

EAST AYRSHIRE COUNCIL

DEVELOPMENT SERVICES COMMITTEE – 17 DECEMBER 2002

JOBROTATION PROJECT

Report by Director of Development Services

1. PURPOSE OF REPORT

1.1 The purpose of this report is to:

- (a) provide the committee with the background to the Jobrotation project;
- (b) report the outcome of the recent application to the 3rd Round of the Scottish European Social Fund Objective 3 Programme 2000-2006; and to
- (c) request the Committee to approve a funding contribution towards the implementation of the project.

2. BACKGROUND

- 2.1** It is recognised that there is a need for individuals to develop their existing skills, gain new skills and continually acquire knowledge to ensure their future employability. Long term unemployed people face particular problems in convincing employers of their ability to 'do the job' whilst accessing the right training for their needs can also be problematic. The need for trained people to quickly put their skills to use in the workplace is critical in underpinning the training investment.
- 2.2** It is also recognised that investment in staff development is a major key to survival and growth for companies within East Ayrshire but carries with it a high cost in terms of releasing key staff for training and accessing the correct training.
- 2.3** Jobrotation is a relatively new type of training programme designed to address the above issues by raising the skills of the existing workforce whilst providing paid employment for unemployed people. The programme encourages company and employee development by providing 'off the job' training for selected staff whilst supplying and training unemployed people to substitute for the staff released for training.
- 2.4** The current Jobrotation model has operated successfully throughout Europe where over 3,000 companies have participated in the programme. Around 90,000 employees have received training and 20,000 unemployed people have trained as substitutes and re-entered employment.

2.5 The Jobrotation model has proved to be a cost-effective method of supporting both business development through the upskilling of existing employees and those unemployed people who wish to re-enter the workplace.

3. PROJECT PROPOSAL

3.1 It is proposed that a Jobrotation project be established within East Ayrshire and thereafter, if appropriate, be promoted Ayrshire wide.

3.2 It is also proposed that East Ayrshire Employment Initiative will be the delivery and managing agent for the project supported, initially, by officers of the Workers Educational Association who are experienced in implementing Jobrotation.

3.3 The project will provide employment opportunities for 30 unemployed people whilst releasing 120 existing employees for training.

3.4 An application for funding has been approved by the Objective 3 European Partnership under European Social Fund, Priority 4 Measure 4A.2 'Competitive Economy' Other funding partners and their financial contributions are detailed within para 5 of this report.

4. PROCESS

4.1 East Ayrshire Employment Initiative will establish a dedicated Jobrotation Team to implement the project. The team will undertake a marketing exercise with existing Ayrshire employers in order to encourage their participation in the programme. Employers who participate will be provided with a training needs analysis and will, with the assistance of the Jobrotation Team identify a suitable post or posts that can be filled by a substitute. (1 substitute may release up to 4 employees). A personal action plan will then be prepared for the employee/s which will include the type of training to be undertaken, the timescale and the review process. A workplace mentor will also be identified.

4.2 An unemployed person is then identified as a substitute and a preparatory work programme is undertaken. This should last around four weeks and will include workplace tasters, visits and meetings with the workplace mentor and training in the company's methods etc. Core skills training will be provided during the placement period and all participants will undertake IT training to ensure they understand and can use a PC.

4.3 The substitute is then employed for an agreed period, around six months, at the rate for the job, with a contract and the same rights as any other member of the workforce. The released employee will then undertake the agreed accredited training. The employer will be expected to contribute 55% of the unemployed person's wage.

4.4 The project will target thirty unemployed people and will release approximately 120 employees for training.

5 COSTS AND FUNDING

5.1 The project partners and their funding contributions are as follows:

East Ayrshire Council	£ 21,500
Scottish Enterprise Ayrshire	£ 45,404
East Ayrshire Employment Initiative	£ 15,000
Social Inclusion Partnership/Better Neighbourhoods	£ 15,000
European Social Fund	£165,397
Employer contribution	£105,250
Total project costs	£367,551

5.2 Over half the cost of the programme relates to trainees' wages and other payments to beneficiaries. The scheme will also require intensive management and support services.

6. VALUE FOR MONEY

6.1 In terms of East Ayrshire Council's guidelines regarding Value for Money the contribution of £21,500 from East Ayrshire Council will lever in a further £346,051 from other sources.

6.2 The average cost of £2,400 per participant is considered to be good value for money for this type of project. The training provided will be substantial – typically 6 month programmes on a day release basis leading to accredited qualifications. Unemployed people will typically benefit from 6 months of work – experience in schemes elsewhere has been that over 80% are subsequently employed full-time by the businesses to which they are assigned.

6.3 Officers of the Economic Development Division are members of the project steering group and will receive regular monitoring reports on all aspects of the project.

7. FINANCIAL IMPLICATIONS

7.1 The contribution of £21,500 will be met from within existing resources.

8. LEGAL IMPLICATIONS

8.1 A funding agreement and monitoring scheme will be drawn up with East Ayrshire Employment Initiative in accordance with Council protocols for supporting external bodies.

9 POLICY IMPLICATIONS

9.1 The project assists in meeting the aim of the Council Plan to 'Tackle Unemployment' by working with existing businesses and equipping our people.

10. RECOMMENDATION

10.1 It is recommended that the Committee :

- (i) approve the development of a Jobrotation project within East Ayrshire;
- (ii) approve the funding contribution as detailed within para 5 of the report;
and
- (iii) otherwise note the contents of the report.

Stephen Chorley
Director of Development Services
SC/TM/KM
9 December 2002.

LIST OF BACKGROUND PAPERS

NIL

For further information on the contents of this report contact Tom Merry, Senior Policy Advisor (European Funding) Telephone (01563) 554611.

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