

NORTH LANARKSHIRE COUNCIL
REPORT

To: ECONOMIC DEVELOPMENT COMMITTEE		Subject: CUMMINS ENGINE COMPANY LIMITED, SHOTTS
From: DIRECTOR OF PLANNING & DEVELOPMENT		
Date: 19 November 1996	Ref: JT/EH REP 106	

Introduction

This report details the assistance provided by the Economic Development Unit to the workforce at the Cummins Engine Company Limited, following the decision to close the plant.

In addition, the report highlights the corporate response in providing support, advice and information and suggests that a mechanism be considered in order that the Council can react to closure programmes in the future.

Background

When the decision to cease the production process at Cummins became public knowledge a series of meetings were conducted to ensure that all organisations/agencies could provide the appropriate information, advice and support to those employees threatened with redundancy. These organisations/agencies consisted of Employment Services and the Lanarkshire Development Agency; together with North Lanarkshire Council whose input included representation from the Employment and Redundancy Support Unit; the Careers Service; and the Economic Development Unit, including Community Enterprise Motherwell. Motherwell Enterprise Development Company were also involved.

The Economic Development Unit was initially involved through the provision of a series of presentations to the Cummins workforce. This consisted of;

- i. 11 information sessions with 50 attending each session;
- ii. 9 half day sessions over a period of 6 weeks and;
- iii. A presence at the plant for 1/2 day per week for 3 weeks.

The Unit's role was determined through (i) the provision of advice and assistance relating to human resource development including interview skills/techniques and compilation of C.V.'s, and (ii) business support programmes targeted at new firm foundations.

As a result of this the Economic Development Unit has assisted in the establishment of 5 business start-ups which have created 7 new jobs. In financial terms the Unit has contributed £3,600 to the establishment of these new businesses.

Further, it is anticipated that these new start-ups will avail themselves of additional business support as and when it is required. Details relating to the start-ups are noted below in Figure 1.

FIGURE 1

<u>Business Description</u>	<u>Jobs Created</u>	<u>Location</u>	<u>NLC Investment</u>
Welding	2	Shotts	£1000
Welding	1	Motherwell	£ 500
Fish Processing	1	Harthill	£ 500
Laundry Service	1	Wishaw	£ 800
Transport	2	Shotts	£ 800

Response to Closures

At present no formal mechanism exists within the Council to ensure that support, advice and information is focused on North Lanarkshire companies threatened by closure. Given the necessity that the Council should, where possible, be in the position to respond quickly and effectively in situations such as Cummins closure and the recent decision by Swedala to cease its manufacturing operation in Wishaw, it is recommended that the Director of Planning & Development should consult with the Director of Social Work, and other appropriate Council Departments, with a view to the establishment of a task force in order that the support of the Council can be identified to react quickly to future company closures within North Lanarkshire. The outcome of the consultation would lead to the production of a report to the Economic Development Committee, and other appropriate Council Committees, and would include the involvement, where necessary, of other economic development organisations.

Recommendation :

That the Committee note the contents of this report and;

- i. Agree to the formal establishment of a task force to react to future company closures and;
- ii. Instruct the Director of Planning and Development to consult with other appropriate Council Departments and appropriate external organisations, with a view to the establishment of a task force and;
- iii. Agree to the submission of a further report concerning the above.



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Director of Planning and Development

For further information contact Gordon Smith, Head of Economic Development & Property