

To: ECONOMIC DEVELOPMENT COMMITTEE		Subject: COMPANY CLOSURE - LONG AIRDOX
From: DIRECTOR OF PLANNING & DEVELOPMENT		
Date: 5 August 1997	Ref: MMcC/JG/REP.279	

1 Purpose of Report

- 1.1 The purpose of this report is to inform elected members of the decision by Long Airdox to close the manufacturing facility in Motherwell which employs 360 people.

2 Introduction

- 2.1 On 16 July 1997, Long-Airdox announced that, as a result of a world-wide restructuring of the company, they would be closing their manufacturing facility in Motherwell, which employs 360 people.
- 2.2 The plant manufactures the company's longwall shearer, a function that will be shifted to Pulaski, Virginia. The closure will be staggered over fifteen months with an immediate redundancy of around 180 people. Initially volunteers will be sought for redundancy; if not enough come forward, then redundancies will be made on the basis of job assessment criteria.
- 2.3 The company has its UK plants in Motherwell and Ilkeston, Derbyshire. It is the intention that Ilkeston becomes the repair and service centre for the Long-Airdox UK operation. A design and engineering function will remain in the Motherwell area; no figures have been given for the number of jobs at this facility. There will be some opportunities for transfer to both Ilkeston and the USA, and there is also the possibility of opportunities in South Africa and Australia, where operations are planned to expand.

3 Company background

- 3.1 Long-Airdox, previously known as Anderson Strathclyde and then Anderson Longwall, is a member of the Marmon Group of companies. The Motherwell company collaborated in the past with Long-Airdox/Becorit of Ilkeston before the new company was formed in 1995 under the name of Long-Airdox Ltd.

4 North Lanarkshire Council Action

- 4.1 Elected members and officers of North Lanarkshire Council have had a number of meetings with the management of Long Airdox to discuss the most appropriate level of support to be made available to the entire workforce following the redundancy announcement. The company would wish to adopt the taskforce approach which previously worked very successfully in the Cummins closure and have agreed that the Council should take the lead in setting up information sessions and one-to-one

counselling advice and support to the workers at a designated area which will be made available within the plant. Early indications are that the company are eager to ensure that the workforce receive the full range of assistance available from the Council and other agencies. The company have agreed with Employment Services that an on site Job Shop be set up at the earliest opportunity. Formal talks with the Trade Unions will start on the 19th of August and following these talks the Council and other agencies will be given a date to have access to the plant. While the original 90 day notice of redundancy was issued prior to the company's holiday closure and then withdrawn, this will be reinstated once the company return to work.

5 Large Scale Redundancy

- 5.1 As members are aware North Lanarkshire Council have a range of business support measures and measures for the unemployed which could assist workers being made redundant from Long Airdox back into employment, specifically Employment Grants Scheme which offers a grant of up to 40% of the total wage cost for 6 months to a company employing a long term unemployed person and the Training Access Grant. As in previous recent redundancy situations it is proposed that the Long Airdox closure be designated a large scale redundancy so that eligibility criteria for individuals being made redundant would be reduced from 6 months to instant eligibility.

6 Recommendation

- 6.1 Committee is asked to note the contents of this report and approve designation of a large scale redundancy to the Long Airdox closure thereby reducing the eligibility period for access to assistance from North Lanarkshire Council.



Stanley C Cook
Director of Planning and Development

For further information contact Maureen McConachie, Economic Development Manager, telephone 01236 6266.

NORTH LANARKSHIRE COUNCIL

REPORT

TO: ECONOMIC DEVELOPMENT COMMITTEE		Subject: BELLSHILL COMMERCIAL IMPROVEMENT AREA
From: DIRECTOR OF PLANNING AND DEVELOPMENT		
Date: 21 August 1997	Ref: S/PL/CIA/CR0897/AM/ KW	

Purpose of Report

1. The purpose of this report is to update the Committee of the progress of the scheme since my last report to this Committee in November 1996.

Background

2. The Bellshill Commercial Improvement Area Scheme was approved by Motherwell District Council but because of staffing shortages and other delays caused by Local Government reorganisation little progress on applications was made until late last year. Further potential problems arose at the end of the financial year as it was clear the Council would not achieve any expenditure during 1996-97. An agreement has been reached with the Scottish Office to an adjusted programme of expenditure which should allow the expenditure targets to be met. The other frustrating delay has been the state of legal titles in Main Street, Bellshill which make the task of establishing a clear title to properties extremely problematic.
3. Through the process agreed at the November meeting of this Committee the Director of Planning has now sent out letters of grant award to six applicants. This comprises five awards under Section 5 of the scheme and three under Section 6, two applicants receiving grant awards under both Sections. The total offers of award amount to almost £100,000. A further twelve applications are currently being processed which could lead to a further £100,000 being awarded. The gross expenditure on development which this could achieve is likely to be in the order of £375,000, a welcome economic boost for Bellshill. Details of the grants awarded are appended.

Recommendation

4. It is recommended that the Committee notes the content of this report.



Stanley C Cook
DIRECTOR OF PLANNING AND DEVELOPMENT
 12 August 1997
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