



Northern Ireland
Assembly

Committee for Employment and Learning

OFFICIAL REPORT (Hansard)

Departmental Business Plan (Departmental
Briefing)

11 September 2013

NORTHERN IRELAND ASSEMBLY

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Members present for all or part of the proceedings:

Mr Robin Swann (Chairperson)
Mr Thomas Buchanan (Deputy Chairperson)
Mr Sammy Douglas
Mr Chris Lyttle
Mr Fra McCann
Ms Bronwyn McGahan
Mr Alastair Ross

Witnesses:

Mrs Catherine Bell CBE	Department for Employment and Learning
Mr Andrew Hamilton	Department for Employment and Learning

The Chairperson: Derek and Catherine have stayed, and I welcome Andrew Hamilton to the table. Derek or Andrew, over to you.

Mr Derek Baker (Department for Employment and Learning): Chair, if you wish, I will make a few opening remarks and then open it up to questions from the Committee. I suppose the Committee might have expected to see a three-year corporate plan and a one-year business plan, but, obviously, we had that little hiatus last year, so it was not appropriate to presume that we would still be in existence. Hence, the two-year document.

The document is in two parts. The corporate plan section attempts to do what you would expect a corporate plan to do: set the vision, values, strategic objectives, and so forth. The business plan focuses on the year in question, with a very long list of commitments. The commitments did not spontaneously combust. They are firmly rooted in the Executive's policies and strategies: the Programme for Government; the economic strategy; the investment strategy; and, indeed, our own skills strategy. So, they are all tied back to Executive commitments and strategies, and they set out how we aim to deliver on those.

As someone who is relatively new to the Department, I might be permitted a slightly dispassionate view of the plan and some objective observations on it. The thing that strikes me is the remarkable diversity of the clients and customers for whom we are trying to provide services, ranging from the young person who is maybe a long way from the labour market and is facing multiple barriers to the labour market right through to the PhD postgraduate student doing leading-edge research, and from the community-based organisation doing hugely valuable work in a difficult social and economic community right through to the multinational corporation that Invest NI is trying to attract. That is reflected in the remarkable diversity of our economy of delivery where we are on a direct drive for

some things — the employment service right through to grant-aiding schemes and contracting individual payments.

Sitting at the top of an organisation that spends almost £900 million a year employing 2,000 people a year, with dozens of funding channels and hundreds of delivery partners, the one thing that I can guarantee is that, notwithstanding the best planning in the world, things will go wrong. Things will fall over, and the important thing for us as a senior team is to acknowledge when that happens, to fix it when it happens and to learn the lessons from that. That is not an apology in advance for failure. All the commitments — I forget how many, but it is 53 or more — in that business plan have been thought through, and we are committed to delivering. We believe that we have the resources to deliver both the staffing and the money, so it is not the case that we will be coming along at the end of the year saying that we did not have enough staff. We should not be coming along saying that we did not have enough money. We are committed to delivering all of those things. We have in place the management arrangements, the monitoring arrangements and the governance arrangements to ensure that we do our level best to deliver.

It is a hugely important job that we do. We are there to improve the life chances of many tens of thousands of people and the economy generally, and it is privilege to try to do that. It is maybe not totally unique, but as a Department, our business plan places us right at the heart of this Executive's economic and social policies and strategies. So, we have a very important role to play, and the business plan sets out how we intend to do that this year. That is all that I will say at this stage, Chair. Andrew, you might want to add something.

Mr Andrew Hamilton (Department for Employment and Learning): To add to what you were saying, Derek, yes, anyone looking at this Department will see a number of functions, including higher education, further education, the employment service and the European social fund. In section 6, we try to identify the strategic themes that combine that disparate range of services into a single narrative. If you want a quick look at what this Department does and what the outcomes are that we are trying to achieve, you will see it in section 6. We are quite clearly saying that the strategic themes include improving productivity of business and enhancing the skills of the population; and addressing barriers and supporting people, which is the social agenda of the Executive. There is an underpinning aim of improving quality year on year and monitoring that to ensure that that happens. A strategic theme is on the relevance of our programmes, understanding the demand and responding to the need as it is articulated, often by industry and other stakeholders.

The last three are a little bit on how we do this. We do this through partnership working, through having a good sense of governance and a desire to maximise the value that we get from the very significant resources that the Assembly allocates to us. Then, there is the value that we attach to our own people, because we realise that this Department is its people. The outputs that we deliver are a direct result of their commitment and their efforts, and we have a programme in place to enhance their learning and development and, thereby, produce organisational benefits for us. That is by way of introduction.

The Chairperson: Derek, you said that your Department has enough staff and enough resources. I will possibly have to remind some of your officials later in the year that you committed to that. If you as permanent secretary are saying that you have enough staff and enough resources, what is your risk in this business plan?

Mr Baker: We have lots of risks. The point that I was making there is that this is not an aspirational plan. We have not just thrown things down that would be nice to do but about which we have not really thought whether we really can do them. Anything that we have put in the plan, we have committed to because we believe that we can deliver. I do not want to be making some kind of heroic comment that we have enough of everything. Of course there will always be pressures, and you could always do with more, but, for the commitments that we have made, we are confident that we should be able to deliver.

Like any Department, we have a fairly sophisticated risk management strategy, and we identify risks across lots of dimensions. I will not be able to rhyme the seven dimensions off by heart, but we have risks in demand. There could be a shock out there in the wider economy. Things are pretty steady as she goes, and, as the Minister said, we seem to be in a slightly improving situation economically. However, some major shock to the system could generate an unpredicted demand for our services. We have risks in delivery. We discussed a lot of things this morning where perhaps, in the past, we did not quite get programmes right. We are on direct drive on a lot of big delivery programmes. If we

do not get that right, that is a risk. Finance is a risk, too. It is more around the area of governance. Things can go wrong. I mentioned the fact that a lot of our delivery is through arm's-length bodies and various partners. We put in systems of control and governance, but things can go wrong in that area. Therefore, we need to be vigilant. We have risks in respect of our staff and whether we have staff all properly trained and in the right place. Lots of members of the Committee talked this morning about the need for our staff to be properly trained and equipped to engage with the various needs that they meet, whether we are engaging with people with multiple disabilities or whatever. There is a risk around that. So, there are lots and lots of risks.

There is the political risk, too. I suppose I have to say that in an environment like this. You discussed with the Minister this morning some strategies and policies that are under review or in gestation. They need to go through the political process. Whether it is the economic inactivity strategy or the United Youth programme, all those will be subject to political decisions, and political decisions can result in delays, which can cause risk. There is a whole raft of risk. What we have is a very sophisticated risk-management process in the Department at a strategic board level, which is reviewed every month. We then have risks associated with each individual programme that we are delivering, which we will review as we go along.

Andrew, I do not know whether you, as our senior finance director, want to add anything about risk management.

Mr A Hamilton: No; I think that you summarised it very well. We would be very happy, by the way, at some point in the future, to bring our risk management process to you, and we can go through that in some more detail. As Derek outlined, the risks are strategic risks of delivery, performance and finance. Those are reviewed by the management board every month. Directors update those. They have their own risk strategies at divisional level. So, there is a process of integration from the bottom right to the top.

The Chairperson: Thanks.

Mr Douglas: Can I just ask a question? For the lower priority programmes, how do we reach the decision that something is a priority and something is not? Is that purely based on success and numbers?

Mr A Hamilton: Is that on the savings plans?

Mr Douglas: Yes.

The Chairperson: We are still on the departmental business plan.

Mr Douglas: Sorry; I will come back to that.

The Chairperson: Tom, do you have anything on the business plan?

Mr Buchanan: Not really. Are you satisfied or confident enough that, if you see that something you are planning to do is not moving at the speed that you would like it to, or if something goes wrong, you can step in to rectify that and deliver it in the way that you had intended to?

Mr Baker: No. I would not like to give a cast-iron guarantee that we can make everything right when it does go wrong. I think that very few of us go to bed at night saying that everything we planned to do that day went exactly according to plan in its timescale, outcome and how people reacted. We will do the best we can. What I can say is that I believe that we have the early warning systems in place so that we can spot where things are going wrong or timescales are going awry, and we will do our level best to intervene. The worst thing that could happen is that something goes wrong and we simply do not know about it. That is the worst position to be in. I hope that we have the systems in place that we will know about it. However, I do not know what the unknowns are out there. It could be something that we just do not have the wherewithal to fix.

Mr Buchanan: I think that I am satisfied that, with the early warning systems in place, you will know if something is going wrong. That is maybe what I was trying to get at; that you have that in place and will know exactly when something is going wrong. You will then be in a position to make it right.

Mr Baker: One of the things that has struck me about the Department — there is a huge, long list of things in there — is that it has a very strong ethos of project management wrapped around a lot of its processes, even if it is not a project in the normal sense or understanding of the word. If it is a piece of policy development, it is managed with the full paraphernalia of project management arrangements around it, so we have timelines, targets and deadlines, and we know who is responsible. That is our assurance around those issues.

If I am back at the end of the year reporting how we failed in everything, you will be able to say —

The Chairperson: I will be able to quote you from Hansard.

Mr Baker: You will be able to quote me. We have the resources.

Chair, I am going to escape now and leave the rest to Andrew and Catherine.

The Chairperson: That is fine. Again, thank you very much for your time and involvement with the Committee.