



**Northern Ireland  
Assembly**

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**COMMITTEE  
FOR EMPLOYMENT  
AND LEARNING**

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**OFFICIAL REPORT  
(Hansard)**

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**Employment Services Directorate**

11 January 2012

**NORTHERN IRELAND ASSEMBLY**

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**COMMITTEE  
FOR EMPLOYMENT  
AND LEARNING**

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Employment Services Directorate

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11 January 2012

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

Mr Basil McCrea (Chairperson)  
Mr Jim Allister  
Mr Sammy Douglas  
Mr Chris Lyttle  
Mrs Sandra Overend

**Witnesses:**

Mr Colum Boyle            )        Department for Employment and Learning  
Mr Jim Russell            )

**The Chairperson:**

We now have a presentation from the Department's employment services directorate. Colum Boyle and Jim Russell are with us today. Colum, it is good to see you again, and I look forward to your presentation. You are normally very sharp, and we are interested. Employment services seems to be one of those issues that is sometimes tucked into the side of the Department for Employment and Learning (DEL). We keep hearing that there are pressures on financing and things like that, and we would be pleased to hear from you what the environment is like in your neck of the woods.

**Mr Colum Boyle (Department for Employment and Learning):**

How long have we got?

**The Chairperson:**

We will be finishing at 1.00 pm. There are a few bits of tidying up that I need to do for about five minutes before then.

**Mr C Boyle:**

I will take about five or 10 minutes to run through the presentation.

**The Chairperson:**

There are not many members here, so we will have a more interactive discussion. That will be useful.

**Mr C Boyle:**

Thank you for the invitation to talk through where we are as an employment service. The aim of the employment service is to make a positive contribution to the Northern Ireland economy, particularly through helping people find and retain employment and to assist employers to fill vacancies. We have a strategy called Working for Success, which is an outline draft, and we wrote to you previously about it. There are a number of key objectives in the strategy, and they are set out in the paper. John Smith covered one of them earlier, which related to moving 114,000 people of working age who are on benefits into employment by 2015. Others include the improvement of the quality and range of our interventions on our front line, which is particularly important to me, and by our providers, through the Steps to Work programme and other programmes that we run. The modernisation of the employment service and maximising the contribution of the staff are key, as are the limitations of living within budget.

Among the big-ticket issues that we face is our response to the economic downturn. There are 61,000 people unemployed, and our economic inactivity is higher than that in any other part of GB. Youth unemployment is going through the roof; it has increased by 155% since 2008. Overall unemployment levels are going through the roof. As I said, up to 61,000 people are unemployed, and that number will continue to rise, according to economists' projections.

The second big-ticket issue is welfare reform. Universal credit tops the bill in that regard.

The third big-ticket issue is the successor to the Steps to Work programme. We need to build a successor programme for that. We are facing huge budgetary pressure with high occupancy levels on Steps. Steps is funded from the DEL budget, as distinct from the annually managed expenditure (AME) budget, from which the work programme is funded in other parts of the UK. We need to maximise the opportunity that the network has to deliver.

**The Chairperson:**

You talk about Steps to Work. Are you going to flesh out what that actually is?

**Mr C Boyle:**

I am just giving you the headlines; I will go through those in more detail. The network needs to deliver a joined-up service in the remaining eight locations where we do not have jobs and benefits offices.

I move now to resourcing. There are 1,280 full-time-equivalent posts. As you know, we are regionally structured. We have a budget of £96.5 million, and we are deficient in that budget by £7.1 million for the Steps to Work programme. That is a direct cause of the high levels of unemployment. This year, we had to pause the Step Ahead initiative, which is part of the Steps to Work programme. We hope to reinstall that on a more focused basis going forward between now and the end of the financial year and, hopefully, next year.

It looks as though 2013 is going to be an exceptionally difficult year for us. Some £4 million of efficiencies are required in the Department's efficiency plan. We have already identified £2 million of those through Steps to Work efficiencies, and the other £2 million of efficiencies will come through the capping of Step Ahead, which is an expensive item.

Our opening budget next year will be £90 million. We will be deficient by £15 million, if we go by the current projections. We have provided an annex to give you a feel for the growth in budgetary pressure over the 2008-09 to 2010-11 period. You will see that the Steps to Work spend has gone from £17 million in 2008-09 to £36.3 million in 2010-11, and, if our bid in the January monitoring round is met, our year-end spend on Steps to Work will be about £48 million.

I will put a bit more meat on the bones of the big-ticket issues. Our front line needs to be

reinvigorated. Over the past number of years, it has spent too much time playing its part in the delivery of a benefits system and applying a conditionality regime, which is very heavy on bureaucracy and which does not give enough focus or time to allow them to spend time with people and to try to get them into work. I want to reinvigorate that front line. I want to reskill the people who are on it. There is a major learning and development programme to put in place there. I want to open up new opportunities for that front line and for the unemployed. I also want to open up opportunities for volunteering and, in particular, for work experience at a very early stage — long before they ever go near Steps to Work. So, for someone coming into us who is unemployed, we would like to be able to offer work experience places. We have jobseekers regulations, which are going through the Assembly at the moment, and Jim and I are going to the Committee for Social Development to talk about a number of issues on those. The work experience piece is absolutely crucial to our youth employment programme. It is very important from an employer perspective as well.

There is the Invest NI jobs fund. We are taking advantage of our collaboration with Invest NI in relation to its role in creating 4,000 lower-level entry jobs over the next four years. We are working very closely with Invest NI to try to utilise our programme mechanisms, particularly the employer subsidy.

**The Chairperson:**

You know what all those things are. I do not know if we have time to discuss it, but what exactly is it that you are going to do to create those 4,000 jobs? Give us a bit more detail.

**Mr C Boyle:**

Invest NI is creating 4,000 jobs. It wants to try to incentivise those jobs for employers. Rather than dreaming up some sort of employer subsidy scheme, Invest NI has come to us to try to create a pipeline between our unemployed and its employers to fill those vacancies. We have mechanisms such as an employer subsidy, which pays an employer so much for a person who is starting work with them. That offsets some of the costs.

**The Chairperson:**

What sort of level are we talking about? What is the detail? Are those minimum-wage-type jobs for which you will give employers a subsidy to make it half the scale?

**Mr C Boyle:**

It is typically that type of job. Most of our clients have gone into retail jobs directly from us. From an Invest NI point of view, it is things like agrifood jobs, healthcare jobs, basic production jobs; the types of jobs that Invest NI would not have touched previously. That is a very significant change from its point of view. The beauty of it is that Invest NI is not dreaming up some separate scheme but trying to draw off the level of unemployed that we have. It is early days. It started very sluggishly, but we are starting to gather some momentum now.

Part of the difficulty we have seen is that employers have found it very dense to try to get to what it is that we actually do for them. Although we are quite good at telling individual clients what we are going to do for them when they come in to see us, employers find it confusing. What is an employer subsidy? How does it work? How do I get it? What other schemes are available? There are so many schemes and programmes that we need to put something together in a much simpler, more transparent way for employers to avail themselves of. That is one of the things that we intend to do.

One way that we do that is by setting in place an employer engagement unit, which pulls a number of disparate functions, through which we were doing different things with employers at different stages, together in one place. We had seven employment contact managers dotted around the Province. Those employment contact managers were more reactive than proactive. I have put a person in place to head up the employment engagement unit, and they previously worked on the Titanic Quarter with Belfast City Council. They have a good track record and know exactly what to do in trying to draw employers in to work more closely with us. For example, we worked very successfully with Premier Inn in getting unemployed people into jobs in that organisation. Those are the sorts of things that we want to try to do from an employment point of view.

**The Chairperson:**

I notice that Sandra has indicated that she would like to ask a question. As there are only four of us left, I am quite happy for members to jump in on any particular point if they want to. We can have a more interactive discussion because of the numbers.

**Mrs Overend:**

We have had discussions with industry about this issue. It strikes me that DEL and the

Department of Enterprise, Trade and Investment (DETI) need to collaborate better, which is what you are saying, to improve the links between education and companies. Instead of having employer engagement units and seven employment contact managers, would it make sense to maybe link that in with Invest Northern Ireland and use the people who are in industry or have contact with industries? Would it make sense for those people to have this knowledge?

**Mr C Boyle:**

Your point is well made.

**Mrs Overend:**

Instead of duplicating people and the links with business, can we use Invest Northern Ireland to get that word out and save money and create jobs for additional people?

**Mr C Boyle:**

Currently, what happens is that, as the Invest NI jobs fund creates additional jobs, we are with the client executive at the initial meetings with the employer. It would be unusual for a client executive to have the depth of experience to understand our programmes and what we would have to offer an employer.

**Mrs Overend:**

Would it not make sense to educate those people, rather than bringing additional people in?

**Mr C Boyle:**

I see your point. We also have skills advisers, so we know that we need to map a wider employer engagement that brings skills solutions and employment solutions together into one place. We know that we need to do that. The Invest NI link is important. The account managers, who are the client executives for Invest NI, are at the front end, so, typically, they go in and do the diagnostic and then pull the experts in from behind. We would be one of those experts coming in behind to see what the employment options would be in order to minimise costs to the employer and find people with the skills and experience that they need. They are like a jack of all trades; they act as an account manager at the front end.

**Mr Jim Russell (Department for Employment and Learning):**

Ideally, business and industry would like one point of contact with government for this type of

thing.

**Mrs Overend:**

That is what I am trying to say.

**Mr Russell:**

That is what we are trying to put together with Invest NI, at least between it and DEL, so that we have a coherent approach to business.

**The Chairperson:**

On that point, can I say that members of this Committee will always get pressure from people asking, “What are you going to do about youth unemployment?”, for example, or asking about unemployment generally. We do not actually know the totality of the schemes that you offer to try to get things through. I wonder whether it is appropriate or possible for us to get either a briefing from or a meeting with some of your advisers, so that someone can say, “This is the overall package of what we have to offer”, and we can advise constituents or whomever that they need to go to see people.

**Mr C Boyle:**

I see no difficulty with that. Since I came to the Department, my difficulty has been that sometimes we describe it in terms that are not necessarily the most accessible to businesspeople. We need to convert the language and make it a bit more straightforward.

**The Chairperson:**

I agree, but I think that you have the same issue with MLAs. Today, on ‘The Nolan Show’ — I did not go on it because I had to chair the Committee — people were phoning in to talk about youth unemployment. I happen to know about the graduate acceleration programme (GAP) because I have got one on and I have mentioned it to other Members, but there are other projects. I am not in a position to tell people that there is a range of things that the Department is doing. You are by no means the worst — in fact, you are very good at it — but there is a general problem whenever the Department talks to us. Officials understand everything that they are talking about — you referred to Step Ahead and Steps to Work — but sometimes we have to think, “Which one is that?”.



**Mr C Boyle:**

I have had the same problem, coming in from the outside. I take the point.

**The Chairperson:**

We need a bit of help on that. There is no bigger challenge than youth unemployment: that is why we are here. Will you think about whether we could sit in on one of your meetings or perhaps have a proper meeting outside the Committee meeting set-up? I think that members would find it useful in understanding the reality of what you do, rather than, I suppose, the policy.

**Mr Russell:**

I have just one point to make about the difference between what we might do for employers and what we might do for the individual. Increasingly, it is not a case of us saying to employers, "This is what we have on offer"; it is more a case of saying, "What can we do for you?". We might be able to put in place bespoke solutions for individual employers. It could be anything from doing their whole recruitment process to just offering them appropriate candidates to interview.

**The Chairperson:**

You know, Jim, that there is nothing more frightening than a blank piece of paper. If you ask someone, "What do you want?", the reply will be, "What can you offer?". There needs to be some sort of guidance. I understand that that is you being reactive.

**Mr Russell:**

It is about finding the solution for the individual or the company. One of the problems that we have had with our programmes is what to do when you have a big programme, put it out there and put loads of people through it and it fails most of them. "What did we need for the people whom it failed for?" is the question that we keep having to ask ourselves. What did we miss? Why do we have to change it? Our programmes are always evolving.

**The Chairperson:**

I will tell you the bit that worked for me. I know that it is the general thing for the GAP, but, when you take somebody on for six months, after a while you get to know that person and see that he or she is good. Therefore, you then look to see whether, for the next six months, you can find a legitimate job for which the person is going to be paid. After a year, if nothing else, he or

she has had a year's experience of doing real work. Frankly, if people have anything about them, they will have made themselves indispensable and will get a job. That is what happens. I know that, at the minute, most businesspeople are not looking to take on labour unless they are absolutely convinced that they have a skills shortage. You have to try to find a way of getting people into some form of labour. The fact is that you can train people a lot easier when they are in a job than you can when they are unemployed, as I am sure you know.

I was asked today why it would matter if DEL and this Committee were not around. The real focus is on the challenge of unemployment, particularly youth unemployment. We have to find a way of putting our ducks in a row so that we can get people into jobs.

**Mr C Boyle:**

You asked for a practical feel of what we are trying to do with the unemployed. In the past, if employers were getting people from the unemployment register as applicants for their jobs, we would have sent along 50, 60 or 100 people. We want to move away from that situation. We want to provide something that is skilled and tailored to what the employer actually needs. Therefore, we will do preselection and make sure that we bring along those candidates whom we believe are best suited to the job. That is the sort of area that we need to get into, particularly in the face of the downturn, to give employers something that they need.

There were equality considerations in that, and we have had to take legal advice. Employment agencies are doing it. We are the biggest employment agency in Northern Ireland; we are the public one. Rather than have employers say that the people on the register “do not do it for them” and they would rather pick their own, we need to try to change that mindset. We can help employers pick people. I worked in Invest NI in a previous life. Although clients like money, they also like expertise being brought to their doorstep, and they like having someone to hold their hand and say, “We can make that happen for you.” That goes for small and medium-sized enterprises (SMEs) as well. I know that a lot of SMEs are risk-averse about taking anybody on, but given that we have so many SMEs, there is a big issue about kids — particularly kids — being given a chance with work experience. We need to open that door very fast. The practical side is where I am at with this. It is about making policy very applied. The front line piece has got to happen quickly, before people get on to the work programme. Every person who comes on to the work programme costs a lot of money. There are front line things that should be being done earlier.

**The Chairperson:**

When you say “work programme”, do you mean Steps to Work?

**Mr C Boyle:**

Yes, I am talking about Steps to Work. There are front line things that could be being done earlier to prevent some people having to go on to the work programme and might help them get employment earlier.

We had the chief executive of the UK Commission for Employment and Skills (UKCES) with us yesterday, and we discussed this very point with him. He said that employers do not like to have to take on people for their first job. Typically, they like to get people who are on their second job. We want to try to give as many people as we can their first job as early as they can possibly get it, but we need employers to play with us. You asked what you can do to help. One of the biggest things that you can do to help is help us work with employers. Tell them that the only way in which we will start growing the economy and turn the corner is if they meet us halfway. Tell employers that if we can give them good people for work experience, they should take them and give them a chance.

**The Chairperson:**

I take that point. When the Deputy Chairperson and I were over in Brussels, we looked at the age at which people are employed. That used to happen at age 16; now, it is at 19, 20 or 21, because employers want somebody else to have done the training. There is talk about using intermediaries or agencies, in which a third party will train people up in what is, effectively, their first job, through some form of social enterprise, or something like that. Given the numbers that you are likely to have to process, that is an area at which you may have to look.

**Mr C Boyle:**

It is an area that we are already thinking about.

**The Chairperson:**

I will let you move on. However, that is the issue on the lips of everybody in DEL.

**Mr C Boyle:**

The second big-ticket issue is the next generation of Steps to Work. Steps to Work came in on the face of the economic downturn. It has been a good programme, in the sense that it has held up fairly well against its predecessor, New Deal, in getting sustainable job outcomes, which means keeping people in work for longer than six months. It is costly, however, and elements of it are very costly. We are attracted to some of the things that are going on in the Great Britain work programme, which has moved towards more of what is called a black box approach, in which they prescribe less for the main contractors. They say to them, “You do whatever it takes to get these people into work and keep them there, and we will pay you sustainability payments for keeping them there.” Such sustainability payments are not over six months but over a two- or three-year period. How the programme runs in GB has been totally refreshed. For example, Scotland is divided into two contract areas. Both contractors get half of the market share, and it is for them to come up with approaches and to use whatever supply chain and measures that they need to get people into work and keep them there. In the past, we have been more prescriptive than that.

**The Chairperson:**

What do you mean by more prescriptive?

**Mr C Boyle:**

We tell our providers that, for example, we want them to put people through work experience of this length and to give them training for a certain number of days. For me, that gets in the way of the outcome. We are interested in output and outcomes.

One of the elements that have made that shift possible in GB is what is called an AME/departmental expenditure limit (DEL) switch. That allows money from the AME budget — benefit savings made when someone stays in work for longer — to be used to pay the providers for keeping people in employment.

**The Chairperson:**

How does Treasury feel about that?

**Mr C Boyle:**

Treasury cleared and approved it. It is early days — the programme has been running for just

under a year. The Department for Work and Pensions (DWP) told us that it was a long and difficult process —

**The Chairperson:**

There would be an issue for Northern Ireland, with DEL coming out of the block and AME being a Westminster thing. I can understand the GB scenario, where it does not matter whether it comes from one pot or the other, but it would be a net budget gain for Northern Ireland if you could get it into AME and out of DEL.

**Mr C Boyle:**

That, in effect, is what we are trying to do, so we have written —

**The Chairperson:**

Our Treasury —

**Mr C Boyle:**

If the Treasury has done it for the rest of GB, why would it not do it for Northern Ireland? Lord Freud has been across twice, and we talked to him both times. In effect, he said, “If you are going to go down the road of universal credit, you are going to need a work programme that is robust enough to cope with that.”

**The Chairperson:**

That is fair enough.

**Mr C Boyle:**

We said that we would support that. He speaks for DWP in the House, not the Treasury. However, he is putting his shoulder to the wheel. We have written to the Department of Finance and Personnel (DFP) on that, and we will soon engage with it on the issue. For me, that is a huge element. The supplier base that we in Northern Ireland have is very good. The big issue for us is whether that supplier base is on the right scale. Can it cope with the level of risk associated with output related funding over two and three years?

The other big question is whether the economy here has got what it takes, given its heavy reliance on the public sector. Therefore, one of the things that we are trying to do is to tease out,

from an economic perspective, what the economy will do over the next 10 to 15 years and how well a programme such as this will play. We need a lot of economic input to put this together.

The last thing that we want to do is to go down as far as having two lead contractors for Northern Ireland, as I think that that would be to put all our eggs into one basket, nor do we want simply to pull something in directly from GB. We want to do something that builds on the best of Steps to Work and the best of what is being done across the water. We want to bring the two together in a practical way to give us pragmatic solutions.

**The Chairperson:**

All of that will be of interest to members. I am in agreement on many of the issues. The question is what the outturn looks like when you consider those things. I am not sure about the longevity of the Committee and the Department, but we need to think of some way of getting interested public representatives informed, to make them part of the process.

**Mr C Boyle:**

There are a few critical points to make about the project. We have a project team in place and will do an initial feasibility study on what the work programme should look like in Northern Ireland. We will bring that to the Minister. Once we have done that, we can bring it to the Committee and give members a feel for what we think it will look like. There may be two or three options in that. At that point, we would push on through a business case that will set out the preferred option. Beyond that, if we got that approved, we would be into the procurement process. We need this to be in place no later than October 2013, the same point at which universal credit comes live. That is the critical piece in this.

Another big-ticket issue, and not one that I want to spend very long on, is the strategic —

**Mr Lyttle:**

Sorry to jump in, but, no matter what happens around any departmental restructuring, it is critical that that continues to be driven forward by whoever is leading the charge.

**Mr C Boyle:**

If you are asking what keeps me awake at night, the answer is the work programme. The successor to Steps to Work and youth unemployment are the two big issues I am focused on.

Those issues take up most of our time and thought processes at this point.

The next big-ticket issue, and not one that I want to spend very long on, is the strategic review of the Disability Employment Service (DES). We want to enhance the support that we provide to people with disabilities by way of employment. We are in the latter stages of finishing the development of the Work Connect programme. Work Connect will be the replacement for the New Deal for disabled people. In practical terms, we are trying to put in place a programme for disabled people to get them ready for work, help them make the transition into work and help them stay in work. In the past, the disability sector was a key player, as providers for that programme. We anticipate the same thing happening again. We hope to have that in place at the beginning of April.

We also hope to make sure that we map together disability programmes and provision much better with other mainstream provision. At present, there is a disconnect. I am also very conscious that nobody has had a serious look at DES in 10 years. I am having a serious look at it this year. That is an important issue, and, again, the Committee will be sighted on where we go with that.

Universal credit is the next big issue. The new working-age single benefits structure will cover all the working-age benefits that there currently are, plus housing benefit, child tax credit and working tax credit. For the first time, it puts in place a benefit that deals not just with people who are unemployed but people who are employed. That gets a lot of headlines across the water about how negative it is going to be for Northern Ireland and the impact that it is going to have on benefit spend in Northern Ireland. From an employment point of view, the employment service will be dealing not just with people who are unemployed but people who are employed. A huge number of people will be coming to us, and, as yet, we do not have the specifics of the volume. We expect to have to put in place a very different service design and a very different way of dealing with people. Our front end is very process-driven, with booths and risk assessments, all of which are very physical. If you look at Jobcentre Plus, you will see that it has a much freer way of delivering work-focused services, and that feels a lot more intuitive when it comes to getting somebody into work, as distinct from having a conversation with them about benefits.

Universal credit will have significant IT implications for us. Currently, our IT system is not set up right for it. There are also accommodation implications. In considering how it will

process the benefit, the Social Security Agency (SSA) is saying that it will have to be mostly online, as distinct from face to face. I can foresee a situation in which the SSA will have to contract back from the presence that it has across the Province. That would mean that offices across the jobs and benefits network will be left with largely an employment face.

The other associated key point is what will happen with the social fund. It will be interesting to see how social fund reform goes forward. At present, in trying to deal with getting clients back into work, if there are social fund issues happening alongside that, it can be very difficult to manage the two together. That is where a lot of issues kick off and where a lot of the risk comes from.

We are at the early stages of trying to map out how we will engage with customers on universal credit. We are looking at what GB is doing. That is our starting point, although we will not be following that by necessity. We will make sure that we put something in place that takes account of new customers as well as the customers to whom we currently deliver.

The resourcing implications could be significant. If we have a large number of extra customers, we may need a significant number of extra staff. In the longer term, we are not quite sure what the design of the universal credit single delivery organisation will look like. Currently, we are out of the scope of that organisation. Do we see ourselves as a strategic delivery partner that delivers the employment services at the front end of that organisation?

**The Chairperson:**

It is a bit scary, is it not?

**Mr C Boyle:**

It is. There is a lot going on very quickly. The challenge to try to get the IT system in place for October 2013 is scary. The challenge to get the single delivery organisation in place for the Department for Social Development (DSD) will also be scary. Several hundred staff from Revenue and Customs are involved in this, and several hundred staff from the Housing Executive are involved. We are also relying on Revenue and Customs coughing up an employer information database, which we will need on the front line. That will be a big one and will take some time to deliver properly. I would not like to say whether we have it all singing and all dancing on 1 April 2013, but I would not put any money on it.



**The Chairperson:**

Given the Government's record with IT systems, I am sure that it will be all right.

**Mr C Boyle:**

We will see.

**Mr Lyttle:**

There is a hint of irony there.

**The Chairperson:**

Thank you, Chris, for making it clear for the record that that was irony.

**Mr C Boyle:**

The final area that I want to talk about is youth unemployment. We are aware that, in GB, DWP has £940 million to put into youth employment. Wales and Scotland are doing something on that, and we also need to do something. We met the Minister this morning, and we put a number of concrete proposals to him. He is raising the matter tomorrow at the Executive meeting under any other business, and he will be submitting a paper to the Executive in early February.

We understand that it is a massive issue, and we have been working flat out on it for the past five or six weeks to put in place something that we think is solid and innovative. Earlier, you described a scenario involving a GAP person. You want to see people being able to build experience early, and those are some of the thoughts that we are having around how to do that.

**The Chairperson:**

Colum, time is pressing on.

**Mr C Boyle:**

That is effectively it.

**The Chairperson:**

I did say that members were to jump in rather than ask huge questions, because I want to finish at 1.00 pm on the dot.

**Mr Douglas:**

Thank you for the presentation, Colum. There was a recent report in the ‘Belfast Telegraph’ about the decommissioned ship the Ark Royal. To my knowledge, there are number of those ships across the world. If the bid to bring that ship to Belfast were successful, there would be the potential to create hundreds of jobs around the corner from here at Harland and Wolff. There would also be opportunities through apprenticeships.

This week, I spoke to former employees of Harland and Wolff, including a former foreman. He said that we do not currently have the skills to bring decommissioned ships into Belfast. Those are not huge high-level skills but skills that could be learned reasonably quickly over perhaps three to six months; for example, through accredited training. Has your Department had any discussions or contact with the likes of Harland and Wolff? I know that Harland and Wolff is also involved in turbines and all that. There are tremendous opportunities if we can get someone to champion those types of initiatives for Northern Ireland.

**Mr C Boyle:**

Through the adviser on employment and skills, we have been having a say in the context of youth unemployment. We have been having those conversations with him at a very early stage. We recognise that there are opportunities such as the one that you have just described where we can put training initiatives in place very early on to give people the skills that they need so that we can put people who have those skills into those jobs. That is just one example, but there are a number of other examples.

**The Chairperson:**

That is a specific issue, Sammy. If we were to drop the officials a note, could we get some response about how we would look at specific employment opportunities? Would that be OK?

**Mr C Boyle:**

That is fine.

**Mr Douglas:**

That is a good idea.

**Mr Allister:**

One of your headline aspirations is to assist 114,000 working-age benefit clients to move into employment in three years' time. That is a very precise figure. How is it accumulated, and is it, as I have described it, aspirational because of the caveat that is entered: "subject to economic conditions"? Is it just a headline figure that has very little meaning?

**Mr C Boyle:**

No, it has meaning.

**Mr Russell:**

It is accumulated over the four years. Basically, it —

**Mr Allister:**

There are only three years left.

**Mr C Boyle:**

We are well on track with that.

**Mr Russell:**

We are certainly on track for this year's total, and probably slightly ahead of it. Around 90% of those are people who are claiming jobseeker's allowance (JSA). The balance is people who are claiming employment and support allowance (ESA), incapacity benefit (IB) and income support. Basically, it is a projection of expected performance based on our historical ability to move people from those working-age benefits into work over that period.

**Mr Allister:**

How many are coming on to benefits at the other end?

**Mr Russell:**

We have 60,000-plus on JSA and 100,000-plus on ESA or IB. We move them at that rate. The question is whether we can move them at a rate that will see a reduction in the overall levels of unemployment and disengagement. That is the challenge. If we did not intervene with those people who are on working-age benefits and left the market to its own devices, we would find widening positional or structural unemployment with people particularly disadvantaged in the

labour market, such as lone parents, older people and people who have health conditions and disabilities.

What we are trying to do about youth unemployment is to intervene and correct what is really market failure. If we do not intervene, we leave people out of the system for a long time. There is evidence that a period of unemployment of more than a year when a person is aged 16 to 24 is more likely to result in multiple periods of unemployment throughout the person's life. That is the type of thing that we are trying to counteract and defeat.

**Mr C Boyle:**

That is probably not the best measure for the longer term; that would be the number of people that you have got into work and who have stayed there on a sustained basis. The figure of 114,000 reflects the churn that you get.

**The Chairperson:**

Chris?

**Mr Lyttle:**

No, I am grand, Chairperson. Thank you.

**The Chairperson:**

We understand that you are dealing with a hugely complex issue. People on the Committee are interested in such things, and we need to find a way of getting sufficient time to deal with it. We cannot do justice to covering the broad sweep that you have got here, but we are particularly interested in the challenges that you are facing.

You might want to think between yourselves about how we would set up an informal briefing, which could be open to all MLAs. I think that the challenges are so severe and the changes so significant that we need to find a way of effectively and efficiently engaging the politicians and others who will be speaking to the people.

**Mr C Boyle:**

The challenge for us is to showcase what we do and how we do it and to show you the practical reality of that. One way in which we could do that is if we brought you down to a jobs and

benefits office so that you can see what goes on. We could then present to you what we have on offer to try to deal with it. I think that that may be the best way of doing it.

**The Chairperson:**

I ask that you communicate with the Committee Clerk about the right way to go about that.

I conclude by thanking you for an excellent presentation. There was a lot of detail in there, and it gets us to ask more questions. At least we have got some sort of steer, and we would like to engage, so thank you very much for that.

**Mr C Boyle:**

We need to get you to come and see it; I think that that is the answer.

**The Chairperson:**

OK. Thank you very much, gentlemen.