



Northern Ireland
Assembly

Committee for Employment and Learning

OFFICIAL REPORT (Hansard)

Structured to Deliver Success and Assured
Skills: DEL Officials

17 June 2015

NORTHERN IRELAND ASSEMBLY

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Members present for all or part of the proceedings:

Mr Robin Swann (Chairperson)
Mr Sydney Anderson
Mr William Irwin
Ms Anna Lo
Ms Bronwyn McGahan
Mr Pat Ramsey
Ms Claire Sugden

Witnesses:

Mrs Michelle Bell	Department for Employment and Learning
Mr Michael Gould	Department for Employment and Learning
Ms June Ingram	Department for Employment and Learning

The Chairperson (Mr Swann): I welcome June Ingram, director of skills and industry division, Michael Gould, assistant director of skills and industry, and Michelle Bell, head of Assured Skills. June, you and your team are very welcome. Over to you.

Ms June Ingram (Department for Employment and Learning): Thank you very much. Morning everyone, and thanks for this opportunity to brief the Committee on updates that we have made to Structured to Deliver Success and then to focus on the Assured Skills programme. I will begin with an overview on updates to Structured to Deliver Success, and then I will hand over to Michelle for an overview of Assured Skills, because the Committee expressed an interest in hearing more about that. We will be happy to take any questions you might have after that.

'Structured to Deliver Success' was first published in 2012 to draw together the key strategies that are delivered by DEL and to illustrate how they contribute to the overarching strategic goals that are set out in our skills strategy. The role of the skills and industry division is to draw together the input and update the document from sources across the Department. The third edition, which we have provided to you, will be published later this month and has been updated to reflect the significant progress made in several key areas since the second edition was published in 2014.

I will provide an update on those changes and progress since that edition. As you know, enhancing the skills of our workforce remains a primary focus of the Department's work. It will be crucial to delivering the transformational change that is required to meet the strategic objectives contained in the skills strategy. In that context, over the past year or so, as you know, there have been fundamental reviews of the Department's policies in relation to apprenticeships, youth training, the careers service and the economically inactive. The Minister has also commissioned a review of the FE sector, which

will examine how we can build on the successes of FE Means Business and identify the ways in which the sector will contribute to meeting the current and forecasted skills needs of our economy.

Reflecting those and other developments, I will provide a brief overview of the key changes that have been made for this edition. The document is split into four thematic sections: the strategies aimed at people entering the labour market from further and higher education; the strategies aimed at people who are already in work and need to be upskilled; the strategies aimed at people who are not in the labour force; and the strategies that cut across more than one of those themes.

In the first section, no new strategies have been added, but, as I mentioned, the Minister has commissioned the development of a new strategy for further education, which will build on the achievements of FE Means Business. The new strategy, which is being developed in tandem with the FE sector, will consider the changes in the Northern Ireland economic environment as well as taking into account other work the Department is taking forward, in particular on apprenticeships and youth training, that will have a significant impact on the skills landscape here.

That leads on to the section dealing with the Department's provision for those already in work who need upskilling, and the changes within it. In our update, we have included, 'Securing our Success: the Northern Ireland Strategy on Apprenticeships', which was published in June 2014. As you know, that articulates a blueprint for the future of apprenticeships in Northern Ireland and will have a transformative impact on the supply of skills, particularly at the higher levels, for employers.

I also want to highlight that the employer engagement plan was included in this section of the document in the first two iterations of 'Structured to Deliver Success'. It was published in 2012 and identified a range of actions through which the Department would engage with employers to deliver the key aspects of the skills strategy. We have removed that section from the latest edition, as the objectives of the employer engagement plan have either been achieved or been subsumed into normal business. Instead, we have outlined on page 29 how proactive engagement with business and facilitation of the relationship between business and the education sector is an integral aspect of the Department's work and a driving force in the development and implementation of strategies set out in this document. The review of youth training has been removed from this theme and added to the cross-cutting strategies section; I will return to that.

In the third section — people not currently in the labour force — no strategies have been removed, but some updates have been made to the information provided, for example in relation to Pathways to Success and Enabling Success, which is the Department's strategy to address the economically inactive. That reflects its publication in April this year and that the implementation of associated projects is under way.

The final thematic section included in Structured to Deliver Success is cross-cutting strategies. Those underpin the delivery and development of provision across the other thematic groups. The disability employment and skills strategy has been added to that section. It will ensure the provision of an end-to-end service for people with disabilities who choose to follow a pathway leading to paid employment. The Department's careers strategy, Preparing for Success, also sits within that theme, and the information has been updated to reflect the development and current process of implementation of the action plan produced following the review of provision commissioned in 2014. The review of youth training has been completed, and the strategy will be published in the coming weeks, establishing a new training system for 16- to 24-year-olds.

As I said, there have been changes to the narrative provided on strategies across the document, but they are to reflect the current position rather than change the context or the infrastructure in which strategies are delivered. I want to highlight one final addition to 'Structured to Deliver Success'. In the underpinning infrastructure section, we have outlined a project that we are taking forward, in conjunction with the Ulster University Economic Policy Centre, to develop a skills barometer to provide the Department with a clear indication of where skills gaps currently exist, where they are emerging, and where they are likely to emerge in the longer term. It will play a key role in shaping the development of the Department's provision.

You may also note that the previous two editions of 'Structured to Deliver Success' included a thematic action plan which highlighted ongoing actions against each of the strategies, as well as linkages to stakeholders and between various strategies. We felt, this time around, that the publication of that type of operational information detracted from the intended purpose of 'Structured to Deliver Success', which is to illustrate strategic coherence across the Department's programmes. That is how each

strategy contributes to the overarching strategic goals of Success through Skills: Transforming Futures, our skills strategy.

That is all I will say at this point about 'Structured to Deliver Success'. I will now ask Michelle to provide an overview of Assured Skills.

Mrs Michelle Bell (Department for Employment and Learning): Thank you.

Working with Invest Northern Ireland, the Assured Skills programme is designed to deliver a range of activities and interventions guaranteeing to companies that Northern Ireland has the skills they need to support and grow their business. We currently work with three groups. Those are the potential inward-investment companies; the existing companies who are expanding; and an enhancing capabilities strand to develop the local workforce. The ultimate goal of the programme is to contribute to the economic performance of Northern Ireland.

The programme adds skills and training support to the assistance already available from Invest Northern Ireland, tipping the balance in favour of the creation of jobs. It provides a soft landing for new companies, reduces the risks in a new labour market and makes new recruits productive as quickly as possible. Assured Skills support is primarily used to recruit new talent to the company through a series of bespoke pre-employment training programmes. The Assured Skills team discusses the skills needs with the company and links with either a university or a college to draw together a tailored training programme to meet the company's needs. Entry criteria to the programmes are determined by the employers, and advertisements are also developed with company oversight. With companies, an effective part of the process is identifying the best candidates with an online psychometric assessment, which can be configured for any job role. All of the costs for the recruitment process and the delivery of the training by the university or college are met within the Assured Skills financial support. I will add that that financial support goes to the colleges and universities, rather than directly to the company.

The benefits to companies are that it de-risks, as I have mentioned, the recruitment process for the employer, who may be working in the new labour market. The recruitment selection process helps the companies find the right candidate and allows us to train them in the exact skills that the company needs. At the end of the training, all we ask is that the company interviews the candidates for all of the available posts. The candidate also gets the opportunity to learn more about the training before they are employed, to ensure that they have the skills the company needs. Our results show that 85% of all trainees recruited onto the pre-employment training programmes go on to secure employment with the participating companies. We find the right candidates with the right entry criteria for the company, and we use the online psychometric assessments to identify the right candidates. That is why we get a very high percentage of people being retained by the companies.

The Assured Skills approach has been used across a number of sectors, and across a number of companies within those sectors. For example, in the financial services sector we have worked with companies like Chicago Mercantile Exchange and Citigroup. In the IT sector, we have worked with Liberty, Allstate, City Business Solutions (CBS), Caremark, WhiteHat and Revel Systems, to name a few. In the business services sector, we have current projects with Deloitte, PricewaterhouseCoopers (PwC), Ernst and Young (EY) and Capita. We also have a number of projects in the engineering sector.

There have been a total of 19 foreign direct investment projects since the project started in 2011 and a total of a potential 4,575 jobs have been supported, with total financial support of £6.85 million. The value to the Northern Ireland economy, when all of these jobs are created, will be £118 million per annum. As I mentioned before, we have six projects in the ICT sector, five in the financial services sector, three in the business process outsourcing sector, two in advanced engineering and one in the legal services sector.

Our academies are more to do with indigenous companies upskilling. A total of 13 academies have been completed since 2011. Out of 255 trainees who completed their academies, 217 secured employment, which is an 85% success rate. They can be company-specific or a cluster of companies, as we did with the software testing academy, for example. The academies, to date, have been in cloud computing, data analytics, financial services, recruitment, cyber security, legal services, computer numerical control (CNC) machining, sales and marketing and professional software development.

The Chairperson (Mr Swann): Thanks, June and Michelle. Are you OK for questions, June?

Ms Ingram: Yes.

The Chairperson (Mr Swann): I suppose there is a crossover from your Northern Ireland skills barometer, Assured Skills and the work you are already doing with Invest NI. Is there coordination between what the two programmes are doing?

Mr Michael Gould (Department for Employment and Learning): The skills barometer is going to look into the future, based on the current jobs within each sector across the economy. That is why it is called a barometer: it is to see where the pressure points are. If there is greater demand in a sector like ICT, we will be able to measure that demand on an annual basis and, using the further and higher education system, try to match the supply better with the demand. The Ulster University Economic Policy Centre, which is developing the barometer, is also going to look at a future forecast. It is going to look into, say, 2025 and say how it thinks the jobs will extrapolate out in each sector and where the jobs will be. Some will go up; some will go down. It is to give us a more real-time understanding of the demands and supplies of skills across the economy, albeit on an annual basis. We are linking that with Invest NI, because the university lecturers in the policy unit have met Invest and agreed the model by which Invest will supply and share its pipeline information with the economic policy unit. That will help make their forecasting more accurate.

The Chairperson (Mr Swann): Is that sort of tool in use anywhere else?

Mr Gould: It is unique. Assured Skills is unique, certainly across the developed world. It was based on a model from North America, but has been adapted for Northern Ireland. It has been very, very successful in job creation.

The Chairperson (Mr Swann): Pat and I were in the States two weeks ago with the Northern Ireland Assembly Business Trust. The work that Invest and DEL are doing with employers out there is being recognised. I will give credit where it is due. They were highly complimentary of the joined-up approach that was coming forward in our graduates going out there. The large companies recognise that Northern Ireland students going into their workplace are valued, as they are on site here. I suppose our connection is on how we make sure that this works for the best in the Northern Ireland economy. A lot of it is concentrated at the higher level. There were no new strategies for the people not in the labour force, but there was redevelopment of some. Where are we in respect of Essential Skills for the lower level?

Ms Ingram: Sorry, Essential Skills is not within my remit. I think there is a refresh of Essential Skills going on, but we can certainly provide more information. We came with a focus on Assured Skills and then Structured to Deliver Success.

Mr Gould: It is one of those cross-cutting things. We recognise that, unfortunately, some people leave school without the necessary qualifications or the ability to read and write at a certain standard. Also, ICT is so vital to live in today's world. As June said, the Essential Skills strategy is being revised and will be brought forward again. That work is ongoing; the revision analysis is ongoing.

Ms Ingram: As Michael said, it is an underpinning theme. It is not within skills and industry division's remit, but the delivery of Essential Skills is key across the piece in delivery.

The Chairperson (Mr Swann): It is listed in your skills strategy for Northern Ireland.

Ms Ingram: Yes.

Mr Ramsey: Good morning. I am unemployed in the north-west: what are you going to do for me, considering the new-found resurgence of these programmes? I am not in the labour market, so what, additionally, are you going to do for me?

Mr Gould: Strategies look at the region as a whole, and they are at a very, very high level. They cover Steps to Success, for example, for the unemployed. At a regional level they have to be delivered at a very local level. That is where the services of the employment service are connected to the main strategies, but delivered on a very local basis.

Mr Ramsey: No, but you are talking about transforming futures. For example, I am a young girl in the North West College in Derry; what difference are you going to make to my life under this strategy that you have not made before?

Ms Ingram: Structured to Deliver Success sets out the different strategies. It is at a strategic level. As Michael said, that translates into what is delivered on the ground by, for example, the employment service and the local further education college. It is important that our priorities cascade through that and that the training provision, the apprenticeship provision and the strategies that are being developed and implemented work through on the ground. The FE sector —

Mr Ramsey: But you would have given me that response last year. You are coming to me now with Success through Skills, which is a new programme. That is where we got last year, and I am not seeing anything additional.

Mr Gould: No. Success through Skills is the 10-year strategy. The document that we provided today is called 'Structured to Deliver Success', and it is to try to help everyone understand the various strategies that are in place within the Department and how they all come together. With all the various strategies, we are trying to get more people into work and get them into higher-paid jobs.

Mr Ramsey: Given that we are now talking about 'Structured to Deliver Success', how will you improve and measure the quality and the delivery of that?

Mr Gould: We normally do that through the quality and performance report procedure that comes to the Committee every year.

Ms Ingram: It is a cross-cutting theme within Structured to Deliver Success. Quality and improvement are looked at across all the strategies and delivery. As Michael said, the quality and performance report then reports on that annually through our quality and improvement team and the work of the ETI (Education and Training Inspectorate).

Mr Ramsey: I am not being negative; I am trying to get a good-news story out of this, and I am struggling at the minute, to be quite honest. We get so many briefings from officials and, generally speaking, they are all good and they sound good, but I am trying to see where the value is. I am looking at

"tackling the skills barriers to employment and employability".

We know that in certain areas of Northern Ireland there are higher levels of economic inactivity, and we know that your Department, in conjunction with the Department of Enterprise, Trade and Investment, is carrying out a strategy to deliver that. What I find strange is that the only Department that has got money to deliver an economic inactivity strategy is the Department for Social Development. Can you please tell me what additional value I am seeing for those that you are talking about — tackling the skills barriers to employment and employability — that you are going to do now?

Mr Gould: You have to remember that this is a document collated by the skills and industry division, but we are not actually delivering a lot of those strategies. We have collated the document —

Mr Ramsey: Who is delivering them?

Mr Gould: That delivery, particularly on the employment service, would be delivering the tackling barriers that you mentioned and also the —

Mr Ramsey: Who will deliver the tackling barriers that I mentioned?

Ms Ingram: I think that the Committee has had a briefing on the economic inactivity strategy and the apprenticeship strategy. Those are the —

Mr Ramsey: No, June. I appreciate that. Using your own language in 'Structured to Deliver Success', one of the bullet points that you are clearly promoting states:

"tackling the skills barriers to employment and employability".

What I am trying to find out is what additional work and value I am going to find in that.

Ms Ingram: 'Structured to Deliver Success' sets out the strategies that contribute to tackling those barriers and to the Success through Skills strategy's aims and objectives. It is through the implementation of the strategies, which takes place across the Department, whether it is the new apprenticeship strategy, through the review of youth training, through the work of the employment service and through the economic inactivity strategy. The actions contained within those are what will be delivered on the ground.

Mr Ramsey: OK. I have a final question. I chair the all-party group on disability, so I want to give it a message from your presentation today, because you deliberately talked about the disability skills strategy and working with schools. What difference are you going to make to a young person's life in Northern Ireland who has either a disability or a learning disability?

Ms Ingram: The disability, employment and skills strategy is being developed to join up services across the Department and improve those services, particularly through the employment service, for the people who need the help the most and who face the greatest barriers. Across the Department's provision, different elements of our strategies and action plans are designed to provide additional support for the people who need it. There are a range of areas. We can follow up with more information on those areas, looking particularly at the area of disability, so that we can answer your question more fully.

Mr Ramsey: June, I am sorry to have to say this, but I hear that response every time I ask that question: "We will follow this through and I will come back and give you more details", as if it is just for the optics. I say quite deliberately that the notion of disability is thrown in there just to appease people. I am not seeing anything meaningful in it. Coming in here this morning, I was talking to the Children's Commissioner, who was going to meet the Education Committee to talk about disability and the concerns, worries and fears about those children who are statemented. You know where we are going at the Committee with the inquiry as well. There are families in our society who feel like second-class citizens because their child has a disability. I am getting no comfort that you are doing anything different. I am not hearing, "We are going to invest an additional £1 million in the disability strategies." All I am hearing is, "we hope", "we aspire" and, "we are trying to achieve a, b, c and d". I suggest that you need to talk immediately to the stakeholders across Northern Ireland who represent, in particular, children with disabilities who are growing into adults. I do not think that you are doing that at the minute.

Mrs M Bell: I will give you an example from the Assured Skills programme on the disability side. People with autism have been found to be linked well within the ICT sector. In our programme, we have recently worked with Specialisterne and provided employment opportunities for a number of graduates coming through the software testers' academy, and that has proven very successful not only for the students with autism but for the companies that have received benefit from the students' work as well. That is just one example of my programme working on the ground with people who have that particular disability. I am not sure about other programmes, but I wanted to provide an example of something that is happening on the ground.

Mr Ramsey: I am not trying to undervalue the work that you are doing. I believe that you do good work, but I do not think that you are doing enough. We still have the unfortunate statistic that, in Northern Ireland, someone with a learning disability, for example, is four times less likely to enter the labour market. Are there targets to ensure that that changes in the future?

Ms Ingram: We wanted to present the 'Structured to Deliver Success' strategic document and then hear your views on issues that might arise from that. We can certainly come back with more information.

Mr Ramsey: It sounds like pass the parcel, but thanks, Chair.

Ms Ingram: That is the remit of skills and industry division, I am sorry.

Ms McGahan: Thank you for your presentation. I listened to the 'Inside Business' programme on Sunday; I do not know if you heard it. I would be interested to hear your views on it. Darragh Cullen, the managing director of Edge Innovate in Coalisland, which designs and makes machinery for the recycling and quarry industries, told the programme that more needs to be done to prepare pupils for the workplace, that students should be educated for real jobs in the real world and that he feels that we still have a mountain to climb. I would appreciate if you could follow up on that directly with Mr Cullen and come back to the Committee to drill down specifically on the issues, because I am very conscious that we have an excellent FE college, South West College. There clearly must be gaps.

Mr Gould: I totally agree. I listened to the programme with great interest. We have tried to encourage schools, with colleagues in the Department of Education, to focus on a STEM agenda and on courses that will lead to job opportunities for pupils. The work that the school has done in Coalisland has been important. You will know better than I do about the material handling and the mobile stone-crushing equipment that comes out of that area and the link with the college. I see a very good connection, and those young people take an interest in engineering from their fifth-form year and then move into further or higher education and the world of work. What is being taught at the school gives them better opportunities.

Ms McGahan: Is it your intention to follow up on that directly with the engineering company, and maybe the school?

Mr Gould: The difficulty for us is the legislation. We have no remit to go into the school system, but we work closely with the Department of Education and the education and library boards to encourage activities. We also work with organisations like Sentinus, which will bring real, live engineering projects into schools so that pupils get a hands-on, project-based learning experience.

Ms McGahan: Is it your intention to follow up directly with the engineering company to get a very pragmatic view on where the gaps are?

Mr Gould: We can certainly do that.

Ms McGahan: I think that it would be useful for you. While you have all these strategies, to me, you need to hear the practical outworking of them. That helps you to fine-tune some of the strategies that are currently being rolled out by the Department.

Mr Gould: We will do that. The skills and industry division is very proactive. Michelle and her team, and I and others, are in businesses weekly.

Ms McGahan: Can you provide a written report or a letter to the Committee with an update on your engagement with the engineering company regarding the skills gaps?

Ms Ingram: Yes, we can do that. As you know, the Minister's working group on advanced manufacturing and engineering services is also a useful forum for hearing employer views. The more we hear, the better.

Ms Lo: I listened to that programme too. It was quite good. I found it quite interesting. Michael, you will recall that I was in the last Employment and Learning Committee and we went to North Carolina.

Mr Gould: Yes.

Ms Lo: We saw that model, which is very pragmatic in a way. You get the investors coming and letting you know that, in two years' time, they are going to invest and they need x number of staff and what skills they need. It looks like we are adopting that quite successfully.

Mr Gould: You saw the model with their community college system and their Department of Commerce. We saw the model and the benefits of it, and we adapted it. The equivalent of their Department of Commerce is Invest NI, and, with it, we proposed how this could help de-risk an investment by a foreign company coming in or a local company expanding. That was the seed corn of Assured Skills, and it has now grown to creating over 4,500 jobs.

Ms Lo: It is very attractive to foreign investors to say that you are going to get the right staff for you when you come and open your factory or whatever.

Mr Gould: I think that, because of the changes in European rules on funding for new jobs, Invest NI has relied very heavily on the skills message. I will not say that it is the only show in town, but it is a very strong attractor when location specialists are looking at different economies.

Ms Lo: I know that it is probably not your Department's remit, but those 4,500 jobs are mostly in IT, finance and engineering.

Mr Gould: They are across a range.

Mrs M Bell: They are across a range of subjects: ICT, business process outsourcing, financial services and engineering.

Ms Lo: There are other things that we can sell. A constituent approached me and told me that his son has two degrees, both in science. He has been sitting at home for two years and cannot find a job in forensic science. There are no jobs here for him, and his parents do not want him to leave Northern Ireland because they are getting elderly and they want their son to be here. He has two degrees, one from England and the other one from Queen's.

Mr Gould: Again, hopefully, when the careers strategy is embedded and is delivering as it should, people will be able to make informed choices. The information that they have will be better, and it links again to the skills barometer work. They will have much more real, live information so that they will be able to see how many jobs were in forensic science and how many come up every year, particularly because it is run by the public sector. It is a particularly difficult time for people to look at getting jobs in the public sector.

Mrs M Bell: With regard to the Assured Skills programme, a lot of the courses are conversion courses. A lot of companies require graduates to come in with primary STEM degrees, whether they are in forensic science or English, maths, physics, music, whatever. We have had very good conversion rates of people who have come in with primary degrees and ended up being data analysts or have ended up in financial services. There is an option for him in Northern Ireland to do conversion courses, and there are five or six academies opening up over the next three or four months. I would encourage him to look at the papers for the opportunities to convert, if he wishes to convert. There are opportunities there, and, if a job comes up in his specialism, he could refer to that. There are certainly opportunities to enter companies that are currently here and are growing and new companies that are coming in, especially if he has a good STEM background, as those are the people who are really sought after at the minute.

Ms Lo: Definitely. His first degree is in general sciences, and his second degree is specifically in forensic sciences. He has been without a job for nearly three years. I referred him to GEMS NI.

Ms Ingram: The Careers Service would also be useful.

Mrs M Bell: You could refer him to me. We could add him to our distribution list so that he has an opportunity to apply for the academies.

Ms Lo: Will I email the details to you?

Mrs M Bell: Yes, that would be great.

The Chairperson (Mr Swann): OK, Anna; that was a useful meeting. June, Michelle, Michael, thank you.