



Northern Ireland
Assembly

Committee for Employment and Learning

OFFICIAL REPORT (Hansard)

Programme for Government Delivery Plans:
Departmental Briefing

24 October 2012

NORTHERN IRELAND ASSEMBLY

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Members present for all or part of the proceedings:

Mr Basil McCrea (Chairperson)
Mr Thomas Buchanan (Deputy Chairperson)
Mr David Hilditch
Mr Fra McCann
Mr Alastair Ross

Witnesses:

Mrs Catherine Bell CBE	Department for Employment and Learning
Mr John Smith	Department for Employment and Learning

The Chairperson: I suspect that this session will be quick. Mr John Smith is here to tell us that he has got all the money and spent it, and Catherine is here to answer a few questions. She very kindly agreed to stay on.

Mr John Smith (Department for Employment and Learning): When we last corresponded with you on this topic, we said that we would monitor progress on the Programme for Government (PFG) commitments on a regular basis. Indeed, the Ministers are keen that this be a simple and easily accessible process with a view to some kind of online publication at some point in the future. Suffice to say, the Office of the First Minister and deputy First Minister (OFMDFM) is co-ordinating a regular quarterly progress reporting regime, and the material that you have covers quarters 1 and 2 of the current financial year. In summary terms, we have reported all our commitments as on track for delivery at this stage. The Minister for Employment and Learning has approved the release of that material to OFMDFM and this Committee. Our understanding is that there will be a central oversight of that material by colleagues in OFMDFM, which will lead to a more high-level progress report across all the Departments.

I now move into the detail. The first commitment you will see is to increase uptake in economically relevant science, technology, engineering and mathematics (STEM) places, for which the target by the end of the Programme for Government is an additional 700 enrolments. For this year, our target —

The Chairperson: Seven hundred enrolments where?

Mr Smith: In economically relevant STEM subjects in higher education (HE) institutions.

The Chairperson: Does the PFG refer to higher education?

Mrs Catherine Bell (Department for Employment and Learning): Yes.

Mr Smith: Yes, and further education (FE) colleges that deliver HE courses are also included.

The Chairperson: OK.

Mr Smith: We have made the money available, the places are available and we await the enrolment data. That target is really about investing in the future. The early winners will be the school leavers who want to do STEM subjects at that level. Clearly, once that policy is followed through in the medium- to long-term, we hope that the winner will be the economy. A greater pool of STEM graduates with those requisite skills will help to attract inward investment and, therefore, jobs.

The second commitment is to deliver over 200,000 level-2 and above qualifications over the life of the PFG. The commitment for the 2012-13 financial year covers the 2010-11 and 2011-12 academic years added together.

Clearly a strong skills base provides a basis for innovation, exports and growth in the economy, and progress to date has been good. In the 2010-11 academic year, over 66,000 qualifications were achieved at that level. The target is 105,000 and, therefore, we are over 50% of the way there. We will get the 2011-12 academic data some time in 2012-13. However, at this stage, given that we are over 50% towards the achievement of this year's target, we are confident that the target will be achieved overall.

The third commitment is to develop an economic inactivity strategy. At this stage, we are really in strategy development mode. The milestone for this year is to develop and agree the strategy itself. A paper will be presented to the Executive some time in the autumn, which will give the baseline position, and we aim to present the draft strategy to the Executive early in 2013. It is likely that that strategy will focus on increasing opportunities in employment for people such as the long-term sick and disabled, those with family commitments, older workers and lone parents. We will wait to see the detail in the strategy when it is published. However, at this stage we are working well with colleagues in the Department of Enterprise, Trade and Investment (DETI), the appropriate governance structures have been set up, project teams are in place and we are on track to deliver a draft strategy in line with the timetable.

The fourth commitment to move 65,000 people from welfare into employment in the financial years 2011-12 and 2012-13 will be delivered, primarily, by our employment service. The target to the end of the second quarter of this year was 50,000. We expect to exceed that by around 5,000 and to have moved just over 55,000 people from welfare and into employment by the end of quarter 2. We are also on course to achieve the overall PFG target for this year and over the life of the Programme for Government.

The trends last year and this year to date suggest that performance in this period will be very similar to performance in the last period, and we ought to exceed the target by around 6%. Overall, the target for the life of the PFG is to move 114,000 people from welfare into employment.

That was a relatively brief run-through of the background, context and position at the end of quarter 2. I will stop there and take any questions.

Mr F McCann: That was interesting. It lifts my heart when I hear about 65,000 or 50,000 people being moved into employment. However, when you drill down into it, you question what type of employment they are moving into. Is that job schemes or actual jobs?

Mrs C Bell: It is people moving into employment, but it could be short-term employment.

Mr F McCann: Part-time employment?

Mrs C Bell: Yes.

Mr F McCann: Would some of the schemes like Training for Success be included as employment under that measure?

Mrs C Bell: No.

Mr F McCann: To satisfy my own curiosity, is there any possibility of us getting a breakdown of what type of jobs those people get and how short-term those jobs are?

Mrs C Bell: Yes.

Mr F McCann: Some people may go into employment for six or eight weeks and then go back into unemployment again. Do we keep a track of them to advise them and train them up for other jobs, or are they just lost once they come out employment?

Mrs C Bell: Certainly, we can give you what we have. Is that all right?

Mr F McCann: Yes, Catherine, I appreciate that.

Mr Buchanan: To follow up on that: I am concerned that this is, perhaps, a target-filling exercise. We do not really know what type of jobs they are. Some 55,000 people come off benefits or whatever and go into employment. However, some of them are only employed for six or eight weeks and then go back on to benefits again. All that you are doing is filling or meeting a target. Is there really a benefit? I think that the only place we will see a benefit is if we can see how many of those 55,000 people get long-term employment.

Mrs C Bell: That is what I said earlier, Mr Buchanan. When we monitor the success of things like Steps to Work and getting people into employment, we have two targets. We measure how many get employment and how many get sustained employment. Sustained employment is the most important part.

The Chairperson: On the point that both my colleagues brought up, do we have any analysis? Is it just churn?

Mrs C Bell: I will need to come back to you after looking at exactly what we have in that area. I would not go as far as to say that it is churn, but there are areas where people work for short periods of time, leave and go back in again. I will come back with whatever we have.

The Chairperson: I think that we would like to see some analysis. Do the figures include people who have gone onto Steps to Work because they are young people? Would that, as it were, put them on benefits?

Mrs C Bell: No; it does not. If they are on Steps to Work, they will not be included in those figures. However, if they have been on Steps to Work and have moved into employment — real jobs — they will be included. We do not count them if they are on programmes.

The Chairperson: If they are on Steps to Work, they almost certainly get benefits.

Mrs C Bell: They do get benefits.

The Chairperson: It is young people coming out who cannot get jobs.

Mrs C Bell: Yes. Do you want to see —

The Chairperson: Let us see what you have got, Catherine, and whether we can revolve round on this. As the Deputy Chairman said, we are really after long-term employment for people —

Mrs C Bell: Absolutely.

The Chairperson: — and not just meeting —

Mrs C Bell: Some of it will be part-time employment as well.

The Chairperson: If you can have a look at it and come back to talk to us whenever you are ready.

Mr F McCann: Just to get a picture.

The Chairperson: I think that that would be an area of interest.

Does anybody else want to ask any questions?

We talked about milestones for the Programme for Government. Who set those milestones? Who agreed, for example, that, for the first one, there would be 233 STEM places?

Mrs C Bell: That was the Executive.

The Chairperson: But somebody must have suggested the number.

Mrs C Bell: Yes. You will recall that the Minister got money for additional higher education places. This is how it was broken down over the three years: there were 233 places in 2012-13. Normally, the Department does not say where the higher education places have to be allocated, although it did so for the PhD places in the previous comprehensive spending review (CSR) period. For the first time, it has indicated where those additional places were to be.

The Chairperson: I take that point. Nevertheless, the Programme for Government, the Department, this Committee — and I forget where I read it in the strategy — all say that our future is likely to be in upskilling around employability and creativity. There is also a focus, I think, on STEM or whatever. This is one of at least two fundamental drivers for our economy. However, all we have said about STEM is that we are going to give an extra 1,000 places. There are no milestones to say that we are going to do more in FE colleges or schools.

This is the only target that we have to hold you to account on. I accept that it is factually correct that the Department has met its funding obligations. You got the money from the Executive and you told the universities that the money is available and that it is up to them whether they recruit. I am sure that they will fill those places, and that is STEM sorted.

Mrs C Bell: In this Programme for Government, the amount of information that individual Departments were able to put in was very restricted.

The Chairperson: I am not putting the blame, I am just trying to understand the process. I read out to you earlier from a statement that said that this Committee recorded its concern that the milestones were not sufficiently detailed for us to hold people properly to account. Did the Department attempt to put in more meaningful targets as per the previous public service agreements (PSAs) and say that those are what it thinks it should be looking at?

Mrs C Bell: The Minister signed these off.

The Chairperson: Are you telling me that we need to write to the Minister, Catherine?

Mrs C Bell: No, I am not. At the end of the day, these are the targets that are in the Programme for Government. I have a STEM strategy that covers many Departments and is bigger than 233 places.

The Chairperson: Absolutely. You have a great strategy and a great programme, but you are saying that you are going to send this to the Executive with a green flag, saying that everything is OK.

Mrs C Bell: The thing is that we are also restricted. This is OFMDFM's template that we have got to complete.

The Chairperson: I am not blaming you. I understand that this is what was agreed and is what they asked for. You are doing what has been asked for. I am saying that I do not quite understand who was responsible, way back when, to say that you have a much richer STEM programme than this, and we are not tracking whether you are doing a good job. I just think that that is such a fundamental element.

It is about all the issues that you deal with. I am passionate about the fact that it is not just about STEM but about the qualifications. I just do not understand why the targets are so modest, or perhaps, narrow rather than modest.

Mr Smith: I have two observations. There was a general appreciation that, this time round, we needed to make the Programme for Government document a lot more strategic. In the last PFG, there were hundreds of really detailed PSA targets that created an information overload. That is why we have a relatively smaller number and a higher level of commitments in this Programme for Government document across the piece. What you see in front of you evolved over a number of months, through dialogue between officials, Ministers and OFMDFM, to arrive at a basket of commitments that would be understood and have a light touch, in the sense that it could be monitored.

The Chairperson: I can see that monitoring this takes you all of five minutes, John.

Mrs C Bell: That may be true of that particular one. However, have a look at the ones underneath it. They take more than five minutes, and there is a fair amount of work involved in monitoring some of the targets.

The Chairperson: You have only three others to look at, Catherine.

Mr F McCann: I will take it a stage further. You are dealing with what is laid out in the Programme for Government. Are all the resources tied to what is in the Programme for Government or have you come up with issues? Can you go beyond what is contained in the Programme for Government?

Mrs C Bell: The Programme for Government is the overarching strategy, but there is also the economic strategy. In that, there is much more detail.

Mr F McCann: Do resources allow you to —

Mrs C Bell: Yes. In fact, the economic strategy supports the Programme for Government. We can commit resources against whatever is in the economic strategy. That is why we have the resources against the STEM strategy; against the skills strategy, which leads to the qualifications; and against employment services and dealing with economic inactivity. That is why the strategy that comes out of that is there as well.

Mr F McCann: I do not know whether it can be done. I know that, for a lot of this stuff, we talk about mapping it from start to finish. We have talked quite a lot today and at other meetings about qualifications, but behind every qualification, there is a person. It might be too much to ask for, but is there any way that, when we look at qualifications, we can put not a name but a face to it? Then we could say that, as we have 10,000 people who have qualifications, let us track those people from the moment that they go into further education or university, and then track them beyond the qualification to see where they have gone. Did they go into employment? I do not know whether you can do that.

Mrs C Bell: We do that with higher education. That is done automatically, and we have just started to do it in further education. The answer is that, yes, we can tell you how many leave university, how many go into employment and how many go into employment at graduate level. All of that is done, six months after graduation.

Mr F McCann: Is there any way in which we can see that tracking over the past couple of years? It would be nice to look at and say, "Some 20,000 people qualified, of which 15,000 went into employment, and out of that, 10,000 might have gone into employment related to the education qualification." It would give us a picture.

Mrs C Bell: I am not sure that we can do that last bit. Certainly, we can do everything else in higher education. We have literally only started in further education.

The Chairperson: The research paper that Colin Jack was talking about, under A13, addresses that question. It states:

"What happens to students once they leave their further education and training courses? This study would consider the possibilities of conducting a survey similar to that conducted in HE via the Destinations of Leavers from Higher Education (DLHE) Survey to track learners from the FE and training sectors."

Mrs C Bell: We have started that work.

The Chairperson: Therefore, the answer to Fra's question is that there is a research project. We would like to see it.

Mr F McCann: It would be good to see.

Mrs C Bell: We have the information for higher education. We can give you that.

The Chairperson: Yes, higher education is of interest, but it is only a subsection of what we are looking at. I am worried about the fact that when we give a target such as 200,000 qualifications, they may be qualifications in needlework. It just says level 2. I have to tell you that the Minister said only yesterday in the Assembly that, by 2020, only 10% of jobs will require no skills.

Mrs C Bell: Absolutely.

The Chairperson: I suspect, because I heard it talked about, that the requirement to go to levels 3 and 4 is also dramatically increased. My absolute worry is that level-2 qualifications are not sufficient to get people a job that will pay them or are just qualifications, as in theoretical qualifications. We talked in the programme-led apprenticeships (PLAs) bit that the accusation comes back from some quarters that, "Yes, they have the qualification, but when I ask them to do the job, can they actually do it?" The emphasis should be on skills rather than qualifications.

Mrs C Bell: I beg to differ, because we have this in spades at the minute. First, as I said, qualifications are based on standards set by employers, so it is the employers who specify the standard for the qualification. I can understand a person working for a company for 20 years, developing skills and doing really well. However, what happens if that job disappears? That individual does not have something that states that he is qualified as a welder or whatever. The qualification is for the individual. Skills are the —

The Chairperson: Here is where I beg to differ with you. You can take people out with welding qualifications and say to them, "Here is a piece of steel. Do me a diagonal cut on that." They may know all the theory, but have they the manual, dexterous skills to do the job?

Mrs C Bell: Yes. If they do a qualification — I use the term NVQ, but not all qualifications for skills are NVQs now — they do develop the skills. Therefore, they get the hand skills but also the theoretical skills that are underneath. In other words, "If something happens, what do I do?"

We have staff in our Department whose family members have lost their jobs, and you ask them what qualifications they have. They reply that they do not have any but have worked in a company for x number of years and are skilled. The only proxy that we have for skills, and it is the proxy right across the world, is qualifications. That is why when we are funding skills solutions, they have to lead to a qualification that is on the qualifications framework. Otherwise, people are expending energy and effort. They may get something at the end of it, but they need that ticket.

The Chairperson: They may need qualifications, but they also need skills that people are prepared to pay for.

Mrs C Bell: But that is —

The Chairperson: We will bring evidence to the Committee and, no doubt, you will keep an eye on it through Hansard. We will bring evidence from employer groups, or from anybody, frankly, who wants to tell us why it is that you cannot get a job when there appear to be vacancies elsewhere. That is what we were talking to your colleagues about and what employers are saying about a skills gap.

I am not sure whether you were in for the previous presentation, but one of the analysts told us that the recently published Northern Ireland employer skills survey is likely to show that there are always 70,000 to 80,000 skills-requirement jobs in Northern Ireland. We have asked to have a look at that.

However, what we hear from colleges and employers is a different story. Are we just moving people into a scheme that gets them a qualification that does not ultimately lead to a job?

This is an apocryphal story, but you hear about people doing degrees only to end up flipping hamburgers in McDonald's. That is what we want to avoid. We need to get people real skills.

Mrs C Bell: Of course, and I passionately support you on that. However, the qualifications have been developed and the standards set by employers. The qualifications come from those standards. Colleges and training providers develop a curriculum to develop the skills. If it is a skills-based qualification such as an NVQ, the skills are developed as well as the theory. If it is a further education course that a person enrolls on, such as a BTEC National or a BTEC First, that is a theoretical course about the area, because the young person generally wants to progress to the next level or into higher education. However, the qualifications on the national qualifications framework based on standards set by employers, and it has taken years of work to do that.

The Chairperson: I have a counterargument. However, we will not go over it now, because I hate arguing with you. You are so passionate about doing things that I always feel that I am attacking the wrong person.

We talked earlier about employers in the electrical trade, and its industry standards call for level-3 qualifications. We are turning out people with level-2 qualifications. The job of an electrician is life and property stuff, and if you send people with a level-2 qualification to do a job and they electrocute themselves or somebody else, that is not a good outcome. Employers are saying to me — I do not have the details, but I think that there is an freedom of information request in — that the transition rate from people with level-2 qualifications to level-3 qualifications is around 8%. In other words, we are not really giving industry the skills that it needs.

Mrs C Bell: I would rather come back and have an informed debate on PLAs, because I do not have all the details either. First, the programme-led apprenticeship scheme was to be for the short term, because of the economic downturn. However, the economic downturn has gone on longer than any of us predicted.

Secondly, through the new programme, Training for Success, programme-led apprenticeships had gone and a new programme was designed. However, we cannot use that because we are caught up in a legal wrangle over contracting. Therefore, we cannot do anything about it. I would far rather all our PLAs to be in employment. That would be the best thing, but employers are not employing, so what do we do? We tried to develop a programme that mirrored an apprenticeship programme and gave people the employability skills, the essential skills and the technical certificate.

The Chairperson: I am not being critical of you and what you are trying to do. I know the circumstances. However, we need to revisit the issue.

Mr F McCann: All of us are trying to understand the process and all the legal difficulties that you talked about. If we do, that will allow us to understand some of the problems better.

We visited Wrightbus a number of months ago. It had raised with us the difficulties that it had with the Department over apprenticeships, and that resulted in a reduction in the number of apprenticeships. Wrightbus said that it was willing and able to take people on but that it had met a brick wall. That was factual information as far as it was concerned, and it was stopping apprenticeships from going through.

Mrs C Bell: And yet our aim is to grow as many apprentices as possible.

Mr F McCann: People say to us, "This is my problem", so we need a mechanism whereby the Department can pick up on it and close down any difficulties.

The Chairperson: I agree. We will revisit it. Do not take it, Catherine, that we are having a go at you and the Department. We are just trying to understand the apparent contradiction that we hear in the places that we go to.

I will conclude on this point unless anybody else wants to say anything. Are you reporting against the targets in the economic strategy?

Mrs C Bell: Absolutely. Our Department is responsible for its bit, and my monitoring of that is done through the implementation of my skills strategy, because what is in the skills strategy is in the economic strategy.

The Chairperson: Is there a reporting structure to centralise it through OFMDFM?

Mrs C Bell: It goes to DETI, because it is the Department that is responsible for the economic strategy.

The Chairperson: Can we have a look at what you are sending to it?

Mrs C Bell: I do not think that anything has been sent on the economic strategy yet.

Mr Smith: The reporting piece is under development.

The Chairperson: You can perhaps give us an update.

Mrs C Bell: The implementation of the skills strategy is through the normal project or programme management that we use with PRINCE — projects in a controlled environment — with a senior responsible owner. It is the same with the higher education strategy. We make sure that if there is a risk that we will not meet the targets, we can do something about it.

The Chairperson: I understand that the PFG resulted from a lot of interactions with a lot of different bodies, but our difficulty, which the Committee stated before the Programme for Government was agreed, was that the target in the PFG — I will finish on the economic plan — merely to provide funding for 233 additional places this year does not seem to me to tell the Executive what they need to know about our STEM strategy in the Department. Talking about 105,000 qualifications without understanding what those qualifications are and where they lead to is too all-encompassing. There is a milestone to develop a strategy to reduce economic inactivity, but we have not seen the strategy yet. It will go through the Minister, but we do not know what it is.

Therefore, you can hardly say that we as a Committee are overly enthusiastic about that. Others might be, but we have not seen the strategy. Finally, we talked about getting people into work, but we are not sure whether that is short-term, part-time working —

Mrs C Bell: It includes short-term work, but it is all work.

The Chairperson: I know that it includes that, but we cannot say whether that meaningfully contributes to us doing well and for the betterment of the people of Northern Ireland. Those targets, however they were arrived at, do not help the Committee to hold people to account. If you are dealing with the economic strategy and have a draft response or are getting one ready, it might be more helpful for us to have an update. I suggest that, when you feel ready to share it, we get an update.

Mrs C Bell: An update on the implementation of the skills strategy would probably be most helpful, because that is all the work of the Department.

The Chairperson: I am quite happy to work like that, but you must understand that we are responsible to the Executive and other parts of government to hold our bit to account. We need some help to do that, Catherine.

It has been an interesting discussion today about trying to get our ducks in a row. It would have helped if we had had the right paper on the table to ask questions. We did not have the right report in the first evidence session, for whatever reason. Thank you very much. I appreciate you staying on, because, otherwise, John would just have smiled and said that he had spent all the money that he got, and that would have been it. We want to engage with you on this. You can think about it and tell us how best and most appropriately we can do that.

Mrs C Bell: No problem. Thank you very much.