

## **EAST AYRSHIRE COUNCIL**

### **DEVELOPMENT SERVICES COMMITTEE – 5 SEPTEMBER 2000**

#### **PARTNERSHIP ACTION FOR CONTINUING EMPLOYMENT**

##### **Report by Director of Development Services**

## **1 PURPOSE OF REPORT**

- 1.1** To advise the Committee of the Partnership Action for Continuing Employment (PACE) Initiative which was launched recently by the Scottish Executive.

## **2 BACKGROUND**

- 2.1** In recent years, the Scottish economy has been growing with the level of unemployment decreasing in overall terms. However, some parts of the country have faced the prospect of substantial job losses and in East Ayrshire's case, this has been predominantly in the textile sector.
- 2.2** The prospect of job losses can have a lasting impact on local economies, communities and particularly, on the individuals affected.
- 2.3** On 29 September 1999, the Minister for Enterprise and Lifelong Learning announced in the Scottish Parliament his intention to establish 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.
- 2.4** A series of workshop events involving relevant local agencies was held in the course of the following months, leading to the publication in February 2000 of the PACE document.
- 2.5** The purpose of the PACE Initiative is to ensure that national and local public agencies work together effectively to :
- secure effective procedures to provide better labour market intelligence;
  - aid the development of strategies and actions to reduce company vulnerability and encourage the development of new opportunities;
  - enable proactive contingency planning for assistance, at an earlier date; and

- ensure minimum economic and human impact when job losses become inevitable.

**2.6** The PACE Initiative requires that in each area, a “Response Team” is formed and a Contingency Plan is developed and submitted to the Scottish Executive.

### **3 PACE IN AYRSHIRE**

**3.1** In Ayrshire, the PACE Initiative operates as a single entity across the areas of each of the 3 Councils. The partners to its are as follows :

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

**3.2** As required, other local agencies will be involved in specific cases. Such other organisations could include the Enterprise Trusts, Employment Initiatives, Citizens Advice Bureaux, Welfare Rights and Money Advice.

**3.3** In accordance with the requirements of the Scottish Executive, a Contingency Plan has been drawn up and submitted to the Executive. This document outlines the approach which will be followed in any particular situation.

**3.4** In terms of the PACE objectives set out in section 2.5 above, it should be noted that “*the development of strategies and actions to reduce company exposure and encourage the development of new opportunities*” is already the established practice in East Ayrshire, where there is a strong working relationship between Scottish Enterprise Ayrshire and the Council, in terms of effective joint working with relevant businesses.

**3.5** Accordingly, the thrust of the PACE initiative is in terms of working to *ensure minimum economic and human impact when job losses become inevitable*.

**3.6** As the PACE Initiative operates across the whole Ayrshire area, as a single entity, there is an implicit obligation on the partners to make staff resource available to support actions in any area of Ayrshire, should a particular situation require such a level of resource that the locally based partners cannot meet the requirement in full.

- 3.7 Recent examples of where this form of partnership working has happened recently are :

Closure of Sports Division,	Kilmarnock
Relocation of Riverside Bakeries (Stewarton) Ltd	Stewarton
Downsizing of Jaegar	Kilmarnock
Receivership of Cumnock Knitwear Ltd	Cumnock
Liquidation of Afton Valley Dyers Ltd	New Cumnock
Closure of VOLVO	Irvine
Prestwick Task Force	Prestwick

#### 4 POLICY IMPLICATIONS

- 4.1 The aims of the PACE Initiative support the objectives of the Council's Economic Strategy and fulfil the operating principle of working in partnership with other bodies.

#### 5 FINANCIAL, LEGAL AND PERSONNEL IMPLICATIONS

- 5.1 There are no immediate financial, legal or personnel implications.

#### 6 RECOMMENDATION

- 6.1 That the Committee notes the terms of the report and welcomes the establishment of the PACE Initiative.

**STEPHEN CHORLEY**  
Director of Development Services

14 August 2000/jrs

#### **BACKGROUND PAPERS**

#### **Partnership Action for Continuing Employment Document Ayrshire Contingency Plan**

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

**AGENDA**