



Northern Ireland
Assembly

Committee for Employment and Learning

**OFFICIAL REPORT
(Hansard)**

**Department for Employment and
Learning: Skills and Industry Division**

21 March 2012

NORTHERN IRELAND ASSEMBLY

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Members present for all or part of the proceedings:

Mr Thomas Buchanan (Deputy Chairperson)
Mr Jim Allister
Mr Barry McElduff
Mr Alastair Ross

Witnesses:

Mr Michael Gould	Department for Employment and Learning
Ms June Ingram	Department for Employment and Learning
Mrs Angela McAllister	Department for Employment and Learning
Ms Frances O'Hara	Department for Employment and Learning

The Deputy Chairperson: I welcome from the Department for Employment and Learning (DEL) Ms June Ingram, director of the skills and industry division; Mr Michael Gould, assistant director of the skills and industry division; Ms Frances O'Hara, head of Careers Service delivery; and Mrs Angela McAllister, head of the training programmes branch. You are very welcome to the Committee. I ask you to give a brief presentation or overview after which we will open the session up for members' questions. I remind members that they cannot leave; we are down to four members now and, if anyone else leaves, the Committee will fall flat. It is over to you folk; I ask you to be as brief as you can.

Ms June Ingram (Department for Employment and Learning): Thank you very much, Chair. You have already introduced my colleagues, and we are glad to have the opportunity to come here today. We have provided you with a presentation. I will run through it fairly quickly, but stop me if I am going too quickly or too slowly.

I will provide an overview of the main issues in the skills and industry division's structure and go through the various branches' roles and responsibilities. We have 10 branches in the division, with 275 staff, just over half of whom are Careers Service staff. We have a total budget of some £85 million, the bulk of which is related to Training for Success and Apprenticeships Northern Ireland.

There is a mixture of policy and delivery functions in the division. I mentioned the Careers Service, Training for Success, apprenticeships, skills policy and delivery, and there is a variety of branches within that. So, there is a broad span of activities with a very active and busy agenda that relates to many different aspects of, for example, the Northern Ireland economic strategy.

The current issues are the delivery of Success through Skills — Transforming Futures and the related employer engagement plan, and we will give a presentation on the skills strategy after our general presentation; the STEM strategy; sector action plans on ICT and food processing; the re-contracting process for the delivery of ApprenticeshipsNI and Training for Success; the review of adult training, which is intended to inform future provision and funding for adult training in Northern Ireland; ongoing development activities in relation to the Careers Service; and the broad general issue of encouraging employer uptake of training, particularly in this difficult economic context.

I will just go through the slides and you can ask questions. The main programmes for the training programmes branch, which Angela is head of, are ApprenticeshipsNI and Training for Success. Our main issue is re-contracting for the delivery of the programmes.

The main activities for the quality and performance branch are contract management for ApprenticeshipsNI, Training for Success, programme-led apprenticeships and Steps to Work; running the International Fund for Ireland's wider horizons programme; and providing a quality assurance role across a range of DEL programmes.

As for careers policy and delivery, we have an all-age careers advice information and guidance service; a joint careers strategy with the Department of Education; some 100 careers advisers; and three high street careers resource centres. Our main issues are encouraging close linkages between the work of the Careers Service and the implementation of the skills strategy as it rolls out; effective use of labour market information to inform the guidance process and promote priority and emerging skill sectors; and looking at how we can improve access to services to support people in work. As we know, 80% of the 2020 workforce is currently employed.

The main roles for the sectoral development branch are performance management of the 21 sector skills councils and sponsorship of the Construction Industry Training Board. The main issue there is the development and roll-out of the skills collaboration fund, which is intended to promote focused interventions with contributions from employers, forming partnerships to overcome skills shortages and gaps in their sectors and industries.

The main programmes and functions of the management development branch are leading management training for those in the workforce, with a range of interventions such as the management, leadership and development programme; the Made Not Born promotional campaign; our management and leadership strategy Leading to Success; and the Investors in People Northern Ireland centre. Our issues include a review of the management and leadership strategy and modernising the Investors in People agenda, thinking in particular of the importance of support to Northern Ireland businesses, especially the small and medium-sized enterprise (SME) sector.

The main roles for the skills policy branch are implementation of the skills strategy; the STEM strategy; the sectoral action groups; support for the Northern Ireland Adviser on Employment and Skills and the UK Commission for Employment and Skills liaison; and, in particular, as I mentioned at the beginning, sectoral support for ICT and food processing.

We have a range of programmes in respect of skills delivery. For example, we have the skills solutions service, which is the single point of contact for employers who want to look at skills development; Bridge to Employment, which is the pre-employment programme with links to specific employers who guarantee an interview to appropriately trained people; and customised training for the workforce to enhance the skills base in SMEs, on which we work very closely with further education in particular. We have a role in signposting employers and employees to all DEL training provision to look at what is appropriate.

Our issues include looking at ongoing employer contribution to training and making sure that delivery mechanisms continue to be as coherent as possible, with further education being our provider of first choice. The coherence that is available in training provision in the current system is very important and helpful to us.

The Assured Skills programme is a pilot programme on which we work closely with Invest NI to support foreign direct investment (FDI) and expanding indigenous businesses through the delivery of the skills

required for that additional investment. We are looking at a budget of some £12 million over four years for that programme, and we have worked on 33 projects to create 1,000-plus jobs potential for Northern Ireland. Again, that is an important project, and you may be aware of yesterday's announcement on foreign direct investment. We want to look at the ongoing refinement of the Assured Skills programme model with Invest NI and to look again at the further and higher education linkages that are very important in ensuring the effective delivery of training and the programme.

The skills policy: innovation branch looks at specific sectoral projects to inform skills policy. Previous work included the ICT future skills action group and a research report on skills to support companies in the sustainable energy sector. We have a new project to assess the feasibility of introducing a skills health check, which is a mechanism by which experienced workers could be fast-tracked, for example, through departmental programmes. We are also working with Invest NI to support skills for export-led growth, and we are focusing on sales and marketing skills.

That was an extremely quick run-through of a broadly based programme of work. To reiterate, our main issues around the skills strategy are the review of adult training; the future for ApprenticeshipsNI and the Training for Success programme; our sectoral support programmes; the development of the Careers Service; the review of the management and leadership strategy; the broad skills agenda in Northern Ireland; and working closely with employers and industry.

Mr Buchanan: Thank you for your overview and update on the skills and industry division.

Mr Allister: You mentioned the Assured Skills programme and yesterday's announcement. I take it that you were referring to the 100 legal jobs that will be created. You said that that programme has a budget of £12 million over four years. As I understand it from yesterday's announcement, some of the money to support those jobs is coming from DEL and some is coming from Invest NI. I think that half a million pounds will come from DEL. So, is that £12 million DEL money?

Ms Ingram: Yes. That is our available budget.

Mr Allister: Yesterday, that produced 100 jobs.

Ms Ingram: Yes.

Mr Allister: Is that the level of investment per job that you would expect under the Assured Skills programme?

Mr Michael Gould (Department for Employment and Learning): In total, 104 jobs are anticipated. Matching money has come from Invest NI under its selective financial assistance scheme. We have been able to contribute to the training of the individuals. In this case, it is re-employment training for individuals who will then go into the company. We are working with the company on its training programme.

Mr Allister: Will most of those people not come trained from the professions?

Mr Gould: They will have the qualifications, but they may not have the training that the company needs for the work that it undertakes.

Mr Allister: For example?

Mr Gould: Axiom works on behalf of other companies, so it is effectively outsourced. It has a very particular way of working with its client companies, and we are working with it to develop the processes and procedures for its client companies.

Mr Allister: Who will provide that training?

Mr Gould: The training is provided by the company itself.

Mr Allister: So where do you come into it?

Mr Gould: We help to fund that.

Mr Allister: Do you pay for it?

Mr Gould: There is a cost associated with it.

Mr Allister: Are you really paying the trainers?

Mr Gould: In some cases, we are paying the trainers, but we believe that individuals from Northern Ireland will be better trained and better off as a result of the training process.

Mr Allister: Is that what your half a million pounds is going to?

Mr Gould: In this case, yes. In some of the other projects that we have worked on —

Mr Allister: Is that not £50,000 per person?

Mr Gould: No, it would not be as much as that.

Mr Allister: What is it per person?

Mr Gould: I had better check the figures, but, in this case, I think it was around £3,000 or £4,000 per person. A business plan is produced and a joint case —

Mr Allister: It is £5,000 per person.

Mr Gould: These are highly paid jobs, and I think that is why the subvention from the Department was slightly higher than usual.

Mr Allister: Is the Assured Skills programme targeting only highly paid jobs?

Mr Gould: It will do.

Mr Allister: Is that the niche that it is after?

Mr Gould: It actually targets any job. When a company is prepared to bring 20 or more new jobs to Northern Ireland, whether that is an expanding indigenous company or a foreign direct investor, we will work with it and run a bespoke plan for it. Each case is different, and we work each case up with Invest NI.

Mr Allister: So it is not just FDI.

Mr Gould: No, it can be indigenous companies expanding.

Mr Allister: Of the 33 projects to date, what is the breakdown between FDI and indigenous?

Mr Gould: The majority are FDI. We have also done some capacity-building work with the universities to help to enhance the skills that the graduates will come out with. For example, in the financial services area, we have provided an additional qualification. That is being taught in parallel with the undergraduate —

Mr Allister: How many jobs have those 33 projects produced?

Mr Gould: It will be over 1,100, we hope, if all the projects come to fruition.

Mr Allister: OK, thanks.

Mr McElduff: I thank the Careers Service for recently being proactive in a situation relating to the closure of a number of shops in Omagh, for example, the Bonmarché shop. The Department responded well to a suggestion that it should go and talk to staff about their future job prospects.

Very many people still think that jobs and benefits offices are benefits offices. I would like to hear more about the range and type of support that is available careers-wise in a jobs and benefits office.

Ms Frances O'Hara (Department for Employment and Learning): Thanks for those comments, Barry. They are much appreciated. You are right that the perception of the Careers Service is sometimes that we work primarily in schools and that the service is not necessarily available elsewhere. Of course, it is. It is an all-age guidance service, and the majority of the work that we do with adults is delivered through jobs and benefits offices. Although jobs and benefits offices are not an ideal environment in which to deliver careers services, there are advantages in that we can, obviously, help people who are unemployed and, because the offices now have a widening customer base, with lone parents and people with disabilities coming in, we can support and add value to what the employment service is doing.

We have worked very closely with the employment service over the past couple of years to develop those referral systems and make sure that employment advisers know who should be referred under what circumstances and what support we can offer. In addition to jobs and benefits offices, as June said, we have three stand-alone careers resource centres, in Belfast, Derry and Dungannon. That model works as a drop-in facility, whereas jobs and benefits offices tend to work on an appointments basis.

Mr McElduff: I have another question, and it is on education. The novel drive to get people to take up STEM subjects is legitimate. However, are young ones sometimes misdirected in that rush? People with other skills and aptitudes are being pushed towards STEM when that may not suit or be in the best interest of the individual. It may be in the best interest of the future economy but not the individual.

Ms O'Hara: That is the balance that our careers advisers have to achieve. It is about recognising the individual's career aspirations and hopes and dreams and making sure that you maximise their inherent skills, but it is also about moving towards what is needed in the economy and how people can use those skills to get, sustain and progress in a job. There is that balance to be achieved.

Increasingly, we owe it to our young people to make sure that they are aware of the risks and rewards of any career path. If they choose to take STEM subjects and go in that direction — assuming they have an affinity for them; there is no point in putting a square peg into a round hole — it is our job to make sure that they know the value of that and the currency that will have in the labour market in the future. We also have to be very aware of labour market information with regard to the priority and emerging skills areas; areas in which they will, hopefully, be able to compete in the labour market of the future.

Mr McElduff: I think that there is a hangover from being pushed into additional maths when I should have been doing Spanish. *[Laughter.]*

The Deputy Chairperson: OK, folks, thank you very much for your presentation.