates funding to individual ETBs across broad funding 'pots' and programme categories with the expectation that ETBs will then distribute funding according to local priorities and operational requirements (see Annex 28A).
- 28.50** For 2025, a total of just over €1.07 billion was allocated to ETBs across five funding pots. The largest (€364 million in 2025) relates to FET pathways which supports a broad range of initiatives including the *Vocational Training Opportunities Scheme* as well as programmes across youth provision, community education and adult literacy (see Figure 28.6).

Figure 28.6 Further education and training funding pots allocations, 2025



¹⁹ The programme areas identified were plumbing, refrigeration and air conditioning, mechanical automation and maintenance fitting, construction plant and heavy vehicle mechanic.

Source: SOLAS. Analysis by the Office of the Comptroller and Auditor General.

Note: a Provides for support costs associated with the delivery of the programme categories.

- 28.51** SOLAS stated that funding allocations to programme areas are informed by approved learner numbers, historical delivery levels, baseline funding arrangements, programme duration and unit costs, alongside national policy priorities and funding conditions.²⁰
- 28.52** Within each ETB, funding decisions are shaped by learner demand, waiting lists, labour market needs, employer engagement, staffing capacity and commitments contained in ETB Service Plans.²¹
- 28.53** However, there is no clearly defined or transparent allocation model with explicit weighting criteria. This may limit consistency and comparability across ETBs and reduce visibility regarding how competing priorities are balanced in practice.
- 28.54** The ETBs interviewed by the examination team stated that funding allocations remain heavily influenced by historical baselines and centrally determined priorities, with limited local flexibility in practice despite the introduction of the 'five pots' funding structure. The reliance on baseline funding patterns could risk perpetuating existing funding patterns rather than responding dynamically to emerging skills needs.
- 28.55** Although programme-level data is collected through PLSS and a separate IT system for apprenticeships, this data is primarily used for monitoring and oversight rather than to inform funding allocations to ETBs.
- 28.56** SOLAS does not apply a direct regional or demographic allocation method when distributing FET funding. Funding is not apportioned based on population size, regional demographics, or deprivation indices. Instead, regional needs and demographic factors are taken into account indirectly by ETBs. However, population projections are used to identify learner demand and inform planning, which may in turn influence funding allocation and programme provision.

20 Certain funding streams may be ring-fenced for specific initiatives (e.g. English for Speakers of Other Languages, or Reach programmes) requiring separate allocation and reporting arrangements.

21 ETB FET Service Plans are annual or multi-annual planning documents prepared by ETBs for their FET services. They explain what FET programmes an ETB will deliver, who those programmes are aimed at, what priorities and targets the ETB has, how funding and resources will be used, and how outcomes will be monitored and evaluated.

22 [Further Education and Training Funding Model Review](#), June 2022.

FET funding model review

- 28.57** A major reform of the FET funding model in 2022 introduced a more outcome-based and flexible system.²² The idea was that funding would no longer be rigidly tied to pre-planned course numbers but would increasingly be linked to learner demand, outcomes and system performance. The intention is that funding can adjust over time in response to demand and activity levels.
- 28.58** The review made eight recommendations aimed at improving the effectiveness, transparency, and sustainability of the funding approach. As at end June 2026, none of the recommendations had been fully implemented (see Figure 28.7).
- 28.59** Following the funding model review, five funding pots and new programme categories were established and mapped to ETB funding templates. However, the ETBs interviewed by the examination team stated that they are still effectively operating parallel (i.e. legacy and new) systems, resulting in duplication and complexity.

Figure 28.7 2022 FET funding model review: status of recommendations

Recommendation	Implementation status, June 2026
Advance to a streamlined funding structure with ETBs funded through five discrete pots thereby enabling greater autonomy and flexibility.	 While the five pots have been introduced, ETBs use both existing and new models, indicating that the transition is ongoing.
Shared definitions for use of the funding model with associated targets should be agreed by SOLAS and the FET sector and enshrined in the strategic performance agreements (SPAs).	 Work is progressing on developing new targets and definitions linked to the next round of SPAs.
Weightings should be used to account for variations in resource intensity, cost, and strategic initiative.	 Cannot progress until all ETBs are on a standard chart of accounts.
Intelligent, data-driven reporting and monitoring through use of PLSS will be the foundation of the new funding model. Funding will be allocated based on accurate PLSS data input and analysis.	 Work is progressing on improving learner data forms and mapping PLSS data to financial data.
Outcomes-based funding should be applied based on numbers of learner completions in the previous year. FET provision and funding will be driven by learner demand and socio-economic need.	 While workforce development and transformation funding in 2025 was linked to “outcome growth and budget management criteria” there is no indication of full implementation across the funding model.
Bespoke funding solutions will be put in place that recognise the unique character of FET, including for apprenticeship and Youthreach provision, with quantitative and qualitative measures in place to ensure focus on outcomes and impact.	 Separate programme categories and funding arrangements for apprenticeship and Youthreach provision are reflected in the programme mapping, but there is no indication of full implementation of all bespoke measures and outcome frameworks.
Strategic, multi-annual planning will support the new funding approach, agreed and delivered through the SPAs.	 In development.
Programme harmonisation across all FET provision with a focus on agile course development which can respond to regional needs, alongside more consolidated branding of courses in line with the Future FET strategy.	 Some programme harmonisation work has been completed through mapping legacy programmes into the new programme categories.
 Implemented  Partially complete  Not implemented	

Source: SOLAS and ETBs. Analysis by the Office of the Comptroller and Auditor General.

Performance agreements

- 28.60** The most recent strategic performance agreements (SPAs) between SOLAS and each of the 16 ETBs relate to the period 2022 – 2024.²³ As a result, there is no current overarching performance agreement in place setting out agreed strategic priorities, targets, and performance expectations for the sector. This may limit the ability to assess current performance against nationally agreed objectives and to monitor progress within a clearly defined strategic framework.
- 28.61** SOLAS stated that performance agreements were not put in place during 2025 because a new FET strategy was under development. Pending finalisation of the strategy, SOLAS requested ETBs to continue operating within established funding and reporting arrangements. Since publication of the new FET strategy in May 2026, work has been ongoing to develop a new suite of strategic performance measures, targets and definitions to support future performance agreements. SOLAS expects that new performance agreements will be in place by the end of 2026.

Learner and outcome data

- 28.62** Little progress has been made in mapping PLSS and financial data and improving learner data collection. Individual ETBs reported operational issues including disconnected systems, inability to generate reliable reports, duplicate systems, spreadsheet dependence and lack of integrated data infrastructure.
- 28.63** The selected ETBs interviewed by the examination team stated that, while the revised funding model represented a welcome improvement on previous arrangements, implementation remains incomplete and several operational challenges persist. The ETBs indicated that reliable learner and completion data remains difficult to extract and that existing systems are not yet fully capable of supporting outcomes-based funding. They also highlighted continuing uncertainty relating to approvals, staffing sanction delays and administrative requirements, with multiple reporting routes and legacy programme structures continuing to affect long-term planning capability and increased operational complexity.
- 28.64** Overall, the evidence gathered indicates that implementation of the 2022 funding model review recommendations remains incomplete. While elements of the revised model, particularly the five-funding-pots structure, have been introduced, the selected ETBs reported that many of the wider strategic objectives of the review — including outcomes-based funding, multi-annual planning, integrated systems and simplified reporting — have not yet been fully realised.

23 An SPA is a formal agreement between SOLAS and each ETB that sets out the key strategic priorities, targets and performance expectations for the education and training sector over a defined period. The agreement is intended to align national policy objectives with ETB activities and provides a framework for monitoring performance, accountability, and delivery of agreed outcomes. See [2022 – 2024 strategic performance agreements](#).

24 [Adult literacy for life](#) is a ten-year adult literacy, numeracy and digital literacy strategy; [green skills 2030](#) is the first National Further Education and Training (FET) Strategy for the Green Transition; [Action Plan for Apprenticeship 2021–2025](#).

25 The current (and third) [FET strategy 2026 – 2030](#) was launched in May 2026.

Funding decisions and national strategies

- 28.65** Decisions to expand capacity must align with the FET strategy and other relevant national strategies e.g. Adult Literacy for Life, Green Skills 2030, Action Plan for Apprenticeships.²⁴ National strategic objectives are intended to be translated into specific ETB priorities and targets through SPAs, which set expected outcomes and performance measures linked to the current FET strategy.²⁵
- 28.66** Alignment is monitored through performance management arrangements, including live dashboards, annual performance reports in relation to the SPAs, and financial reviews carried out at mid-year, end-September and year-end.

- 28.67** SOLAS notes that it is currently developing an input-output-outcome framework to better demonstrate how funding translates into outputs and strategic outcomes. Although funding decisions are informed by national strategy objectives, the measurement of the direct impact of funding on strategic outcomes is not yet fully mature.

Funding decisions and learner demand

- 28.68** Learner data is collected and tracked on the PLSS for FET provision. There is also a separate IT system specifically for apprenticeships. These systems capture the number and type of courses delivered, learner enrolments and participation, and completions and certifications.
- 28.69** Learner demand data is used by SOLAS to inform and support FET funding decisions, rather than as a direct formula-based determinant of funding allocations.
- 28.70** Learner demand and programme performance are considered in decisions relating to course continuation, expansion or closure. However, the selected ETBs expressed the view that funding allocations remain largely historically based; and they highlighted limitations in data systems, fragmented reporting arrangements and the absence of integrated financial and learner data.

Funding decisions and completion outcomes

- 28.71** SOLAS and the ETBs listed programme performance, learner outcomes and progression as factors considered when reviewing provision and making decisions regarding continuation, consolidation or discontinuation of programmes.
- 28.72** To assess programme performance, ETBs use metrics such as course completion rates, certification outcomes, learner progression into employment, recruitment levels, strategic relevance and value for money. The selected ETBs provided the examination team with examples where underperforming or low-demand courses were amended or discontinued.
- 28.73** However, because the underlying learner data system is not integrated with the financial system, expenditure data cannot easily be linked to learner outcomes or completion data at programme or course level. The ETBs stated that producing course-level cost data would require substantial manual extraction.

Funding decisions and emerging skills gaps

- 28.74** SOLAS uses a combination of labour market intelligence, specific skills research and data, bespoke reports and analysis and strategic planning documents to inform strategic direction and changes in FET funding.
- 28.75** The Skills and Labour Market Research Unit produces regular reports (e.g. the national skills bulletin, difficult-to-fill vacancies survey, and regional labour market profiles) which are referenced as informing strategic priorities and funding decisions. These reports identify emerging shortages, sectoral pressures and changing workforce demands, particularly in areas such as construction, healthcare, digital skills and green skills.

- 28.76** The 2022 review of the FET funding model recognised the need for targeted investment aligned with workforce demand and the ability to respond to labour market shocks, redundancies and sectoral change. The introduction of the new funding model indicates a structured attempt to direct funding toward identified skills needs.
- 28.77** However, the ETBs indicated that a significant proportion of funding is required to meet fixed costs or tied to pre-approved provision, limiting their ability to rapidly redirect resources towards emerging local or regional skills needs.
- 28.78** While SOLAS refers to performance agreements as a mechanism through which labour market priorities are monitored and adjusted over time, ETB evidence suggests weaknesses in this framework. For example, current-period agreements were either not in place or not operating as originally envisaged. In the absence of current or consistently applied agreements, there is reduced evidence of an active performance management mechanism linking funding decisions to evolving skills needs. SOLAS stated that separate to the agreements, ETBs continue to respond to local and regional skills needs and there is ongoing programme-specific reporting and engagement with ETBs throughout the year.
- 28.79** The selected ETBs also pointed to broader operational constraints that limit responsiveness. They described challenges associated with annual funding cycles, delays in funding approvals, staffing constraints and administrative rigidity, all of which reduce their ability to quickly introduce, expand or modify provision in response to emerging labour market demand.

How training is implemented and provided

Underperforming or high-cost programmes

- 28.80** SOLAS informed the examination team that it identifies and reviews programmes with low completion rates through a combination of system-wide performance reporting, cohort-based analysis including vulnerable learner groups, and targeted programme and provision reviews. These mechanisms are used collectively to understand performance issues, identify underlying causes, and inform actions at both system and programme level.
- 28.81** ETBs undertake local monitoring of provision through service planning processes and internal performance reviews. Underperforming programmes, identified through low enrolments, weak demand, or operational feedback, may be reviewed and in some cases altered. Actions taken can include
- reducing class size or intake
 - modifying course content or delivery mode
 - merging or restructuring provision
 - discontinuing the programme.
- 28.82** However, this process is not underpinned by a standardised national framework linking cost, delivery intensity and learner outcomes. Consequently, the potential to consistently identify and address inefficiencies across the system is limited.

- 28.83** The examination team was informed by the three selected ETBs that producing a comprehensive listing of all courses delivered, including associated course costs, learner registration and completion data, would be difficult and would require significant manual manipulation of data. This was attributed to limitations in the integration of learner data and financial systems, which do not currently interface in a manner that supports programme-level cost and performance analysis.

Course completion rates

- 28.84** Completion rates are primarily recorded through the PLSS and are measured by comparing the number of learners who complete or partially complete a course against the number originally enrolled.²⁶ ETBs stated that partial completion or non-completion does not necessarily indicate programme failure because

- learners may complete only the modules required to secure employment
- learners may leave programmes early after obtaining jobs
- some programmes are designed around modular or unit-based awards rather than full qualifications
- learner journey may extend across multiple years or programmes.

- 28.85** In 2024, just over 230,000 unique learners were enrolled in FET courses. Of those enrolments, around 181,000 learners (79%) partially or fully completed their course(s). Of the 181,000 course completions, around 108,000 (60%) were certified completions i.e. certified by a recognised awarding body in the FET sector.²⁷

Completion rates and programme performance

- 28.86** Completion rates are used to an extent to monitor programme performance, but there is limited evidence that they are systematically or consistently used to drive funding decisions or resource allocations across the FET system.

- 28.87** ETBs monitor learner retention, completions and certification outcomes as part of their strategic dialogue and annual planning process. Completion rates appear to function primarily as a performance oversight and accountability measure rather than as a direct funding determinant.

- 28.88** Cost data is not yet consistently available in a form that fully supports systematic performance assessment of funding decisions at programme level. This reflects the complexity of attributing shared and overhead costs (e.g. accommodation, utilities, staff and other centrally incurred costs) across individual programmes, as well as the current limitations in integrating financial and learner data systems.

- 28.89** While one ETB was able to provide cost-per-learner information for specific provision, this level of analysis is not yet consistently available across all programme areas.

²⁶ Full completion refers to learners who have completed 90% or more of the course and its requirements. Partial completion is where a learner has completed more than 25% but less than 90% of the course and its requirements.

²⁷ For more information on a national overview of FET learner participation and outcomes, see [This is FET Facts and Figures 2024](#) periodic report.

Conclusions and recommendations

- 28.90** The FET system has expanded significantly in recent years and is supported by a range of national strategies and labour market analysis intended to align provision with learner demand and workforce skills needs.

Demand for FET

- 28.91** Significant structures and analytical mechanisms are in place to identify current and projected future demand for FET. The analysis consistently identifies persistent workforce shortages in construction, engineering, healthcare, digital and AI-related occupations, and green skills. FET provision has expanded significantly in response to these priorities, including through increased apprenticeship capacity. However, continued capacity pressures, apprenticeship waiting lists and difficult-to-fill vacancies indicate that skills shortages persist in certain sectors. This reflects a range of factors across the wider education, training and employment system and cannot be attributed to FET provision alone.

Supply of FET

- 28.92** FET provision is structured around a combination of national strategic direction from SOLAS and local planning by ETBs. SOLAS and ETBs engage with employers, regional stakeholders and labour market intelligence to inform programme development and capacity decisions.
- 28.93** The FET system has demonstrated an ability to expand provision in areas of identified demand, particularly through apprenticeships, green skills initiatives, micro-qualifications and online learning. However, the evidence also indicates that system responsiveness is constrained by operational and structural limitations. Individual ETBs highlighted challenges relating to staffing approvals, annual funding cycles, infrastructure capacity and limited flexibility to rapidly redirect resources or introduce new provision in response to emerging regional skills needs.
- 28.94** In practice, programme expansion appears to occur incrementally over several years rather than through rapid adjustment mechanisms. Existing provision continues to be influenced by historical programme structures, legacy arrangements and fixed staffing models. Accordingly, while the system demonstrates clear strategic intent to align supply with labour market demand, the evidence suggests that the practical capacity to rapidly adapt provision remains constrained.

Funding model review

- 28.95** SOLAS considers a range of factors when allocating funding across the FET system, including learner demand, programme activity, strategic priorities, labour market intelligence and historical delivery patterns. The introduction of the five funding pots and other initiatives arising from the 2022 FET funding model review aimed to create a more flexible, outcome-oriented and strategically aligned funding structure. However, implementation of the wider reform programme appears incomplete.

Recommendation 28.1

SOLAS should fully implement the outstanding recommendations from the 2022 review, including outcome-based funding arrangements, simplified reporting structures and multi-annual planning mechanisms.

SOLAS response

Agreed.

SOLAS is currently reviewing the scope of work required to support the implementation of the recommendations of the funding model review including the timeline. The priorities to end 2026 are to establish a project governance structure and prepare a project initiation document in consultation with stakeholders. Full-time resources are being assigned to undertake the review and support implementation of agreed changes.

Timeline for implementation

SOLAS has committed to providing a progress update at the end of 2026, along with a planned work programme for the first half of 2027.

- 28.96** The selected ETBs reported that funding allocations continue to be greatly influenced by historical baselines and centrally determined priorities rather than through a transparent, formula-based or fully outcome-driven model. Although learner demand, programme performance and labour market intelligence are considered in planning discussions, the evidence does not demonstrate that these factors are systematically weighted or directly linked to funding decisions. In addition, the failure to update strategic performance agreements, along with fragmented reporting arrangements and the continued operation of parallel legacy systems limit transparency, consistency and accountability across the sector.

Recommendation 28.2

SOLAS should put in place updated strategic performance agreements with the ETBs to provide clear sector-wide performance expectations and accountability arrangements. The agreements should set out clear targets, standardised definitions and measurable outcomes aligned to national FET priorities.

SOLAS response

Agreed.

Draft performance agreements are currently being discussed with ETBs with a view to their finalisation by the end of 2026.

Timeline for implementation

End of 2026.

- 28.97** Learner and financial data do not appear to be sufficiently integrated to support robust programme-level funding analysis or reliable assessment of value for money.

- 28.98** ETBs reported ongoing operational difficulties including disconnected systems, manual reporting processes, delayed approvals and administrative complexity. Consequently, while the funding model is intended to support flexibility and responsiveness to emerging skills needs, the evidence suggests that operational implementation of the model has not been achieved and that funding decisions continue to be constrained by historical structures and system limitations.

Delivery of FET

- 28.99** Mechanisms exist within the FET system to monitor programme performance, learner completions and underperforming provision. ETBs undertake local reviews of programmes based on enrolments, learner demand, completion outcomes and operational feedback. Examples were provided to the examination team where FET provision had been amended, consolidated or discontinued. Completion rates are recorded primarily through the PLSS and are used as part of oversight, accountability and planning processes.

- 28.100** However, the examination team identified limitations in the ability to assess programme performance, efficiency and value for money in a systematic manner. Financial systems and learner data systems are not integrated in a way that allows expenditure to be linked directly to programme outcomes, completion rates or learner progression.

- 28.101** While completion rates and learner outcomes are considered in programme oversight discussions, the evidence does not demonstrate the existence of a mature performance-based delivery or funding framework. Programme continuation and resource allocation decisions appear to remain primarily informed by historical provision, strategic priorities and operational considerations rather than integrated performance-cost analysis. Consequently, although underperforming provision may be identified and addressed in some cases, the absence of robust integrated data systems limits the ability of the FET system to systematically evaluate efficiency, effectiveness and return on investment across programmes.

Recommendation 28.3

SOLAS should consider the development of integrated learner, financial and programme data systems to enable programme-level analysis of costs, completions, learner outcomes and value for money.

SOLAS response

Agreed.

Requirements for changes to financial and other systems will be considered in the context of the FET funding review project referred to in the response to recommendation 1.1.

Timeline for implementation

SOLAS has committed to providing a progress update at the end of 2026, along with a planned work programme for the first half of 2027.

Annex 28A SOLAS funding programme mapping

Funding pots	New programme category	Legacy programmes and sub-programmes
Core funding	Learner support and guidance, buildings, quality/certification, other central supports	Funding to drive an effective strategic hub. Support costs associated with the delivery of the programme categories
Funding for workforce skills development/transformation	Learning for employment progression	- Post-Leaving Certificate - Post-Leaving Certificate — pathways to apprenticeship - Traineeship - Specific skills training - Tertiary
	Learning in employment	Skills to Advance
Funding for FET pathways	Pathways	- Bridging and foundation training - VTOS core - Specialist training providers - Local training initiatives - Back to Education Initiative groups - FET co-operation hours
	Youth provision	- Youthreach - Community training centres - FET pathways from school
	Community education	Community education
	Adult literacy for life	- Literacy (including voluntary literacy, DEIS family literacy, core skills) - English for Speakers of Other Languages/ refugee programmes - Skills to Work
Apprenticeship funding	Apprenticeship	2016+ FET apprenticeships^a - Craft apprenticeships
Strategic investment funding	Discretionary/Other	- Reach funding - Skills to Advance innovation projects - Specialist skills development - ETB strategic initiatives - Climate action initiatives - Self-financing courses

Source: SOLAS

Note: a 2016+ apprenticeships (also called consortia-led apprenticeships) were introduced in 2016 under the national apprenticeship expansion. They were designed to introduce the apprenticeship model to new occupations and are more flexible in design and qualification level.