



Northern Ireland
Assembly

Committee for Employment and Learning

OFFICIAL REPORT (Hansard)

Research Agenda 2012 -15: Departmental
Briefing

24 October 2012

NORTHERN IRELAND ASSEMBLY

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Members present for all or part of the proceedings:

Mr Basil McCrea (Chairperson)
Mr Thomas Buchanan (Deputy Chairperson)
Mr Phil Flanagan
Mr David Hilditch
Mr Fra McCann
Mr Barry McElduff
Mr Alastair Ross

Witnesses:

Mr Victor Dukelow	Department for Employment and Learning
Mr Colin Jack	Department for Employment and Learning
Mr David Rogers	Department of Finance and Personnel

The Chairperson: This is the departmental briefing on the research agenda 2012-15 entitled Underpinning Success. I remind members that the session is being recorded by Hansard. We have Colin Jack, director of strategy, European and employment relations division, Dave Rogers, who is the deputy director of analytical services, and Victor is staying with us.

Mr Colin Jack (Department for Employment and Learning): We have described both Victor and Dave as deputy directors of analytical services. It might be more helpful to give them an alternative title to differentiate between them. Victor is our chief economist, and Dave is our chief statistician.

The Chairperson: Who is the economist?

Mr Jack: Victor is the economist, and Dave is the statistician.

The Chairperson: Now that we know what you do, we will ask you more questions.

Mr Jack: The analytical services function is in strategy, European and employment relations division, which I head.

The Department is committed to evidence-based policy formulation and development. The research agenda 'Underpinning Success', which we have given to you today, is the key way in which we are seeking to ensure that the Department's work, across all stages of the policy cycle, is underpinned by high-quality and up-to-date evidence. So the research agenda is one of a number of significant building blocks to inform the evidence base. The Department is continually seeking to maintain and supplement its strategic thinking and policy development framework.

The agenda 'Underpinning Success' was published in July for the period 2012-15. It is the Department's fourth research agenda since 2004. Over the Department's period in existence, we have accumulated a developed evidence base of new knowledge and information through the outputs from the Department's research activities. The document sets out our strategic research needs over the forthcoming three-year period, which are tied in to the Department's two strategic objectives, as set out in the strategic plan. The most useful pages of the document for members to look at are pages 7 and 8 of the research agenda, which really provide an at-a-glance idea of the areas in which we are planning to take forward research.

Twenty-nine research areas have been identified. Those areas are set against the Department's two strategic objectives, the first of which is to promote economic, social and personal development through high-quality learning, research and skills training. The second is to help people into employment and to promote good working practices.

As you can see from that summary of what we plan to take forward, projects cover all business areas in the Department. They include, for example, researching the role of skills; narrowing the productivity gap with the rest of the UK and other leading countries; comparing our tertiary education and training system internationally; and undertaking research that will support the employment law review that we have under way at the moment.

We are keen to avoid duplication of research and to maximise complementarity with other Departments in the Executive; organisations elsewhere; research-commissioning institutions, such as charitable research foundations and so on; and relevant stakeholders, as we consider future research priorities. It is not a one-off process, so it is subject to some evolution over time. Demands change in response to the challenges that we face. Nonetheless, the idea of setting a research agenda for a three-year period is intended to set a firm framework for the research that we will take forward. However, if we need to amend that as we go in order to meet changing priorities, we will do so.

The Committee's input today in respect of whether we have those priorities right from the start will be very helpful to us. A separate implementation plan will underpin the research agenda. We are developing that at the moment, and we plan to publish it later in the autumn. That will set out how we will prioritise and procure the research that we have identified here.

The Chairperson: Just run that past us again. What will the implementation plan do?

Mr Jack: It will set out how we will prioritise the areas for research that we have outlined in the research agenda and how we will procure that. In other words, whether the Department will take forward the research itself or whether we will need to procure that from the market, be that from the higher education market or the private sector.

The Chairperson: I do not want to interrupt your flow, but that does seem a little lengthy, given when the document was first published, and given that you are not looking to procure for another —

Mr Jack: We are not waiting to produce the implementation plan in order to procure some of the pieces of research that we have outlined here. A number of them are already under way but, in the interests of transparency, the implementation plan will set out how we are going to do that. Some of the —

The Chairperson: This is a two-year plan?

Mr Jack: It is a three-year plan.

The Chairperson: A three-year plan. Where are we with that? Are we six months into it?

Mr Jack: We published it in July, so we are four months into it.

The Chairperson: So, when will you have your implementation plan ready by?

Mr Jack: It should be agreed within the next month or so.

In taking forward research, we engage with bodies elsewhere to ensure that we take an outward-looking approach. We want to learn from best practice across these islands and internationally. We greatly benefit from that type of engagement, and we have strong and growing relationships with other government Departments, with, for example, the Organisation for Economic Co-operation and Development (OECD) and with the expert group on future skills needs in the Republic. We have a strong relationship with the Economic and Social Research Council (ESRC), which is the UK Government-funded research council for a range of social policy areas and is particularly relevant to the Department for Employment and Learning (DEL). That has enabled the Department to host a conference in Belfast during the ESRC's festival of social science week.

The Chairperson: When is that?

Mr Jack: The conference is on 8 November and is entitled "Stimulating Skills, Innovation and Economic Growth".

The Chairperson: Have we got an invite?

Mr Jack: You should have an invitation to it, and I hope that that will help you to engage more with these issues. In addition to that, the Department monitors recently published research by others that has relevance to our work, and, each quarter, we produce a research review. That is widely used by colleagues in the Department and is also available to anyone else who wants to look into these matters.

The Chairperson: Can you forward the quarterly review to the Committee? Does it come already?

Mr Victor Dukelow (Department for Employment and Learning): Yes, I think that it does.

The Chairperson: I have not seen it.

Mr Dukelow: I will double check. It should do.

The Chairperson: It may be that I have missed it. It is the sort of thing that I am interested in. Colin, in general, because we took a long time on the earlier session —

Mr Jack: I do not have much more to say.

The Chairperson: I did not want to hurry you. I just wanted to know for planning the time.

Mr Jack: All I wanted to say was that we would like the research agenda to help us to harness the creativity and knowledge of the research community so that we have robust evidence to underpin our policy development and delivery. I am happy to take questions.

Mr F McCann: Thanks for the presentation. I will raise something that was raised in the previous presentation, where mention was made of a skills monitoring service that was carried out in 2002, 2005 and 2008, which involved analysis of time-series information. Surely, the world has changed dramatically from that. How do you key in some of the changes to fit present-day needs?

Mr Dave Rogers (Department of Finance and Personnel): One thing to realise is that, although a lot of things change, a lot of things stay the same. Employers, on the whole, still go about recruiting, and they still go about looking to meet their skills gaps in the same ways. It is just that often the environment will differ. Earlier, there was a mention of duplication and saving resources. This year, instead of producing our own skills survey, we decided to buy-in to the survey that was conducted by the Commission for Employment and Skills at a UK level. That means that we were able to get information that is comparable with the rest of the UK, so it puts us in a context, whereas, before, we only had our own information.

The Northern Ireland report was published only last week, and we will now be looking at that. It was produced by the Commission for Employment and Skills, and we will now get the information, so we will be able to look at that in a longer-term context.

One thing that is in some ways surprising is that, although the demand for skills may go up and down a little according to the economic cycle, there is a lot of inertia there. There are still a lot of employers who need to fill posts. OK, the number of vacancies is running at about half of what it was a few years ago, but there are still between 60,000 and 70,000 vacancies a year coming in to the employment service.

The Chairperson: When will that analysis be ready? You said that you only got the report last week. Will you have a look at it, Dave, and reach some conclusions on it? Is that the way it works?

Mr D Rogers: We will. Colin mentioned the prioritisation process that will take place as part of the implementation plan. Ideally, we would do everything now, but, of course, we have to recognise that there are trade-offs and that resources are scarce. We have to concentrate on the most important thing. There is no question that we will look at it. It is just a question of precisely when we do that. When we look at the data, we will have to make a judgement on how useful it is. If our data, for the sake of example, tells much the same story as what is happening in the rest of the UK, there are certain things that we can learn from what is happening there. Even on a provisional level, they can be important to here.

The Chairperson: If Fra does not mind, I want to say something on that issue. That particular research will be of interest to us with regard to careers decision-making. We would like to include that analysis in the report that we are going to do. The Department might consider when you think that you could come and talk to us about it, even if it is just to say the things that you have said, Dave. Parents and young people need to know that, if there are 70,000 vacancies out there, it is worth doing a job on that, or, if there is not, you should do something else. It would be really useful.

Mr D Rogers: It is important to realise that the employer skills survey has a particular purpose. It is really designed to take a snapshot of employers and to ask how many vacancies they have at the moment and how many they cannot fill because of skill shortages. There may be a whole host of reasons why they cannot fill vacancies. It may be that they just cannot get the people at the rate that they are prepared to pay for the job rather than being about the skill shortage. It also looks at their workforce and asks whether they have gaps. Of course, the responses to both of those are two different things. The responses to the skill shortage may be one set of things that especially feed in. The response to skill gaps is more about looking at employers to ask how employers can be supported or how employers should support themselves as well in developing the skills of their workforce.

The Chairperson: OK. Let Fra come in; he had a follow-up question.

Mr F McCann: It is following on from a question that you asked earlier, Chair. You spoke about talking to people from the electrical engineering sector and their requirements around apprenticeships. Earlier, Catherine talked about the training of apprentices. There seemed to be no meeting of minds. How do you marry the research that you do with the provision of training, especially for apprenticeships, to meet the needs of employers? How do you marry it with the heads of companies, who the Chair was talking about, who may have vacancies?

Mr D Rogers: Catherine used the term "cop-out" earlier. I am not trying to cop-out either. That is the direct responsibility, obviously, of the —

Mr F McCann: What sense is there in you doing research if it is not being picked up by other parts of the —

Mr D Rogers: The research is one important element —

Mr F McCann: It is a crucial element, though.

Mr D Rogers: It is a crucial element, but it is not the only element. The Department will have available a whole host of labour market data. Some information was presented to you at a previous Committee meeting on what is happening in the labour market. That will have come from the Northern Ireland Statistics and Research Agency (NISRA). Information will come through the sector skills councils, which will be able to —

The Chairperson: I do not want to labour it because we have made our point, but the issue is that the analysis on the labour market was really useful for us, and the Committee intends to look at that quarterly. We will look again in two months' time when it is out. Your information is also of interest to us. It may be no more than saying, "Oh well, at least we know what people say", and then we ignore it, but some analysis would be good.

Mr F McCann: The important point is that quite a lot of detailed research goes on. Do you ever get the different sections of the Department sitting down and talking about the data and research, and somebody else explaining how it fits in with what they are doing? Instead of us getting five different briefings, could somebody not say, "Well, this is what all this information leads up to", and —

The Chairperson: There is a way of doing that. We can write to the Department.

Mr F McCann: Do you understand my —

The Chairperson: I absolutely agree. You will be pleased because I am trying to move this particular bit through because we took so long on the last bit. We will write to the Department to ask how it is all pulled together. The Committee Clerk will draft a suitable letter for us.

To the gentleman in front of me, it is not that I want to cut you off, Colin, but we have got the point. We are interested in the research coming forward. On the specific issue of the employer skills survey, perhaps you would let us know when that comes forward and whether, in your considered opinion, there is any point to it. If you look at it and think that, frankly, it does not tell us anything, that is OK. However, we would like to see the research. We are saying to people, "Parents, young people and other people with influence need to have the appropriate data in order to see where the skills gaps are in the employment market, so can you help us, please?"

Mr Jack: This is a general point that, I think, is important for us to make. We have a limited research budget. It is about £250,000 per annum. We need to make sure that we prioritise that properly and spend it on the areas where we really add value by commissioning research. We do not fund research to sit on the shelf. We fund it to be of use to —

The Chairperson: I agree, Colin, but from an expenditure point of view, £250,000 is small money.

Mr Jack: That is the point. It is a small budget that we need to use properly.

The Chairperson: The Committee also has limited resources to address its priorities, but we would like to look at some bits of research and say, "We would like to hear that." That is really key.

For example — if Fra does not mind me adding to his point — there is an issue in there about the NEETs study. On page 69 of members' pack, it states:

"Research to examine the possibility of developing a tracking system for individual young people not in education, employment or training ... The study is due to be completed before Summer 2012."

Mr Jack: That has not quite been finalised yet. We have a draft report, but we are not yet in a position to sign off on it. However, we are working actively on that.

The Chairperson: Will you let us know when that is ready? I know that the report will be of interest to the Committee.

Mr Jack: Absolutely. I was going to make a general point that we do not fund research for it to sit on a shelf. We fund it to be of use to the Committee, policymakers, other stakeholders, parents, employers, and so on.

The Chairperson: OK. We have got that. We are trying to help with that.

Mr F McCann: I am not saying for one minute that research is done to sit on the shelf. What I would like to find is what they do with the research and what the end of product of it is.

The Chairperson: That —

Mr Dukelow: I will quickly respond to that, Chair, if you do not mind. One of the things that we have been doing on an ongoing basis is evaluating all the work that we have done over the past eight to 10 years on the Department's research agenda to identify the specific impact of each project, as well as identifying whether our policy colleagues are using it, whether it is being used in a wider domain and whether it is of sufficient quality.

The Chairperson: When will that be ready, because Fra would like to see it?

Mr Dukelow: We have published the first one of those. We are about to publish the second evaluation of that piece of work. That is an ongoing process. We can certainly share that with the Committee, if that is suitable.

The Chairperson: That would be useful. That is the exact point. Fra, we will deal with your issue when we get the report.

Mr Jack: Another relevant point is that, when we put the agenda together, we engage with our colleagues from across the business areas in the Department. We have a steering group in the Department that commissions and takes forward the individual projects within the agenda. So all the relevant officials at a senior level are engaged in the projects. They steer the projects, consider the reports, challenge what the researchers come forward with and, indeed, make sure that the findings of the reports are used in practice. That is one of the key ways in which we do that.

Mr D Rogers: I will just add to that. We as the analysts do not steer our research projects. We provide support, and the chair of the research project is almost always somebody on the policy side, so they have input and ownership. That research is much more likely to meet their needs than something that we have just gone away and done off our own bat.

The Chairperson: OK. Fra's point is that he and other colleagues are significant stakeholders who want to know about that. The link is not just from research to policy; it includes this Committee and everybody. We want to look at that. I will draw the session to an end, but if anybody wants to come in, let the Committee Clerk know.

Pages 11 and 12 refer to the impact of a reduction in corporation tax on skills, employability and R&D in Northern Ireland. It says that the final report on that will be published prior to summer 2012.

Mr Dukelow: That has been published.

The Chairperson: Have we seen that?

Mr Dukelow: I think that it was sent to the Committee when it was published, yes.

The Chairperson: Good. OK. What does it say?

Mr Dukelow: Broadly, it shows that lower corporation tax will deliver a better rate of growth for the economy and job creation, and that specific areas are likely to be in particular demand in a lower corporation tax environment. The ICT sector and those sort of tradable-type sectors are identified as particularly likely for additional growth. It sets out what the demand for skills is likely to be over the next 10- or 15-year period and how that compares with a corporation tax environment that is not changed. It is very interesting; I recommend reading it.

The Chairperson: It sounds interesting. If we have not seen it, we will get a copy of it. Do you need to say anything else, Colin? I realise that we have cantered through, but we read the paper.

Mr Jack: I do not think so, other than to say that, if the Committee has any views that it wants to feed back to us on the priorities and projects, we will be happy to hear those. We will also keep the

Committee informed about projects that are coming towards completion and make sure that it is informed about the findings of them.

The Chairperson: As a general rule, we want you to let us know what is coming through. You do not have to send everything through, but we need a synopsis to be flagged to us. I hate it when somebody says, "Here is a report just in case you want to read it."

Mr Jack: We will make absolutely sure that you get quarterly reports.

The Chairperson: I need some sort of synopsis on the issue so that, if members are interested in —

Mr Jack: Our projects are included in the quarterly bulletin.

Mr Dukelow: One conclusion of the latest evaluation, which is about to be published, is that we should seek to develop a three- to four-page brief that is, stylistically, presented very similarly for each project and pulls out the key messages. You might find that useful. We will forward that to you as each project develops.

Mr Jack: That is an important point, because researchers sometimes need pushed to do that.

The Chairperson: OK. Thank you very much.