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SUCCESS THROUGH SKILLS

PROGRESS REPORT

MAY 2007

**SUCCESS
THROUGH SKILLS**
SKILLS STRATEGY FOR NORTHERN IRELAND

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CONTENTS

Foreword	4
The Economic Overview	5
The Lord Leitch Review of Skills	13
<i>Success Through Skills</i> Update 2006-07	15
The Year Ahead	31
Appendix	33
Glossary	41

FOREWORD

A great deal of work has progressed since *Success through Skills* was launched by Angela Smith MP, the then Minister for Employment and Learning in February 2006.



This first annual report highlights the milestones achieved and the vision the future holds. It reports on the sixteen component projects underpinning the four broad themes of the *Success through Skills*:

- understanding the demand for skills;
- improving the skills levels of the workforce;
- improving the quality and relevance of education and training; and
- tackling the skills barriers to employment and employability.

Key stakeholders such as schools, further education colleges, universities, training providers, employers, various agencies and departments and also individuals have all, by working in partnership, played an important role in implementing *Success through Skills* to date and I would like to express my sincere thanks to all concerned.

It is extremely important that Northern Ireland is prepared for future employment opportunities by having a highly skilled workforce to compete in what is an increasingly global economy. This *Success through Skills* implementation plan focuses on raising the skills of the workforce and on improving the employability of the workforce of tomorrow.

This past year has seen several major changes in Northern Ireland which impact on how the Department implements this Strategy. The Review of Public Administration has had a notable impact on many of the key stakeholders. The sixteen Further Education colleges will shortly be merged into six area based colleges as part of the implementation of *FE Means Business*. A new professional and technical training programme, *Training for Success*, will commence in September 2007 to replace the *Jobskills* programme.

I am pleased to report on the work that has been done to date and am confident that this progress will continue. We are well on our way to achieving *Success through Skills*.

A handwritten signature in black ink that reads "Aideen McGinley".

Aideen McGinley
Permanent Secretary

1. THE ECONOMIC OVERVIEW

Success through Skills has two main outcomes - social inclusion and economic success. Both are important for the future growth and stability of Northern Ireland as a society. The issues relating to social inclusion - reducing the economic divide through education and training; encouraging and supporting the economically inactive into work and ensuring all have the opportunity to maximise their potential are referred to throughout this paper. The following sections address the “environmental” factors within which *Success through Skills* has to operate - the economy, the labour market and skills gaps and skills shortages.

1.1 Background

The Northern Ireland economy and labour market have improved considerably over the past few years; employment is up; unemployment is down and wealth (as measured by Gross Value Added* per head) has risen more than in any other region of the United Kingdom. On the other hand, levels of economic inactivity have remained stubbornly high and Northern Ireland has a weak private sector with a concomitant over-reliance on the public sector: and skills levels in the working age population are somewhat lower than in the UK as a whole.

1.2 Key Recent Economic and Labour Market Characteristics

- **Strong Economic Growth** over the longer period. Since 1990, the Northern Ireland economy (as measured by GVA per head) has grown by more than 50%: faster than in the UK as a whole (+37%)¹.
- **Continuing Employment Growth:** employment, which has been growing strongly for many years, continued to grow in 2006 and the recent data shows that at the end of the year there were 768,000 people in employment in Northern Ireland² - the highest on record. Moreover, the employment rate³ is approaching 70%, consistently recording close to this figure, quarter after quarter. Recently, employment growth has been augmented by the influx of migrant workers.
- **More jobs:** Employee jobs grew by 30% in the period 1990-2005: UK growth in the same period was 9%. This overall growth has comprised considerable expansion in service and construction employment, more than offsetting declines in manufacturing and agriculture.
- **Lower unemployment:** figures from the Labour Force Survey (LFS) show that Northern Ireland unemployment fell by 60% in the period 1992-2005: considerably more than in the UK as a whole (-40%).
- **Persistently high economic inactivity:** economic inactivity has remained high in Northern Ireland over the past 20 years⁴, the working age rate staying in the range 27%-30% for most of that period. There is no discernable downward trend. Economic inactivity in Northern Ireland remains higher than in the UK as a whole and higher than all other UK regions.

* *Gross Value Added (GVA) measures the contribution of the economy of each individual producer, industry or sector in the UK*

- **Low productivity remains a problem:** figures from the Office for National Statistics⁵ show that regional GVA in Northern Ireland, despite recent improvements, remains the lowest of any UK region, barely exceeding 80% of the UK average figure. This in turn can be associated with low pay in Northern Ireland (the private sector median wage is 82% of the UK average) and evidence of skills deficits in Northern Ireland: some 24% of the Northern Ireland working age population have no qualifications⁶: this is 10 percentage points worse than the UK average and 7 points higher than the next-worst region - Scotland.

1.3 Strengths and Weaknesses of the Northern Ireland Labour Market

A list of key strengths and weaknesses of Northern Ireland in relation to its labour market are given in Figure 1. Some of these are contextual - they depend on external factors over which the UK Government may have limited influence but which the Northern Ireland Government will have less (the performance of the UK economy, for example). Some of these factors will impact on the Northern Ireland labour market and be amenable, to a greater or lesser degree, to action by the Northern Ireland Government (e.g. the achievement of political stability) but are beyond the scope of purely economic intervention. Other factors will be directly the concern of government economic policy, but on the demand side, and not directly the concern of policies and interventions aimed at the supply side. Finally, there will be those that are amenable to supply side actions, including policy and programme intervention and of building the evidence base through targeted research and evaluation.

Figure 1: Selected Key Strengths and Weaknesses in relation to the Northern Ireland Labour Market

	Strengths	Weaknesses
Economy	<ul style="list-style-type: none"> • Rapid recent economic growth underpinning labour market successes of recent years 	<ul style="list-style-type: none"> • Most recent forecast for UK and Northern Ireland show perhaps a slowdown in growth over coming years
Labour Supply	<ul style="list-style-type: none"> • Increase in labour supply - Northern Ireland has an expanding workforce and this means that it will not experience a demographic downturn in medium term • Northern Ireland has a stream of relatively well educated young people entering the workforce with high participation in education and training • In-migration to fill labour shortages 	<ul style="list-style-type: none"> • Increase in labour supply is also a potential weakness as number of jobs has to grow rapidly simply for Northern Ireland to “stand still” • Although Northern Ireland young people do well, there remains a group who have no or poor qualifications (needs to be strengthened considerably, 40% leave school at 16 with less than 5 GCSEs at A - C grades) • Evidence of poor skills levels in existing workforce • Out-migration of young people for Higher Education • Evidence of skills shortages recruitment difficulties in some occupational areas • Low levels of training in Northern Ireland workplaces • Relative lack of childcare restricting access to labour market
Labour Demand	<ul style="list-style-type: none"> • Strongly rising employment - job growth has more than absorbed population growth recently • Low labour costs - making people easier to employ • Increasing productivity 	<ul style="list-style-type: none"> • Although rising labour demand throughout most of Northern Ireland there are areas with proportionately fewer job opportunities • Low pay - can depress the attractiveness of jobs to potential employees. • High dependence on public sector (around 32% of Northern Ireland jobs cf 20% in GB) • Northern Ireland productivity lags behind UK average.

	Strengths	Weaknesses
Non-employment	<ul style="list-style-type: none"> Falling unemployment 	<ul style="list-style-type: none"> Pockets of high unemployment and non-employment especially in certain areas Persistently high levels of economic inactivity Some groups (eg disabled people, older workers) disproportionately excluded from the labour market
Wider factors	<ul style="list-style-type: none"> Increasing normalisation of political situation and possible stability of political institutions Low interest rates in recent years 	<ul style="list-style-type: none"> High dependence on funding decisions to Northern Ireland block from Her Majesty's Treasury (HMT) (with indications of limited increases at UK level) Global economy and shocks (eg oil prices) Recent (and future?) rises in interest rates, particularly impacting on consumers and Small and Medium Sized Enterprises (SMSE)

1.4 Labour Supply

Northern Ireland has a fast growing labour supply - in part reflecting past high birth rates (although these have dropped recently). For example in the past decade, the Northern Ireland working age population has grown by more than 100,000, and this growth is expected to continue over the medium term, although projections show that by the end of the second decade of the century, numbers in the young adult labour-market entry age groups will begin to fall, and indeed by the 2020s the working-age population itself is expected to be in decline⁷.

On the whole, young people in Northern Ireland perform well in terms of qualifications attained compared to their counterparts in the rest of the UK. This is underlined by their performance in internationally-standardised assessments of literacy and numeracy, as evidenced by the performance of young people from Northern Ireland in the international PISA study of literacy, numeracy, and scientific knowledge⁸. However, there remains a “tail” of poorly performing young people who leave school with no or poor qualifications⁹. This inevitably causes challenges for them as individuals and for the future skills levels of the Northern Ireland workforce.

Young people represent the key group in relation to new entrants to the labour market, and obviously their characteristics and skills are important for employers and the labour market in general. However, they represent only part of the story, - the other part is the stock of people of working age, both those inside and those outside the labour market. There is also an issue with a high proportion of these people who are poorly qualified or who have no qualifications at all. Some 24% of the Northern Ireland working age population lack qualifications, compared to a UK average figure of 14%¹⁰. In this context it is worth noting that many adults in Northern Ireland experience problems with skills such as literacy and numeracy. The International Adult Literacy Survey (IALS) showed that around a quarter of Northern Ireland working age adults were operating at the lowest level of literacy. The need to improve literacy and numeracy is also a key plank of the Leitch Review of Skills which is discussed below.

The results of the 2005 Northern Ireland Skills Monitoring Survey details the skills of workers currently in work and the potential shortfalls for employers. These potential shortfalls are both in terms of difficulties employers have in recruiting (skills shortages) and in the skills that their existing employees have (skills gaps) and again these are discussed below. However in this context it is sanguine to recall that:

- Northern Ireland has the highest proportion of its working age population without any formal qualifications - nearly a quarter, compared to 14% in the UK as a whole (see above);
- surveys of Northern Ireland employees regularly show that they get less job-

related training than their counterparts in the UK as a whole (in fact less than in any other UK region). Most recent figures¹¹ show that only 10.8% of male and 12.8% of female employees received job-related training in the previous month (the corresponding UK figures were 14.2% and 18.3% respectively). These figures have to be viewed in the context of evidence of skill gaps in Northern Ireland companies flowing from the results of the 2005 Northern Ireland Skills Monitoring Survey.

A recent aspect of labour supply is the issue of migrant workers. Figures published by Northern Ireland Statistics and Research Agency (NISRA) show that the numbers of in-migrants has grown sharply since the accession of eight eastern European nations to the European Union in 2004. More than 26,000 people entered Northern Ireland in 2004/5, and net in-migration was nearly 7,000 people. Data from the Worker Registration Scheme, put in place to monitor migrant workers from the new accession countries, suggests that Northern Ireland has had the biggest proportional influx of migrant workers of any of the home countries (see Table 1). Furthermore, evidence from the UK, Ireland and from within Northern Ireland suggests that, although many of these migrants are working in low-pay, low-skill jobs, a considerable proportion are well-qualified and working in jobs below their capacity. This could represent a further resource in the labour market.

Table 1 Distribution of Workers registered under the Worker Registration Scheme, May 2004 - December 2006

	UK	England	Scotland	Wales	Northern Ireland
Number of Registered Migrant Workers	555,030	472,345	42,810	14,705	21,270
Working Age Population (thousands)	37,064	31,059	3,176	1,778	1,052
Migrants/1,000 Working Age Population	15.0	15.2	13.5	8.3	20.2

Sources: Registered Migrant Workers - Accession Monitoring Report (*op cit*), p19; Population data (2004) - Regional Trends www.statistics.gov.uk

1.5 Labour Demand

Demand for labour has been growing strongly in Northern Ireland over the past decade. Jobs in the services and construction industries have grown at a high rate - whereas manufacturing and agriculture have declined. However, within sectors the position is more complex - although manufacturing as a whole has declined, most of this fall in the past decade or so can be attributed to sharply reducing numbers on the textile/clothing industries - whilst other sectors (e.g. manufacture of metal products) have grown.

An understanding of future employment demands is a key underpinning of the determination of what supply might be required. This understanding comes - in part - from employment projections. Work carried out for the Sector Skills Development Agency (SSDA) by the Institute of Employment Research (IER) in Warwick included Northern Ireland. This work¹² showed that:

- employment in manufacturing and construction was likely to decline in the period up to 2014, whilst business services, transport etc were likely to grow;
- managerial, professional and technical, and personal services occupations were projected to expand; elementary occupations and skilled trades to decline;
- in general, high skill jobs will grow; low-skill jobs will decline

In order to combat some of the weaknesses in the Northern Ireland economy and labour market identified above, the Northern Ireland Government has recently produced a draft Regional Economic Strategy¹³. This is predicated on two key aims - increasing employment, and increasing the productivity of those in work. Whilst many of the levers for this will be on the demand side, the supply side can assist by facilitating the transition of those entering the labour market (e.g. through policies aimed at improving education and training) and this largely covers young people. Measures can also be put in place to upskill those currently in the workforce and by reducing the barriers to employment of those who are currently out of the workforce. *Success through Skills* addresses all of the issues.

1.6 Northern Ireland Skills Monitoring Survey 2005

The Northern Ireland Skills Monitoring Survey has been designed to provide a comprehensive snapshot of the current skill needs of Northern Ireland employers¹⁴. It is the third in a series of surveys, the most recent previous survey being carried out in 2002. The key objectives of the Survey were to:

- provide robust estimates of the current level of vacancies and difficult to fill vacancies as an indication of demand for skills from all Northern Ireland employers;
- to provide comparisons with the 2002 Survey;
- to highlight areas where recruitment difficulties are related to external skill shortages and which therefore might be amenable to a 'skills' solution;
- to highlight areas of concern that might merit more detailed investigation.

The Survey was designed, not only to provide robust estimates for all Northern Ireland employers, but also, where possible, to provide estimates for individual sectors. Responses were analysed by Standard Industrial (SIC2003) and Occupational (SOC2000) Classifications to allow for comparison of the results with other sources of data.

A total of 6,822 businesses were surveyed during June to November 2005. Valid responses were received from 4,126 employers, giving a response rate of 70%. This is an excellent response rate which not only underlines the quality of the information received but also reflects the high level of interest shown by employers.

Key Findings

This is a summary of some of the key findings from the Survey:

- just over one in ten (11%) of employers surveyed reported having a vacancy at the time of the survey;
- just over half of employers with a vacancy had one which they deemed “difficult to fill”; this means that 6% of all employers reported a difficult to fill vacancy;
- vacancies can be difficult to fill for a number of reasons, some of these relate to skills issues, whereas other reasons are not skill-related (for example, a general shortage of applicants; little interest in the work from prospective employees; unattractive working conditions etc). Skill reasons accounted for just over a third (34%) of difficult to fill vacancies; this means that only 2% of employers at the time of the survey had vacancies attributable to a lack of skills - termed “skills shortage vacancies”;
- just under one in ten (9%) of employers reported some at least of their current employees lacked the skills to do the job - i.e. had a “skill gap”; thus at the time of the survey, skills gaps in the current workforce were more prevalent than external skills shortages.

The full report can be read at <http://www.delni.gov.uk>

2. THE LORD LEITCH REVIEW OF SKILLS

The Leitch Review of Skills, *Prosperity for all in the Global Economy - World Class Skills*, which is a major report commissioned by Government, was published in December 2006. The report sets out the likely skills needs of the UK workforce for the year 2020 and proposals on how to meet these needs. If adopted in its entirety then its recommendations will have a significant long term effect on the aspiration for the skills agenda for the UK leading up to 2020 and on the means of delivering these skills. At the time of printing no formal responses have been made by governments in England, Scotland, Wales or Northern Ireland to the Leitch Review but these are expected later this year.

2.1 Background

In 2004, Lord Leitch was commissioned jointly by England's Department for Education and Skills and the Treasury to undertake a major review of skills in the UK. His final report sets out a compelling vision and challenge for the UK to be a world leader in skills by 2020. This is a massive undertaking and will require a doubling in the number of qualifications that the population currently holds. Some key Leitch recommendations include; that by 2020:

- 95% of working age adults to achieve functional literacy and numeracy;
- 90% of workforce adults to be qualified to at least Level 2;
- shifting the balance of intermediate skills from Level 2 to Level 3;
- accelerating the increase of people with high skills – Level 4 and above.

The Leitch Report estimates that the achievement of these objectives will contribute £80bn to the UK economy over 30 years and contribute to a more prosperous and fairer society. Significantly the report points out that 70% of those contributing to these targets are already in employment.

Achievement of these targets will undoubtedly be very challenging and it is important to note that there is an emphasis on economically valuable skills, with a recommendation that there should be significantly more influence on skills provision from employers. To achieve these targets large investments will be required and not only from Government. The report recommends that Government should pay for those with deficiencies in the essential skills of literacy, numeracy and ICT and that individuals and employers should increasingly resource those higher level skills where the benefits are more directly to the individual and to the business. This is by no means an exhaustive list of recommendations and the Report has potential implications for many government departments in Northern Ireland.

2.2 Northern Ireland Response to Leitch

Due to the nature of governance in the Devolved Administrations each will have to formally respond to the report. Many of the recommendations in the report are largely targeted at England and the Devolved Administrations will need to consider the relevance to their jurisdiction. In Northern Ireland both employment and skills are devolved matters and the Leitch Report is currently being considered in that context. To this end a Northern Ireland Interdepartmental Group, chaired by the Department for Employment and Learning (DEL), has been established to consider the full implications of the Leitch report for Northern Ireland. Initial views are that at a high level we are likely to agree with the logic and broad thrust of Leitch in relation to its 2020 aspirations.

Northern Ireland has its own skills strategy, *Success through Skills*, and is already some way through a process of change to a more demand led system. However, as we have a different infrastructure and different delivery mechanisms in Northern Ireland it is unlikely that we will deliver on Leitch in the same way as England. A formal Northern Ireland response, agreed by Ministers, is anticipated by the early autumn 2007.

3. SUCCESS THROUGH SKILLS UPDATE 2006-07

Success through Skills was launched in February 2006 and set out how DEL planned to address the current and future skills needs in order to ensure that the economy remains competitive globally in 2015 and beyond.

The vision of the strategy is that “by 2015, the Northern Ireland economy is highly competitive in global terms; it is based on high value jobs, with progressive leadership from a strong cadre of local managers; it has increased export levels and it attracts substantial amounts of inward investment; its people are entrepreneurial and innovative; small businesses are encouraged to grow and strong, coherent services and support for businesses of all sizes are provided. Employment has increased, leading to an expansion of the workforce and migrant workers are playing a valuable role in the economy; the workforce, increasingly, is literate and numerate and has good ICT skills. Individuals can solve problems, work in teams, are innovative and enterprising and expect to learn new skills throughout their working lives. A broader adoption of technology and e-learning will have reduced transport and location barriers.”

Success through Skills was designed to realise this vision. The implementation consists of sixteen individual projects grouped under four themes and as a consequence covers the breadth of work across DEL. Good progress can be reported in all sixteen projects and details are contained in the following section and in a programme summary plan attached in the Appendix.

This section provides an update on the component programmes and projects. An overview of *Success through Skills* is given at Figure 2.

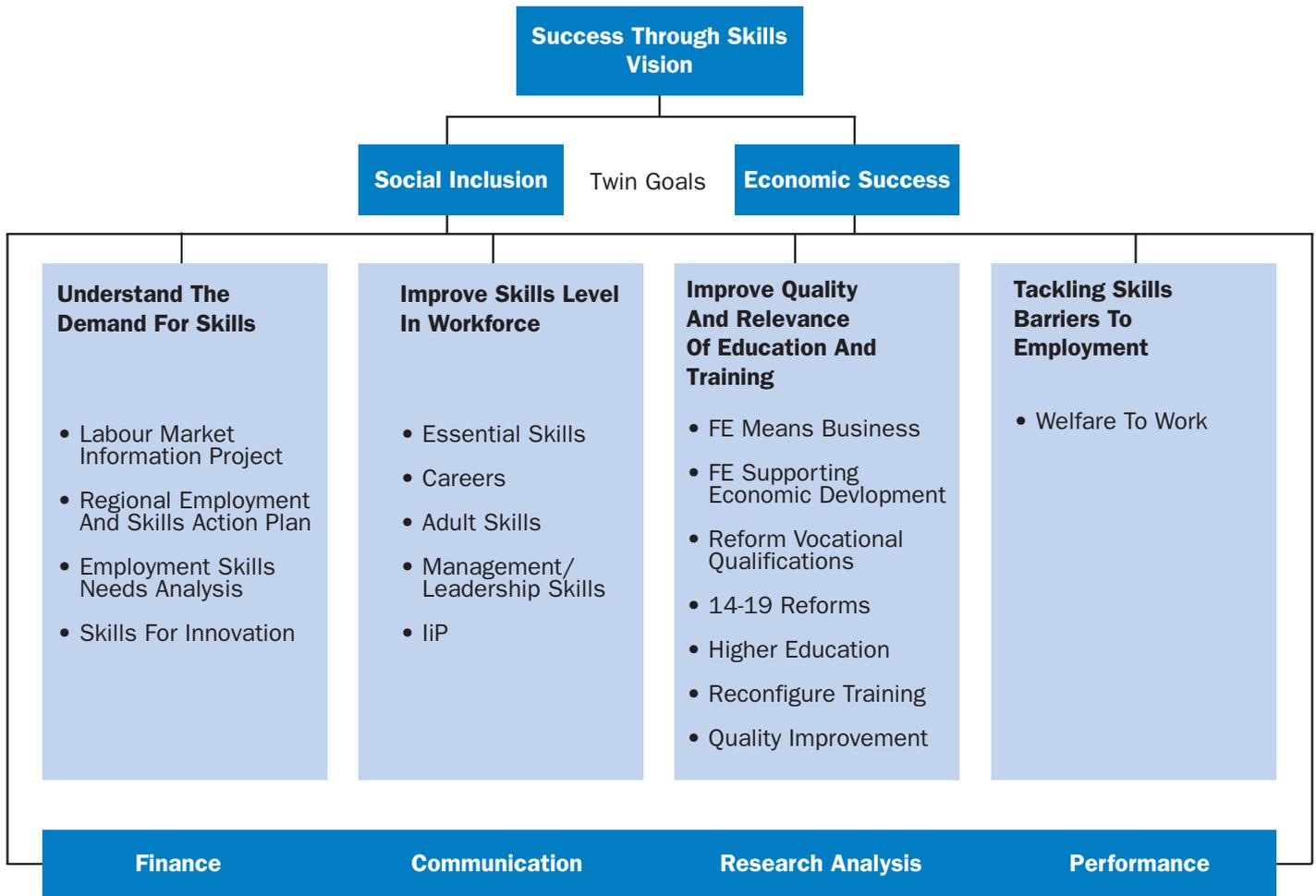
3.1 Theme 1: Understanding the Demand for Skills

This theme groups together those activities that engage with employers and others to forecast future skill requirements in order to inform the planning and funding of post 16 education and training.

3.1.1 Labour Market Information Project (LMI)

The purpose of the LMI project is to improve the quality of the information on the current labour market in Northern Ireland. This information is used by DEL and others to formulate policy in regard to current and future skills levels and employment opportunities. The information should also be available to the individual jobseeker who needs information on job vacancies in their local area. Several organisations collect information on the labour market e.g. Sector Skills Councils, Department for Enterprise, Trade and Investment (DETI) and so it is important that these sources are compatible and accurate. There are also many examples of best practice in producing and disseminating labour market information around the world and part of this project was to benchmark the Northern Ireland system with the best practice examples from elsewhere.

Figure 2: Overview of Success through Skills



The research phase of the project involved the engagement of the National Centre for Education on the Economy (NCEE) based in Washington DC to look across the developed world for best practice examples of LMI and to assess Northern Ireland against them. NCEE were also charged with indicating how the Northern Ireland LMI system could be improved using the knowledge from other countries. A study visit to North Carolina was also undertaken to see first hand how one of the most highly accredited LMI systems in the USA functions. The information found in both these exercises was used to shape the future LMI system in Northern Ireland.

The review concluded that a wide range of information was available in Northern Ireland and there is evidence of extensive good practice, especially on the use of LMI in shaping policy and service delivery. However it concluded that more could be done to improve the use of LMI to influence the career choices of both young people and adults. To this end the project sets out a vision of a Northern Ireland LMI system which is world class in relation to both data availability and how these data are used in an integrated way to meet customer needs. The report's recommendations include:

- working within Northern Ireland and with colleagues in other jurisdictions to improve the use of data derived from existing administrative sources;
- developing longitudinal cohort studies of Further Education (FE) and Higher Education (HE) participants and young people in general to track individuals' education, training and labour market experiences more effectively;
- meeting customer needs by deploying LMI in a more consistent, informative and joined up way. This would include, for example, the provision of local information to Workforce Development Forums (WDFs) and appropriate information to Sector Skills Councils (SSCs);
- ensuring that the Careers and Employment Services' LMI needs are well articulated and that there is a clear understanding of how this information can be best presented to impact positively on their clients' education, training and labour market choices, and ensure that information is presented accordingly. Consider the appointment of a Careers Adviser and Employment Service Personal Adviser as "LMI Champions" to help articulate and communicate the LMI needs of their respective services;
- examining the opportunities for integrating different Departmental databases and systems to provide a comprehensive and linked information source.

3.1.2 Regional Employment and Skills Action Plan

This project facilitates the development and maintenance of a regional employment and skills action plan that will recognise and articulate skills needs at local and regional levels. Components include the re-configuration of the Skills Taskforce into an Expert Group at regional level and the development of six employer-led sub-regional WDFs.

Progress to Date

The Skills Expert Group (SEG) has been constituted and includes representatives from a wide range of stakeholder organisations. The role of the SEG is to provide a direction and articulation of the skills needs for Northern Ireland as a region. The Group held its first meeting in February 2006 and has met three times since then. Its main areas of work to date has been to examine the priority growth sectors for the Northern Ireland economy, articulate the skills needs in those sectors and encourage the development of the WDFs who are responsible for articulating the local need. The WDFs operate in the same six areas as the new area based colleges who provide secretariat support.

Each WDF is chaired by a prominent employer. To assist the WDF in assessing their skills needs DEL's Research and Evaluation Branch has provided each with an analysis of the labour market in their area detailing employment numbers and sectors etc. The combination of the SEG and the WDF should provide a very comprehensive picture of the skills needs at both a local and regional level. Clearly there is a need for good communication between the SEG and the WDF and to assist this, a seminar involving both groups was held in March 2007. In addition having the Chairs of the WDFs as members of the SEG will further help these communication linkages.

Two priority sectors, ICT and financial services, have been identified by the SEG. In order to maximise the opportunities in these sectors, two action focused groups have been initiated known as the Future Skills Action Groups. These Groups comprise all the relevant players in the sector and are charged with the identification of interventions which will provide the skills needs for the sector and maximise the economic opportunities.

3.1.3 Employers' Skill Needs Analysis Project

The Employers' Skill Needs Analysis Project aims to provide a comprehensive analysis of skills demand and supply in the 25 sectors covered by Sector Skills Councils (SSCs). The SSCs are UK wide bodies charged by Government to articulate the need of employers in their sector. All have a remit in Northern Ireland. Their work has been phased in order to ensure the accuracy of the information they provide and one of their key tasks is to analyse the labour market needs for their sectors. This analysis forms the core part of Sector Skills Agreements (SSAs) which are currently being developed.

These agreements will fundamentally alter the way skills are demanded, developed and delivered - they are essentially contracts between employers, their SSCs and the providers/funders of education and training. They are designed to ensure that 'the skills the sector needs are the skills the sector gets,' and this will influence the shaping and supply of relevant educational and training provision as well as raising employers' commitment to skills.

Progress to Date

The first seven full SSAs have now been completed by:

- ConstructionSkills;
- e-skills - Information Technology, Telecommunications and Contact Centres;
- Lantra - Environmental and Land based Industries;
- SEMTA - Science, Engineering and Manufacturing Technologies;
- Skillset - Film/Video Industry;
- Skillfast - Textile Industry; and
- SkillsActive - Active Leisure and Learning.

The Northern Ireland SSA Project Board, which oversees the SSA process, has placed emphasis on producing quality data. The Project Board meets regularly to consider and approve key stages of the SSA and this work will continue.

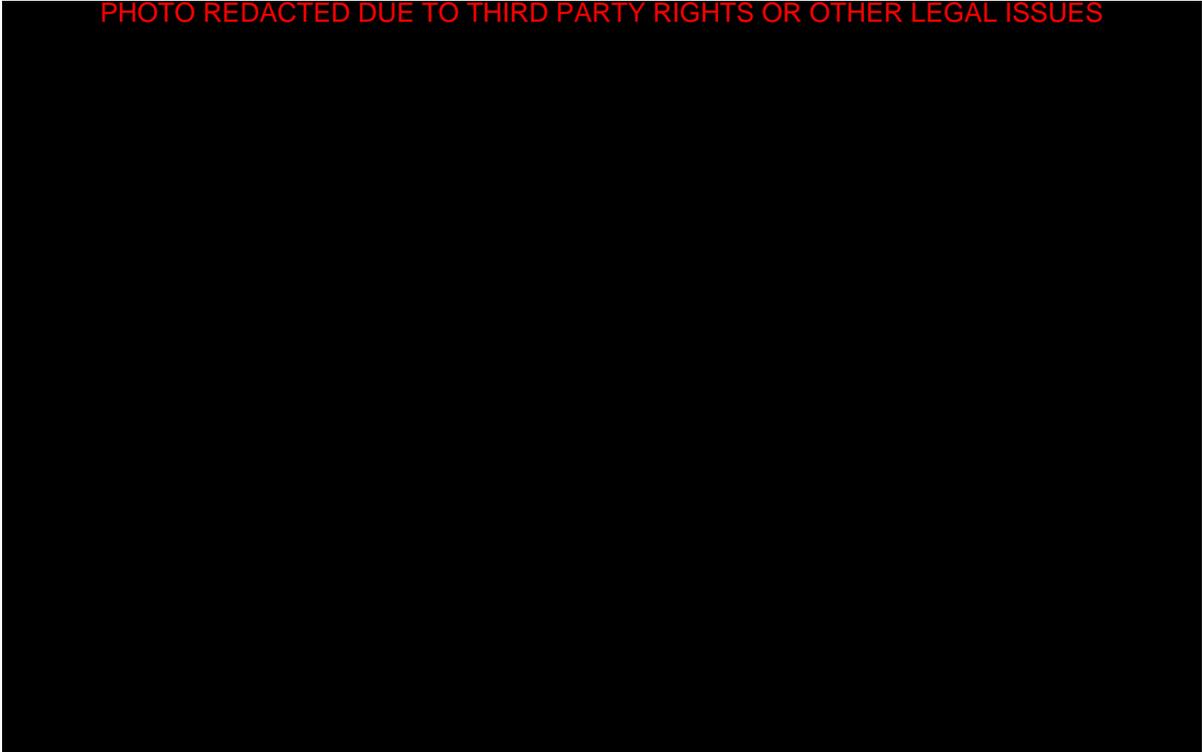
3.1.4 Skills for Innovation

Innovation is one of the key drivers of economic productivity and many employers recognise the need to manage effectively the innovation process within their organisations. The *Skills for Innovation* project seeks to identify the skills that underpin the innovation processes in organisations. Given the number of organisations in Northern Ireland involved directly and indirectly in innovation it is important that the project focuses on developing new work in this area and does not repeat the work of other organisations.

Progress to Date

A background paper has been prepared examining the scope and definition of *Skills for Innovation*. The paper has been discussed at the establishment of the Project Board who held their inaugural meeting in April 2007. Membership of the project board consists of representation from Queens University Belfast, University of Ulster, Department of Enterprise, Trade and Investment (DETI); Department of Culture, Arts and Leisure (DCAL); Department of Education (DE); Department of Agriculture and Rural Development (DARD), Association of Northern Ireland Colleges (ANIC), the Centre for Competitiveness and the National Endowment for Sciences, Technology and the Arts (NESTA). The Board has agreed that a clear “map” of all the organisations involved in innovation is required and future activities of the project will identify any gaps in current provision for *Skills for Innovation* and then propose solutions to these gaps.

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3.2 Theme 2: Improving the Skills Levels of the Workforce

This theme is about getting the basics right and focuses on individuals who are currently in employment or training and those about to join the workforce.

3.2.1 Essential Skills Programme

The *Essential Skills Strategy*, launched in October 2002, is designed to give adults in all areas of Northern Ireland the opportunity to increase their literacy and numeracy skills to enable them to improve their overall quality of life, their personal development and their employment prospects. The evidence shows that poor literacy and numeracy have profound negative impacts on society at a number of levels: the individual, the family, the community and the economy.

Progress to date

A range of qualifications are in place for Essential Skills in literacy and numeracy from entry level through to Level 2. There have been over 55,000 enrolments on Essential Skills courses since the Strategy was launched. By February 2007 over 21,000 Essential Skills qualifications had been achieved, exceeding the Public Service Agreement target of 18,500 qualifications to be achieved by March 2007. An accredited pilot of ICT as a third Essential Skill was introduced on schedule in September 2006. The pilot will run for the 2006/07 academic year and an evaluation of the pilot will inform possible future expansion in this area.

3.2.2 Careers Education, Information, Advice and Guidance (CEIAG)

The purpose of the project is to produce an impartial, all-age strategy for careers education, information, advice and guidance based on up-to-date labour market information. It will be delivered in conjunction with the Department of Education and other key stakeholders.

The overall aim of the strategy is to develop effective career decision makers leading to increased participation in education, training and employment. This will include:

- to develop the skills of young people at school to enable them to make informed and realistic decisions about their education, training and employment options;
- to provide young people with opportunities and experiences to develop the essential employability and life skills in order to become effective citizens and employees; and
- to set in place a framework to ensure people of all ages have access to good quality CEIAG.

Progress to date

The proposals have emerged from a review undertaken by DEL and DE through a Futuresearch consultation activity in March 2006, evidence from reports published by the Education and Training Inspectorate (ETI) and other consultation activities with Careers Scotland and the Centre for Guidance Studies, Derby University. Proposals will also take account of a number of related strategies including *FE Means Business*, the Curriculum Entitlement Framework for 14-19 year olds, *Training for Success*, the Anti-Poverty Strategy, the Welfare Reform Agenda, the Promoting Social Inclusion Agenda and the Leitch Review.

DEL and DE agreed that a new strategy should be developed within the context of genuine stakeholder consultation and proposals are based on detailed stakeholder involvement and are scheduled to be issued for public consultation in summer 2007.

3.2.3 Adult Skills Project

To meet the commitment set out in the *Training for Success* consultation document a pilot Adult Upskilling programme commenced in September 2006. The pilot is being undertaken by three Training Organisations: Protocol Skills, Electrical Training Trust (ETT) and Blackwater House.

Progress to Date

Currently there are 111 participants on the pilot. All the successful participants are assessed on entry into the programme and are given tailored support to enable them to complete the programme. They are working towards achieving an NVQ Level 3 qualification as well as other relevant qualifications.

3.2.4 Management and Leadership Skills

This project will result in the development and implementation of a Management and Leadership Strategy for Northern Ireland in partnership with Management and Leadership Network (MLN) and other key stakeholders such as Invest Northern Ireland. It will also address and revise the nature and extent of DEL's direct interventions to support management and leadership in all organisations in Northern Ireland.

Progress to Date

Building on the results from the consultation document *Leading...the way*, and additional consultation work conducted across all sectors, DEL has developed a new comprehensive Management and Leadership Strategy, *Leading...to Success*; that articulates a vision for the future and maps the actions required to deliver it. The strategy and implementation plan will be published in the early summer of 2007.

The Department's own market interventions have been revised into a number of new programmes. Management, Analysis and Planning (MAP), a new online diagnostic product, will help organisations to identify management development needs linked to the achievement of its overall business objectives. Additional products will help to improve managerial skills levels from new entrants to Board members.

3.2.5 Investors in People (IiP)

This project aims to develop and implement a marketing and promotional strategy to increase the number of organisations using the IiP standards to align skills development with the achievement of the business goals such as efficiency, profitability and improved competitiveness.

Progress to date

An external audit of how the IiP standard is marketed in Northern Ireland was

completed in March 2006. This provided a comprehensive report that is being used to develop the marketing strategy further and to build on the 1,300 plus Investors in People recognitions awarded since its inception in Northern Ireland. At this time a further 320 local organisations have registered commitments to achieve IIP recognition in the future.

As part of the project, work is currently underway to develop a new set of more appropriate measures, targets and outcomes that will better reflect the influence of the IIP award on the Northern Ireland economy and the percentage of the workforce that benefit directly from working with the quality standard.

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3.3 Theme 3: Improving the Quality and Relevance of Education and Training

This theme is about improving the planning and delivery of education and training. It is about putting in place a 'skills ladder' which acknowledges the value and complementary nature of academic and professional and technical progression routes.

Further Education

3.3.1 FE Support for Economic Development

The statutory FE sector has, over recent years, played an increasingly important role in supporting economic development both in terms of providing quality provision for learners in priority skills areas as well as engaging directly with employers to address their identified business needs. In the future, the curriculum offered by colleges will focus increasingly on the needs of the economy, with greater priority given to those professional and technical areas that meet local and regional priority skills needs, and a consultation process will take place later this year to inform policy in this area. As well as the provision of skilled individuals, colleges also support employers in a range of practical ways such as enhancing productivity and competitiveness, business creation, incubation and product development. Both DEL and the colleges are committed to developing further the sector's role in supporting the economy at both local and regional level. This is one of the reasons why the secretariats of the WDFs are provided by the colleges.

Progress to Date

DEL has worked with the FE sector and a range of other interested stakeholders to identify key areas of development for the sector as it moves towards the restructuring that will reduce the number of colleges from the current sixteen to six. By 1st August 2007 there will be six large area based colleges and this revised model for the sector will facilitate greater collaboration and more effective use of resources across the college network. Consideration is also being given to the way in which the Centres of Excellence model in the sector can be enhanced in light of the new college structure. The six new colleges are:

- Belfast Metropolitan College
- North West Regional College
- Northern Regional College
- South Eastern Regional College
- South West College
- Southern Regional College

Chairs of Governing Bodies have been appointed for each of the six colleges and new governing bodies will be appointed shortly.

3.3.2 Reform of Vocational Qualifications

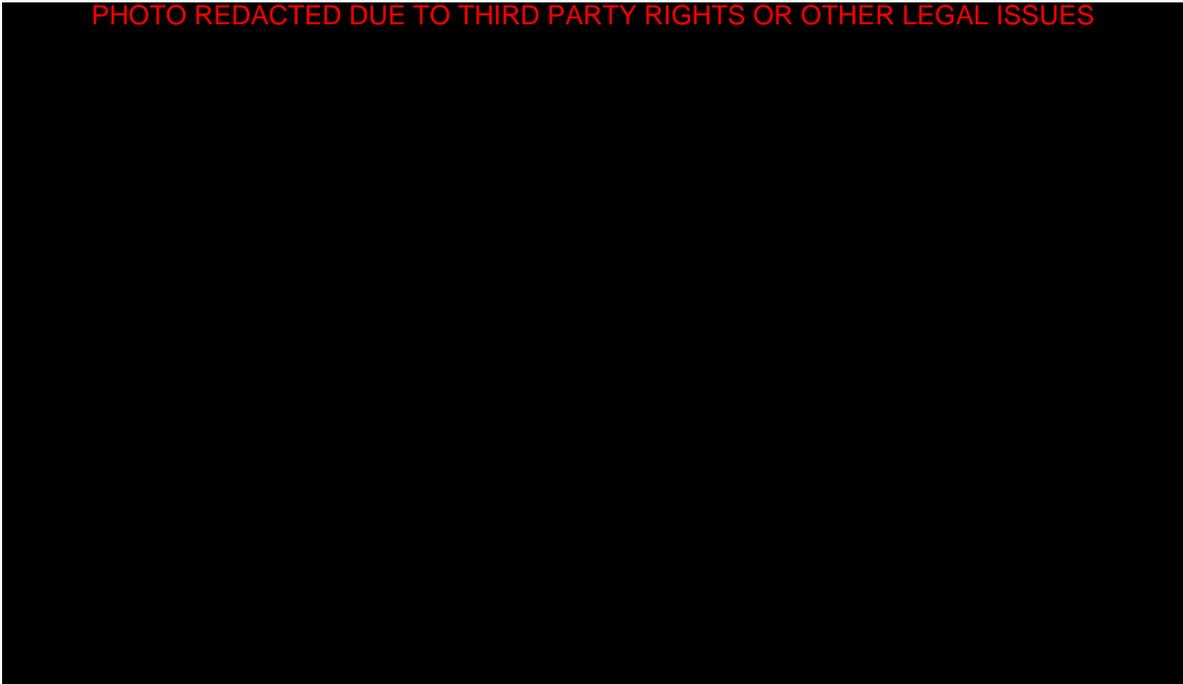
The Vocational Qualifications Reform Programme covers England, Wales, Scotland and Northern Ireland. The aim of the programme is to bring about the reform of vocational qualifications across the four nations of the UK and to introduce a revised unit-based credit rated qualifications framework for England, Wales and Northern Ireland. The content of the framework will be informed by the outcomes of

Sector Qualifications Strategies in order to ensure qualifications are market-led and meet the needs of employers.

Progress to Date

In September 2006 trialling and testing of Phase 1 projects commenced for the proposed new Qualifications and Credit Framework and a further set of Phase 2 projects started in January 2007.

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3.3.3 14-19 Reforms

The *Vocational Enhancement Programme* (VEP) is a joint project with the Department of Education. It involves the development and implementation of collaborative models between post primary schools and the FE colleges, for the delivery of professional and technical education, as they move forward towards the implementation of the Curriculum Entitlement Framework as outlined in the Post Primary Review. This will ensure that all 14-19 year olds in the Post Primary sector have access to high quality professional and technical education through robust collaborative partnerships with FE Colleges.

Progress to Date

In the 2006/07 academic year, all 16 FE colleges, 8 Training Organisations, and 192 post primary schools, including 26 Special Schools are involved in the VEP offering 9,383 vocational education opportunities to school pupils. In the 2007/8 academic year, VEP again includes all 6 colleges and to date applications for almost 14,000 pupils from over 200 schools have been received. The programme provides 14-19 year olds in post-primary schools with the opportunity to study professional and technical qualifications as part of their main programme of learning.

3.3.4 Higher Education

Review of Higher Education in Further Education

DEL is currently carrying out a review of its policy in relation to the delivery of higher education provision in the further education sector.

The scope of the review includes policy development to support the creation of high quality intermediate level qualifications in order to meet the projected demand for employees qualified at associate professional and technical level by 2012.

The review also endorses the following principles underpinning the provision of Higher Education in FE; namely: that FE Colleges have a particular strength and role in meeting the skills needs of employers; and that a strategy for growth in Higher Education in FE should incentivise provision that is wholly or partly designed, funded or provided by employers.

Progress to Date

A consultation exercise, which will focus on recommendations for policy change to the quality assurance, funding and allocation of student numbers in Higher Education in FE will take place within the next few months.

The recommendations will ensure that provision is underpinned by the principles of:

- a focus on economically valuable skills;
- demand led skills - with the skills system meeting the needs of individuals and employers; and
- shared responsibility - between employers, individuals and Government.

Review of Foundation Degrees

The development of Foundation Degrees is integral to both *FE Means Business* and *Success through Skills*. The number of Foundation Degrees in areas of priority skills will be increased significantly and DEL will work closely with industry, especially the SSCs to ensure that Foundation Degrees meet the needs of employers and are industry led.

In formulating the policies and principles underpinning the development and delivery of Foundation Degrees in Northern Ireland a number of key themes including recruitment, promotion, delivery, HE and FE collaboration, funding and employer engagement have been considered.

Progress to Date

A document covering both Higher Education in FE and Foundation degrees is currently being prepared for consultation.

Higher Level Skills

The principles to take forward graduate employability have been agreed with the Northern Ireland Higher Education Council. Consideration has been given to developments in England where the Higher Education Funding Council is piloting pathfinder projects and developing proposals for a shared Action Plan for greater employer engagement by universities. This will allow support for higher level skills and the enhancement of student employability.

Progress to Date

DEL is engaged with both universities in ascertaining the extent of current activities in higher education in relation to skills and employability with a view to developing a Skills Policy specifically for the Higher Education Sector.

3.3.5 Reconfiguration of Training

Training for Success, the professional and technical training provision for Northern Ireland, replaces *Jobskills* on 3 September 2007. It has four underpinning key principles:

- Quality;
- Flexibility and individuality;
- Emphasis on employment; and
- Progression.

The new provision targets 16-24 years olds with a flexible menu that will allow young people to enter training at an appropriate level and progress to a stage where they can maximise their potential through achievement of qualifications, employment, individual tailored training, personal development and employability skills.

DEL's new menu of professional and technical training for Northern Ireland will consist of three strands:

- Level 2 Apprenticeships;
- Level 3 Apprenticeships; and
- Addressing Barriers to Employment.

Level 2 and Level 3 Apprenticeships

Young people taking Level 2 and Level 3 Apprenticeships must be in employment from day one. The frameworks and level of qualification required will be set by industry, but where appropriate, young people will have the opportunity to progress.

Addressing Barriers to Employment

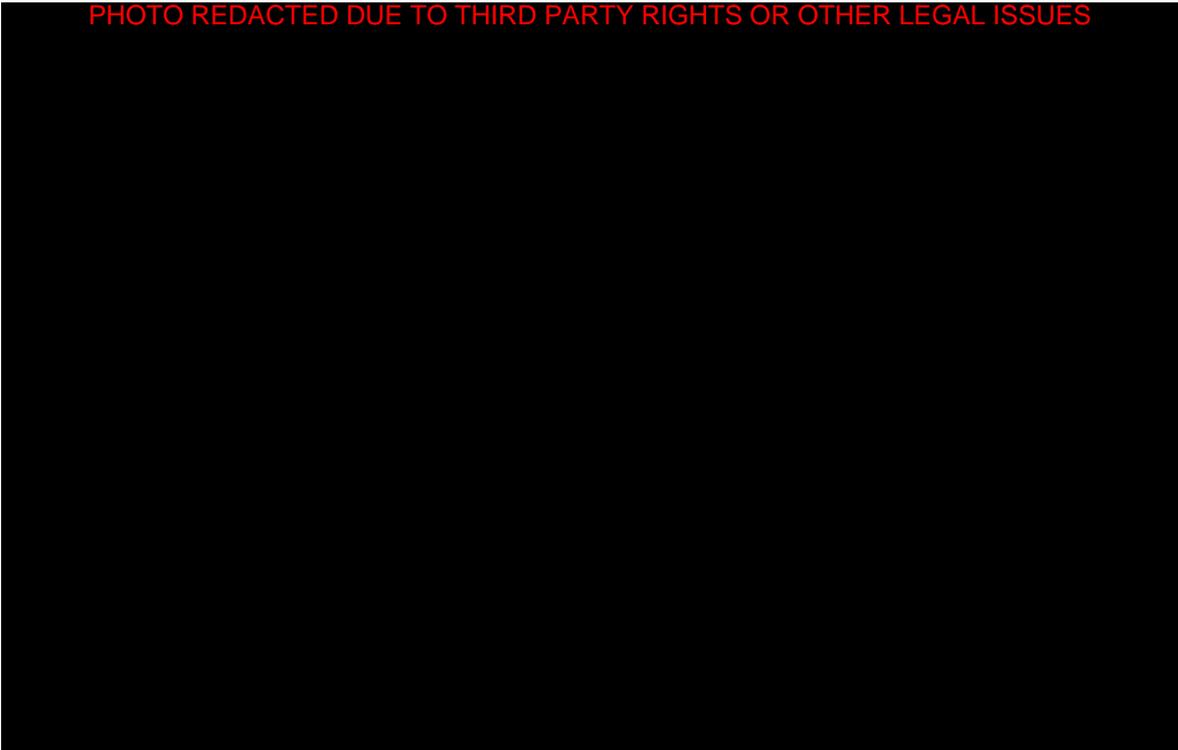
The Addressing Barriers to Employment provision replaces the Access strand previously offered in *Jobskills*. It is designed to enable participants to progress to higher level training, further education or employment by providing training to address personal and social development and, where necessary, essential skills.

Personal Development, Non-NVQ Level 1 Provision, Employability Skills and Non-NVQ Level 2 Provision will be available as components of strand four.

Progress to Date

Contracts to supply training services will be awarded by the end of May 2007.

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3.3.6 Quality Improvement

The Department has put quality at the heart of its provision. The Quality Improvement Strategy, *Success through Excellence*, was launched by the Permanent Secretary in January 2007. The Strategy has been developed in partnership with a range of key stakeholders, including the Education and Training Inspectorate (ETI), Learning, Skills and Development Agency (NI) (LSDA), Lifelong Learning UK (LLUK) and appropriate Departmental business areas. The Strategy is classified into five broad strands that focus on the programmes of work to be taken forward with:

- the Inspectorate, to ensure that inspection provides clear, consistent and accurate reporting and grading of further education and training provision, resources and supports effectively the culture of self-improvement;
- the LSDA (NI), to secure better outcomes for learners and employers by providing focus and support for quality improvement in the further education and training system;
- LLUK, to develop a standards-based framework for the further education and training system including the community based learning sector, which supports continuous professional development for all teachers, trainers and tutors;
- the key recommendations outlined in the joint Department/LSDA (NI) report, *Purpose, performance and public value*, and ensure they are integrated into the Strategy;
- DEL's contract management function, to ensure a consistent approach to the monitoring of contracts, which will focus on high quality and improved performance from contracted providers.

Progress to Date

LSDA (NI) has been working with FE and a number of training organisations, post ETI inspection, to help improve performance in light of the inspection findings. Bespoke professional support and training has been provided to meet the development needs of the organisations. Post inspection support continues to be developed and refined.

3.4 Theme 4: Tackling the Skills Barrier to Employment & Employability

New Deal

Since the inception of the *New Deal* programmes those participants who have an identified skills barrier to employment have been able to undertake a Vocationally Relevant Qualification (VRQ) or work towards units of an NVQ. From April 2007 DEL has introduced the availability of undertaking a first full NVQ Level 2, in selected occupational areas linked to local skills needs/job vacancies, for all New Deal participants not already qualified to this level.

Steps to Work

DEL has recently developed a new pilot initiative to help those not in paid employment to find work. The initiative, known as *Steps to Work*, which commenced on 2 April 2007, builds on the success of initiatives such as *New Deal*, and is aimed at helping people overcome the difficulties or obstacles they may have in finding work. It provides, in a flexible way, the opportunity to gain a work related qualification; meaningful and relevant experience of the work place through high quality job placements; or if required, help with such things as developing the skills needed to search for a job. For those who may need help with the essential skills of literacy and numeracy, support is also available. As an additional means of helping *Steps to Work* clients gain sustained employment an employer wishing to recruit a participant may qualify for an enhanced employment subsidy for the first 26 weeks of employment.

The *Steps to Work* initiative targets those in receipt of a wide range of benefits such as Jobseeker's Allowance, Incapacity Benefit and Income Support while those receiving other benefits can also participate. A key feature of the initiative is that those in receipt of benefit can participate on a voluntary basis whilst retaining their entitlement to benefit. *Steps to Work* is also available to those who are not working and not in receipt of benefit, for example those looking after the home or older people who perhaps feel the need to update their skills before rejoining the workforce.

Progress to Date

A core list of occupational areas eligible for *New Deal* NVQ funding, reflecting local skills needs and job vacancies, has been introduced from April 2007.

The aim of the *Steps to Work* pilot is to test the new flexible menu-based approach with existing customers and an extended customer base. The initiative is currently being piloted in 4 Jobs and Benefits office areas (Limavady, Lisburn and 2 offices in Belfast - Knockbreda, Shaftsbury Square).

During 2007/2008 it is intended to increase the range of options available within the flexible menu and in particular to introduce additional mentoring support to those participants who are considered to be further from the labour market. Marketing and promotion of *Steps to Work* will be a key feature throughout the year. During this time close monitoring of the pilot will be ongoing and it is intended to undertake an independent interim evaluation with a view, subject to resource availability, to rolling out the initiative to other areas if early indicators of success are positive.

4. THE YEAR AHEAD

Project Name	Next Steps
Understanding the Labour Market	Finalising the consultation process, publication of the review report and implementation of the recommendations by December 2007.
Regional Employment and Skills Action Plan	To consolidate the SEG and WDFs and to produce a first Regional Employment and Skills Action Plan by the end of the year.
Employers Skills Needs Analysis	Continue to develop the Sector Skills Agreements for the remaining Sector Skills Councils.
Skills for Innovation	A map of existing provision on innovation in Northern Ireland will be drawn up. Any gaps in current provision will be identified and interventions proposed.
Essential Skills	<p>The Essential Skills Strategy has been performing well to date, and a challenging Public Service Agreement target has been set for the 2007/08 financial year. By March 2008, DEL is to provide support for the achievement of 10,500 Essential Skills qualifications. This represents a 10% uplift on the achievement figures for 2006/07. The target will be monitored through data returns from awarding bodies.</p> <p>A pilot to introduce ICT as a third essential skill was introduced in September 2006. The final evaluation of the ICT pilot is scheduled for summer 2007. Plans are in place to develop policy for the introduction of ICT as a third essential skill, taking on board findings from the ICT pilot and developments in the Department for Education and Skills.</p>
Careers Education, Information, Advice and Guidance	The Careers Service continues to work closely with DE to develop a cohesive, independent, all-age CEIAG strategy, with a view to having a draft document agreed by both departmental boards by the beginning of May 2007. Approval will then be sought from Departmental Assembly Committees and Ministers prior to public consultation during the summer of 2007. Following consultation an agreed strategy will be published towards the end of 2007 and DEL and DE will progress implementation.

Project Name	Next Steps
Adult Skills	A full review of the pilot Adult Upskilling will be undertaken in due course.
Management and Leadership Skills	<i>Leading...to Success</i> will be launched in early Summer 2007.
Investors in People	To continue to promote the IiP standard and to increase the numbers of IiP recognised organisations in Northern Ireland by 120.
Higher Education Strand	<p>The joint consultation on the Review of Higher Education in Further Education and the Review of Foundation Degrees will issue by June 2007 with responses by end of October 2007. A Review report will issue detailing planned implementation of the recommendations for policy changes by the end December 2007</p> <p>DEL will engage with the Higher Education sector and other relevant stakeholders in order to develop a strategy in relation to higher level skills and employer engagement by March 2008.</p>
FE Support for Economic Development	DEL and the FE sector will continue to work on enhancing colleges' economic development role against the backdrop of college mergers. Contact with Invest NI will be maintained to further investigate the role FE can play in supporting the attraction of foreign direct investment and indigenous business growth. In addition further work on enterprise support and innovation will be carried out
Reform of Vocational Qualifications	An interim evaluation report of the testing/trialling projects is to be prepared for presentation to the UK Vocational Reform Programme Board for July 2007.
14-19 Reforms	<i>Vocational Enhancement Programme</i> to be subsumed into the Entitlement Framework for Post Primary Pupils from September 2009
Reconfiguration of Training	While <i>Training for Success</i> will roll out from September 2007, the existing cohort of <i>Jobskills</i> trainees will be allowed to continue to completion. It is expected that entrants to <i>Training for Success</i> will follow current trends but the impact of the requirement of employment for Level 2 Apprenticeships is yet to be realised. <i>Training for Success</i> will be reviewed within three years.
Quality Improvement	During the coming year the outworking of the <i>Success Through Excellence</i> will be progressed in partnership with the Learning and Skills Development Agency (NI), Lifelong Learning UK and the providers in the further education and training system.
Tackling Skills Barriers to Work	During the coming year it is intended to increase the range of options available within the flexible menu and in particular to introduce additional mentoring support to those participants who are considered to be further from the labour market. Marketing and promotion of <i>Steps to Work</i> will be a key feature throughout the year. During this time close monitoring of the pilot will be ongoing and it is intended to undertake an independent interim evaluation with a view, subject to resource availability, to rolling out the initiative to other areas if early indicators of success are positive.

APPENDIX

Success through Skills Summary Details on each project 2006-2007

Project Name	Update Information	Impact on Employer	Impact on Individual	Impact on Education & Training Provider
Understanding the Labour Market	A Review report has been produced comparing the use of LMI in Northern Ireland with best practice. It brings forward an action plan to improve the availability, use and usefulness of LMI in Northern Ireland. The report has received a positive response from the Skills Expert Group.	Better and more focused LMI contributing to a more efficient labour market.	More effective use of LMI by Careers and Employment services to inform career and course choice.	Clearer understanding of regional and local labour market demand.
Regional Employment and Skills Action Plan	The development and maintenance of a regional employment and skills action plan that can recognise and articulate skill needs at a local and regional level.	Improved delivery of relevant skills training	Skills training directly linked to economic opportunity	Improved assessment of local skills demand
Employers Skills Needs Analysis	Work to develop the Sector Skills Agreements for the 25 Sector Skills Councils continues. 7 SSCs have now completed stage 5 of the SSA process	Clear and quantified articulation of employers skills needs for their sectors	Identification of the skills required to work in industry/ commerce leading to better career choices and course/ training choices	Clearer explanation of the skills demand for the 25 business sectors enabling more focused training responses

Project Name	Update Information	Impact on Employer	Impact on Individual	Impact on Education & Training Provider
Skills for Innovation	Project Board inaugural meeting taken place and future pathway for project identified.	Increased understanding of the role of innovation in business to increase productivity etc.	Increased awareness of the need to be innovative in workplace and development of skills to underpin innovation	Identification of the role of innovation to improve productivity and development of educational interventions to support this.
Essential Skills	To date over 21,000 qualifications have been achieved in the essential skills of numeracy and literacy. Introduction of ICT as the third essential skill has begun in pilot phase	Improved workforce effectiveness and positive impact on productivity	Increase in self esteem in both work and personal lives and development of new learning culture in a traditionally low qualified section of population	Reduction in sense of "fear" of non traditional learners to use colleges/ training organisations. Improvement in uptake of courses within communities
Careers Education, Information, Advice and Guidance	Cohesive, All-age, Careers Education, Information, Advice and Guidance strategy is being developed in conjunction with DE and ready for Ministerial consideration by summer 2007. Recommendation will increase scope of service and delivery methods employed.	Improved workforce knowledge of industries through the provision of up to date job role and labour market information, leading to increased participation and retention rates.	Will assist clients of all ages in developing effective career decision making and planning skills leading to increased participation in education, training and employment.	Improved retention rates of learners on courses; more students making better informed choices, increased participation in education and training.

Project Name	Update Information	Impact on Employer	Impact on Individual	Impact on Education & Training Provider
Adult Skills	Pilot projects to develop adult skills established in four centres in Northern Ireland, 111 individuals currently set to complete re-skilling; up-skilling	Provision of a pool of trained workforce to recruit from; training up to Level 3	Opportunity for 25 + year olds to re-skill/up-skill to seek new employment prospects	Ability to develop a range of training provisions up to Level 3 for 25+ year olds
Management and Leadership Skills	The development and implementation of a Management and Leadership Strategy for Northern Ireland in partnership with key stakeholders	Improved identification of need and relevance of development opportunities	Development opportunities linked to business improvement	Improved assessment of local skills demand
Investors in People	To develop and implement a marketing and promotional strategy to increase the numbers of organisations meeting the Investors in People standards	Better alignment of skills development with the achievement of business goals such as efficiency and profitability.	Skills training linked to improved competitiveness.	Improved assessment of local skills demand
Higher Education Strand	Higher Education/FE Collaboration Fund introduced. Review of Higher Education in FE and Foundation Degrees progressing. Liaison with Higher Education institutions on issue of improved Graduate Skills/Employability Skills.	Provision of workforce with improved effectiveness and positive impact on productivity. Improved employer perception of employability of graduates.	Progression and wider access to Higher Education courses. Increased opportunity of Higher Education qualification. Increased opportunity to develop higher level skills with future salary enhancement.	Development of collaborative links between Higher Education and FE and employers to exploit synergies in expertise.

Project Name	Update Information	Impact on Employer	Impact on Individual	Impact on Education & Training Provider
FE Support for Economic Development	<p>Active participation of FE Colleges and Centres of Excellence in supporting FDI projects and high growth indigenous companies.</p> <p>DEL/FE engagement with INI on future role in enterprise support.</p> <p>Revised requirements for college strategic planning as basis for “contracting” for DEL funding.</p> <p>Development of proposals for revised Centres of Excellence initiative.</p>	<p>Active engagement with FE Colleges to align college provision with business and industry needs.</p> <p>Better promotion of the services available in FE sector.</p>	<p>Access to provision increasingly linked to job opportunities/ labour market needs.</p>	<p>Increased demand for collaboration and contract basis for DEL funded provision.</p> <p>Closer links with local business community.</p> <p>Increased staff expertise and morale.</p>
Reform of Vocational Qualifications	<p>The broad scope of the programme is to bring about the reform of vocational qualifications across the four nations of the UK and to introduce a revised unit-based credit rated qualifications framework for England, Wales and Northern Ireland. The content of the framework will be informed by the outcomes of Sector Qualifications Strategies to ensure qualifications are market-led.</p> <p>In September 2006 Trialling and Testing of Phase 1 projects commenced for the proposed new Qualifications and Credit Framework and a further set of Phase 2 projects started in January 2007.</p>	<p>Employers will now be able to identify skill needs through their representative Sector Skills Councils and the added benefit of effective Labour Market Intelligence affords employers the opportunity to have strategic influence over qualifications development which will reflect their specific industry needs</p>	<p>By means of the proposed Qualifications and Credit Framework learners will be able to progress in the lifelong learning pathway by gaining units which will be building blocks for all qualifications</p> <p>Through the means of ‘bite sized chunks’ of learning (units) learners will have the opportunity to build up credits.</p> <p>The accumulation of a specified combination of credits will allow the learner to achieve a full qualification</p>	<p>Training and educating to meet market-led forces is now the dominant factor in government policy and the focus is now placed on providing quality education and training to deliver economically valuable skills.</p> <p>Providers will now need to demonstrate that they can meet targets set out in government skills strategies and that they are operating to meet the needs of demand led markets if funding is to be made available.</p>

Project Name	Update Information	Impact on Employer	Impact on Individual	Impact on Education & Training Provider
14-19 Reforms	To date almost 200 schools and all 16 FE colleges have taken part in the VEP. The programme provides 14-19 year olds in Post Primary schools with the opportunity to study professional and technical qualifications as part of their main programme of learning. This provides the young people with a better appreciation and understanding of the world of work	Provision of wider range of school leavers with a greater appreciation of the world of work and a wider set of professional and technical skills	Greater understanding of the workplace and business activities of organisations. Increased choice to undertake professional and technical subject tuition to complement tuition in academic subject areas.	Increased opportunity to work closely with schools in local area in provision of courses. Increased contribution to the economy through development of the skilled workforce.
Reconfiguration of Training	<i>Training for Success</i> Professional & Technical Training will replace the <i>Jobskills</i> programme from September 2007	Young people undertaking Level 2 & Level 3 apprenticeships will have to be in full time employment from day one.	Training will be flexible to meet the needs and aspirations of individual young people, with an emphasis on progression up a skills ladder.	Training Providers will enter new contracts for the delivery of <i>Training for Success</i> . The Department's Quality Strategy heralds a commitment to raising standards in the training offered to young people. Targets will be set for retention and achievement
Quality Improvement	Quality Improvement Strategy <i>Success through Excellence</i> launched in January 2007. Improves all quality procedures with respect to ETI, LLUK and LSDA	Increased assurance on the quality and relevance of training and education provision funded by DEL	Increased assurance on the quality and relevance of training and education funded by DEL	Improved quality procedures for delivery of education and training programmes; increased professional mentoring and support services to help maintain quality standards.

Project Name	Update Information	Impact on Employer	Impact on Individual	Impact on Education & Training Provider
Tackling Skills Barriers to Work	Four pilot Jobs and Benefits Offices operational from 2 April 2007 to test the flexible menu-based approach to overcome skills barriers to employment.	<p>Access to an increased pool of motivated workers previously economically inactive.</p> <p>Increased subsidy available to employers, where appropriate, in the initial stages of employing the “harder to help” individuals with skills / employment barriers.</p>	<p>Flexible support, on a voluntary basis, to help overcome skills barriers and encourage full economic engagement.</p> <p>Enhanced mentoring to be introduced in the near future for support, where appropriate, in pre-employment and in the initial stages of employment to improve the likelihood of obtaining and retaining a work placement.</p>	<p>Voluntary participation by an extended client group will provide increased numbers of more highly motivated participants.</p> <p>Flexible menu-based approach to provision will allow it to be more appropriately tailored and delivered to the Provider’s clients.</p>
Communications	Original programme communication plan reviewed and amended. Programme branding developed and launched in May 2007. Development of range of communications vehicles developed including a Progress Report for programme	Clearer understanding of what <i>Success through Skills</i> programme is and how it will benefit employers/ businesses	Clearer understanding of what <i>Success through Skills</i> programme is and how it will benefit individual learners	Clearer understanding of what <i>Success through Skills</i> programme is and how it will benefit individual colleges and other training and education providers.
Funding	Review work has commenced on existing funding mechanisms for provision of <i>Training for Success</i> and the FE college provision. This will be expanded to examine any possible link with EMAs	N/A	Individual learners not disadvantaged by their choice of training route i.e. <i>Training for Success</i> or college provision.	N/A

Project Name	Update Information	Impact on Employer	Impact on Individual	Impact on Education & Training Provider
Research, Analysis and Evaluate	A new DEL Research Agenda has been published (March 2007). It which sets out research needs up to 2009, including those relating to <i>Success through Skills</i> . In addition, DEL's Evaluation Schedule is currently being updated to identify emerging evaluation requirements.	Better information contributing to a more efficient labour market.	Research outcomes will assist individuals make more informed career and course choice.	Evaluation designed to assess impact and effectiveness of policy/programmes.
Performance Measures	A review of the performance measure process has been undertaken in conjunction with REB and a methodology agreed. The implications of both the Leitch Review in the UK and the Tomorrow Skills publication in the ROI will need to be included in deciding performance measures.	Clear indication of the benefits of <i>Success through Skills</i> quantified and communicated to the business /employer community	Increased awareness of <i>Success through Skills</i>	Clear indication of the benefits of the <i>Success through Skills</i> quantified and communicated to education and training providers

- ¹ Source: Regional Accounts. Data to 2004
- ² All labour market statistics taken from DETI's Labour Market Report www.detini.gov.uk unless stated
- ³ The employment rate quoted here is that for people of working age, ie the percentage of working age people who are in employment
- ⁴ For a full discussion see LMB #18, Chapter 8
- ⁵ Source: ONS Productivity Release 2005 Q3
- ⁶ Source: Regional Trends (available at www.statistics.gov.uk). Data relate to 2005
- ⁷ See Northern Ireland Annual Abstract of Statistics #23, NISRA (www.nisra.gov.uk)
- ⁸ see Johnston, I "PISA 2003: Northern Ireland and International Results compared" Labour Market Bulletin #19 Chapter 13 www.delni.gov.uk
- ⁹ Figures from Regional Trends (available at www.statistics.gov.uk) show that for the most comparable year available (2001/02), Northern Ireland had the highest proportion of students attaining 2 or more A Levels (43.4%) of any UK region with the exception of the South East, and higher than the UK average(37.6%). At the other end, Northern Ireland also performs relatively well with only 4.4% of students in their last year of compulsory education failing to attain a graded qualification. However more recent figures from the Department of Education (www.deni.gov.uk) relating to 2003/4 show that this latter percentage rose to 5.6% in 2003/04
- ¹⁰ Source: Regional Trends op cit. Data relate to Spring 2005
- ¹¹ Source: Regional Trends op cit. Data relate to Spring 2005
- ¹² Published in Labour Market Bulletin #19, Chapter 11 www.delni.gov.uk
- ¹³ Available from the DFP website at www.dfpni.gov.uk
- ¹⁴ For a summary see "Northern Ireland Skills Monitoring Survey 2005: Summary Report" October 2006. Available at www.delni.gov.uk. Note that the survey covered all sectors with the exception of agriculture which is already covered in work carried out by DEL for Rural Development

GLOSSARY

ANIC	Association of Northern Ireland Colleges
CEIAG	Careers Education, Information, Advice and Guidance
DARD	Department of Agriculture and Rural Development
DCAL	Department of Culture, Arts and Leisure
DE	Department of Education
DEL	Department for Employment and Learning
DETI	Department of Enterprise, Trade and Investment
EMA	Educational Maintenance Allowance
ETI	Education and Training Inspectorate
ETT	Electrical Training Trust
FE	Further Education
FDI	Foreign Direct Investment
GVA	Gross Value Added
HE	Higher Education
HMT	Her Majesty's Treasury
IALS	International Adult Literacy Survey
ICT	Information and Communication Technology
IER	Institute of Employment Research
iIP	Investors in People
LFS	Labour Force Survey
LLUK	Lifelong Learning United Kingdom
LMI	Labour Market Information
LSDA	Learning and Skills Development Agency
MAP	Management, Analysis and Planning
MLN	Management and Leadership Network
NCEE	National Centre for Education on the Economy
NESTA	National Endowment for Sciences, Technology and the Arts
NISRA	Northern Ireland Statistics and Research Agency
PISA	Programme for International Student Assessment
PSA	Public Service Agreement
REB	Research and Evaluation Branch
RESAP	Regional Employment and Skills Action Plan
SEG	Skills Expert Group
SEMTA	Science, Engineering and Manufacturing Technologies Alliance
SME	Small and Medium Sized Enterprise
SSA	Sector Skills Agreement
SSDA	Sector Skills Development Agency
SSC	Sector Skills Council
VEP	Vocational Enhancement Programme
WDF	Workforce Development Forum

SUCCESS THROUGH SKILLS

SKILLS STRATEGY FOR NORTHERN IRELAND



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