



Northern Ireland  
Assembly

Committee for Employment and Learning

# OFFICIAL REPORT (Hansard)

Steps 2 Success: PeoplePlus NI

11 November 2015

# NORTHERN IRELAND ASSEMBLY

## Committee for Employment and Learning

Steps 2 Success: PeoplePlus NI

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

Mr Robin Swann (Chairperson)  
Mr Thomas Buchanan (Deputy Chairperson)  
Mr Alex Easton  
Mr Fra McCann  
Ms Bronwyn McGahan  
Mr Pat Ramsey  
Ms Claire Sugden

**Witnesses:**

Ms Joanne Cameron	PeoplePlus NI
Ms Tina McKenzie	PeoplePlus NI
Ms Isobel McWilliams	PeoplePlus NI
Mr Andrew O'Driscoll	PeoplePlus NI

**The Chairperson (Mr Swann):** I welcome Tina McKenzie, the managing director of PeoplePlus NI; Andrew O'Driscoll, operations director; Isobel McWilliams, people development director; and Joanne Cameron, strategic development director. Good morning, folks. Tina, we will suspend the meeting at 11.00 for a few minutes as it is Armistice Day — if we are still going at that stage, that is. Over to you.

**Ms Tina McKenzie (PeoplePlus NI):** Good morning. Thank you very much for inviting us. A year ago, we attended the Committee to talk about the launch of Steps 2 Success. At the time, we were EOS NI. We had several names within our group, which was one of the questions, I think. We have rebranded all our companies in the welfare space as PeoplePlus across the UK, as that makes it a bit easier. We have 10 to 12 slides in our quick presentation. If there are any queries or if you need any clarification, feel free to ask.

I am joined by Andy O'Driscoll, Joanne Cameron and Isobel McWilliams, who is from the Foyle area. If you do not mind, Robin — Mr Swann, sorry — I would prefer it if we could use the screen behind you. Is that is OK with everybody? It might make it a bit easier.

**The Chairperson (Mr Swann):** Is it the same presentation as the one that we have in front of us?

**Ms McKenzie:** It is, if you want to refer to it. In the back of your packs, we have put a summary document on the statistics of employment in Northern Ireland. We have put in the most recent statistics, which are from September. I thought that the document might help the conversation.

As managing director of the group, I will give the Committee a quick overview of who we are. We are one of the largest, if not the largest, welfare programme provider across the UK. We have 2,700 staff

and operate 44 contracts across 20 funding and awarding bodies. Over the past five years, we have placed 117,000 people in work and delivered 14,000 apprenticeships. We have helped 26,000 people achieve qualifications through pre-employment training programmes. What that means for Northern Ireland is that the contract here gets the obvious best practice from GB and that we get to investigate the innovation that is working across GB, where some of the welfare programmes are a little bit further ahead of what has been happening here. In some instances, we obviously share best practice from Northern Ireland as well.

As an organisation, we manage the probation services for Warwickshire and West Mercia. Members may be aware that there was a new Criminal Justice Act in 2015 in GB, which is not applicable in Northern Ireland. Our organisation manages all the probation services for that area for those who have a sentence of two years and under. We also work across 16 UK prisons and operate the Offenders' Learning and Skills Service (OLASS).

It may be useful to note that the reason that organisations such as ours are involved with justice, probation and prisons is that there is absolutely a clear link between not having employment and potentially having a criminal record. We know that, when people leave prison, if they secure housing and employment, they are less likely to reoffend.

We are also the largest blue-collar recruitment agency in the UK. Recently, we acquired Diamond Recruitment in Northern Ireland, so we also work with the largest employers; for example, Almac, Moy Park, Michelin and JTI. Across our organisation, we have Ofsted grades between "outstanding" and "good". That is the company.

We were asked about this in a question on our initial visit to the Committee, so you may also like to note that the company is listed. We are on the London Stock Exchange (LSE), and 90% of the company is owned by probably five to six large pension companies. We look to make a return of about 5%. Most of those pension companies have pensions with the public sector.

Let me tell you about our local journey. We started in October. Our company invested £2.5 million pounds up front in an employment training centre in Foyle that you are going to see today. You will get a tour of 20,000 square feet for the local area. We also invested in an employment training centre in Newtownabbey. We created 70 new jobs and we also used the Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE) for anyone who was working on existing programmes and made no redundancies. We are all about local for local, so, although we take the best expertise about what works for our company, we also understand that local services are very important. We therefore currently outsource 60% of our contract to local providers. For example, local providers in Coleraine, Limavady, Ballymena or Magherafelt work very closely with us as the lead provider, but they still deliver the service. That is working really well. It has meant an investment from our company of £6 million into the local economy with the six supply chain partners and a further 10% with the local economy suppliers.

You are probably aware of that we are a very passionate Northern Irish team and ensure that anything that we buy is from Northern Ireland, where possible. We think that, with that and the building of the new centres, we have created an extra 50 jobs on top of the initial capital investment. We expect not to make a profit for the first three years. Indeed, to be absolutely transparent, we are looking for a 5% return.

We now have an extensive and proactive partnership, working with the Department for Employment and Learning, the local job centres — jobs and benefits offices (JBOs) — our local colleges, the community and voluntary sector, the charity sector, and statutory and non-statutory agencies. You will hear a bit more about that as we go through the presentation.

I will now pass over to Andy, who is the operations director. He will talk to you in detail about the actual contract and what we do.

**Mr Andrew O'Driscoll (PeoplePlus NI):** Thank you, Tina. The primary purpose of the Steps 2 Success contracts is the delivery of a personalised service that is tailored to meet individual need and that is going to help people move into and remain in work. As Tina said, we are extremely passionate at local level, in each area across the northern region that we work in, about making sure that everything that we do is centred around customers and their journey. What does that mean? It means paid employment and real jobs for our customers; jobs that are over 16 hours a week; a range of jobs in different organisations, at different skill levels; sustainable jobs; and matching the customers to the right roles and the right industries.

Having been in Northern Ireland for the past 10 years and having worked in the community group and voluntary sector, I know the impact that unemployment can have on local communities and on lives and families. We are jobs-focused. We ensure that we underpin everything with relevant training and qualifications to ensure that the person goes into the right role with the underpinning knowledge. Where it is required, and where people are furthest removed from the labour market, placements are a fantastic opportunity for our customers to gain more experience before they get to their journey of applying for roles.

We have a number of challenges with some of our customers, and, over the past year, we have been able to identify barriers that have come across in the programme. We have been able to work with a number of organisations and specialist intervention companies to help address some of those barriers. We will be talking about them in a bit more detail in the presentation. Ultimately, we have a structured approach to how we deliver the service. It is centred around the customer. If we do not deliver that service and structure in the way in which it should be delivered, we do not get paid. It is payment by results.

Before we go on to the customer journey, I will show you a two-minute video.

**The Committee Clerk:** You have to stay by the mic.

**Mr O'Driscoll:** OK. No video, then.

**Ms McKenzie:** We will email it to you.

**Mr O'Driscoll:** We will email it to you afterwards.

The journey displayed and demonstrated in the video is on a slide. It talks about how we engage people initially and the referral process from the JBO. As Tina mentioned, we have a strong and proactive relationship locally with the jobs and benefits offices. Customers get referred to us. We hold an initial assessment with them to understand their needs and requirements. Following that, we devise an individual development plan — a personal employment plan — which then forms part of the journey to where they want to go and what they want to do. We deliver copious amounts of training and support throughout the time that they are on the programme. At that point, we also start to engage with regional and local employers to gear up for customers who are ready to go into the labour market.

Our model is unique. We specialise in in-work support. When our customers are in employment, we provide them with all levels of support for a further 12 months after they go into employment. Doing that sustains the role and helps people sustain a job and, hopefully, a career.

The PowerPoint presentation shows a selection of the training and qualifications that we deliver across our employment training centres and our regional network. I will pick out hospitality in particular. Early in the contracts, we identified hospitality as a key area, especially for the north-west. Our employment training centre in Foyle is headed up with a specific employment training centre room that has been kitted out and sponsored by the City Hotel. That allows people to get practical, hands-on experience in real-life working environments. We also have a fully functional kitchen, which you will see on your tour later on. Again, that provides a platform for our customers who wish to go into the hospitality industry to gain real qualifications, skills and real-life practical experience before doing so. That has recently resulted in the new five-star hotel in Derry approaching us to recruit their 70 members of staff. We will do that in November and December this year.

Another example is the Drink, Work and Me programme. We recently had a customer who had suffered a barrier in that area, to the extent that the customer could not leave the house, let alone get out of bed. By attending the programme and engaging with it, that customer is now working in the kitchen in a placement capacity and is on that stage of the journey of attending interviews and submitting applications for jobs. That shows that the programmes that we have in place help people on their journey and help remove some of the barriers that are there.

Another recent initiative was aimed at people who are furthest from the employment market — people who may not have worked for 10, 20 or 30 years and whose families may not have worked. We had to think of different initiatives to engage people on to the programme. One initiative was in partnership with an organisation called Team Build Ireland, which does outdoor pursuits and provides motivation and leadership techniques. The programme is an eight-week programme that we ran for 12 of our

hardest-to-reach customers. Out of the 12 people, four got sustained employment after the eight-week programme and a further six are continuing on their journey while engaging with the programme. They have been applying for jobs over the past four to six weeks. It has been a tremendous success, and we are looking to roll it out across the whole of the northern region next year.

What is different about us is that our employment training centres are unique. They are our selling point. We have engaged with the host employers that you can see on the slide in front of you. We have been able to look at work-activity training on-site. Those are some of the organisations that sponsor our training. We also have a relationship with those organisations at board level and are able to discuss future recruitment plans in advance of them going to market. Each one of the organisations that you see on the slide sponsors the centres, and each room at our sites is set up with the organisation's brand and marketing. For example, we have a retail academy at our Foyle site that is set up just as it would be if it were a shop. Again, that gives hands-on, real-life experience to customers who have never been in work before. We think that that is unique, and the results that we are seeing from it are absolutely fantastic.

We also have relationships with national employers across Northern Ireland and the UK. Those are really important relationships, because we have contracts with all of them for their recruitment. We have been able to utilise those organisations across Northern Ireland, and, more importantly, we have been able to share those relationships and best practice with our supply chain partners across the region. We are doing a campaign for Royal Mail leading up to Christmas and are heavily involved in working with Moy Park on recruitment at this time. The social clause for and social responsibility of the organisations is paramount, and, as an added value, we are helping them with their investment in the local economy and local areas.

I will now pass over to Joanne, who will talk a bit more about the supply chain and our partnerships.

**Ms Joanne Cameron (PeoplePlus NI):** Thank you, Andy. The partnership delivery model for our northern region consists of four key delivery partners that deliver on an end-to-end basis for us, as well as two additional self-employment providers. Our four key delivery partners are Customized Training Services, which covers Strabane and Lisnagelvin; Elle Enterprises, which covers Ballymoney, Coleraine and Moyle; Roe Valley Community Education Forum, which covers Limavady; and Network Personnel, which covers Antrim, Ballymena, Carrickfergus and Larne. You can see the northern region delivery area on the map. We cover from Strabane right through to Carrickfergus, and we are the largest region of the three providers of Steps 2 Success. As such, we have the largest number of direct supply chain partners in the programme.

What does that mean for our supply chain network? We have a very strong relationship with all our partners, and we believe and they believe that that brings overall added value to them. They have a managed back office support service that they can access through the network with us. We provide a NIMS management information system, which is in all the supply chain partner organisations now. That enables our partners to have accurate, up-to-date data to support how they manage their customer performance and how they know their customers. We also have a vacancy control team. That means that we have a relationship between our sales department and our national and local employer contracts, and we use these and share these with our supply chain partners so that every customer in the northern region has access to the same job opportunities with employers. We also work closely with our partners to see where there may be other opportunities to partner together to grow our businesses. A good example of that is that we work in partnership with Customized Training Services (CTS) in Strabane to deliver the Kickstart programme, delivering ICT skills for Derry City and Strabane District Council. Finally, we offer a well-structured and managed supply chain network, so we use the opportunity to work together, share best practice, improve our standards and give a much better, wider and broader experience for our customers.

In addition to our direct partners on the programme, we work with a wide range of support organisations. These are across our northern region, but, in I think of all the cases on the board there, they are across Northern Ireland, so you will know these organisations from your own constituencies. We identify early on in the process what particular needs and barriers each individual customer may have in our programme. These may change over time, so we try to give as broad a range of support as possible to each individual customer. This supports the local community and voluntary sector. It gives community and voluntary sector organisations access to the customers who are on our Steps 2 Success programme throughout the northern region, and it also means that we can develop close working relationships at a higher level with community and voluntary organisations directly. A really good example of the effectiveness of that is a local Derry-based organisation that works with parents and children. It has experienced a bit of funding constraint, and we have been able to house it in our

Derry site, which you see later on. We have given it free accommodation, and that has meant not only that are our Steps 2 Success customers supported but that the local community is supported and a meeting point is being continued for that organisation in the local area.

Another example of partnership working and how we evolve our partnerships as we see the need in supporting our customers is the work that is done closely in a partnership with us, Global Education Ltd, North West Regional College and CITB. There is a resurgence of the construction industry, and, certainly in Derry, there is a lot of activity on the Culmore Road. We have seen this as a great opportunity to bring a range of organisations together with a range of skills that can support customers on our programme and can build and help to support the local economy with the resurgence of the construction industry.

I will pass over to Isobel McWilliams, who will pick up on a few final slides.

**Ms Isobel McWilliams (PeoplePlus NI):** When we started this contract, none of us could have anticipated how far-reaching the effects of this contract could be on individuals, on families, on our local communities and my own family. Around this table, we all have a responsibility to ensure that we do our best for our customers, who are unemployed people. In your packs, you will see some of the organisations that we have partnered with. On delivery of the contract, we have a unique model of the vacancy control team, whereby our staff match the customers to the vacancies that we have through our employers and through our partnerships. We also have the in-work support model, which may involve taking that person to their first day at work, planning a bus route, or visiting that person in the workplace and building their confidence along the way.

I will talk about a few local examples from Derry. As a team, we all have a part to play. Joanne, for example, has links with Colleges NI; I sit on the North West Employers' Forum of Business in the Community, which brings together leading employers from the north-west; Tina is a recruitment director; and Andy has links with the Chamber of Commerce and Industry and the business community in the Belfast area. One of our local initiatives involves the Shantallow Community Residents Association. We have somebody there on placement, who has recently secured employment with the organisation. Hillcrest House is a local initiative on top of the hill in the Derry area, where there was an allotment project that was basically going to close because of funding challenges. Some of our customers volunteered, and they are now working on the allotment project. We have one lady there on placement, who they are currently trying to secure funding for to ensure an employment opportunity.

The Churches Trust is working with us on a project looking at unemployment across the generations. In Derry, and across Northern Ireland, there are families suffering from generational unemployment, where the grandfather, the father and then the son or daughter have not been in employment. We are trying to tackle the barriers. Joanne mentioned the lone parent organisation in our delivery space in Derry, Gingerbread Northern Ireland. Maria and her team face funding challenges and are now based in our Foyle centre, where they work with us, most recently in partnership on the Marks and Start programme, which secured employment in Marks and Spencer for two of our customers. In January, it is going to work with us again on training and employment for 10 other customers. Gingerbread is also partnering with us. It has invited Triax, a community partnership from the Fountain, the Bogside, Brandywell, Shantallow, Galliagh and Bishop Street, to the centre, in late-November, to look at what we do, to work with us in partnership and also for a bit of training from Gingerbread on welfare reform.

To help us identify what barriers there may be to our unemployed customers attaining employment, one of the initiatives we ran was a six-week health and well-being pilot. Nineteen out of our 21 customers invited attended the full six-week programme. It looked at first aid training, healthy eating, quitting smoking, cancer awareness, whether that be prostate, testicular or breast cancer — I do not think that there is a family around the table that has not been affected by that — and healthy eating.

One of the things that we identified very early on in the contract was that our customers were presenting with barriers to employment. It was not as simple as people sitting unemployed not wishing to work; they had genuine barriers to employment. Some of them are listed for you: mental health and depression; drug and alcohol abuse; ex-offenders' rehabilitation — there is a barrier to be broken down there in getting people into employment; debt and finance; and domestic abuse. I looked, therefore, at bringing a cognitive behavioural therapist into our staffing structure in PeoplePlus NI. She has worked with up to 1,000 customers to date, either in peer groups and group sessions, or on a one-to-one basis on self-esteem and confidence building. You are talking about people who may not have worked in years and have mental health issues. You will meet the therapist in Foyle today. I will hand back to Tina.

**Ms McKenzie:** We have focused on Foyle examples today, because we are in Foyle and you are coming to see the Derry centre. I am happy to give members more information on their locality.

What do the customers say, which is the most important thing? We regularly send out SurveyMonkey, an anonymous survey. So far, 86% of our customers believe that we will help them to find employment; 87% believe that the training that they receive will help them to find employment; 89% are happy with their experience on the programme to date; and 90% of customers remain in employment after six months, which is a key figure for the sustainability.

I will end the presentation by saying that it has definitely been a journey for our team to bring in the people who delivered the work programme previously and to work in a new way. I remind members that the new way of working for Northern Ireland is this: to find people employment is not just to focus on giving people training courses or indeed to put people on free placements for employers; it was to look at the employment market, know it as we do, know where the jobs were, know what the companies need and want, and work back from that and get our people prepared for jobs.

Two overriding things have come out: first, the percentage of people who are presenting across the northern region with mental health issues is serious. The services that we are having to deliver go some way to helping that, but I think that Northern Ireland is severely under-serviced and is under-servicing these people. Secondly, most people who come into the centre want to work. It is not necessarily the training course that is getting the successful people the jobs; it is the self-esteem work, the confidence, the team building, knowing how to show up to work and what employers expect. Those workshops are having the most impact.

Thank you all very much. We are happy to take questions.

**The Chairperson (Mr Swann):** Thanks Tina, and I thank your team as well.

Members, it is 10.50 am, so I will ask a quick question, get a quick answer, and then we will suspend for a few minutes.

Tina, talk me through PeoplePlus NI and why you rebranded from EOS NI.

**Ms McKenzie:** With large multinational private companies, you will find that they sometimes go through acquisition strategies. You may remember that, the last time I appeared before the Committee, we had just acquired the Avanta group, which provides eight welfare programmes in GB. We subsequently acquired Action for Employment (A4e), which was one of the largest welfare programmes, and we were also awarded the contract for the Ministry of Justice. It is about marketing. In order to make it easy for our customers and our clients, especially given the number of employers that we are dealing with, we decided, strategically, to rebrand all the companies to PeoplePlus.

**The Chairperson (Mr Swann):** You have just acquired Diamond Recruitment Group, as well.

**Ms McKenzie:** Yes.

**The Chairperson (Mr Swann):** Is that an easy way for PeoplePlus to get into the job market and what is there, because people see Diamond as an avenue to look to for recruitment? Rather than PeoplePlus having to find new employment opportunities, has it just bought Diamond's opportunities?

**Ms McKenzie:** Definitely not. It would be too expensive, for a start, for that to be the solution on this programme.

As I said, we have two major differences in both sides of our company. One side of the company deals with welfare programmes; justice and probation. It is a huge company with an £850 million turnover and about 4,000 or 5,000 staff. The other side of the company is recruitment businesses. So, the acquisition of Diamond, and remember that we already had Staffline Recruitment in Northern Ireland and in the Republic of Ireland, was part of our strategic plan. I suspect that we will continue with that plan to get bigger and wider across the island of Ireland. That was not at all with reference to the Steps 2 Success programme. That being said, we work with all recruitment agencies, and the more access we have to recruitment agencies and jobs, the better it is for our customers.

**The Chairperson (Mr Swann):** It is a five-year contract. You have said that you do not intend to be making a profit for the first three years.

**Ms McKenzie:** We will not.

**The Chairperson (Mr Swann):** But you will make a 5% profit overall. I take it that you assume that you pay back your £2.5 million capital that you invested at the start?

**Ms McKenzie:** Unfortunately, I would say, at this time, that it is probably not going to happen. There are a couple of reasons for that. The volumes of people that were originally predicted to go on to this programme have dropped quite significantly, so we have invested based on the statistics that we believed were going to come through the programme. That is good news in the sense that a lot more people are getting employment. When I sat here last year, there were 46,000 claiming jobseeker's allowance; today, I think that the figure is 40,700.

It is twofold. Part of it is people getting jobs, but there are a lot more people leaving programmes and joining ESA. I am sure that you have all seen those statistics recently. I think that it is up to 120,000 now; there has been a 30% increase. I would like to say that it is all because of jobs, but people are moving on to different programmes. I doubt that we will make a 5% return. I doubt that this programme will make a profit for our company over the five years, to be honest. If it does, it will be quite small.

**The Chairperson (Mr Swann):** OK. Thanks.

Members, I will suspend the meeting now.

*The Committee suspended at 10.55 am and resumed at 11.02 am.*

*On resuming —*

**The Chairperson (Mr Swann):** Tina, your colleague is not here. I was going back to the support organisations. One of the concerns raised initially through all the supply organisations at the start was about how you managed your supply chain. You have termed them support organisations and organisations that you have partnerships with. So I can get my head around it, can I ask, as a support organisation, what do you do with Women's Aid and the Men's Shed network? What does that relationship look like?

**Ms J Cameron:** We regularly invite Women's Aid into our centres across our supply chain network to work directly with the customer groups in those centres. That is responsive to the needs of customers in those centres. For example, our site in Foyle is a great opportunity, because there are a few thousand customers on it, and we regularly bring in Women's Aid, Aware Defeat Depression and organisations like that. We call them our support organisations because they give regular support to the range of services that we provide. They come in and speak to our customers, but they can also bring in anyone else from the community to use our sites as networking points. On Men's Shed, do you want —

**Ms McWilliams:** I was going to focus on an organisation called Derry Engaging and Empowering Dementia (DEED), which is —

**The Chairperson (Mr Swann):** Sorry, can I ask about Men's Shed? I know about it specifically.

**Ms McWilliams:** To be honest, the Men's Shed network was reluctant to partner with us, as there was a perception that the programme was a scheme. They come into the centre now to use it and to provide training sessions for us. It is about breaking down barriers. There is a cognitive behavioural therapy (CBT) room in the centre, and you will find that the main users of it will be men in their early-, mid- and late-50s. There is a book club set up there. It is about talking about self-esteem, barriers to mental health and the work with them.

The DEED organisation that I am talking about is in the Old Library Trust in Creggan. It has raised awareness among our staff of identifying mental health issues in our customers, because that is something that our staff needed upskilled in. It will also run training sessions on the site for our customers on whatever their needs may be.

**The Chairperson (Mr Swann):** Does Men's Shed — I use those organisations because I know and work with them — get financial recompense from you for coming in?



**Ms McKenzie:** We help where we can. There are a few examples of where we will give free space and accommodation. We have to be very careful about where we draw the line on a lot of the issues that we are talking about. We are not experts on mental health; we are experts at finding jobs. These organisations attain funding through the European social fund, statutory organisations or OFMDFM. Most of those organisations are already on some sort of funding platform, albeit limited, in most cases.

**The Chairperson (Mr Swann):** What about the difference between organisations that you have had partnerships with? There is Start360 and the Ballymena inter-ethnic forum, or maybe I am in the wrong end of the country.

**Ms J Cameron:** Perhaps it is our terminology. Our arrangements with support organisations and in partnership working are, in the main, informal. We invite people to engage with our customers in our centres, and we will support their customers in their centres, where that is relevant.

**Ms McKenzie:** It might be worth saying, Robin, that we have had more than 10,000 people referred. We are all dealing, essentially, with the same group of people. Some of our unemployed people are the people whom Men's Shed or Women's Aid want to talk to, so we try to facilitate it and make it easy. It is a big advantage for us, because, if they have the skills and experience in helping with domestic abuse, for example, it helps our person on their journey back into full-time employment.

**The Chairperson (Mr Swann):** Tina, you mentioned that you had over 10,000: what are your figures at the minute?

**Ms McKenzie:** There have been just over 10,000 referrals for the northern region.

**The Chairperson (Mr Swann):** In employment?

**Ms McKenzie:** We need to be clear on the statistic. The programme is an 18-month programme, and we started at the end of last October. We are not yet full. Most of the cohorts, as they are grouped, will go on to the 12-month programme. That 12-month programme ends in and around now. However, there is a 13-week window thereafter in which people will still be placed in jobs. It is too early to give you the exact figure on the referrals so far. I believe that the Department will share those figures with you at the appropriate time.

**The Chairperson (Mr Swann):** So 90% of customers remain in employment after six months.

**Ms McKenzie:** Sustained employment, yes.

**The Chairperson (Mr Swann):** Ninety per cent of what figure?

**Ms McKenzie:** The people who joined last October, for example, are coming to the end of their 12-month cycle. Some of them will not come to the end of their cycle until next June. Those who joined in November and December are all still going through. The Department needs to verify the statistic on the absolute number of jobs, but we are not at the end of the first cohort, which will be in 13 weeks' time.

**The Chairperson (Mr Swann):** I am quoting the statistic of 90% from your presentation.

**Ms McKenzie:** Yes, 90% of everybody we have put in to work, so far, has stayed in employment.

**The Chairperson (Mr Swann):** What is the number rather than the statistic?

**Ms McKenzie:** I am not trying to be awkward, but I will have to refer you to the Department on that. That statistic will have to be verified by the Department in 13 weeks' time.

**The Chairperson (Mr Swann):** You can give me a percentage, but you cannot give me a number.

**Ms McKenzie:** I can tell you this: I am very pleased with the results so far. One of the questions that the Committee asked last year when we started was whether we were confident. We are still as confident as we were, and we are positive about the results that we have got.

**The Chairperson (Mr Swann):** To be honest with you, Tina, I am disappointed that you can give the Committee percentages but cannot give us numbers.

**Ms McKenzie:** It is too early. We are not at the end —

**The Chairperson (Mr Swann):** You could give us one or the other.

**Ms McKenzie:** You know what the targets are; you know that the base was 28% and the target was 31%. I can tell you that we are content, but we cannot give the statistics until 13 weeks after. Until the first cohort finishes —

**The Chairperson (Mr Swann):** Has the Department asked you not to give us statistics?

**Ms McKenzie:** You need to refer that to the Department.

**The Chairperson (Mr Swann):** I think that answers the question. I will ask the Department.

**Ms Sugden:** Steps 2 Success is a programme for everyone on jobseeker's allowance; it is mandatory after nine months for 18- to 24-year-olds and after a year for anyone over that age. Recently, a constituent came to me with an issue. They investigated their own work experience in working with kids, because they are interested in going into childcare. They are doing their qualifications through one of the colleges, I think. Because they have been on jobseeker's allowance whilst doing that, they have been told that they have to go on a Steps 2 Success programme. It is not feasible for them to be on the Steps 2 Success programme, do the work experience and do their training qualification. As it is a mandatory programme, they have to give up their work experience and the training qualification that they feel would help in their career.

The Department has come back to me, and I have asked it a number of questions. The Department said that it can be deferred for 90 days, but that is 90 days to tie up the loose ends of the training and work experience that my constituent feels will help them to get the career that they want so that they can go on a Steps 2 Success programme that may be no help to them whatsoever. I am quite disappointed in Steps 2 Success because it almost overrides the person. In answer, the Department said that it is a tailored programme. It is not a tailored programme; it is a box-ticking exercise to an extent so that the programmes can be satisfied, almost to the detriment of the programmes that will help people to get employed. That is not for everybody on the programme, obviously. Some people will certainly get benefit from it, but it worries me that it overrides everything else, including personal experience.

**Ms McKenzie:** We might be able to help you with that. There are a couple of things. If the person has gone out themselves to seek work experience or work placement, we must support that, as it helps them to get closer to the labour market. If they then need qualifications and support, we can also support them with that. Sometimes, it can be something as small as travel. Recently, we had someone who was starting a job in hospitality, and we paid for their whites and boots. We are paying for various things to help people along their journey. There is definitely a mechanism to give that person support. The two are not exclusive. Perhaps, after the meeting, we could follow up on that person. Everything about the scheme is about supporting a person's journey back to work. It sounds as if the person is doing all the right things. They should not be held back; we should encourage and facilitate them. One is not exclusive of the other.

**Ms Sugden:** To be fair, they are being held back. They have tried to explore that with the person working with them on Steps 2 Success. It is like, "No, it's a mandatory requirement that, if you're on jobseeker's allowance for more than a year, you have to go on Steps 2 Success, and it has to be with one of the programmes that Steps 2 Success runs". They feel that they cannot manage their own time because of their personal programmes; they cannot do both. I would be keen for us, as a Committee, to write to the Department to say, "Well, is this actually being mindful of the person's own needs?". It is an issue.

**Ms J Cameron:** As Tina said, we would definitely like to pick up on that individual customer's circumstances. We have very good relationships with the jobs and benefits offices. It would be good for us to have a more developed conversation on that customer's behalf with jobs and benefits directly and their adviser. I am sure that we will be able to come to some positive solution for that person.

**Ms Sugden:** In the meantime, I refer you to my Assembly questions on Steps 2 Success — there are about half a dozen — and the responses that I received. It is not just one individual constituent; the Youth Service has come to me about those questions as well. It runs its own programmes, but, because it is not under Steps 2 Success, it takes precedent. It feels that those programmes are being undermined in a way, which is not really —

**Ms McKenzie:** It is not the purpose of it. What is the organisation called?

**Ms Sugden:** If you go through my Assembly questions, I am just looking through them.

**Ms McKenzie:** OK. We will definitely follow it up. One of the downfalls of the programme is the awareness of what it actually is. Many people think that it is what it was before; it is not. It is an individual programme for individuals. Remember that it is a payments-by-results programme. We get paid when we find somebody paid employment — when people are working more than 16 hours in paid employment. It is our goal, ultimately, to get people into good sustainable paid employment.

If it is funded through a different type of programme, it might be a different thing, but if someone is claiming jobseeker's and they are getting a work placement or a training qualification through somewhere else, as long as that is assisting them in their journey to work, they are, as far as I am concerned, doing what they need to do under the programme. It is maybe just the definitions, but we can probably facilitate support in that.

**Ms Sugden:** I honestly think that it has more to do with departmental red tape and the policy that it has around it. As your organisation leads on it, you could take that feedback to the Department. Perhaps we, as a Committee, could do that, too.

**Ms McKenzie:** We definitely will. There might be an answer to it, too.

**Ms Sugden:** Thank you.

**Mr Ramsey:** Good morning. You are very welcome. I have some supplementary questions to the Chair's. If there is a good news story, I do not understand the logic of not wanting to share it with us. You said that you were exceeding the expectations of in and around 30%. Given that you have 10,000, I am interested to know whether there are three or four figures. I do not understand the rationale for not wanting to share it in a city that has unemployment that is three times higher than most other regions across Northern Ireland and higher levels of economic inactivity. Why do you not want to share it?

**Ms McKenzie:** It is not that I do not want to share it, trust me. It is that the absolute, verified figures will come from the Department 13 weeks after the end of the first 12 months. However, I can reassure you that we found thousands of jobs.

**Mr Ramsey:** Thank you. I am keen to see how it works in placements in my home city, which you are in. You referenced the City Hotel and Firstsource solutions: can you give us examples of the quality and type of jobs that you have been able to secure? I am only naming two because you have named two, but, clearly, there are other employers. The Department itself always experienced difficulties in securing placements. At a time when the economy is so low, employers do not want to take people on. You explained to us that you were getting the cooperation of employers.

**Ms McKenzie:** Yes, we are.

**Mr Ramsey:** Can you tell me how that works? How many people, as a result of getting placements, have then secured work? What percentage of them have done so?

**Ms McKenzie:** Yes, for sure. First, it is understanding the national Northern Ireland space and what is going on in the employment market there. Then, as you rightly said, if you look at the statistics for Derry as against those for Magherafelt or Ballymena, you find that they are all very different labour markets. For example, in Ballymena, we are already preparing for our challenge of Michelin and JTI. We know that we have highly skilled manufacturing people coming out of employment in the next 18 months. We are already preparing for that. In Derry you see a huge growth in the hospitality sector but not much thereafter in major private-sector employment. We are also working in support of Invest NI. When there are presentations made to large employers who are considering coming to Northern

Ireland, I will also sometimes work with Invest NI on giving an overview of the labour market and the skills that are available.

I do not know whether we put in the pack the breakdown of the employment market, the actual employees in Northern Ireland. As most of you know, probably 60% of people are employed either directly or indirectly by the public sector. We also know that, specifically in the north-west, that figure is a bit lower because public-sector jobs are more heavily rested in and around the greater Belfast area. So in the north-west we have a lot of SMEs. Northern Ireland, in particular, has only two large Northern Ireland plcs. What we lack in our economy — this is the difference between us and our programme in GB — is large plcs bringing large-scale private-sector employment, especially to the north-west. We are working with various agencies on that.

To answer your question specifically, we are happy to share with you, in 13 weeks' time, so long as it is verified by the Department, the breakdown of where the jobs were and you can see which employers take people on. It is a bit like the example of the new hotel that is starting up; it is a local guy who is starting with 60 or 70 people. He asked for our advice, which was to go with a blended approach: allow us to facilitate training, which saves you money. We are saving money for a lot of employers in the city because we take care of their employment, training and recruitment processes. We have all that, stand-alone. They do not have to pay for it, and they do not have to put it out to an agency. Let me remind members: the UK recruitment agency market is worth £28 billion. That is £28 billion spent by employers on recruitment. With this scheme, we offer all that expertise, all those processes, and they get it without using an agency, as long as they give it to us and let us access or employ people and, moreover, allow us to deliver the support from day one when they go into work. We will happily share with you a breakdown for every town of where the jobs came from and each of the employers.

**Mr Ramsey:** I have one further question. In terms of the big issues — clearly, you are telling us that everything is so positive, and I am glad to hear it — what are the obstacles and barriers to improving the programme and making it more meaningful for those participating in it?

**Ms McKenzie:** Although we are positive, there are huge challenges. As I said, I am shocked absolutely by the number of people presenting with mental health issues. They have been to their GP, and they are presented on to the programme. They absolutely need help. We have had people who have presented to the programme who are suicidal, and we have had to call the emergency services. For us, there is a challenge there, in that we are the people who find people jobs. We obviously have CBT and trainers etc, but there is a real challenge in ensuring that we link up with all the statutory services and the health services as well. I think that sometimes between Departments, there is not always the link-up that we would like to see with that. That is a challenge for us.

The second challenge is that some of our staff — as I said, we created 70 good jobs — are portrayed in the media as working in a scheme that is not good for people. That is a real challenge for me, because they go into work every day and work really hard in their communities to find work for people from their communities. For example, locally there have been some comments on Facebook and in the media saying that the schemes are not good for people, that they are British schemes or that they are schemes that, in some way, get people into jobs that are unpaid. This is a scheme where the results are judged only on whether you get paid employment. One challenge for me and for us as a team — I would maybe like some help from the Committee and DEL on this — is to help to share what the programme is and what people on it can expect. I want to show that it is such a good programme for helping people back to work. The challenges are about our people going through and for the customers who are coming in.

Another challenge will be that the volume is decreasing significantly. If I talk about the wider population of Northern Ireland — I think that it has just been noted again today that Derry had the highest unemployment figure in the UK — we can see that we have some serious issues around the economically inactive. This figure of 40,900 that we hear is the tip of the iceberg of the economically inactive. I will not quote the figure, but I know that more than half a million people in Northern Ireland are economically inactive. Yes, there are people in there who are students or partners of people who work full-time and choose not to work, but we feel that the majority of those people, who are potentially on ESA or DLA, need our services as well to help them to get back to work. We are not currently offering that to those people. At the moment, we offer it only to people who have been unemployed for more than nine or 12 months. By that stage, we would have liked to help those people earlier, such as with their CV or what their job is, so that they can get back into the employment market.

**Mr Ramsey:** You mentioned the number of people on jobseeker's allowance being referred over. Some of them were finding themselves in circumstances where they cannot cope, but they now wish to make a claim for ESA. The other side of that is the number of people on ESA who have been found capable of work, are now in your programmes and are claiming jobseeker's allowance. That might include someone who was on sickness benefit and, as a result of a medical board, has been found to be capable of work. Do you retain those figures, and can you share them with us?

**Ms McKenzie:** We certainly can share them with you, but this is where we have to be so careful about how we identify them, because we are not medical experts. You are right: there is a real issue about people who are on the programme presenting on it, but they actually get help from it. If you look at the comments and the feedback that we have had, you will see that even those people who are so-called furthest away from the labour market are for the first time coming out of the house and having somewhere to go. For the first time, they are mixing with people and getting into a team environment. The reason we set up the kitchen in Derry was not just about creating catering placements but to give people their only hot, nutritious meal of the day. I think those services are there, but I absolutely take your point that many of these people need a lot of assistance. We are doing the best that we can about that.

**Mr Buchanan:** Ninety per cent of the people are still in employment after six months. Do you have any follow-up with the 10% who drop out?

**Mr O'Driscoll:** In some instances, there are customers in the first week who feel that it is not for them, but normally we find that the highest percentage of that 10% are the people who have been that far removed from the labour market for some time. Even with the best will in the world and with providing in-work support and matching the right industry and the right job, for that small percentage, it was not for them. What happens is that, when they come out of that role, we re-engage with them straight away. At that point, we know that they are job-ready. They have gone through the programme and have been able to get the role, but, in most instances, it was perhaps not the industry, job or career move that they were looking for.

**Ms J Cameron:** We have what we call a rapid response team. If someone drops out of sustained employment, we will work as a team to get them back into employment as quickly as possible, because we are keen to make sure that an individual does not lose the skills to attend work and be ready for work. It is easy to lose those skills quickly, over a very short time, if that is not addressed, so we work very quickly with those people. We know who they are, and we want to make sure that they go back into employment as quickly as possible.

**Mr Buchanan:** Again, out of all the people that you get into employment, there will be different categories. For instance, there will be those who have been unemployed for a long time, those who have lost a job and are looking to get re-employed or those who are going out for the first time. Which group do you find is easiest to get into employment?

**Ms McKenzie:** That is a difficult question.

**Mr O'Driscoll:** That is a difficult question. There are different cohorts of people coming through on the programme. Through our initial assessments, we can quickly identify with the customer where they are on the journey. Are they job-ready? Do they have qualifications? Have they not worked for years? It all depends on the individual, to be fair. Once we understand that, we can tailor the programme to individual needs. As we mentioned, there is a large group that has barriers and issues that we have to address. That is the most challenging cohort. That is why we have invested so heavily in the relationships with the specialist organisations that you saw in the slides. We understood very early on that the customers who come through with a multitude of needs would be among our biggest challenges.

**Ms McKenzie:** I remind you that what is different between this programme and previous programmes is that this programme has what is called a service-level guarantee. If you have been referred to the programme, no matter who you are, you get that service guarantee when you sit down to get your personal employment plan. You are entitled to a service from us. You are entitled to at least five hours face to face, which increases, depending on which cohort you are part of. You are entitled to at least five hours of face-to-face training support in our centres and, overall, to 10 hours per month. In some instances, there were criticisms of previous programmes, when people were said to be — this is not my language — "car parked"; in this case, we work with everyone on that journey.

**Mr Buchanan:** Recently, I approached one of the service organisations, for want of a better word, but it is not one that is marked here — I can assure you of that. A constituent was looking for two or three employees. I was told by that organisation, "Yes, we will be able to get you somebody to link into the job. We have over 500 people on its books that we are looking to get into employment". Lo and behold, they came back with one person, and that person was not suitable for the job because they had no transport. We are looking to get people, and we have employers who are keen and are looking to get people into employment, so I thought that that was not a very good advertisement. We are still working on it. It is something that I will talk to you about after the meeting.

**Ms McKenzie:** Yes, we will be happy to support that.

**Mr Buchanan:** I assure you that that employer is very irate. He has been trying for some time to get employees. He has been with some of the other job markets and different places, and he still has not been successful.

**Ms McKenzie:** We do a lot of this. It could be something that we need to advise the employer on. We are very honest with employers. Believe it or not, some employers in our market in Northern Ireland, where we find it so challenging, struggle to get and to keep people. Sometimes that is something to do with how they communicate the job and, especially in the case of small employers, how they have designed the job and what the conditions of the job are. It is about understanding that we are in a time when the population has changed and the world of work has changed. People in the squeezed middle, for example, have commitments and responsibilities with not only their children but their elderly parents. People need a bit more flexibility. That does not necessarily have to affect the productivity of a company, but we could assist that employer, if you would like, in looking at that.

**Mr Buchanan:** I will talk to you after the meeting.

**Mr F McCann:** Thank you for your presentation. Just picking up on some of the questions, I think the last time you were in front of the Committee, the impression that people had was that this was just another new scheme coming along and that, at the end of the day, it would not do anything. You mentioned a number of things. First, how will you deal with the high number of people with mental health problems who come through? How do you record the difficulties? I know that that must be difficult for people who are not trained in dealing with those who have mental health issues.

The second issue is this: we see quite a number of organisations and companies there, and the vast majority of them are in the service industry. There are probably quite a number of people who will come to your door who may have come from manufacturing, the construction industry or other sectors and have lost their jobs. How do you deal with that? Do you try to get them back into something that they feel comfortable with? What sort of response do you get from companies then? At the end of the day, when we sit down and look at the results, we will find that it will go back in many ways to people's perceptions. It is the perception of schemes like this that people are getting put into jobs that are not worth their while. Can you describe how you deal with that?

**Ms McKenzie:** OK. You asked about mental health. We have come along this journey a fair bit as well. It is very important to note that mental health is not something that just impacts on those who are unemployed; there are a lot of people in employment with mental health issues. Some of the work that we do tries to assist such people. It is the same with addictions. There are a lot of people in employment who have addictions, and they are managing it. We work with those organisations — you saw a raft of them in the slides — to bring them in and to help people understand that. A lot of people are afraid to go into work because they do not know how to manage that situation. What are the techniques and skills for managing yourself in those situations? Again, we will happily share all the statistics at the end of the first quarter on that.

We are very clear with our staff as well that they are not mental health professionals. We have to be very careful with that, because, if someone tries to deal with that, from the best heart's intention, they are the wrong person to do that and can do more damage than good. We are very clear with our staff that they should refer to these organisations or the GP, depending on how serious it may seem. We will happily share that information with you.

Turning to your question about manufacturing and construction, I will say that that is something we have to do. This is where employment specialists are more and more in these markets around social issues. When we look at it, we hear nothing but bad news about unskilled jobs. When people talk about unskilled jobs, it is in a very detrimental way. We have to be very careful about that, because

the largest percentage of people who are presenting to us are unskilled people. We have people who have serious issues with literacy and numeracy. We have people in their 50s who have never worked. We are coming from a society that, as we all know, is very specific because of the conflict and trauma. We are dealing with a different set of circumstances. With those people, sometimes the first step on the job ladder is an unskilled job.

There are many thousands of people in Northern Ireland happily working in retail. So, every time someone goes on the media and says, "Retail jobs are bad jobs because they are unskilled" because they might be minimum-wage jobs or whatever, there are plenty of people for whom that is the first natural step. I am sure that many members around the table started off in such jobs back when they were students. I was a cleaner when I started; I did various things. There is also an educational process with our customers to help them to know about what happens.

For example, contact centres in Northern Ireland do not get great PR. When you go into a contact centre, you must remember that there is also a department for marketing, another for HR and a department for accounts. There are other career opportunities for people. All I will say is that we must be very careful about ensuring that, if unskilled people are presenting, with the first unskilled job that they get we do not say that an unskilled job is a bad job, for whatever reason.

We are moving to a knowledge economy. We know that from all the statistics. Look at any of the reports on jobs in 2030. We do not know what 50% of the jobs in 2030 are going to be. We are encouraging people to look at other ways of working. Northern Ireland is a services and knowledge-based economy. I will follow up with the stats — I thought they were in here; I apologise — on where the jobs in Northern Ireland are today. Because of what we do, we have a very good idea of where the jobs are going to be in the next five to 10 years. It is hugely different from manufacturing. We may want to encourage manufacturing in. If somebody has come from a manufacturing background, we will encourage them to transfer those skills into other areas. There are lots of opportunities to do that.

**Mr F McCann:** I understand what you say. Certainly where I live, a lot of people work in the services industry and have low-paid jobs. The key is in there. You see some companies that may have a bad reputation because of the pay that they give. It is always of concern to the Committee that people will end up in jobs that are not sustainable and have very low pay, because they do nothing to help the person beyond a certain level.

**Ms McKenzie:** Certain perceptions out there are misinformed. We, as a large group, employ 35,000 people on our recruitment side. You will sometimes hear that agency work is bad work. More people than not choose flexible working. The average pay in our business is more than the living wage. We make use of social clauses as part of the contract. I am personally committed to the living wage. We are definitely on the same page on the living wage — absolutely. When you look at the volume of people, especially from — I think that you represent West Belfast?

**Mr F McCann:** Yes.

**Ms McKenzie:** I know it well. Look at the volume of people in west Belfast who have never had a job and at the volume of people in unskilled jobs who need more support to move up the ladder. That is the type of thing that we should look at. How do we move people from that first step of an unskilled job? How do we help the employers with that as well? Unless you are in Middlesbrough or Merthyr Tydfil, some employers struggle with how to cope with that as well. We have to help both parties with that. There is a huge amount of work to be done there.

There is opportunity there as well, I think, because there is great talent. I recruited in the Foyle area. The talent that we have in our company is amazing. You will see the talent of the people in those centres today. I would say, of course, that it is much better than anywhere else in the UK. There are huge talent pools in the pockets of very high unemployment that are coupled with high deprivation. We need to look at doing things differently.

Look at Ipswich as an example. It is a town a bit like Belfast. It is near Felixstowe. Years ago, most of the employment was based around ports. Now, Ipswich has one of the highest youth unemployment figures across the UK; it is nothing like Northern Ireland, of course, but, across GB, it has one of the highest figures. We did the first innovative programme where we opened a shop in the town centre. It looks like an Apple store. We have the only integrated service where the jobcentre staff are part of our team. They all wear polo shirts that say, "I'm your host". Some of those people may be security, some might be there as the job coach and some might be there as the jobcentre

staff. We linked up with a charity called Tomorrow's People and the local authority. It is a service in the town centre that the young people are just flocking to. It is fantastic. They have their iPads, and everything is just like an Apple store. It has created a real buzz in the town. The employers are lining up to give us jobs. The statistics are amazing.

I would like to be able to share some of that innovation — I have spoken to the Department about it — to bring some new ways of working to, for example, west Belfast. We have to do different things. I am not aware of one recruitment agency on the Andersonstown Road. In any other city in the UK with that volume of people, you would find an agency helping people to get into work as a private sector initiative. We have to look at things other than just bringing employers into the area, whether it be Shantallow or Strabane, which is hugely up there with deprivation and unemployment. There are new ways of looking at things. That is what we are excited about. The question that gets us up in the morning is this: can we bring some of that innovation here to Northern Ireland to help us with some of our issues?

**The Chairperson (Mr Swann):** Tina, thank you very much to you and your team for your time.