

EAST AYRSHIRE COUNCIL

DEVELOPMENT SERVICES COMMITTEE : 13 MARCH 2002

PARTNERSHIP ACTION FOR CONTINUING EMPLOYMENT (PACE INITIATIVE)

Report by Director of Development Services

1 PURPOSE OF REPORT

- 1.1** To advise the Committee of the outcome of the review which was carried out by the Scottish Executive during 2001 of the PACE Initiative.

2 BACKGROUND

- 2.1** At its meeting on 5 September 2000, the Committee welcomed the establishment of the PACE Initiative.

- 2.2** The PACE Initiative was launched by the Minister for Enterprise & Lifelong Learning in September 1999, with the intention of “establishing a strategic national framework which would enable an improved public sector partnership approach to company difficulties at all stages, including but not exclusively, in the event of closure”.

- 2.3** In Ayrshire, the PACE Initiative operates as a single entity across the areas of the 3 councils and comprises :

- Scottish Enterprise Ayrshire (in the lead role);
- Employment Service;
- Ayrshire Adult Guidance Network;
- East Ayrshire Council;
- North Ayrshire Council; and
- South Ayrshire Council.

This grouping is referred to by the Scottish Executive as the Local Resource Team (LRT).

- 2.4** In East Ayrshire, the Council’s involvement in the Initiative is in the direct provision of support to businesses which are experiencing difficulty. This role is complemented by East Ayrshire Employment Initiative, which takes the lead in dealing with people whose employment is at risk through redundancy.

3 REVIEW OF THE PACE INITIATIVE

3.1 In the course of 2001, the Scottish Executive ran a series of seminars to :

- share experiences of PACE during its first year of operation;
- identify areas of good practice, including proactive work by agencies;
- identify opportunities for further development of PACE; and
- produce a plan for further action by partner agencies.

3.2 The key findings of these seminars which have now been published in a Review Document were that :

- PACE is working well across Scotland;
- PACE has strengthened partnership working and improved communications across local partners;
- there is genuine enthusiasm for working better together to offer a high level of service for those affected in a potential or actual redundancy situation;
- early warning of potential redundancy situations is valuable in allowing local agencies to take the necessary steps at an early stage to assist the company and employees threatened by redundancy;
- experience shows that companies are likely to be more willing to highlight difficulties if good working relationships are already established;
- it is important that the impact of the PACE initiative is monitored in each situation.

3.3 The Minister for Enterprise & Lifelong Learning has expressed satisfaction with the progress of the PACE Initiative and has expressed her hope that the Initiative will continue to develop and strive for excellence and remain a “leader in the UK in terms of approach”.

4 THE AYRSHIRE EXPERIENCE OF THE PACE INITIATIVE

4.1 To enhance the level of support available to people facing the threat of redundancy, the LRT has been expanded to include the Inland Revenue, for the provision of advice about taxation status and benefits.

4.2 Although there are three local authority areas in Ayrshire, the labour market can be considered to be largely self-contained in that many people working in manufacturing companies do so within Ayrshire. Accordingly, although a job reduction programme may be announced in a company in one local authority area, the employment impact is generally on more than that Council area.

- 4.3** Agenda Item 1.3 of this Committee is a report entitled a “Review of Support to Businesses”. That report highlights the positive achievements secured from the pro-active support which is offered to businesses, whilst the PACE Initiative comes into play in the situation where redundancies have been confirmed and the focus is on providing support to the people affected.

5 POLICY IMPLICATIONS

- 5.1** The work of the PACE Initiative contributes to the achievement of the Council’s policy objectives to support employment and meets the operating commitment of working in partnership with companies and other local agencies.

6 FINANCIAL IMPLICATIONS

- 6.1** There are no direct financial implications other than the commitment of officer time.

7 LEGAL AND PERSONNEL IMPLICATIONS

- 7.1** There are no legal or personnel implications.

8 RECOMMENDATION

- 8.1** That the Committee agrees that the Council should continue to provide active support to the PACE Initiative through its own services and through its support for the East Ayrshire Employment Initiative.

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Director of Development Services

4 March 2002/jrs

BACKGROUND PAPERS

- 1. PARTNERSHIP ACTION FOR CONTINUING EMPLOYMENT : 2001 REVIEW (Scottish Executive : October 2001)**

For further information please contact JOHN SPOONER, Business Development Manager on Extension 6143.

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AGENDA