



Northern Ireland
Assembly

Committee for Employment and Learning

OFFICIAL REPORT (Hansard)

Steps 2 Success: Ingeus, Springvale
Learning, Department for Employment and
Learning

8 October 2014

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 Phil Flanagan
Mr William Irwin
Ms Anna Lo
Mr Fra McCann
Ms Bronwyn McGahan
Mr Pat Ramsey
Ms Claire Sugden

Witnesses:

Mr Brendan McCann	Department for Employment and Learning
Mr Tony Montgomery	Department for Employment and Learning
Mr Jack Sawyer	Ingeus
Mr Aidan Sloane	Springvale Learning

The Chairperson (Mr Swann): I welcome Brendan McCann, the head of the new employment team in the Department for Employment and Learning (DEL); Mr Tony Montgomery, deputy principal; Mr Jack Sawyer, chief operating officer of Ingeus UK; and Mr Aidan Sloane, chief executive of Springvale Learning. Gentlemen, you are very welcome. Brendan and Tony, not to put you off in any shape or form, but the Committee was under the impression that this would be a briefing from Ingeus. You are welcome, but we would really like the presentation and the responses to come from the contractor rather than the Department, unless you have anything pressing that you want to add at this stage.

Mr Brendan McCann (Department for Employment and Learning): Chair, we are relaxed with that, although, if members have any questions that they feel are appropriate for the Department, we are happy to take them.

The Chairperson (Mr Swann): I appreciate that, Brendan.

Mr B McCann: We will just go with the flow.

The Chairperson (Mr Swann): Jack and Aidan, it is over to you.

Mr Jack Sawyer (Ingeus): I think that you have in front of you a presentation that we prepared and sent to you in advance, and I propose to talk through that. I will not cover every bullet point because it

would probably take me too long. As I talk through the presentation, I will update you on where I am in that to make sure that you can follow me.

First, we are really pleased to be here to talk about Steps 2 Success and are very excited to be delivering it in Northern Ireland. We are very clear that you, in the Government, want economic growth in Northern Ireland. We think that, through this programme, we can make a real impact on that ambition by activating people who are long-term unemployed and therefore not contributing to the economy and helping them into long-term, lasting jobs. That is what we are here to do.

I will start with the team's design principles for Steps 2 Success. I will make the first points by way of introduction and then follow up on them. To support economic growth, we think that three very important things are needed, the first of which is to work in partnership. We do not think that the talents and capabilities of one organisation will be enough to deliver the services that we need to help to move people who are long-term unemployed into lasting jobs, so we have a partnership that will do that.

Secondly, employers are important customers of the programme, and, to serve well the people coming through the door on to Steps 2 Success, we need to work very well with employers to open up opportunities for them.

Finally, the service and the Steps 2 Success programme have to be based on the needs of individuals, and we will provide a service that works differently within clear frameworks for each individual to make sure that their needs are met. I probably should have included on that opening slide that we are very committed to Ingeus adding value. We have to make this better. Our partners are already here delivering, and we want to get the right mix and blend of the experience that we already have in our partnerships in Northern Ireland but with the added value that we can bring to it. We have to add value.

The next slide is on the strengths of our team. I will describe to you how we are working with a range of different partners and supply chain organisations to deliver this for you. Ingeus will deliver 40% of the contract, and the other 60% will be delivered by supply chain partners. There are different ways in which we work with partners such as Springvale, and Aidan will talk about that in a minute. The first way is through our three partners — Springvale, Armstrong Learning Northern Ireland and People 1st — existing Steps to Work providers. They will deliver what I would best describe as an end-to-end service within a distinct geography of the contract lot area, where they will deliver the entire service to people who come on to the programme in that area. Ingeus will do that in 40% of the geography.

The second type of organisation or subcontractor that we work with is the specialist provider: Addiction NI and our Supported Employment Solutions (SES) partnerships. They work across the entire lot — across where Ingeus delivers and across where our partners deliver — to provide, in triage with the core service delivered by others, additional support and help relating to specific barriers to work: for example, people with a learning disability, who would work with their employment adviser, who might be from Springvale or Ingeus, but they would also be accompanied in a three-way intervention, or they would get additional support from someone who works at Mencap, for example, who would give the specialist advice that they need to move into work.

Thirdly, this is not a supply chain relationship but a strategic partnership, and it is with Belfast Metropolitan College (BMC). This is about tying up a "work first" approach. We will be really focused on getting people into long-term, lasting jobs. We want to make sure that, wherever possible, we link that up with skills provision because we think that people will remain in work and progress in careers better if skills are linked to employment and they can move into work-based learning after they move into work.

Aidan, I do not know whether you want to add anything, given that you deliver as part of the supply chain.

Mr Aidan Sloane (Springvale Learning): Springvale has been at the fore of Steps to Work over the past five years. There has been extensive partnership working and collaboration in preparation for and anticipation of Steps 2 Success. It has been an ongoing process for the past couple of years. I am sure that Jack will touch on that. It has allowed Springvale to restructure its organisation and embed new ways of working and new practices in anticipation of Steps 2 Success. The way in which we were able to achieve that was through true collaboration, which involved being open and honest and sharing knowledge and best practice. We looked at Ingeus as an organisation and its best practices in conjunction with the best practices in Steps to Work. We were able to blend the two

across our organisation in anticipation of Steps 2 Success. Our other partners in the new Steps 2 Success framework are our existing partners. We have strong historical relationships with People 1st and Armstrong Learning, both of which delivered under the Steps to Work programme.

Mr Sawyer: The real point is that what we have to blend the local knowledge of delivery — what is working, what worked in the past and what will continue to work in the future — but with value added and something different in order to do the best that we possibly can for the people coming on to the programme. They need our services to improve their life chances and move into long-term, lasting jobs.

I will move on now to what Ingeus brings to the Steps 2 Success team. We are not administering this contract; we are delivering it. We do 40% of the work, which includes setting up offices and employing people to deliver the contract, but we are also involved with the delivery that will be undertaken by our supply chain partners. That is done in a number of ways. First, we will provide the IT systems and develop and maintain them for the duration of the contract. That will allow first-class case management by employment advisers and enable them to see clearly what they are doing with their clients, how they are progressing people; and to check and review their action plans, and so on and so forth. It will also provide a client portal that individuals on the programme will be able to use to search remotely for jobs when not in our offices, or they can use the customised job search areas when in our offices. There is, for example, a job-scraping tool, which is jargon for something that stores people's job goals in our database and, overnight, matches them against jobs in the area, pulls them down off the Internet and puts them on to a list. That is their next day's job search list, which they can start working on immediately. They can do that from outside our offices through the portal, which will be provided across the whole supply chain. It also enables management information. We can learn from what we are doing, see whether it is working, compare supply chain partners and, therefore, manage continuous improvement initiatives to ensure that we do better each year as we go through the delivery of Steps 2 Success.

We will also do administration and handle payment processing between Ingeus and DEL on behalf of the supply chain. We will also do the administration of paperwork between us and the jobs and benefits offices (JBOs). We will provide a health and well-being service, which is pan the contract lot. It is delivered by Ingeus through in-house employed health professionals and the specialist subcontractors mentioned earlier. Ingeus's health and well-being offer will go across the whole contract lot in partnership with Aidan's teams at Springvale, and so on and so forth.

We are good and experienced at managing employer relationships and committed to getting long-term unemployed people into jobs with employers through a relationship with the employer, not just through helping the unemployed person to be more marketable to employers. Of course, we need to do both. We will share vacancies throughout the supply chain so that when we have an opportunity to work with an employer and a store is opening — we know that one of our existing employers is opening a store in Belfast on 10 November, for example — we will share that across the whole supply chain. So Aidan's clients at Springvale will be able to access those jobs, as will people working at the Ingeus offices.

The final thing that I wanted to say about what we can do to support the programme is that we provide training, and we are doing that now. Last week, I talked to Aidan's managers and a number of other managers as part of the management team induction for Steps 2 Success. We will train all staff across the whole lot on the service delivery offer and DEL's expectations, the minimum service guarantees. On an ongoing basis, we facilitate, through an Internet best-practice-sharing site, all of the best practice frameworks, collateral, lesson plans and interventions that Ingeus has developed over time with the entire supply chain. In time, that becomes more collaborative because, as you start to deliver the programme, best practice does not just come from Ingeus; it comes from everybody. That is a way in which to facilitate best practice between partners as well as passing on Ingeus's best practice.

Hopefully, you have a feel for what we will do beyond delivery, so I will move on to how the Steps 2 Success team was built, which is important because we wanted to build the best possible team of organisations to deliver this for you. First, we engaged very widely. It is hard to date it now, but when DEL started thinking about that programme, we started thinking about it as well. We have been over here having meetings and discussions and engaging with prospective partners since, I think, October 2012. We facilitated exchange during that period, and prospective supply chain partners came over to see Ingeus operations in GB so that we could get to know one another and see whether we could work well together. We did a lot of engagement because we wanted as big a pool of partners as possible.

Then, we went through a call-for-proposals process in which we assessed against set criteria the capabilities of organisations to deliver the programme to the highest possible standard for the clients. Next, we made a series of offers before the tender to supply chain partners — Springvale, of course, being one of them. Since then, we have moved forward and become successful, which is fantastic news. All of that was conducted in line with the code of conduct that is expected of us and clearly set out for us by DEL. Equally, we work to an existing standard of supply chain management called the Merlin accreditation. We have an excellent score against that accreditation and are regularly audited by Merlin on our practices across the supply chain. Currently, Ingeus UK works with just under 100 subcontractors across all of its operations.

The next slide is on helping our clients to get jobs. This is incredibly important because it is, fundamentally, what we are here to do. I wanted to describe to you how we work with people. The key thing is the personalised one-to-one advisory relationship with an individual. That is how the service is anchored and the basis for this service. Each person who comes on to the programme will have an employment adviser who will be the consistent point throughout their journey on the programme. That can build a trusting relationship. The adviser can review progress with someone as they move through the programme. They can be a friendly face and a point of contact for people if, as they interact with other parts of the service, they have questions or need additional support. It will be the adviser who reviews people's progress and the action plans in place to move them into work.

In one-to-ones, the adviser concentrates mainly on improving people's confidence and work-finding skills. That starts with, for example, setting the right job goals. Often, the reason why someone is long-term unemployed is that they are looking for jobs that do not exist or for which they do not have the skills. We go through a process of looking at what jobs people want to do. Exploring what it is that people desire to do is important because, clearly, we are trying to motivate them. They need to look for jobs that they feel they will be good at and that they want to participate in. People stay in jobs for the long term when the job is one that they want to do and in which they can see a future. So we go through the process of setting realistic job goals in the first instance.

Once that is in place, we teach and coach people in effective job searching. We often find that we place a large number of people into jobs that exist in what we call the "hidden job market", which are jobs that are never advertised. Often, the long-term unemployed look for jobs in their local newspaper or on an Internet site, but those are the ones that are very competitive because everyone is applying for them. We upskill people in approaching employers physically, cold calling by telephone and making speculative contact by letter to access jobs before they are even advertised. That is great for the employer because they do not have to advertise the job, and it narrows the field of competitors, which can be a big advantage for a long-term unemployed person. We teach people how to do a job search. That, of course, includes building a good CV and making applications. It is not all about the hidden job market, but that is one aspect that we find particularly useful.

We do lots of significant interview preparation. The adviser will work with the individual to prepare them for interviews and upskill them in how to sell their transferable skills. People who are long-term unemployed can be extremely valuable employees and become very good at jobs very quickly. Often, it is a confidence or capability issue relating to the process of getting a job that significantly prevents people from getting work, so we address that with them. That is what the employment adviser does most of with people.

The next slide gives you a candidate experience, and I will touch on this briefly. As people come on to our programme, our advisers will work with them to assess where they are on the spectrum of moving into work, and then they will undertake activities with them that fit their needs based on where they are on that spectrum. Broadly speaking, people move from "able to work" through the different phases until in the end they are in work and progressing in work. You can see a visual of the tool that all of our advisers will use to work with people. Underneath that are the sets of interventions that move people forwards. The key point for me is that "able to work" is the category that is furthest from work. In that category are the people who have the most to do to get into work, and the key point is the mentality of how we have to set up our services, which is that everybody is able to work. We focus on talking to people about why they can work and what skills they have to work, not why they cannot work. Yes, we have to address those barriers, but we do not want that to be the focus of the conversation because that can mean that people feel that they cannot work.

I will now touch on a couple of the other things that work alongside employment advisers in Steps 2 Success to help them to move into work, the first of which is health and well-being, which is particularly relevant for employment and support (ESA) clients coming on to the programme. This works across the whole lot area. First and foremost, our health and well-being team works with

employment advisers to build their confidence in working with people who have health-related conditions. Secondly, they will do some one-to-one work and run group workshops on topics such as healthy lifestyle, anxiety management, pilates and teaching people how to disclose health conditions to an employer and talk about them. They also do informed signposting to join up services to ensure that we signpost people to the right health services available elsewhere and that we are joined up in that respect.

The headline on the next slide is "Employers are our Customers as well". That is to give you a sense of our work with employers, and I think that there are two parts to this. One is that we will seek to bring relationships that we have in GB to Northern Ireland to place more people into work: for example, one of the big developments that we have seen through the recession is that discount retailers have had a real boom. Over the last few years, many of the stores opening on high streets have been discount retailers, and we have great relationships with the big discount retailers. Ingeus has placed more than 2,500 people in work in B&M stores over the last three years, and we managed to do that by, in some instances, opening stores almost entirely staffed by local long-term unemployed people. I do not think that we have ever managed to fill every single role, but we have placed 35 people in a store employing 45, and that was on day one, which is fantastic. We will look to bring those sorts of relationships here.

Also, the majority of people placed by us in work go to small and medium-sized employers (SMEs), so we work with SMEs as well. Often, what we can do there is quite interesting. Sometimes, we provide a free recruitment service to those employers, which they value, and we can also work with the employers once someone starts work. One of the key things about Steps 2 Success is that it does not stop when someone moves into work. We will continue to work with somebody while they are in work for 12 months, supporting them to remain in work. That can work with employers as well, so, if there is an issue with the employment, we will talk to the employer and the individual. A small organisation might not have the HR expertise that a large organisation has, so we can intervene and help that employer to resolve a challenge relating to the employee's work, and we can help to resolve a challenge involving the employer. The service to employers differs depending on their size, but the key message is that we have to make it work for big and small employers.

The last point, to wrap up, is that I talked about partnership. We are extremely keen to work in partnership, and that goes beyond those involved with the Steps to Work contract. We are setting up what we are calling a reference group, which is more of a strategic board. On that, we would like partners from outside the supply chain: big employers such as Belfast City Council and other key stakeholders in the success of the programme whose interests mutually affirm what we are trying to achieve. We will invite them to sit on a reference group to scrutinise and challenge in order to make sure that we are delivering the best possible outcomes on Steps 2 Success. We are extremely keen to work collaboratively with the Committee, hopefully starting today, and we are open to being accountable to you on the successful delivery of the programme. Hopefully, that has given you a bit of a flavour of where we are and what we think about Steps 2 Success. We are happy to answer questions and talk about things in more detail.

The Chairperson (Mr Swann): Thank you, Jack. Do you want to take a drink now?

Mr Sawyer: I will. You cannot hear my throat getting dry, can you?

The Chairperson (Mr Swann): Jack, you have laid out how you will do this. Who is Ingeus? I do not mean the corporate spiel. Who is behind the company? Who are the shareholders? Who are the owners?

Mr Sawyer: Ingeus is owned by Providence Service Corporation, which is a US company and acquired the company only about three months ago. Providence is the largest provider of what it calls "human services" health care in the community. In the US, it is the largest private sector provider. Predominantly, it works with people who have health challenges in communities in non-institutional environments to improve their health and life chances. It also provides transportation for people with health needs. All of that is contracted to US State governments.

Historically, Ingeus was owned by Thérèse Rein, who founded the company in Australia in 1989. She grew Ingeus through what was then called the Australian Job Network. It is very similar to what we are talking about now in Northern Ireland and what we have been doing in GB for the last 10 years. Welfare-to-work programmes and helping people to move from unemployment into employment and long-term jobs has been the core of Ingeus since 1989 in Australia and since 2002 in the UK. More

recently, in the UK, we have also been delivering skills training. That is about apprenticeships, traineeships and pre-employment training alongside the welfare-to-work programmes, and, if you can get those things together, it can be a really powerful combination. Hopefully, that gives you a bit of a feel for the company.

The Chairperson (Mr Swann): One of the concerns that the Committee has had through this entire process — the Department officials will know this — is that the three main delivery bodies were really absentee landlords, for want of a better phrase. None were Northern Ireland-based companies. How will you allay those fears? I know that you talked about setting up and mentioned the figure of 40%, but, now that you are an American franchise, how will that change?

Mr Sawyer: Ingeus still operates as a kind of subsidiary of Providence. We still exist as an entity with our own identity and leadership. I have been over here a number of times in the past month. I think that this is my fifth visit. We have recruited a leadership team for Northern Ireland, and that team is made up of talent from within Northern Ireland. That is extremely helpful in beginning to understand what we need to do in this context. The partnership is important. We are not doing this alone. We are doing it in partnership with others, and we have had strong collaboration with others on the design and delivery of the programme. So it does not feel to me as though we are doing this from afar, because we recruited people on the ground, and we have people on the ground. We have had a huge amount of engagement with DEL in Northern Ireland and have partners on the ground who understand the dynamics of local delivery extremely well. Aidan, is there anything that you want to add on that point?

Mr Sloane: I can certainly reinforce the collaborative approach, which has been ongoing for some time. From our organisation's point of view, we have delivered Steps to Work in the west Belfast area for the past five years or so, and the continuity has been such that we have been able to work at a local partnership level. That has not been lost through the process. That was a commitment that we made at board and strategic level. We made the same commitment at an operational delivery level with our employers and partners — the crux of the delivery — so that our clients and jobseekers can get the best value from it. The local approach has not been lost in the process. We entered the process at the front end fully aware of the concern and risk, but that was alleviated quite early in the process. We have been able to build a delivery model in direct partnership with the other partners that Jack mentioned, which are local providers. So we feel as though we have some continuity. With that, we have an enhanced provision as we step across the line in late October.

The Chairperson (Mr Swann): One small detail raised alarm bells for me during your presentation. You mentioned the hidden jobs and how you will get in before those are advertised. How do you do that and comply with Northern Ireland employment legislation?

Mr Sawyer: I am sure that that is a good question. *[Laughter.]*

The Chairperson (Mr Swann): Put it this way: most members of the Committee know that it is a good question, but we are waiting for a good answer.

Mr B McCann: May I just say — *[Laughter.]*

The Chairperson (Mr Swann): Go on, Brendan.

Mr B McCann: — that the Steps to Work providers also did that. They identified and worked with employers and encouraged them to take on more individuals. The providers upskilled people to meet employers' needs and then gave them a range of individuals to choose from. It was almost like a training scheme with a guaranteed interview at the end.

The Chairperson (Mr Swann): So it is not a job, Brendan.

Mr B McCann: It is an interview that will lead to a job. There is competition within the pool of individuals presented to the employer. Aidan has some experience of the Step Into model in Springvale, and some of the other organisations have also been quite successful in operating that.

Mr Sloane: Chair, are you happy for me to comment?

The Chairperson (Mr Swann): Certainly, Aidan.

Mr Sloane: On the Steps to Work programme, the Step Into and Step Ahead model worked very successfully for us. The employer services and engagement team that we developed in our organisation was focused on the external market. It was about creating vacancies and working closely with employers so that we had a pipeline of vacancies for our clients, and the talent would come through the organisation. The Step Ahead provision, in particular, pushed our job and sustainment rates significantly ahead of the threshold for the duration of the programme. That was a targeted, specific programme that was externally focused on working with the local labour market by way of job creation. It worked very successfully for our organisation across the Steps to Work provision.

The Chairperson (Mr Swann): So, Brendan, is it legal?

Mr B McCann: Well, we —

The Chairperson (Mr Swann): Yes or no?

Mr B McCann: We understand that it is.

The Chairperson (Mr Swann): You understand that it is.

Mr B McCann: Yes. There is competition within the group that meets the requirements.

The Chairperson (Mr Swann): You are lucky that the officials came along today, Jack.

The Committee has challenged the targets set. We did not think that they were ambitious. You mentioned the seven areas where you run the work programme in England. Looking at your success rate there, I see that you were near enough to the third year before you met any of your targets. How do you think that you will fare in Northern Ireland?

Mr Sawyer: I think that we will fare well. We are confident about what we will be able to achieve for a number of reasons: we have prepared very well; we have been thinking about doing this for a considerable time; and we have put together the best team to do it. Therefore, we feel confident and ready to have a really fast start in our delivery, to get ahead of targets and to make sure that we deliver from day one. So, in the context of how we have approached this, we have taken it very seriously, we have invested the time and energy, and we feel ready to deliver. I go back to your point on the work programme: in year 3, we have been achieving the target set for us. There was a lot of publicity at the outset of the work programme on targets not being met. One of the challenges is that the work programme has a two-year service delivery period, which is longer than the proposed Steps to Work delivery period. The work programme is for two years, and its performance measurement is only a six-month job outcome. For some groups, it is three months, but there is no job-start measurement. It is a programme from which you will not see the results for quite some time. There were some challenges in how we managed to present the performance of the work programme at the initial phase and in getting people to understand that the programme was going to need time before results could be seen coming through. There were lots of people on the programme who were moving towards work, but that was not showing through at that point. We have seen big improvements, and I am not saying that we have not improved year-on-year. We intend to improve through continuous improvement each year that we deliver, and I always expect to see the subsequent years of a programme outperforming the first year. There was some context to the results of the work programme appearing at the beginning as though they were not coming through. We felt that the work was happening underneath and that the results were going to appear down the line, if that makes sense.

The Chairperson (Mr Swann): It does in a way, but the targets that were set for the seven regions in the first year were a lot lower. Targets of 5.5% were being talked about. The highest that you achieved was in the east Midlands, with 1.8%, and that was over the first year of the delivery of the programme. In the north-east of England, you did not achieve any of your targets until the third year.

Mr Sawyer: Yes. Again, there is some context to that, which is that a lot of the targets relate to the number of people coming onto the work programme. At the start, we saw significantly more people coming on to the work programme than was expected at the time. That meant that the number of referrals was very high in the first year, while the number of people who reached the outcome was

low, because the process was delayed. We are seeing those people moving into work now, and, when we look over the lifetime of the work programme, targets will be achieved. I can give you confidence that we are achieving our targets for the work programme, but some of the ways in which the measurement works represents the performance in a different way over the first part of the programme. I can give you an assurance around our levels of performance in the work programme.

The Chairperson (Mr Swann): That is all right, Jack. I appreciate you giving us that, but I think that the Committee will ask Brendan for the statistical outcomes of the suppliers as well.

Mr P Ramsey: Good morning. You are very welcome. Leading up to the award of the Steps 2 Success contracts, the Department was always at pains to let us know how successful the existing subcontractors were across Northern Ireland and what a model of success they were. How many of the existing subcontractors do you intend to employ on the contract?

Mr Sawyer: Our end-to-end supply chain partners are delivering the entire service across a proportion of the lot area: Springvale Learning; People 1st; and Armstrong NI. Those providers are all currently delivering.

Mr P Ramsey: How many will you not employ?

Mr Sawyer: I cannot give you that number. I can find that number out for you, but I am not aware of the number of providers that were previously providing the service in the geography that we are operating in.

Mr P Ramsey: Of the existing jobs with the subcontractors in your region, which is a considerable number, how many will be protected with the appointed contractors that you have now?

Mr Sawyer: We have been working closely with the incumbent providers of the Steps to Work programme to manage the TUPE transfer across to the new providers of the Steps 2 Success programme. That process is ongoing. It is not finalised, but the current position is that 31 people have been put on to the TUPE transfer lists by the incumbent providers.

Mr P Ramsey: How many have not been?

Mr Sawyer: How many of their employees?

Mr P Ramsey: How many of the total employees of subcontractors of Steps to Work will not be put on to TUPE?

Mr Sawyer: I do not know the number. TUPE applies to all the people who were working on the Steps to Work contract previously. I assume that other providers have been redeploying some people to other things that they are doing and to other opportunities, and, where they have not been able to do that, they have put people on to the TUPE transfer lists, which have then come to us, and we are working through those with them. Therefore, we have 31 people at the moment whom we are transferring across to Ingeus and our supply chain partners to commence delivery.

Mr P Ramsey: I am sure that the Department can fill us in about that.

You said that 60% of the work will be subcontracted from you, and you listed the names of those that are part of it: Armstrong; Springvale; People 1st; Addiction NI; and SES. What percentage of that 60% will be going to those partners?

Mr Sawyer: I do not have that percentage to hand, but I can get the exact figure to you. It is in the broad order of somewhere close to 20% each for Armstrong, Springvale and People 1st, although it is not exactly 20% each.

Mr P Ramsey: There are only three subcontractors.

Mr Sawyer: There are three end-to-end subcontractors.

Mr P Ramsey: What do Addiction Northern Ireland, Mencap, Action on Hearing Loss and the Cedar Foundation, which you mentioned, do?

Mr Sawyer: They give specialist support. There are two levels of service. One is the end-to-end advisory core service, which is delivered in geographic areas by the end-to-end providers and Ingeus.

Mr P Ramsey: They are not formal providers of the training.

Mr Sawyer: No. For example, people who are referred by a JBO adviser will receive their service from either Ingeus or Springvale, for example. The providers will be colocated in all our offices, working alongside us where additional help is needed for people who have specialist needs, if that makes sense.

The Chairperson (Mr Swann): Tony, you were looking to come in.

Mr Tony Montgomery (Department for Employment and Learning): I have a quick point to make. The supply chain partners are linked directly to each jobs and benefits office or job centre. For instance, Armstrong NI will receive all the referrals from Bangor and Newtownards, and the same will apply across.

Mr P Ramsey: I am not taking away from the three subcontractors that you have, and they do fine work, but are no key youth providers involved? There are key youth providers that come here that are models of good practice. Is there none that specialises in that provision?

Mr Sawyer: I do not think that there is a particular provider that we have that is defined only as a specialised youth provider, but I do think that our partners, including Springvale and Armstrong NI, do have significant expertise in working with young people.

Aidan, you can probably comment better than I can on that.

Mr Sloane: Through the work that we do, we have extensive provision and a contract with the Department. We have Training for Success, ApprenticeshipsNI, and what is currently Steps to Work and what will be Steps 2 Success. For our client base of jobseekers and learners, we have provision from 16 years of age upwards, and we have been able to bring in the right skill set and knowledge base to work with the 16- to 24-year-old age group. We then segment that across our provision, so we have extensive experience in youth provision. We are fully aware of the demographic and, I guess, the sectors across Steps 2 Success and the client grouping. In Springvale, we certainly have the youth provision expertise.

Mr P Ramsey: I am nearly finished, Chair. In your briefing paper, you tell us that you are investing £2 million up front in the project. What will your profit margin be at the end of the first year?

Mr Sawyer: The investment that we make up front is for setting up the offices where we will be delivering directly and, essentially, employing people and providing services before we start to be paid. In the contract, we are predominantly paid on achieving long-term outcomes and results. I cannot give you a profit margin off the top of my head. Essentially, it is dependent in total on how we perform on the programme, because one of its design features is that we get paid only when we help people not only into jobs but into long-term jobs, and I think that that is right. We have to get people into work for three, six, nine and 12 months, and that is why we work with people to support them to stay in work as well as just to find them a job in the first place. The reward that Ingeus receives, and the financial success for Ingeus, is totally linked to the impact on individuals and on whether we are successful at getting people into work. Realistically, I think that the answer is that it could be a range totally linked to our performance. To give you a figure at this point, I cannot do that.

Mr P Ramsey: My final question is a follow-on from the Chair's and concerns your existing commitments and targets in other places. Can you outline what you hope to be your target in the first year for getting the unemployed into work?

Mr Sawyer: On Steps 2 Success? DEL has set out extremely clear contract targets at every point on the way. Alongside that, and this is important, is a clear and thorough service guarantee that goes beyond the number of people who move into work to include the sorts of services that must be

provided to each and every person on the programme. We will deliver that, and I can fully assure you that we will deliver those numbers.

Mr P Ramsey: What are the targets, Jack, for the first year?

Mr Sawyer: There are five groups on the programme. There are targets that relate to people starting jobs and targets for how many people reach three, six, nine and 12 months. We have 35% into work for the 18- to 24-year-old group; 30% of people starting work for the 25-plus group on jobseeker's allowance (JSA); 19% of early entrants on JSA starting work; and 20% for the ESA group and the voluntary group. There are different targets, depending on the different individuals who come on to the programme.

Mr B McCann: Chair, for the Committee's information, we are happy to provide the targets.

The Chairperson (Mr Swann): I appreciate that. Thanks.

Mr Buchanan: What do you see as the biggest barriers to meeting your targets?

Mr Sawyer: There are a number of barriers, and it comes down to the conversation that we had prior, which is that there are two things that we need to do here. One is that we have to work with people to help them build their confidence, to understand better how to search for and find a job, and to help them find jobs that they are interested in and want to do. Therefore, one of the big sets of challenges is around individuals and how they feel.

Long-term unemployment can be challenging and difficult for people. It can undermine people's confidence. We see instances of mild depression and other mental health challenges in many people, even beyond those who are categorised as being on employment and support allowance. Working with a health and well-being team and building people's confidence and self-esteem around their situation is really important.

There can be lots of practical challenges as well. For example, if someone has a health condition, there can be a practical challenge to moving into work that relates to how they can accommodate their physical health condition in a working environment, or, indeed, even to allowing them to seek work. There can be a number of challenges, but the overriding one is how we show people when they come through our doors that, through the services that we have, despite them not having had a job — in many instances, having tried really hard to get one over 12 months — there is something here that is different, that can change their fortunes and that can get them into a job.

It is about giving people that hope. By showing people that they have a personal adviser, a health and well-being service, group trainers and facilitation to upskill them, and an employer services team going out specifically to find vacancies for them that they can apply for and compete for, I think that can really help.

The other thing is that we need to go out and talk to employers to market the services that we can offer them. We need to talk to employers about the real benefits of the talent pool that is the people on Steps 2 Success and long-term unemployed people, because there is an incredible amount of talent there that we can realise. If we talk to employers about how much work we will do to prepare people to be ready to work with them, and specifically for them, we can design training around an employer's needs and run skill streams for that specific employer.

We can talk to employers about the impact that it can have on their organisational reputation and what it offers to their employees by working with people from local communities. That is an important part of what employers, more and more, are understanding that they need to do. If we can sell those benefits, we can get both working together. We can really make people more employable and make employers more likely to take on unemployed people.

Mr Buchanan: You emphasise the need to go out and talk to employers. When are you going to start that?

Mr Sawyer: We have started. I met not with employers, to be fair, but with the Confederation of British Industry (CBI). We talked to it about what it thought the programme could do for local businesses. Subsequent to this meeting, I will be attending the Chamber of Commerce and Industry's

annual event, which a large number of employers will also be attending. I will be networking with employers to seek to start bringing some of those relationships on board.

For some of it, we will be able to bring across some relationships that we have established in GB. Our employer services manager was the first person whom we recruited for Steps 2 Success, because, even before the programme goes live, we can be out there doing it now. We are doing that, so our employer services manager is already on the ground and talking to employers. We are doing it now is the answer.

Mr Buchanan: Fair enough. If after year 1, you find that you are not meeting the targets that you quoted to Mr Ramsey, what action will you take or what plans have you to address that?

Mr Sawyer: We fully intend to meet the targets. That is the first thing to say. We are set up to do that, and I believe that we will do that. We have a really firm commitment to doing that. That is not just because they are the targets but because of the culture that we have in our organisation, and we will make sure that that is the case in Northern Ireland. I already know that it will be the case from the people whom we have employed with us. We need to do this because these are people's life chances. We have an opportunity to make a significant impact for people and really change their life from the very difficult position that they are in to a significantly better position. That has impacts on them and their family, so we are extremely committed to that, and we will make sure that we do it.

If we are not achieving the targets, we have continuous improvement teams to help with that. For example, I talked earlier about the management information that we will gain from our databases. That will compare performance across the supply chain partners, and, if Springvale is delivering better performance and achieving, we will look at how we can replicate that. We will ask what, for example, Springvale is doing that means that it is delivering performance that perhaps Ingeus or People 1st is not. That partnership will really work to try to get performance improvement, because I am sure that, as well as a collaboration among the supply chain, we will have a healthy competition over which can move the most people into work.

Mr Buchanan: Finally, given that none of your providers is specifically focused on being a youth provider, how do you propose to tap into the category of those who are not in education, employment or training (NEET), which is very important?

Mr Sawyer: As I said, although we do not have a specific provider that is seen to do that alone, I do think that we have the skills through the supply chain, where, as Aidan outlined, organisations such as Springvale have a great track record of working with and engaging youth.

Aidan, is there anything that you can add to what you said previously?

Mr Sloane: Yes, I am happy to add to that. From Springvale's point of view, roughly a third of our business relates to our youth provision, and that is done primarily through our Training for Success provision. We have broadened that out in anticipation of other strategic and structural changes that will be coming along in the next two to three years. We are working with other partners with on that sector. We are cognisant of the NEETs category and the NEETs issue, and we have a team dedicated in-house that is solely focused on that sector of the community.

In Springvale, we have quite a broad mix of that. Other partners that are in the supply chain for Steps 2 Success have similar provision in situ and work with other partners that, I guess, are specifically targeted on that youth category.

Ms McGahan: Thank you for your presentation. I represent Fermanagh and South Tyrone, which is a largely rural constituency. In your documentation, you talk about working with two enterprises in Fermanagh and Dungannon, which fall in my constituency. Can you outline to me in detail how you will work with those organisations to promote self-employment opportunities for unemployed people?

The Chairperson (Mr Swann): Sorry, Bronwyn, but Ingeus is for the greater Belfast area.

Mr B McCann: Perhaps Bronwyn is referring to the presentation that was sent by Reed in Partnership. That will be covered next week.

Ms McGahan: OK, I will move on to the next question, which concerns getting people into work. In the North, we have the particular situation in which we have been hit the hardest by recession, and, obviously, recovery is much weaker in the North. We have a situation in which jobs that are deemed as low-skilled are increasingly being filled by highly skilled individuals, thereby reducing the opportunities for people who are not in work to get into work. You responded to the Chair regarding targets, but it did not inspire any confidence in me. I would like to know what you will do differently to address the particular challenges that we have in the North.

Mr Sawyer: There are a limited number of jobs in the labour market. One of the things that we are trying to do is to increase the share of jobs that people who are long-term unemployed can access. That is where working with employers can be quite powerful and useful. If you can set up a relationship with an employer, in which it works with you as an organisation or as part of a group of organisations and get its recruitment from you, you will essentially be competing with the commercial recruitment sector to increase the jobs that are coming into what I would describe as welfare to work or this programme, instead of the jobs going elsewhere. The clients whom we put forward to compete for those job placements will have less competition for them from people who, as you say, are more highly skilled. That is one way in which we can protect the chances of long-term unemployed people versus more highly skilled people who are competing for the same jobs.

Ms McGahan: Concerns have been raised about people with no qualifications enrolling in Key Skills level 2. There are concerns that that qualification, unlike GCSEs, will not be recognised by employers. How will you address that? Most of these jobs are being filled by people with degrees. They are going into call centres, and so on. Again, your response does not inspire any confidence. I do not feel that you will be able to tackle those problems.

Mr Sawyer: We work intensively with the people who are on the programme.

Ms McGahan: Surely the people in Steps to Work did the same.

Mr Sawyer: I cannot comment in detail on Steps to Work, but I am sure that that was the case and that they were doing the same thing.

Honestly, I do not think that I can provide you with the answers that you are looking for about solutions and about how the demand will be stimulated for the increased number of jobs that would allow us to do that. However, we focus on, and get our advisers to focus on, the things that we can control. We can control how well we talk to employers and open up more employer opportunities; how well we work with individuals; how good the service is; how well we engage with people; how well we listen to people and hear what they need; how much preparation we do with people; how we get them ready to present really well at interviews; how we build up their confidence so that they can get a job; and how we make sure that they go for and get placed in jobs in the fields that they want to work in and are interested in so that they can stay in work. We can also make sure that we have links so that when people can get a job — this programme is about getting people into work, and long-term work — there is that tie-in. There is also the relationship that we have with Belfast Met, which enables us to get people into work-based learning at that point so that they can improve their skills in work.

There are a number of things we can do. I am sure that those are not all the solutions you are looking for. However, there are lots of things that we can do to get more people into long-term, lasting jobs and on to a career progression through the Steps 2 Success programme.

Mr F McCann: I have to get the knack of getting in first. *[Laughter.]* Being fourth or fifth means that everything has been asked.

You are welcome to the Committee. Thanks for the presentation. I know of the work that Springvale does. It is fairly close to where I live and in the community that I represent, which is probably one of the most socially deprived communities in the North. It probably has more NEETs in it than elsewhere and the worst health outcomes across all the parameters. I am trying to get it into my head how this will benefit that community and what the big difference is between this programme and former programmes.

One of the things that the presentation shows is that your organisation has put 300,000 people back into work. When you get people into work, do you track them to find out for how long they are in work, the type of employment that they have gone into and whether it is quality employment or low-paid employment?

Mr Sawyer: Yes, we track people when they go into employment, usually for 12 or 18 months.

Mr F McCann: Of those 300,000, how many lasted six months, nine months or a year? How many of them are still in employment? The whole thing about the programme is to try to get long-term employment for people who are long-term unemployed.

Mr Sawyer: I probably cannot give you all the stats that you have asked for, but I can give you some numbers. We do a broad number of programmes, but, if we take the work programme in GB as a case study, we know that, of those who start work, 76% of people are getting to six months of work. That gives you a feel for the number of people who are staying in work.

Sometimes that is one job, sometimes it can be in two jobs, and in some cases it can be three jobs. On occasion, we will help people into work and, as a result of their personal circumstances or something changing, might help them to move from that job into another job, or they may stop work and start another job. However, 75% of the people whom we place in work are working for six months. Beyond that, I do not have recall of the number of people who move in and out of jobs. However, the percentage is 75% at six months.

Mr F McCann: Brendan, is that information available?

Mr B McCann: We can ask Ingeus to provide some further detail, if that would be helpful.

Mr F McCann: This is the crucial element of any job scheme —

Mr B McCann: Sustainability.

Mr F McCann: Yes. The crucial element is for how long people will be in employment. For somebody to be in work for three months, six months or nine months only then to be out of work again does not achieve anything.

Mr Sawyer: Absolutely. I totally agree with you. We have got to be geared up to move people into long-term, lasting jobs. That is an important point. We want to move people into work-based learning and on to a career ladder. We are also trying to move people into jobs that fit with what they want, because that is how we will get people to stick at work. When they are part of the decision, have a two-way conversation about getting the job and see it as the start of a career and not just the end of a process, they buy into it. I absolutely agree with what you have said.

Mr F McCann: Are you looking in, Aidan?

Mr Sloane: I want to make a quick point about some of the work that we have done under Steps to Work. We have extended the engagement chain beyond 26 weeks. That is the measurement that we have established through the employer services team. That has worked very well for us, as we have demonstrable experience and exemplars of good practice, whereby people have been able to sustain employment and step into a potential apprenticeship route. Close working with employers has allowed us to do that. Close working with Belfast Met has also allowed us to look at sector-specific and industry-specific areas. As an example, across construction, hospitality and catering, we have seen really strong examples of extension beyond 26 weeks. Likewise, we have taken the opportunity in-house to look at engagement with individuals beyond the 26-week time frame. That has been an important factor for us.

Mr F McCann: It is important that it be statistically led. There needs to be hard evidence that it is working.

Jack, you mentioned discount stores to the Committee. Although they may provide jobs, they do not really provide ambition for people for the future. The only thing that you mentioned about job provision was that you have contacts with a big discount store that may bring in jobs. We try to look beyond that. Aidan spoke about apprenticeships and the like. Have you been in touch with any other major employers across the North? Has that given you any confidence that you will be able to deliver some quality jobs to people after they have gone through the training programme?

Mr Sawyer: I used the discount store as an example as it has been a really big growth industry recently. We have seen people get career progression in such roles. There can be good jobs and

careers in retail, and people can use those jobs as stepping stones to other things. However, you are absolutely right: we should look not just at those sorts of jobs but at a broad spectrum. We have a broad spectrum of people on the programme, and we need to have a broad spectrum of opportunities to meet their desires and needs. As I said, I am going to an employer event straight after this meeting to start to introduce Ingeus to large employers and to have some of those conversations. Our employer services manager has been with us over the past three weeks and has done the same thing. At this point, I cannot say to you, "Yes, we are going to be doing this with this large employer", but, as time goes by, we will be able to tell you more about what we are doing with larger employers.

Mr F McCann: I have two quick questions. You said that the first thing that you did was to employ a team of people to oversee the thing. What background did they come from, and what experience and knowledge did they have of the local employment scene? In the information that we got, you said that there will be call centres that people will contact, and that they will be taken through all aspects? Where is that based?

Mr Sawyer: In relation to the first question, we are still bringing on people to start for the future.

Mr F McCann: How many have been brought in as part of the team up to now?

Mr Sawyer: We have five people in the management team. They have a broad array of different experiences. I am totally familiar with each of their CVs; they are all from Northern Ireland, and they have all worked in the employment and skills training space in Northern Ireland. So, they bring great experience and they bring local relationships and understandings of the particular challenges faced. It is a strong management team, and I am confident that they will be able to deliver the results that we are all looking for.

In respect of the contact centre, we have a telephony centre in Birmingham, which is where all the telephone engagement takes place across all our programmes. The reason we need to do that is that we found that, over time, working and communicating effectively over the telephone is quite a specific skill and needs the right environment. You need to have the right management and the right conducive environment for people who are doing work on the telephone all day long, and you need to build the right set of skills around communicating effectively and clearly on the telephone with people. We have found that, over time, it works to put that into one place and one team. So, we will do that on the Steps 2 Success contract as well.

Mr F McCann: My final question is on the call centre. It talks about people who are North of Ireland focused. How many people would that be?

Mr Sawyer: At the beginning of the programme, four people will manage that. The number will change as you go through the programme because, as you get more referrals coming on to the programme, you need more people to do the initial information and calls with people. The number will change all the time, but I think that I am right in saying that it will be four people from day one, but I can check that for you.

Ms Lo: A lot of questions have been asked, but I am new to the Committee and I just have a couple of questions. What do you think you can bring to Northern Ireland when you say that 60% of your delivery will be from local organisations like Springvale, which has been here for a long time? What specialism and enhancement can you bring?

Mr Sawyer: I do not know whether Aidan wants to answer the first one and then I will come in. It would be interesting for the Committee to hear his perspective on what value we can add to his organisation.

Mr Sloane: From our organisation's standpoint, we have taken the last 18 to 24 months to prepare and restructure our organisation to embed in that a continuous improvement framework. That has meant new ways of working for us. Part of our new ways of working strategy has been to engage strong exemplars in the marketplace in anticipation of structural changes across the DEL contracts. That includes Steps 2 Success in particular from today.

Our engagement with Ingeus over the past two years has highlighted a number of fronts for us. Our employers' services team has meant that there is a dedicated resource in our organisation that is externally focused. Previously, that was embedded across our vocational roles —

The Chairperson (Mr Swann): Sorry, Tony, you are not coming back to the table, by the way.

Mr Montgomery: My apologies, Chair.

Mr Sloane: What that has meant is that we have been able to embed the employers' services team, which has been a new focus for us, which is externally focused and has created full engagement in the employment market. We have seen strong examples of that across Ingeus. One of the largest things that will bring added value to our organisation and do so quite quickly is the embedding of new IT infrastructure around a management information system that is about daily reporting and forecasting. There is then a caseload management system and a dedicated client-focused system. Without that, we would have taken longer, and I guess that the profile could have been significant for us as an organisation and other partners in the space. Through this, we have been able to identify the added value that will come quite quickly for us as an organisation, and we can embed that and plug it into our systems fairly quickly through a tried and tested model that we have seen in practice.

One of the other largest pieces of work that has very clearly added value and that we have embedded and been able to strengthen and really bring to the fore with regard to our strategic thinking in partnerships has been health work and well-being. We look at the multiple barriers that people present with that prevent them from stepping into an employment opportunity, and we have been able to embed those strategies in a dedicated team across our organisation with local partners as well as, for example, for the Public Health Agency. We have had that as a strategic focus in our organisation working with key partners, and we have seen in Ingeus that that embedding of health work and well-being over the last two or three years has helped drive performance. We have seen that inherent in our business, not only across Steps to Work but in Training for Success programme, which is the youth provision that another Committee member asked a question on this morning, and for those in employment and for the apprenticeship level 2 and 3 provision. That has been really strong added value for us as an organisation, and we see that further embedding and enhancing going forward.

Ms Lo: Is that the same for Armstrong as well?

Mr Sawyer: Yes. What we offer to support our supply-chain partners is consistent across all the supply-chain partners.

Ms Lo: I have one more question. You talk about health and well-being, and you have, in your specialist group, Supported Employment Solutions, with a list of mental health organisations. How does that work? Do you just list them there or do you refer your clients to them? How do you monitor?

Mr Sawyer: Whether it is Armstrong, Springvale, People 1st or Ingeus providing the core services that we have talked about such as the advisory service, the group facilitation, the employer services and the health and well-being, specialist providers work across all those organisations. So, you are right, we effectively refer people to them, but it is not a referral out; they are co-located. They come in to the familiar office environment where people are used to working and they sit down, often in a three-way conversation, so that that advice is joined-up with the employment adviser that the individual is working with. So, we do that in partnership. Effectively, yes, it is a referral, but rather than referring the person on the programme out, we refer the supporting organisation in, because we think that makes for a more joined-up service for the person concerned.

Ms Lo: Will staff get training before you start with those specialist organisations?

Mr Sawyer: Yes, absolutely. While our employment advisers cannot all be expert in depth on all the support that someone might need to move into work, they will receive training in how to manage health and well-being challenges. One of the key parts of the health and well-being team, which is not Supported Employment Solutions but is the Ingeus health advisers that we employ, is to work and upskill employment advisers to make sure that they are confident in handling those kinds of conversations to the extent that they are capable of doing so.

Ms Lo: And identifying symptoms.

Mr Sawyer: Exactly. To know where to signpost, because we will not try to do everything in relation to somebody's health. We will have to know how to signpost to get the relevant health professionals from other organisations to work with those people. That has been based on quite a lot of best

practice that has come out of various, what I think are called, fit-for-work pilots that have happened in GB, where one of the key findings has been that the ability and confidence of the generalist employment adviser to identify issues and to know where to go and how to work and talk to people is significant in making sure that health conditions do not become a barrier to people moving into work.

Ms Sugden: Thanks for your presentation. You alluded to the relationship with employers, and I am quite curious about that. I believe that it is a two-way street for employers and potential employees and could be a positive mechanism, particularly for getting young people into work. I have spoken to a number of SMEs in my constituency about taking on unemployed youth through schemes like this. One of the push backs I got was that it is a risk that they are not necessarily willing to take because of their limited resources. Because of their limited resources, three, six or nine months is a very short space of time for them to have to deal with the challenges of taking on someone and maybe it not working out. How do you plan to build confidence with employers? To me, they are the key element in all this. They are the people who are providing the jobs.

Mr Sawyer: I agree that it is a key challenge for us to build the confidence of employers to feel that they can take on people who are long-term unemployed, particularly young people who are long-term unemployed, and that they will become valuable employees for them.

We will certainly work with young people. There will be group training that relates to this but also individual support from a one-to-one advisor, talking to young people a lot about the expectations of employers and helping to educate people about what it is to be an employee, what employers expect and how you should handle yourself in a workplace environment — in-work etiquette.

There is a lot we can do to improve people's ability to be good employees quite quickly. We then have to gain the confidence of employers to take the chance. We can do that in a number of ways. We can do it through work trials and setting up the opportunity for people to do work placements so that an employer can see that somebody can hold down the role. The other thing we do is build trust and confidence working with someone over time. They will, therefore, take the endorsement of Ingeus. That is to say, "This person will be good for you. We know you, we have worked with you. You know us, trust us on this and this person is going to be good."

Sometimes, you might initially have a relationship with an employer and at the very beginning they will be more concerned about taking on individuals. Through working with them over time and following up with in-work support by going to the employer and asking, "Are there any challenges being presented and what can we do to resolve that?", we would have a relationship with the employer and the individual. In that way, we can start to circumvent some of those issues.

Ms Sugden: I assume, particularly with SMEs, which would probably be employing small numbers, would you be going in and looking at the individual needs of those businesses to know what role that employee would be fit for filling? Would it be as specific as that?

Mr Sawyer: Yes. We will do two things. Sometimes, we will just be working with people to help them to apply for jobs. The person will get a job on the open market. The fact that Ingeus, or one of our partners, is working with the individual will be unknown to the employer. The likelihood is that the majority of jobs will work in that way.

In cases where we work with an employer, if we are going to recommend an employer to an individual on the programme and vice versa, we will meet the employer and understand their needs and working environment so that we can get the right match between the employer and the individual.

Mr Flanagan: Gentlemen, I am sorry I missed your presentation but I think you will probably be aware of where I sit on this scheme. I genuinely do not see the value of it. I think it is a waste of public money. You said that the breakdown is 40% going to yourselves and 60% staying locally. What proportion of your 40% is based here? Apart from the five management staff you referenced, how many more people have you got here?

Mr Sawyer: The significant majority would be based in Northern Ireland. Only a small number of people would be in the team we discussed earlier around the telephony support. The payments processing side would not be based in Northern Ireland. On day one, I think we will have about 80 people working across the entire delivery across the lot area. We would expect six of those people to be based in our central support teams that would not be based in Northern Ireland.

Mr Flanagan: Sorry, run that by me again. Did you say 60 or 80?

Mr Sawyer: Six.

Mr Flanagan: What was the first number you said?

Mr Sawyer: On the day that the programme goes live, there will be 80 team members across the lot area. I think that that will be broken down to about 35 people working across Ingeus. The rest will be made up of supply chain partners, who will do 60% of the delivery. The teams that will do the telephone contacts and the payments and processing will number six of those people.

Mr Flanagan: So, six out of your 35 direct employees who are based in England.

Mr Sawyer: Yes. At the beginning of the programme.

Mr Flanagan: What sort of money are your management staff here paid?

Mr Sawyer: I will probably have to come back to you on that question. We seek to pay good money to get the best people, but I am not exactly sure what those salaries are off the top of my head.

Mr Flanagan: Can you get back to us with that?

Mr Sawyer: I think so, yes.

Mr Flanagan: Bronwyn raised an issue about highly skilled or highly qualified people going into work that does not suit their qualifications and experience. This may be a question for the Department. What monitoring will be put in place to ensure that we do not see graduates or highly skilled people who cannot get proper full-time jobs being put into a scheme to ensure that they do not lose their basic benefits?

Mr Sawyer: Can you repeat that question to make sure that I understand it?

Mr Flanagan: Bronwyn raised the issue of people with degrees, or experienced people, getting jobs in retail stores. What monitoring will be put in place by you or the Department to quantify to what extent that is going on through the scheme?

Mr Sawyer: We will receive referrals from JBOs and will work with whomever is referred to us. We will not have any choice in the individuals we work with. It will be based on the qualification criteria for the programme which is set out in terms of someone's duration of unemployment. They will then come to Ingeus.

Brendan, I do not know if there is anything that you want to add to that. People will be referred based on their eligibility as set out in the programme.

Mr Flanagan: I presume that your management staff will be on performance-related pay, as well as a basic salary. Therefore, it will be in their interests to get scheme participants into a position of any kind whether or it meets their qualifications and existing skills sets.

Mr Sawyer: Our management team is not on performance-related pay. That is not the case. Nonetheless, we will performance-manage the management team, and it will be in their interests, those of everyone else involved in running the scheme and the individuals on the programme, to get as many people as possible into work.

What has been set out, and what is very strong about Steps 2 Success is that there is a very clear guarantee of service across all the different groups that come on to the programme, which relates to the individual, and there is also a set of performance expectations. Our job is to deliver both. We have to make sure that every person gets the service and, in doing that, we will move lots of people into work. That is how the Steps 2 Success programme has been set up by DEL. Every individual, no matter whether they are more or less employable when they come to the programme, will receive a really strong quality of service.

Mr B McCann: The Department will look at the quality of the service provided by Ingeus and the other providers. Part of that quality assessment will look at how it assesses individuals' job goals when they join the programme. Individuals will have a progress-to-employment plan that will be discussed with and agreed by them. So, individuals' job goals will be clearly started. We will look closely at the matching of people into positions to see whether they match those job goals. That will be part of the quality assessment that will be carried out by my colleague Angela Whiteside.

As time progresses, we will be able to gather information on who has progressed into employment, what type of employment they have gone into and whether that is a stepping stone to another job. We will also be able to see whether they have progressed, if they have gone into a call centre, moved into a managerial position and so on. We are also keen that the programme should develop individuals over time and lead to quality outcomes.

Mr Flanagan: Brendan, do you understand my concern?

Mr B McCann: I do. Through its quality monitoring, the Department will seek to ensure that people benefit from the programme and get into positions that meet their job goals and aspirations.

Mr Flanagan: Will you be in a position to provide the Committee with numerical information on the type of people who are going into what type of —

Mr B McCann: Over time —

Mr Flanagan: I do not means jobs, but placements through the scheme.

Mr B McCann: Over time, we will

Mr Flanagan: OK. That is grand. Thank you for that.

The Chairperson (Mr Swann): Gentlemen, thank you very much. Jack, you will appreciate that we have run over our time a bit, but you can see the Committee's interest in the scheme. It is about making sure that it delivers for the clients who you are working for, who are our constituents. We want the best delivery, and the Department recognises that as well.

Mr Sawyer: Absolutely.

The Chairperson (Mr Swann): Brendan, we will forward you a copy of the Hansard report of the meeting together with any questions, queries and follow-up information that we want on TUPE and things like that. I would appreciate it if the Department could follow that up with Ingeus.

Tony, I will explain that, once you leave the Table, the Public Gallery is not the place for public consultation.

OK. Gentlemen, thank you very much.