



Northern Ireland  
Assembly

Committee for Employment and Learning

# OFFICIAL REPORT (Hansard)

Further Education Means Business: DEL  
Briefing

22 January 2014

# NORTHERN IRELAND ASSEMBLY

## Committee for Employment and Learning

### Further Education Means Business: DEL Briefing

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**Members present for all or part of the proceedings:**

Mr Robin Swann (Chairperson)  
Mr Thomas Buchanan (Deputy Chairperson)  
Mr Sammy Douglas  
Mr David Hilditch  
Mr Fra McCann  
Ms Bronwyn McGahan  
Mr Pat Ramsey  
Mr Alastair Ross

**Witnesses:**

Dr Mary McIvor	Department for Employment and Learning
Mr Daryl Young	Department for Employment and Learning

**The Chairperson:** The witnesses this morning are Dr Mary McIvor, director of further education, and Mr Daryl Young, deputy director of further education at the Department for Employment and Learning (DEL). Folks, you are very welcome. Please make some opening comments.

**Dr Mary McIvor (Department for Employment and Learning):** We are happy to be here this morning to let you know about the new strategy for further education. Of course, we have a current strategy, and Daryl will comment on that. It has come to an end in that we have achieved what we wanted to from it. The Minister is very keen that we now look at a new strategy for at least five to 10 years into the future and at what we need to do to move FE on to the next stage. First, I will ask Daryl to take you through the current strategy and what we have been able to achieve through it.

**Mr Daryl Young (Department for Employment and Learning):** Thanks, Mary. The current strategy had quite a long introduction. Around the turn of the century, the previous Committee for Employment and Learning held an inquiry into further education —

**Dr McIvor:** That was the 20th century — *[Laughter.]*

**Mr Young:** It was not that far back.

**The Chairperson:** I have been here a long time, Daryl.

**Mr Young:** Not quite as long as that.

The then Committee produced its inquiry report in 2001. The primary focus of that inquiry was on what further education could do to ensure that it met the needs of industry in Northern Ireland. As part of it, the Committee led a number of oral sessions and gathered a number of written submissions. It also visited the Republic of Ireland to see what was being done there.

The Department's response to the inquiry report was to instigate the Further Education Means Business process. It went through a number of consultation phases following comprehensive evidence gathering, home and abroad, and detailed dialogue with the sector and other key stakeholders. A lot of evidence was taken. Indeed, there were a lot of evidence publications at that time. The process culminated in the Further Education Means Business strategy, which was published for consultation in early 2004. The responses to the consultation were broadly very positive. Further Education Means Business has, effectively, been the further education strategy for Northern Ireland ever since. The aim for further education that was strengthened by the strategy was that its focus would be on strengthening economic and workforce development and enhancing social cohesion, trying to get the right balance between those two major objectives and, crucially, to advance an individual's skills and learning.

A few more detailed objectives for the strategy were agreed. Crucially, they included ensuring that the curriculum that colleges offer increasingly meets the needs of employers in Northern Ireland, particularly small to medium-sized employers; the provision of greater support to employers in areas such as business development and ideas generation as well as the provision of people with qualifications. As ever, there was a strong focus on increasing the quality of what was delivered through further education.

Implementation of the Further Education Means Business strategy commenced in late 2004/early 2005 and focused on 12 separate, but related, projects, which are detailed in the appendix to the paper that you received. Some of those projects were, as they were being implemented, the subject of separate public consultations: in particular, the economically focused curriculum and some of the policies for higher education delivered through further education, such as the trend away from HNCs and HNDs towards foundation degrees. All 12 projects were delivered and formally closed in 2010, although a number remain business-as-usual activities as part of the ongoing management of the further education sector. Examples of that are the nature of the curriculum being delivered and the new funding model, which was one of the projects.

I give a brief description of the 12 projects and some of the main outcomes in appendix 1 to the paper. Main achievements include the merging of the then 16 colleges into six, which was seen as a strong enabling project. It was never seen as an end in itself, although it was a very visible project at the time. The main idea behind it was to try to create larger, more influential colleges that were able to punch above their weight in their negotiations and dealings with employers and other key stakeholders, such as the universities. It was one of the key enabling projects.

The other major strategic project was the curriculum. Prior to FE Means Business, 30% or 40% of the provision in some colleges was in recreational areas rather than in areas that supported the economy. We wanted to switch that around. About 97% of the Department's funding to FE now goes into provision that leads to qualifications on the regulated qualifications frameworks. About 90% is spent on qualifications leading to vocational qualifications, which have been designed with the support of sector skills councils and employers. So there is a lot of certainty that the qualifications being delivered meet the needs of employers. About 7% of the funded provision is for GCSEs and GCEs, mainly for younger learners, and the balance of about 2% or 3% is for recreational activity. Although that is a small proportion of the budget, it accounts for a fairly large proportion of enrolments, so a good balance is achieved.

One of the other major successes of the strategy has been the increase in enrolments. When the six colleges were formed in 2007-08, there were about 142,000 enrolments in FE; in 2012-13, the last year for which we have data, that had increased to just under 157,000.

It is worthwhile saying that the FE sector delivers in a number of broad areas. Mainstream FE, provision up to level 3, is probably the core offering, but colleges also deliver a lot of HE in FE provision, essential skills and vocational offerings to schoolchildren under the Department of Education (DE) entitlement framework. The colleges are also major training organisations in their own right, delivering Training for Success, apprenticeships and some of our employment programmes. They do a fair amount of what we call full cost recovery work — delivering to employees a curriculum that is paid for by employers — and they support business in the areas of product design and prototyping. So they are involved in a number of activities. One of the key successes has been the

colleges' role as the main, if not the sole, provider of the Department's assured skills programme, which is used to help Invest Northern Ireland to attract inward investment by ensuring that the skills required are available. Some examples of that are in the paper.

Towards the end of the implementation phase in 2009-2010, Colleges NI, the representative body, estimated that the colleges were supporting about 4,500 businesses and 20,000 employees or business managers. Through the sector, we have been delivering the essential skills programme, with over 350,000 enrolments since the inception of that strategy in 2001 and over 200,000 qualifications delivered to over 106,000 individuals. Just before Christmas, the Committee received a presentation on the impact that the essential skills programme has had on increasing the levels of essential skills, certainly at the lower end, and how that was recognised in the Programme for the International Assessment of Adult Competencies (PIAAC) survey.

FE Means Business was also instrumental in piloting the learning access and engagement programme, which we have now mainstreamed. That helps and encourages hard-to-reach learners to return to further education and is a particularly important project.

Learner retention and achievement have been particular successes for the sector over the past number of years. Between 2010-2011 and 2012-13, retention rates increased from 88% to 89%, but, significantly, achievement rates increased from 80% to 87% over the past two or three years. That is a really good achievement. We have also considerably enhanced the ways in which the Department monitors the quality of what goes on in colleges. The next session on your agenda today is on quality, so you will probably hear quite a bit about that.

I want to give you some key statistic that might be of interest. I said that there have been about 156,000 enrolments: almost 28,000 of those are full-time; almost 130,000 are part-time. The gender balance is almost 50:50, with about 79,500 enrolments from the male population and just over 77,000 from the female population. The largest number of enrolments is of those aged 19 and under: those who leave school aged 16 or 17 form a big part of the cohort and make up about 88,500 enrolments. There have been about 21,000 enrolments from those aged between 20 and 24 and 47,000 from the over 25s. All of those are what we term "professional and technical" — in other words, they all lead to qualifications. Recreational enrolments are in addition to that number. About 36,000 students are at entry level and level 1; 73,000 are at level 2; 34,000 are at level 3; and 11,500 are in higher education provision. That shows the balance that the FE sector still delivers across the ability ranges, and it will probably continue to do that.

I want to give you an indication of the size of the sector. The colleges are also major employers in their own right. They have about 2,000 permanent full-time and part-time lecturing staff and about 1,800 staff who are paid hourly. They have a similar number of about 4,000 support staff. In total, they probably employ somewhere between 7,000 and 8,000 people.

That was just a very quick summary of what we have done to date. Mary will now cover how we plan to move forward.

**Dr McIvor:** Thank you, Daryl. As outlined, further education colleges have achieved a number of significant achievements through FE Means Business. However, the Northern Ireland economy keeps changing and will continue to change, so we need to look again at how colleges can keep up with and anticipate the needs of employers and students going into the future. The new strategy will very much speak to the next five to 10 years.

Of course, we want further education to play a major role in the economy. That is where the success has been, and we think that there is much more mileage in it continuing to do that. There is also a need to consider the skills that employers and inward investors will need. Daryl touched on the fact that, every year, we see a need for new skills. Data analytics is the latest one, and there is also a need for skills in big data and cloud academies. There is always that demand, and we want to help colleges to anticipate where that demand will come from and make sure that college staff are well trained and capable of delivering the right curriculum.

A number of other departmental strategies will start at the same time, and, of course, we want coherence. The Committee will be aware of the consultation on the apprenticeship strategy that was launched just over a week ago. FE will be a major deliverer of those apprenticeships, and the Minister is keen for us to improve and increase the level of apprenticeships so that there is a ladder or pathway for those who want to start off in that way. My team is also involved in the youth training review, and FE will be a major deliverer of whatever that strategy suggests. We also have a careers strategy and

the United Youth programme. Those are all in the same space. I want to let the Committee know that we will ensure that those pull together, even though they are individual strategies.

Clearly, the strategic context from which we will start the new strategy is the Programme for Government. We see FE as very much part and parcel of and central to growing a sustainable economy. The Northern Ireland economic strategy decided that skills were the key to increasing productivity and economic growth. Again, we want to make sure that FE is well placed for that.

The Department's skills strategy is about increasing the level of skills, productivity and social inclusion. One of the best ways to include people is to educate them to get them on the skills ladder and get a job. FE has been very successful in doing that, but we cannot rest on our laurels; we want to ensure that it continues to do that. The skills strategy is also about rebalancing and rebuilding the economy. As Daryl said, the core of FE is the 16-19 year olds, but there is still a need in the economy to educate those who are older and in work, and a particular focus in the strategy is to upskill those in work.

The Minister has decided that now is the time for the new strategy. We want to build on the successes of colleges. We have colleges that have sectoral strength and regional relevance, and that is one of the themes that we will look at because, when you pull them together, they have a lot of clout and can punch above their weight in what they deliver to the economy.

In looking at some of the elements of the high-level vision, we certainly want to take account of and anticipate changing economic circumstances. We want colleges to continue to work with employers, Invest NI and other Departments. We also want them to play a key role in supporting skills development and economic development. That link with employers has been very successful, and, as I said, we want that to continue and grow, so we need to look at that. That will have an impact on the curriculum in colleges and the way that staff teach, and it will also have an impact on the enterprise and employability skills. More and more, employers tell us that they need people who have not only qualifications but employability skills. We think that FE is well placed to develop its curriculum to deliver not only qualifications but the employability skills that employers are asking for.

On provision itself, we have new technology. Younger students in particular do not learn traditionally, and we want to make sure that colleges meet all the different learning needs that students have, whatever age they are and whatever their technology preference.

I will not say too much about quality because I know that Angela and Victor will talk about quality across the Department, including in FE, in the next session. Our FE colleges are as good as the best in the UK. We want to position FE to continue to look to the UK but also to look further afield for best practice to gauge its performance against. Colleges will also seek feedback from employers and learners about the services that they provide, and we need to make sure that that happens regularly.

Some of the possible themes that we would like to look at include clearing coherent pathways for learners. If you start off at one level, you want to be sure that, if you want to, there is a pathway to the next level, whether that is just through FE or through FE and other pathways. We really want to ensure a clear progression for learners.

In our provision for employers, we want to have a strong emphasis on enterprise skills. Those are the employability skills — the ability to work in teams, to collaborate, to problem-solve — that, along with technical qualifications, are crucial. Therefore, we want to have a good look at how those are brought into the curriculum.

We want to look at ways of increasing the upskilling of those currently in work; at how FE delivers apprenticeships and youth training; and at how it operates as a sector, particularly as a sector facing out. We also want to consider the distinctiveness of FE, which has a very wide spectrum of provision. In one way, that is good, but, in another way, it is a difficulty when it comes to having a distinctive offer. We will also continue to concentrate on quality.

I ask the Committee to note the Department's intention to develop the new strategy for FE. We will continue to keep you updated as we progress this work.

**The Chairperson:** Thank you, Mary and Daryl.

Daryl, projects for FE Means Business formally closed in 2010. Why has the Department waited three years to launch it?

**Dr McIvor:** May I answer that? The closing of projects in 2010 meant that the colleges had made a start on them, but they needed to be embedded and become business as usual. That is now the case, but it took that length of time. It was only in 2007-08 that the colleges merged, which was a huge undertaking for them. They are now solid, stable and performing, so this is the time to look to the future. That time was needed for bedding in.

**Mr Young:** The purpose of the projects was to implement the strategy. We still feel that the strategy is basically sound and will largely be building on and enhancing that. It is not the case that, when 2010 came, the shutters came down and we stopped. The colleges have a culture of continual improvement and enhancement, and that has been ongoing: for example, the increase in learner retention and achievement that I mentioned happened since then. So it is not necessarily right to say that just because you have stopped implementing a strategy, you immediately have to kick into a new one. I think that the time is probably right now. We have been thinking about a new strategy for FE for quite some time but took the conscious decision not to start that until we had made certain progress with the apprenticeship review that will have a big impact on FE. For those reasons, we think that the time is now right to have another look at this.

**The Chairperson:** The Department currently has 14 strategies in place and 430 recommendations or action points. You said, Mary, that this strategy will share the same space as an awful lot of existing strategies. You said that there is continuous improvement. So why do we need another strategy? Why is that not embedded in something that we already have? Is there duplication here?

**Dr McIvor:** Specifically with FE, we noticed a lot of recent changes in employers' needs and a lot of new areas of learning, and we feel that we really need to have a closer look at those. We are, if you like, starting by looking at what is out there and bringing that into FE. That applies, I suppose, to many strategies in the Department. The Minister is always very keen to keep on driving forward and improving, so a lot of the strategies are about continuous improvement and making sure that we have that focus.

**The Chairperson:** Do none of the current strategies do that? If not, that seems to be a big weakness.

**Mr Young:** Let us take the apprenticeship review, for example, but this could apply to many strategies in the Department. I think that it is right to say that colleges will probably end up being the main, if not the sole deliverer, of apprenticeships. That will, in turn, impact on their overall areas of activity. There will be a shift of young people going into apprenticeships at level 3 rather than at level 2. That means that we now need to think about how FE delivers a training programme to a cohort of young people who, previously, might have been going through an apprenticeship programme. Therefore, as well as changes in the economy, there will be changes in other areas of the Department and other programmes that FE will have to react to.

When we come to implement the FE strategy, we will not be saying anything terribly particular about how the colleges implement the apprenticeship programme because that will be done through another strategy. There will, however, be knock-on effects on the different type of programmes that learners will need to go through to lead into an apprenticeship programme — programmes that do not currently exist. It is an opportunity to make sure that, as the other strategies develop, FE is fit to provide its contribution to them.

**The Chairperson:** Is this a strategy to manage the other strategies, Daryl? *[Laughter.]*

**Mr Ross:** The briefing paper that you submitted outlines the role of FE in working with partners in government to attract and support inward investment. That is, I think, crucial. When we go overseas, one of the greatest selling points of Northern Ireland is the flexibility of our universities and FE colleges in adapting to the needs of employers. On that note, I have a good story. Last week, I was speaking to a group of people at the South Eastern Regional College (SERC), and they told me about their experience with Allen and Overy. When the company wanted specific skill sets, the college was able to adapt a course to its needs. As if by magic, yesterday, I met a global legal firm that is considering setting up in Northern Ireland, and it said that one of the reasons for looking at here was the experience of Allen and Overy, so that is very important.

How can FE colleges work more closely with Invest Northern Ireland on that work? Will an FE college delegation go on trade missions to ensure that colleges understand the needs of global investors? Would that ensure that any required courses could be put in place quickly in order to get the skills needed to help us to attract that sort of company to Northern Ireland?

**Dr McIvor:** That is a very good example. The flexibility of FE colleges never fails to amaze me. They can deliver a new curriculum to employers in a matter of weeks. I do not know how they do it, but they are able to do so. That is a real strength. They actually have a growing relationship with Invest NI. As Daryl said, FE colleges tend to be the main deliverers of assured skills, which is where we have inward investors coming in, because they are quick and can deliver a curriculum that is really tailored and focused. We would love to see an awful lot more of that. That is why it is one of the strands in the strategy. We really want to look at whether we are doing the right thing, how we improve and how we build on the relationship between Invest NI and the colleges so that their communication is better. Invest NI obviously has a view on what the future skills are. So, one of the things that we want to look at is whether we have it right at the minute. There surely must be a way of making it better.

**Mr Ross:** You mentioned employability skills. I presume that you are talking about the soft skills that are required. If there is any criticism, it is that people perhaps look down their nose a little bit at soft skills; but, actually, we need to ensure that younger people in particular have the ability to interact with clients on a personal level, particularly in some of the backroom operations that we attract to Northern Ireland. Will there be an increased focus on soft skills and even qualifications or specific courses on soft skills? That could be helpful for existing employers as well as for those looking for employment.

**Dr McIvor:** You are right. It is one of the things that employers, no matter which sector they are in, continue to tell the Department. Again, we have called the strand "employability and enterprise", because, as we talk to more employers, we see that this is about not only employability but problem solving, looking to the future and being able to collaborate — all the things that you might call "enterprising skills". So, we need to look at the FE curriculum, in particular, how it is taught and whether it is taught in a way that delivers those skills. That is actually an important area that we need to look at.

**Mr Ross:** Is there a specific course and qualification in mind for soft skills?

**Dr McIvor:** There is. I will ask Daryl to speak on that, because he has been looking at it.

**Mr Young:** City & Guilds, for example, has a very wide suite of employability-type qualifications. They are related to specific occupational areas, be it hairdressing, manufacturing, construction or whatever. One of the things that we have been looking at and will want to pick up in the strategy is that, at the moment, different colleges have different approaches and focuses on how they deliver that sort of provision. For example, SERC makes quite extensive use of the City & Guilds suite of qualifications and puts almost all its younger students through some part of that. So, we want to see what other colleges are doing and the best practice that can emerge, so that they take a more common approach.

The other interesting thing about the enterprise aspect is that it is about trying to get enterprising young people not just to set up their own business but to recognise that they need to be adaptable, because people now change their jobs eight, nine or 10 times during their career. I think that an individual's adaptability is a key component. Softer skills are very important.

**Mr P Ramsey:** Mary and Daryl, you are very welcome. I want to follow on from a couple of Alastair's points that are very relevant to a number of areas that I am keen on. This is a welcome report, and we wish you well. I think that the Department, along with the colleges in particular, can make a lot of improvements to make sure that we meet the current and future needs of industries. In addition to the role of Invest Northern Ireland in looking at inward investment, what role do you, the Department or the colleges have in looking at the needs of industries?

**Dr McIvor:** I will ask Daryl to say a little bit about sector skills councils. The Minister set up a number of groups with employers on the IT side and on the food and agri side. They make sure that, across the Department, we deliver the right qualifications, skills and people. Again, we need to look at the sector skills link, but that is what we have at the moment to provide collaboration.

**Mr Young:** Without going into too much detail on the qualification side, the whole approach to the development of vocational qualifications is under review again across the UK. The ink was hardly dry on the qualifications and credit framework when the review started again. One of the key elements in the development of qualifications is the identification of national occupational standards and working with employers and sector skills councils to develop the standards that they think employees working in their sector need. There is also a review going on at the moment across the UK on that. Awarding organisations will then use those standards to develop the qualifications. We increasingly find that it is

OK having qualifications on a framework that meet the general needs of employers across the UK, but they do not always meet the needs of specific employers. Our colleges are working increasingly with employers, identifying their specific needs and are then working with the awarding organisations to make sure that the existing qualifications can be amended, tweaked, or enhanced to make sure that the local needs of employers are met in order to complement their more generic needs.

Colleges are engaging increasingly with individual businesses and awarding bodies in doing this. It is part of how they ensure that the qualifications and curriculum they deliver specifically meet the needs of employers. It is done in two ways. It is done generally with qualifications for young people coming through the system, but more specifically it is done through the bespoke, customised work that colleges do with employers; the sort of stuff that they do under full cost recovery, where they definitely meet the specific needs of people who are currently working with employers.

**Mr P Ramsey:** I have a further question. In my constituency there are high-end IT employers such as Fujitsu and Allstate. I have consistently attended all the trade fairs and job fairs in the city, and employers always say that they cannot get skilled staff. I look at the North West Regional College, for example, where they do some excellent work but have limited IT provision. Where do you merge that with, for example, your earlier point about the intermediate and higher-level apprenticeships that the Minister announced this week, to absolutely ensure that colleges across Northern Ireland meet needs and are given targets to meet those needs, whether it is in ICT, computer software or any of the areas that the Minister intends to encourage and promote within the public sector?

**Mr Young:** Mary may comment on some of that in a moment, but my understanding is that the Department is actually working very hard with employers in the north-west at the moment, particularly in ICT, to try to encourage them to avail of the higher-level apprenticeship opportunities that there are. There are two sides to this. Sometimes it is actually difficult to get employers to join the game, so to speak. I think there has been some resistance in that part, and the Department is trying to develop a higher-level apprenticeship programme in that area as we speak.

**Mr P Ramsey:** So will it be the household name companies, without getting into them?

**Dr McIvor:** Household names. We find that the companies most keen are the smaller companies that need, perhaps, only one or two; they need other companies to join in. I do not want to go into detail, but there is a very active grouping of smaller companies at the moment that, hopefully, will come together to do the first higher-level ICT pilot in the north-west. This is something that is very current at the moment.

**Mr P Ramsey:** Thank you.

**Mr Douglas:** Thank you for your presentation. I have a couple of quick questions. In the strategic context, you spoke about the Programme for Government. That also refers to tackling disadvantage. Mary, you mentioned being very successful on social exclusion. Will you elaborate a wee bit more on tackling social exclusion?

**Dr McIvor:** It is something that FE colleges appear to be good at. All the research we have done shows that the main way of tackling social exclusion is to get people qualified so that they can get a job. We need to look at whether colleges are doing all they can. Committee members probably hear about some of the things that they do in your areas with community groupings to get people in who have never crossed the door of a college since they left school. I think they are actually very strong on that already, but we would really like it to continue.

If you look at the profile of learners that go to colleges, you will see that the numbers from the most deprived areas are really high. They have core competence in doing that and we really want to make sure that we and they facilitate that, because it is really important.

**Mr Douglas:** That is a good point, because a lot of young NEET-type people who leave school may have had a bad experience there and will often link with a community or voluntary organisation at local level; so the entrance point may be a community centre or a church hall or whatever.

**Dr McIvor:** Exactly, and we have a learner access and engagement programme in FE that does exactly that. Mentors work in the community with the young people and the whole aim is to get them

into a college to do a qualification. Again, we hope that that programme would be continued because it would be successful in helping young people avoid being NEET.

**Mr Young:** If I can mention some figures relevant to that, about a quarter of all enrolments into colleges are at entry level and level 1. These are the type of people who would follow that provision and, although we are very keen to increase the levels at which colleges are delivering, we still need to make sure that they continue to deliver to lower-entry-level individuals, which is a big part of social inclusion generally.

**Mr Douglas:** As Pat said, it is a very encouraging report. It also mentions 4,700 businesses that you have supported. A report yesterday highlighted the importance and increase in tourism and, hopefully, the Giro d'Italia in Northern Ireland in May will give us a much higher profile. I suppose that you are also saying that colleges can adapt to meet that change in direction in tourism, or it could be inward investment or whatever.

Finally, can you expand a wee bit on your links with universities: are you happy with that? What will the new strategy entail?

**Mr Young:** Colleges have a lot of links with universities through the foundation degree programme. One of the things that I could have said about FE Means Business is that there was a deal done, if you like, between the universities and the colleges that said that colleges would be the sole deliverers of intermediary qualifications such as foundation degrees, HNCs and HNDs, but that they would not go into being full-blown universities and offering full degree programmes.

That is slightly different from England, because there you have universities delivering foundation degrees and some intermediary qualifications. That is not the case here, but colleges, in providing foundation degrees, have to work very closely with universities to get them validated, as they are university foundation degrees. Colleges also work closely with employers, because foundation degrees are very much an employer-related route. That will continue, as the apprenticeship programme delivers higher-level apprenticeships in which foundation degrees will be the underpinning knowledge at level 4 and above, and it will encourage even greater relationships between the colleges and the universities.

**Mr Buchanan:** Thank you, Chair. FE Means Business is a good concept, but if it is going to be delivered successfully, it must ensure that the skills base required by employers is really to the fore. We have had situations in which students have gone through FE colleges and done their level 2 or whatever, and have then gone to employers who say that, although students have done level 2, that still does not meet their requirements and they have had to start them back from scratch and bring them up to the required level. We have heard that in some of the meetings we have had here.

What input will employers or companies have in shaping the programmes that are to be delivered through FE Means Business? Unless you have their input to ensure that the correct programme is being delivered, then, again, it is maybe not going to bring up the skills level to the required standard for the employers and companies out there.

**Mr Young:** Could I say something very specific on that, which I think the new review will pick up on? I mentioned the review that is going on across the UK on vocational qualifications. It was done by a UK Commission for Employment and Skills (UKCES) commissioner called Nigel Whitehead. One of the recommendations in the review — it is an English review — is that colleges and awarding organisations are not good enough at getting feedback from employers on the extent to which the qualifications and courses they deliver are meeting the needs of employers whenever those individuals end up working for an employer. As Mary mentioned, one of the things that we will be seeking to do in the new strategy is to increase and improve the extent to which colleges and others here get feedback from employers precisely in the way that you described. Therefore, as well as getting involved at the front end, they are also getting involved in monitoring and evaluating the impact afterwards.

**Dr McIvor:** We hear exactly what you have been hearing from employers. When you drill down into it, it tends to be about employability skills. People have the technical skills, and know how to do the things, but they do not really know what it is like to work in a team, and they do not know what it is like or where to start if you just throw a problem at them. That is why we want to focus on making sure that students leaving FE colleges have those employability skills, because that tends to be the issue that employers have.

**Mr F McCann:** Some of the stuff that I was going to ask has already been talked about. Thank you for the presentation. It has been a fairly good presentation. There were a couple of things. Over the past while, the Committee has focused on NEETs and STEM subjects. It has also focused on the whole question of apprenticeships. We talk about high-level or high-end apprenticeships, but you have to find a happy medium. I raised this issue before: there are other apprenticeships and, due to the state of the economy and the way in which it has impacted on the construction industry, many training providers have pulled away from offering those types of apprenticeships or training. We focus, rightly, on the high-level apprenticeships to deal with new industry, but I am concerned that if there is a huge upturn in the economy, the construction industry will be one of the industries that you will turn to. How do you find the happy medium where you still offer apprenticeships throughout that industry while meeting the high-end needs?

**Dr Mclvor:** With the new apprenticeships, the definition of an apprentice is that you will have an employer and a job. In a way, that bit is taken care of. Therefore, if a job is in the construction industry, or whatever industry, that is where the apprenticeship will be. I mentioned the youth training review earlier, and we will probably be presenting a little bit of that to the Committee in a couple of weeks. We are looking at what happens in construction and all those other areas at level 2 where there are traditionally construction apprenticeships, as well as other apprenticeships. We know that there is a gap there. The apprentices that the Minister is now talking about are at level 3, and there is the whole issue of level 2. Therefore, that is being looked at in the youth training review. You make a very apt point.

**Mr F McCann:** One of the things that we have learned is that many young people who went in to attain level 2 qualifications found that it did not suit the industry and was not recognised. I have a friend who is an electrician, and the most precious thing to him is the piece of paper that says that he is a fully qualified electrician. However, if people are being offered only level 2 training and that does not fit the need set, how do you match that? One of the things that we got over was the fact that the level of training would be increased to ensure that people would be able to move, and level 2 did not offer that.

**Dr Mclvor:** Hopefully, there is not a lot of that, because so much effort has been put into making sure that the qualifications are what employers want. If you are at level 2, and you need level 3 and so on, there should be a way for you to get that. We call it the skills ladder. There should be a clear progression for you or for employers, and we want to make sure that that is happening as part of the review. We will look at that for all of the different skills areas as part of what we are doing in this review.

**Mr F McCann:** That is under the youth —

**Dr Mclvor:** It will specifically be under youth training for 16-to 18-year olds. However, as part of this strategy, we are looking at the ladder regardless of what age you are if you go into FE.

**Mr F McCann:** Sammy raised a point about tourism. That is a huge industry and a huge employer, some of it seasonal and some not. We always get good press about how well people are treated when they come here, but we need specific training to allow people to deal with tourists. Is there anything that would allow not only that training to be increased but to tap into advertising and how we can bring more visitors here?

**Dr Mclvor:** All our colleges offer qualifications and training in that area. They are probably the biggest trainers for the hospitality sector. The Southern Regional College is our lead college in that area. It has the expertise and shares it with other colleges. That is strong area in our colleges. They are so adaptable that, as the needs of tourism change, they can get that into the curriculum.

**Mr F McCann:** Finally, in the section of appendix 1 that deals with the essential skills programme it states:

*"there have been almost 355,000 enrolments in respect of 147,000 individual learners."*

It also states:

*"nearly 202,000 qualifications ... awarded to more than 106,000 individuals".*

I take it that in that period 41,000 people dropped out and did not get any qualifications. When people drop out, especially from colleges, how do you keep track of that?

**Dr McIvor:** I have to say that we are very hot on that. The retention rate for most of our courses is really high and is way up in the 90 per cents. Colleges are absolutely focused on making sure that people do not leave. Literally, they might have to call students up on a Monday morning and tell them to get out of their beds — some of them do that. They are very skilled in that and we have set them very strict targets. I have seen what they do and it is really individual. They know if you have not done your homework. They are very good at that.

**Ms McGahan:** Thank you for your presentation. I think that the consultation on tackling economic activity comes out today or tomorrow. Will the outcomes of that consultation also be fed into your review of FE Means Business?

**Dr McIvor:** Whatever recommendations and programmes there are, it is likely that FE and training providers will deliver those. So, yes; FE will be very much part of how to tackle that.

**Ms McGahan:** OK. You referred to collaboration with employers. I feel that a serious gap has been the lack of engagement with rural employers, and I have raised that. I do not believe that the sector skills councils are representative of rural communities. I ask that a very serious focus is put on that area.

**Mr Young:** Some sector skills councils have operated very well and others have operated less well. It will probably always be difficult for a sector skills council to operate with all employers, and that is where the strength of the colleges comes in. We put a lot of trust in our colleges to know the needs of employers in their patch and to respond to those. They can then work with sector skills councils, awarding bodies and others to help to meet those needs. We throw a challenge down to colleges to work in that space.

**Ms McGahan:** OK.

**The Chairperson:** Daryl and Mary, thank you very much for your time and answers.