

To: ECONOMIC DEVELOPMENT COMMITTEE SOCIAL WORK COMMITTEE		Subject: RESPONSE TO MASS REDUNDANCIES AND CLOSURES
From: DIRECTOR OF PLANNING & DEVELOPMENT DIRECTOR OF SOCIAL WORK		
Date: 4 JUNE 1998	Ref: SF/LC/REP.430	

1 Purpose of Report

- 1.1 To update the Committee on the work of the inter-departmental liaison group in establishing an effective protocol (attached as Annex 1 to this report) which will inform and determine the approach of North Lanarkshire Council in dealing with large scale redundancy situations, plant closures and company receiverships.

2 Historical Background

- 2.1 Prior to January 1998 the North Lanarkshire Council departmental approach to dealing with large scale redundancy, plant closures and company receiverships in North Lanarkshire had been co-ordinated in co-operation with Employment and Redundancy Support. (E.A.R.S)
- 2.2 The recent decision of the Council to absorb the work of E.A.R.S within existing Social Work Department provision prompts the need to establish a protocol which will ensure the correct Council approach and promote effective inter-departmental co-operation toward this end.
- 2.3 This protocol will inform the Council response, the scope of involvement, the responsibilities attached and ensure an effective and efficient corporate response.

3 Operational Details

- 3.1 The protocol refers to the need to "Ensure the most considered, sensitive and co-ordinated approach to redundancy situations on the part of North Lanarkshire Council."
- 3.2 It further points out that the Council, "Recognises the inevitable tensions, sensitivities and potentially differing viewpoints which often characterise redundancy situations."
- 3.3 In an effort to ensure that the Council approach encompasses these points and offers a service which is appropriate in the circumstances clear operational guidelines require to be adopted.
- 3.4 These should:-
- Ensure that the clearest possible intelligence is gathered prior to any public statement being issued on behalf of the Council.
 - Ensure that key elected members are briefed prior to any approach to the company management and workforce representatives in the troubled firm.
 - Ensure that public statements are confined to the minimum necessary to indicate the authorities concern and offer of assistance, and in order to take cognisance of potentially sensitive situations the authority should confine any public statements to those issued through, or on behalf of the Council Leaders Office.

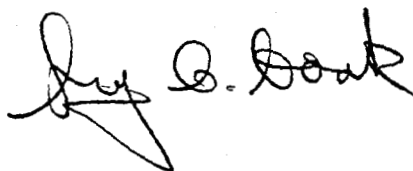
As the protocol states communication between department needs to be conducted in a "sensitive" and "confidential" manner. Senior Officers from the key departments co-ordinating the Council response also need to ensure the earliest possible departmental liaison in order to achieve the most effective response.

Working With Our Partners

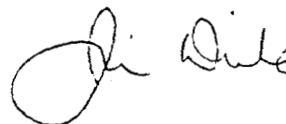
The protocol recognises the importance of a joint approach with other public agencies. These agencies require to be informed of this protocol and asked that they consider acting jointly with the Council in any given redundancy situation.

Conclusion and Recommendations

- 1 The protocol as attached in annex 1 to this report seeks to ensure the most effective and efficient inter-departmental co-operation possible within the Council corporate response to the problems of mass redundancy company closure and company receivership.
- 1.2 This report therefore recommends that:
 - a) the Committee notes and agrees the reports content and,
 - b) agrees acceptance of the protocol as attached at annex 1.



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Draft Redundancy Protocol

Introduction

This protocol is intended to inform and determine the corporate approach taken by North Lanarkshire Council, its officers and members in large scale redundancy situations, plant closures and company receiverships.

The protocol is the basis for achieving the most effective, considered and co-ordinated approach to protecting employment in North Lanarkshire: further this should ensure deployment of the most relevant service by the Council and its partners in circumstances in which it is inevitable that jobs are lost.

Protocol

- 1 The protocol is established to ensure the most considered, sensitive and co-ordinated approach to redundancy situations on the part of North Lanarkshire Council. The Council recognises the inevitable tensions, sensitivities and potentially differing viewpoints which often characterise redundancy situations and will seek in a corporate manner to offer assistance, advice and appropriate services which minimise the negative impact on the workforce and company base of the North Lanarkshire economy.
- 2 The emphasis of the Council's approach will be:
 - to protect jobs
 - to protect the company and entrepreneurial wellbeing of the economy, and, by so doing prevent economic and social hardship to residents of North Lanarkshire Council
- 3 In seeking to achieve the above goals the Council will
 - (i) Seek early identification of potential problems, threat to jobs and firms via its own economic intelligence, media monitoring and individual contacts
 - (ii) Communicate such "early warning" signs in a sensitive and confidential manner between Council departments and senior officers
 - (iii) Establish early briefing and involvement of key Elected Members prior to the approach to management and workforce representatives in any troubled firm
- 4 Further to the above the key characteristic of the Council's protocol will be to establish bilateral contact with management *and* trade unions (or other relevant workforce representatives) and that such further interventions which the Council may offer, or make, be informed by the viewpoints, concerns, and positions of both sides and potentially that of other stakeholders (eg Scottish Office, Locate in Scotland).
- 5 That in certain circumstances it is recognised that it is most appropriate for the Council to (temporarily) stand aside and allow parties to negotiate, either to avoid job losses or minimise their impact, the Council thus neither being seen as a catalyst for companies shedding labour nor a potential party to an industrial relations dispute.

- 5 That the Council recognise the importance of joint working with other public agencies such as the Employment Service, Benefits Agency, Lanarkshire Development Agency and Local Enterprise Trusts and that these agencies be informed of this protocol and asked to act jointly with the Council in any such redundancy situation.
- 7 That provision of services by the Council is achieved - where possible - via agreement of principle parties (ie management and workforce) at the most local level and in the manner most relevant and particular to the given circumstances.
- 8 That regular reports be tabled at Committee reporting on this work.
- 9 That the Council Services be deployed to offer the following services:
 - a) *Economic Development Unit*
To appraise the company and workforce of the various programmes of assistance available (eg linking to export markets, supply chain linking, training of staff at all levels, sites and property) to ensure that where possible jobs and firms are retained in the North Lanarkshire Area.
 - b) *Social Work*
To supply services in relation to money and benefits advice, not only to those directly affected but also to members of their household and extended household family units.
 - c) *Careers Service*
To assist in maintaining the workforce attachment to the labour market via provision of accurate and relevant current labour market information and assisting (with other partners as appropriate) with job search skills CV preparation and referral to relevant educational and training opportunities.

All of the above to be offered

- a) In plant prior to redundancy.
- b) Post redundancy in a decentralised manner via Council facilities and those of its partners.