



Northern Ireland
Assembly

Committee for Employment and Learning

OFFICIAL REPORT (Hansard)

Current DEL Issues: Ministerial Briefing

20 November 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 David Hilditch
Mr Chris Lyttle
Mr Fra McCann
Ms Bronwyn McGahan
Mr Alastair Ross

Witnesses:

Dr Farry	Minister for Employment and Learning
Ms Heather Cousins	Department for Employment and Learning

Dr Farry (The Minister for Employment and Learning): With your permission, Chair, I will offer a brief Q&A to Committee members on where things stand more generally with issues that are on people's minds at this stage. I will give a few very brief indications of what is happening with some of the bigger items that may be of interest to members. Do not feel the need to restrict yourselves to those points in the Q&A.

First, the economic inactivity strategy is currently before the Executive, before it goes out as a consultation document. Once that is cleared, we will work to get a copy of the consultation to the Committee as quickly as we can and look to make a statement in the Assembly around its release.

I can inform the Committee that we have been given permission by the Executive to proceed to draft the legislation on parental leave and flexible working. That work is now under way. We anticipate that we will go back to the Executive in late January or early February 2014, with a view to getting permission to introduce the Bill. It is likely that the Bill will be introduced in the Assembly in March 2014. We will move to Second Stage as quickly as we can, and then it will be into the hands of the Committee for detailed scrutiny. That is just to let the Committee know that there should be a formal piece of legislation coming your way.

The employment law consultation closed at the beginning of November. We got 40 responses to that consultation. We are currently processing those and will seek to come to the Committee at the earliest opportunity to give a briefing on the outcomes of the consultation. It will then be our responsibility to take a paper to the Executive on the way forward for the legislative aspects of that review. Subject to Executive approval — I stress that particularly for this matter more than some others — our intention is to have a Bill introduced before the 2014 summer recess.

The European social fund (ESF) consultation closed at the end of October. We will give a briefing to the Committee on that fairly soon. We got 52 responses to that consultation.

We are keen to take forward the careers review at the beginning of next year. The outcome of the Committee's deliberations on that will be instructive. We will seek to engage systematically with each of the recommendations that the Committee has made as part of the review. You will get a briefing on the various working groups that we have with industry — ICT and engineering — in the near future.

That is just a flavour of some of the items that are out there. We are happy to take questions.

I am joined for this phase by Heather Cousins, who is the new deputy secretary in the Department. Heather is fulfilling the role that was served by Andrew Hamilton, whom you met on a number of occasions. Heather, perhaps you want to say a few words to introduce yourself and say a bit about your background and the areas that you will be focusing on over the coming months.

Ms Heather Cousins (Department for Employment and Learning): Some Committee members will have seen me in a previous incarnation in the Department for Social Development (DSD), where I was deputy secretary of resources. In the Department for Employment and Learning (DEL), my role is similar, in that it is to do with resources, but I have additional policy responsibility, which includes higher education, the ESF and employment law, which is why I am sitting at the table today. I am very excited to be in DEL and working with a new Committee. Hopefully our relationship will be a good one. This week, we have the European conference, which is focusing on NEETs. That is a very exciting opportunity, and hopefully Committee members will get feedback on how that goes. Perhaps some of you are going to be there.

The Chairperson: Heather, thank you very much. You are very welcome. As this is your first time, we will go easy on you.

Sammy referred to the European Employment Forum earlier. Minister, I know that you had a number of additional meetings while you were out there. Do you want to update the Committee on anything that you think might be of interest?

Dr Farry: We had a number of meetings, particularly with three different directorates in the European Commission. I apologise if I slightly mangle their formal titles: research; education and culture; and social affairs, which is essentially employment. On research, members will be aware that the Executive as a whole are keen to maximise their drawdown of competitive European Union funds. Horizon 2020 is a huge opportunity in that regard, with €70 billion available over the next six or seven years. We will seek to double the amount that we draw down from that fund at present. The Enterprise Minister, the Minister of Agriculture and Rural Development and I have appointed a network of Northern Ireland contact points who will facilitate the application process to that new fund. We have appointed a number of individuals in the universities; Invest Northern Ireland will serve as the reference point for SMEs; and, I think, the Agri-Food and Biosciences Institute (AFBI), rather than the College of Agriculture, Food and Rural Enterprise (CAFRE), is servicing some of their responsibilities.

In the past, the responsibility for applications was tagged on to people's job descriptions rather than being their core function. These individuals will be tasked with taking forward an application process. That is their sole purpose. They will work with academics and business to facilitate applications.

I move now to education. We have talked about opportunities for exchange programmes, particularly Erasmus+, which will be released shortly. On the surface, it creates new opportunities for vocational as well as academic exchanges. That will be of particular relevance to our apprenticeship review. There is also the European apprenticeship framework, and there was close examination to see whether we could sign up to it.

I move, finally, to Commissioner Andor and social affairs. That meeting was primarily about the European social fund: our next set of priorities; the administration of the current round of the fund; looking to the European youth guarantee and how Northern Ireland is addressing that; and seeking any comments on what can be done differently. It is also about looking ahead to see what additional programmes are likely to come down the track. At this stage, given the lifespan of the current Commission, it is unlikely that there will be many new programmes this side of the European elections and the associated change in personnel. However, many of the new programmes will have their first call for a drawdown of funds over the coming months, so it is important that we are well placed to do that.

The Chairperson: Your contact people will be important in enabling you to get the applications through the door. What coordination will they have with the Executive office to get access through the Barroso task force? That is, while we still have a Barroso task force.

Dr Farry: The Executive office in Brussels is a major resource for us all. I appreciate that there has been a slight change in the reporting structure, but I hope that that will not ultimately change the current dynamic. I know that the Committee has been very proactive in trying to make the best use of Gordon Brown, among others.

The Chairperson: What about the Barroso task force?

Dr Farry: It is probably more of an issue for OFMDFM to comment on what the future holds, given that it is a cross-cutting issue that extends beyond DEL alone. Irrespective of that, I believe that the Executive have already taken advantage of the assistance, and we have surpassed the targets for improving our drawdown. Strategically, as an Executive, and involving the Departments that I cited earlier, we have positioned ourselves to draw down more effectively from the next rounds of funding.

The Chairperson: You mentioned the European youth guarantee. As a region, we are not eligible to access that at present. Is that right?

Dr Farry: There are two aspects to the European youth guarantee, which is, essentially, about best practice. The European Commission would like all EU states and regions to offer guaranteed training and education opportunities to young people. We believe that we are addressing that across the suite of our programmes, without any single umbrella programme being in place. The UK Government have a similar position. There is an issue about the level of access of young people to opportunities from day one. The guarantee states that opportunities should be available to individuals within four months. Some GB programmes are not available until later, so there is a bit of tension between the Commission and the UK Government about that. There is less tension about how we are taking things forward.

The youth employment initiative is a €6 billion fund produced by the Commission in spring of this year. It will be available from 2014 onwards. Northern Ireland, despite its problems with youth unemployment, has not quite met the qualification period. It is set for nomenclature of units for territorial statistics (NUTS) 2 and 3 regions, and the eligibility was set at 25% youth unemployment. Northern Ireland, as a whole, at the qualifying point in 2012, was well short of that criterion.

Of the NUTS 3 regions, the one that came closest to qualification was the "north of Northern Ireland", which stretches from Ballymoney through to Derry and Strabane. We narrowly missed out on that at the point of qualification. In practice, the amount at stake is fairly small because we are part of the overall UK allocation, which is fairly small in light of its level of youth unemployment compared with that of the Republic of Ireland, which is in a much worse situation, as are the southern European economies. So the amount on offer was hundreds of thousands of pounds rather than millions of pounds. We are making representations to the Department for Work and Pensions (DWP) in London to see whether we can massage the qualifying period in some of the boundary issues, but I do not hold out much hope.

Ms McGahan: Thank you for all that. The last time that you were here, I asked you about the review of post-19 special educational needs. I think that there was a report. Where is that? Has that been concluded?

Dr Farry: There are three strands to that. The first strand is what we are doing in further education, and we had an audit of the current provision. The second strand is the review that we are undertaking of our disability employment service. We have a whole range of programmes to make sure that they are fit for purpose. Those are the two aspects for which DEL has responsibility. It might be useful to schedule one or two evidence sessions to give Committee members a chance to interrogate all those issues more deeply.

The third strand is a more cross-cutting issue, which I need to discuss with my Executive colleagues. It concerns transitions and, in particular, what we are doing to support young people who move from special educational needs at 19 but are more geared towards day centre provision provided through the Department of Health, Social Services and Public Safety (DHSSPS). The question being asked is how the further education sector can engage better in a day centre setting. Discussions are ongoing.

In fact, on Thursday, there is a meeting of the Executive subcommittee to discuss the Bamford Review of Mental Health and Learning Disability, and we will raise those issues there.

Mr Lyttle: Thank you, Minister, for your update. Is there a particular update on progress towards the implementation of Steps 2 Success and the review of teacher training?

Dr Farry: Steps 2 Success is out for procurement, so we are quite restricted in what we can say, but the pre-qualification questionnaire phase has now concluded. The teacher training review is under way, and the team is engaging with the key stakeholders. Stakeholders are in the process of drafting submissions to the review, and we are giving them more flexibility in the timescale. It is anticipated that the review team will report to me in June 2014.

Mr Ross: You touched on employment law reform. I welcome that it will be progressed, and I hope that the Executive take a sensible decision on it. When at the European Economic Forum last week, there was, particularly on the second day, considerable focus on the shortage of ICT skills right across Europe. In Northern Ireland, we have been pretty successful in attracting foreign direct investment and jobs of a certain level of expertise in business services and financial services. You mentioned earlier that you will make a statement on that at the start of December, but how can we make Northern Ireland a real hub of expertise for ICT and encourage more people to get those skills? It strikes me that, if we can create a level of expertise in that area, we can attract jobs from all across Europe to Northern Ireland. We already have some success and are building a reputation, so it seems that we could become a real hub of expertise.

Dr Farry: You are certainly right to identify the huge opportunity in Northern Ireland. The skills pressures are not unique to here; it is a global phenomenon. The challenge lies in being the region or country that can best adapt and so be best placed to reap the rewards. There are a lot of very mobile investment opportunities. In the very near future, the Committee will have an official briefing on the ICT working group, so you will get a sense of the type of interventions that are under way. We are ensuring that we maximise the pipeline of skills from a whole host of areas. We are increasing the number of undergraduate places at universities, and we have more masters' places: for direct computer science masters; conversion courses; and PhDs. Also, the review of apprenticeships will be relevant to the ICT sector. Those are the longer-term structural/pipeline issues. We need to feed that by encouraging more and more young people to consider careers in those areas, which is a challenge for the Careers Service. The Committee's review will be very helpful as we try to shift the way in which people think about their employment opportunities.

In the short term, we are seeking to ensure that we can intervene very quickly to adapt and address the needs of investing businesses. First, we have the Assured Skills programme. We talk directly to investing companies and say, "Look, we have people who are already trained to a very high level, but then we will work with you on the very particular needs of your business and help you to recruit the staff that you will require." Also, as part of Assured Skills, as well as on a free-standing basis, we are running a number of academies. These are boot camp-type initiatives that take very skilled graduates or non-graduates and, over about 13 weeks, turn them into people fit to work in the sector. We have just finished the first of our data analytics academies, we commenced a cloud academy in the past number of weeks, and we are now into the third cohort of our software testers' academy. So there are three academy interventions at present, and there are no barriers to our putting in place other academies as and when the need arises.

Mr Douglas: Thank you, Minister, for your update. You mentioned the procurement for Steps 2 Success. When I was at the C S Lewis event in Campbell College last night, somebody asked me why they had heard both that someone had been appointed and that no one had been appointed. Can you confirm that you are still in the process of procuring?

Dr Farry: We have completed the pre-qualification questionnaire and are moving into the second phase. I really cannot comment much more on the mechanics of the procurement. The Committee will be familiar with the headline design of Steps 2 Success and the desire of the programme to have a step change in our ability to place people in jobs, which is the prize at the end of this. All the organisations involved know the lie of the land without my adding anything further.

Mr Douglas: When will the process be completed?

Dr Farry: We will, I hope, complete phase 2 in the early spring of 2014, with the contracts kicking in in late spring. Obviously, with procurement, things can slip.

Mr Douglas: So the old contracts will stay until that happens.

Dr Farry: Yes. The old contracts will stay. There will not be any gap in provision.

Mr F McCann: On the point that Sammy was talking about, rumours go around about what is or is not happening. There are concerns that there could be job losses among those who run the schemes at present. Is that taken on board, or can it be taken on board? As for those bidding for the contracts, does their track record of delivery play an important role in whether they are considered able to run a contract here?

Dr Farry: Again, Fra, I need to be very careful about what I say. The organisations involved will know the ins and outs of the exercise in which they are engaged: what steps they need to take and what they need to do. I stress that this is primarily about placing people in employment in Northern Ireland more effectively and ensuring that we have the infrastructure in place to do that. Although there may well be changes in delivery, people do not need to jump to a conclusion about what that will automatically mean for employment locally. We will change the infrastructure of how our employment programme is provided, but we are not talking about the infrastructure being removed. It will be a change in how we deliver that programme.

Mr F McCann: All of us will have received e-mails and phone calls from various companies trying to sell their wares. However, when we go on to the internet and look at their record of service delivery in the likes of England, it sometimes leaves a lot to be desired. We can clearly see that some companies have failed to deliver. Is that taken on board in the tender process?

Dr Farry: All that I can say, Fra, is that the process is guided by the best advice, including that of DFP's Central Procurement Directorate. It would be entirely inappropriate for me to comment on any bidding company. I apologise, but we are halfway through a procurement exercise. You would not thank me, and the Assembly would not thank me, if we ran a procurement process in which we did not do things by the book.

Mr F McCann: I appreciate that.

The Chairperson: Minister and Heather, thank you very much. Minister, I know that this is covered in our correspondence, but, just before you go, I want to raise with you a point on the quality of information provided to the Committee. May I ask that the information that we receive is either verified or validated to ensure that it is 100% accurate? We received a briefing on job vacancies in which one of your officials told us that, in the Derry City Council area, there had been a 78% increase in vacancies from one year to the next. In fact, it turned out that it was 4%. That whole discussion was on the legacy of the City of Culture year.

Dr Farry: I can only apologise to the Committee for that. To be fair to the staff involved, once they recognised that errors had been made, they sought to redress the record as quickly as they could. Notwithstanding that, I appreciate that it probably took you down a channel of debate that, in the end, was fairly nugatory because of the information not being accurate in the first place. Your point is well made and understood. There is quality control in place to ensure that what comes to the Committee is accurate. Occasionally, mistakes will happen. All that we can do is front up to those mistakes and correct them rather than allowing them to remain and fester.

The Chairperson: No problem. Minister, thank you.

Dr Farry: Thank you very much, Chairman.