



Northern Ireland
Assembly

**COMMITTEE
FOR EMPLOYMENT
AND LEARNING**

**OFFICIAL REPORT
(Hansard)**

**Training for Success Programme:
Re-contracting**

18 January 2012

NORTHERN IRELAND ASSEMBLY

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Members present for all or part of the proceedings:

Mr Basil McCrea (Chairperson)
Ms Michelle Gildernew
Mr Barry McElduff
Mr David McIlveen
Mrs Sandra Overend
Mr Pat Ramsey

Witnesses:

Ms June Ingram)
Mrs Nuala Kerr) Department for Employment and Learning
Mr Des Lyness)
Ms Angela McAllister)

The Chairperson:

I apologise for the delay in calling you, Nuala. Be as quick as you like.

Mrs Nuala Kerr (Department for Employment and Learning):

No problem. I will introduce the team. We have been here before, of course. I am here in my former capacity as director of skills and industry. On Monday, there were changes in posts, and I moved on to a role in higher education. With me is my successor, June Ingram. We also have

Des Lyness, who was involved in design and re-contracting and is former head of the training programmes branch, of which Angela McAllister is the current head. I hope that we can deal with any questions that may arise.

We are here to talk about Training for Success and Apprenticeships NI, which are professional technical training programmes that the Department for Employment and Learning (DEL) offers; they are the subject of a public procurement and competitive tendering exercise. We are in the middle of that process, but the procurement exercise for those programmes is stalled due to legal challenges. Those challenges have been to court; the most recent hearing at which evidence was taken was yesterday. We await the outcome. Of the two challenges, one withdrew last week, so just one challenge is being considered at present. However, the outcome of that process is not yet known.

We talked about it at a previous briefing, but today provides an opportunity to look at what the programmes offer and the main differences between what we have now and what we hope to have once the procurement exercise has been completed.

I hope that members have the document that was sent to you. However, we —

The Chairperson:

It is in the blue folder in members' papers.

Mrs Kerr:

The two programmes are out to tender. They were the subject of previous tenders, the contracts for which end in March 2012, so the clock is ticking for us to get this resolved and to put in place the new contracts by March. We have been in the re-contracting process to offer this provision for quite a long time, although it has been delayed through the legal challenges.

My document sets out in detail what we are trying to achieve with the two programmes. Training for Success is to provide professional and technical training for young people aged 16 or 17 who are not in employment or other education provision. Under that broad heading, we also have support for apprenticeship training for young people who are employed. They are with

employers, and we provide support to allow them to pursue the apprenticeship training required by those employers. Such apprenticeships are subject to frameworks that are agreed among employers. We adopt those and provide support for third-party training.

The value of the apprenticeship training that we offer ranges from about £3,000 to about £12,000. Training for Success runs to about £8,000; moreover, we pay about £40 a week training allowance for young people who are not employed. We do not consider that material changes are being made between the apprenticeship provision now and what we hope to have. The funding that we offer is broadly the same, although we made minor amendments to the frameworks.

The main difference is that we are contracting apprenticeship provision levels 2 and 3 together rather than separately as at present so that we will have suppliers in each of the 26 delivery areas with the capacity to offer training in those areas. As employed persons, apprentices are now entitled to a minimum wage that the employer is required to pay.

The main changes in Training for Success are to the qualifications and credit framework (QCF), which allows for the unitisation of qualifications. Under the new arrangements, we are able not only to offer units of qualifications, but young people can get recognised qualifications in softer skills such as employability and personal development. At the end of the process, they have qualifications in those areas under the qualifications framework. Altogether, we expect at the end of that process that the young person would have six qualifications of different types on the framework.

Training for Success, which is for unemployed young people, is a 104-week programme. Extra time is available for those with a disability and from a care background so that they can continue to access that provision until they are 24 years old. We have three strands of —

The Chairperson:

Is that a change, Nuala?

Mrs Kerr:

No, we kept that; it is the same as it was previously. The entry point for young people depends

on their GCSE outcomes and at what point they enter the training programme. Each will have their own personal development programme, which recognises where they are coming from as they enter the programme. A programme is then devised specific to the area that they wish to train in, taking advantage of the qualification framework. There are technical changes to that about combinations of qualifications at different levels that allow the young person to progress and attain the six areas of qualification at the end of it.

There are three streams, as I described in the paper. I set out in it the content that we expect in each of those areas and which people will be contracted to deliver. Under Training for Success are skills for your life and skills for work at levels 1 and 2. At level 3, where level 3 is progression because you are already in the Training for Success environment, the main focus would be in and around the level 2 qualifications that we would expect from most people on the programme.

Skills for your life is targeted particularly at those with personal or developmental needs, who have been disengaged from learning, or who have significant personal or social obstacles to overcome. Therefore, skills for your life is particularly directed and there is time available for that. We would expect people to progress from skills for your life into skills for work at level 1 or 2 as appropriate, although sometimes the academic attainment of people who have obstacles to overcome is higher than you might assume.

Their personal development plans are focused on their potential and area of interest. The qualifications that they secure from Training for Success are mapped onto the apprenticeship framework so that when the young person progresses from Training for Success, gets a job and is allowed to pursue apprenticeship training, they can take advantage of carrying with them what they already have, and that is mapped onto the apprenticeship work that they would then pursue.

We pay fees to suppliers. We have made some changes to that, in order to streamline it and unify the payments that we make throughout the life of the programmes. We also continue to pay the young people a £40 weekly training allowance. That is not means-tested and we have legislative cover to allow that to continue.

We are offering a separate contract for the support of people with disabilities. We have changed the additional learning support that is available. People had issues with the bureaucracy attached to securing that additional support, so we have changed it. For each person who is on Training for Success, £3 of the fee that attaches to them is allowed to pool within the training supplier, then they directly procure the support that they need to support the individual.

The Chairperson:

It may be just me, but that is quite complicated for us to take in. You know it inside out. If you would not mind, can you give us the basic structure, and then, when the questions are asked, bring in the detail?

Mrs Kerr:

Just to recap: apprenticeship training is broadly as it was. It goes out to contract. We have suppliers in 26 areas who can offer that training and people can access it from the supplier of their choice.

With Training for Success, similar arrangements apply, but they are in the streams that I have described: skills for your life focuses on young people facing particular barriers; skills for work is at levels 1, 2 and 3. As they progress through those levels, they can pick up qualifications on the QCF in the softer skill areas of employability and so on. At the end of that, they have six qualifications and those can be mapped under the apprenticeship programmes so that they have a pathway for progression. Those are the basic principles.

The Chairperson:

Thank you very much. Because we only have your submission in our tabled papers, we might come back to you on some aspects. However, we will try to take some questions now.

Mr P Ramsey:

Good luck to you in your new post, and good luck to June who is filling in. I do not know for how long we will welcome her, because we might disappear as well. It is all up in the air.

I imagine that all these programmes are aimed at the younger population. With the forced

cultural change — using the terminology of welfare reform — will the Department have the resources to cope with the increased numbers of young people migrating to your service, particularly the young people to whom you referred earlier, those who may have learning difficulties or mental health problems? A resource will be needed, because young people seeking work will need training or education. What collaboration is taking place, primarily with the colleges that will have to do a lot of this work, particularly in the apprenticeship programmes?

Moving on, the Committee had a huge role in the programme-led apprenticeships, as you can recall, with the engagement of employers. There was a difficulty in securing placements. We had reached an extremely low point, where almost half of the young people participating could not move on because they had not secured placements. Is there an update on placements with employers? At that time, the opinion was that, in the public sector, not enough government bodies assisted in that.

Another aspect of Training for Success, particularly in my constituency, is that because of the re-contracting, organisations have gone to the wall. Some of this is subject to legal proceedings so I will be careful. It caused major difficulties for organisations that, in the past, have done excellent work in meeting needs. The quality control of those programmes, particularly in Training for Success, has to be more robust and challenging. Generally, all that work is important and has produced good value and outputs, but difficulties will arise as we move on.

Mrs Kerr:

There are a couple of interesting points there. Your first point was about companies that have gone to the wall in the re-contracting process. As things stand, we have not changed. The organisations that are contracted with us remain so, and we have not changed any of those relationships. They have been invited to bid for that money —

The Chairperson:

I get that point. The contracts will just be extended and will run on. So, what is —

Mr P Ramsey:

I have written to the Minister on a number of occasions about Training for Success, and some of

it is possibly open to challenge at the moment, but some organisations have expressed the opinion that, at some stage, they will go to the wall. I could follow that through with June.

Mrs Kerr:

We would be interested to hear about that, because we have not changed the funding in any way at this stage. It is the same arrangement as has prevailed for a number of years. It may be possible that there are those who fear that they will not secure the work in the next round, and that may be an issue.

Mr P Ramsey:

Possibly.

Mrs Kerr:

Training for Success is subject to a number of controls, including quality control. Our main support in relation to the quality of the training comes from the Education and Training Inspectorate (ETI), which regularly inspects the training suppliers. Over the life of the old contract, we noted year-on-year improvements in quality. I fully accept what you are saying: there is still, perhaps, some way to go in some instances, but we have seen that improvement year on year. We are also improving our contract management, and new arrangements will be put in place once we have re-contracted. We will take into account a broader view of performance that includes not only the ETI report, but how the contract is administered and the funding arrangements are dealt with. We hope that, when we re-contract, we will have a more robust system to manage the contractors and remove those who do not perform. That is a very important signal, not only for those who do not perform, but to demonstrate our expectations to others.

Mr P Ramsey:

Standards have to be high.

Mrs Kerr:

As you said, the placements with employers, particularly for programme-led apprenticeships, continue to be a problem. More than 50% of the people on programme-led apprenticeships are in placements. We think that there are parts of the community that could do better, the public sector

being one, but we also hope to have included in the social clauses a requirement for those who secure public contracts to be obliged to offer placement opportunities for young people who require them, so that they can gain practical experience in real work environments and put into practice what they are learning from the theoretical point of view. It is not ideal for everyone, but some of our suppliers are doing very well in offering simulated work experience. However, there is no substitute for the real thing.

Mr P Ramsey:

I thought that the 50% placement figure had increased. I was talking recently to representatives of a college who said that they were getting 70% of students on placements.

Mrs Kerr:

Some of them are, yes.

Mr P Ramsey:

Clearly, the difficulty for the young people is that they cannot move on to NVQs unless they get a placement. Is there something that can be done to assist those young people, or is it in the regulations that they cannot advance unless they get a placement?

Mrs Angela McAllister (Department for Employment and Learning):

As Nuala said, they would take up simulated work activity. At the moment, we are issuing certificates for the first cohort, which was the 2009 intake. They are achieving their certificates.

The Chairperson:

Time has run on, and this is an important issue for us. We only got the briefing paper today, so I suggest, Pat, that we revisit the matter. I am quite happy for you to pursue it, but it deserves more time than we can devote to it now. I apologise for that, but I would like to come back to it. We will have a look at the Hansard report and see how it goes.

Mr D McIlveen:

Thank you, Chair, and I thank the witnesses for their presentation. I just want to have 30 seconds to add to what Pat said. Some of the issues seem to be around subcontractors. Your primary

contractor may not have changed, but there seem to be issues lower down the chain that are creating problems. I have been lobbied on that. It is probably a conversation for another day, but it is definitely worth looking at.

The Chairperson:

I am happy to do that. We will talk about our workload and what we can manage in —

Mr P Ramsey:

Whatever time we have left.

The Chairperson:

To put it bluntly, yes. I would like to have more time on specific issues, and this issue is one of those. Is that OK?

Mr D McIlveen:

That is fine. I want to speak to Nuala in particular. Earlier, we had an encouraging presentation from Steve Orr from the NI Science Park. He made the point that for every one high-tech job that is created, an average of five to seven jobs are created in connection to that job. He is optimistic about the future, and, over the next three to five years, we will push for as much growth in that area as we can. In that environment, would it not be prudent to at least set some provision aside for level 4 and 5 apprenticeships? To quote my late grandmother, sometimes you have to speculate to accumulate. Those jobs will come — the Department of Enterprise, Trade and Investment will do its part and DEL will do its part to a large extent — but I have a real fear that we will have the jobs but not the indigenous skills to fill them. There is an argument that the jobs are not there for those skills at the moment. I do not know what others' views are, but I could live with someone doing a level 4 or 5 apprenticeship here and going on a short-term contract somewhere else until those jobs become available here. I am convinced that we need to skill up in that area. Is there any forward plan to try to implement that in the near future?

Mrs Kerr:

There are a number of routes beyond level 3 apprenticeships. Foundation degree level is the primary route from level 3 apprenticeships to higher levels and to university. We are also

piloting higher level apprenticeships in particular sectors. We are working on ICT and engineering at the moment, and Angela has been involved in developing those. As you said, there is not necessarily a demand at present from all employers, and that is one area that we have struggled in. Angela, do you want to say anything?

Mrs A McAllister:

I have worked with employers in the ICT and engineering sectors to scope the demand. There seems to be more of a demand in ICT, and we are trying to work out the content of the level 4 apprenticeships with the relevant sector skills council. We are working on that.

Mr D McIlveen:

When are we likely to see tangible results?

Mrs A McAllister:

Do you mean when will we see the first recruit?

Mr D McIlveen:

Yes. I suppose that that is probably the best term.

Mrs A McAllister:

We are hopeful. The companies that we work with tend to recruit for apprenticeships in June as people leave school. The recruitment period is between July and September.

Mrs Overend:

On the point of apprenticeships, I was approached last week by a local engineering company that cannot get people with the right skills. It has delivered its own apprenticeship programme. I am interested in talking to you after the meeting and putting you in contact with that company so that you can help it.

Mrs A McAllister:

Yes, no problem.

Mrs Overend:

It is an engineering company. It has an excellent culture, and a lot of people come to it for those apprenticeships. It may lose those staff members a couple of years down the line after it has delivered the programme, so perhaps it could get some help and support from you. Is that something that you do?

Mrs A McAllister:

I would need to understand the issue, but I could talk through it with you and approach the company to see whether they need training suppliers. They would be the experts in the delivery of the training, so we would involve them as necessary.

Mrs Kerr:

We support every employer with their apprenticeships, because we pay for the apprentices' training. For engineering apprenticeships, that is worth around £12,000. That is how we help employers: we pay for that training on their behalf as they develop their employees.

Mrs Overend:

I might find it useful to talk to you further on that.

Mrs Kerr:

There are other things that DEL can offer employers. If we understand what the issues are, we might be able to talk to them on other fronts, as well as apprenticeship training, to help them to upskill their workforce generally.

Mrs Overend:

It is a matter of finding people who are interested in that area. They just cannot find people in the community who are interested in jobs in that sector. That is a problem. How are you finding the interest in apprenticeships? What subjects are people demanding apprenticeships in?

Mrs Kerr:

Do you mean who are we training by way of apprenticeships?

Mrs Overend:

Yes.

Mrs Kerr:

We can provide you with information on that. Certainly, there are a number of engineering apprenticeships; that seems to be holding up strongly. I was not aware that there were issues for employers in recruiting apprentices. A number of the engineering apprentices work through the sector skills council and their training body to help them with the recruitment selection. That might be something that we could direct them towards.

The Chairperson:

I intend to come back to this topic, in the time that we have available, to discuss it properly. Issues have been brought up, so we will do that. I thank you all for coming and apologise for the delay. Nuala, I wish you all the best in moving into the next section of your career. Thank you very much.

Mrs Kerr:

Thank you.