

To: ECONOMIC DEVELOPMENT COMMITTEE		Subject: REDUNDANCY SUPPORT PROVISION
From: DIRECTOR OF PLANNING & ENVIRONMENT		
Date: 25 th January 2001	Ref: SF/REP759	

1 Purpose of Report

- 1.1 To update the Committee on the work undertaken by Council departments in the provision of redundancy support to affected workforces throughout North Lanarkshire.

2 Introduction

- 2.1 Members will recall that the Council has adopted a protocol that informs and guides the Council's approach to dealing with redundancy situations and in the provision of redundancy support for affected workforces.

3. Current Situation

- 3.1 In the period since the last report to the Economic Development Committee, report dated 25th of October 2000, submitted to the Committee on the 23rd of November 2000, three new redundancy situations have been notified to the Economic Development Unit.

(a) Zenith Contract Interiors, Wardpark, Cumbernauld

The Economic Development Unit was informed in late November that the company had gone into receivership in early November making 83 employees redundant. The termination date for the employees affected was 15th of November.

Due to the late notification of this company liquidation it was impossible to arrange any support provision.

The Economic Development Unit has been informed, though unofficially, that the company has been purchased by Deko Partitions Ltd (Denmark) and that all the jobs have been saved. This has not yet been confirmed by the Liquidators.

(b) MSA Ltd, East Shawhead, Coatbridge

The Economic Development Unit was informed in mid November that due to a global restructuring programme the company intended to reduce their workforce. This will result in 48 redundancies at the Coatbridge plant, most of which will terminate on the 21st of December. A stores/distribution facility will be retained on site along with limited production capacity in hard hat manufacturing. A total of 37 employees will be retained. Of these 17 will be retained in production/stores and 20 in sales.

Working as part of PACE the Economic Development Unit attended a meeting with company representatives on the 20th November to discuss arrangements for the provision of support to the workforce.

All PACE partners agreed to conduct group advice sessions, in the plant, on the 27th November. Follow-up individual advice sessions will also be offered.

A Job Shop facility has been arranged by Employment Service staff which will be updated regularly. Employment Service Programme Centre staff will also be on hand to give advice and support on employment access.

Since the 20th November Economic Development Officers and Social Work Department Welfare Rights Officers have provided advice, information and support covering all aspects of Employment access, Training/Re-Skilling opportunities and Welfare Benefit Advice. As a result of North Lanarkshire Council's Officers support interest has been generated in accessing training in Computer skills and Information Technology Skills. Group Training programmes have been proposed and it is anticipated that they will commence in early January 2001 on a part-time basis at Coatbridge College. These programmes will be funded through the Training Assistance Grant (TAG) Programme.

Support will be continued for the workforce up to and beyond the termination date.

c) Clyde Ventilation Systems Ltd, Greenhills Industrial Estate, Coatbridge

The Economic Development Unit was informed in late November that the above company had gone into voluntary liquidation. With the exception of 4 employees, who were retained by the liquidators to assist with administration all other employees, 38 in total, were unfortunately made redundant in the final week of November.

Due to the late notification the only arrangement which could be made was to write to each of the employees to alert them about the PACE Support Provision and to ask them if they wished to take advantage of this facility. To date we have had no replies.

4 Update on previously reported redundancy situations

- 4.1 Economic Development Unit staff have continued to provide support to redundant workers who were previously employed by Organon Ltd, Granby Lingerie Ltd and Edward McBean Ltd.
- 4.2 In mid December 28 ex-employees from the above companies completed their first and second stage computer skills training programmes at Cumbernauld and Motherwell College.
- 4.3 Arrangements are now in place for further, more advanced training programmes which will commence in early January 2001 at both colleges. This will allow the groups to continue to improve their Information Technology skills therefore enhancing their employment prospects in the long-term. As most of the individuals involved have been employed for a large part of their working life in the textile industry, this opportunity to gain new skills will help make them more attractive to employers in other industrial sectors.
- 4.4 Funding for this training programme has been provided through the Council's Training Assistance Grant (TAG) and is an important aspect of the Council's redundancy support provision.

5 Conclusion

- 5.1 There appears to be no reduction in the number of company liquidation and redundancies since the previous report to the Economic Development Committee, report dated 25th October 2000, submitted to the Committee on the 23rd November 2000.
- 5.2 Manufacturing industry continues to bear the brunt of these liquidations and redundancies.

5.3 North Lanarkshire Council officers will continue to provide support to affected workforces through the auspices of PACE and will continually strive to improve the organisation and effectiveness of this partnership.

6. Recommendations

6.1 It is recommended that the Economic Development Committee:

- (i) Note the contents of this report and
- (ii) Await further reports to the Economic Development Committee.



David M Porch
Director of Planning and Environment

Date of Report: 15th December 2000

For further information please contact Stephen Fox, Economic Development Officer, Tel: 01236 616270.