

Partner toolkit for responding to large scale redundancies

Developed for
Southern England Partners

MAY 2011



Purpose & Aim

- Tool-kit aimed at Local Authority, Jobcentre Plus, Local Enterprise Partnerships, and other local stakeholders to use when responding to a large scale redundancy situation in their local area.
- Tool-kit based on lessons learnt from recent redundancies.
- Use as a training tool for staff responsible for responding to redundancy situations.
- Or as a check list to consider when responding to a redundancy situation.

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1. Initiating response (i)

1.1 Notification of redundancy

Employers are legally required to complete and send an HR1 form to the BIS Insolvency Unit where 20 or more individuals are being made redundant.

Employers may contact Jobcentre Plus or other local partner directly asking for support.

A redundancy situation also may come to light in the media or by word-of-mouth.

1.2 Initial contact with employer

Jobcentre Plus have a statutory responsibility to make immediate contact with a company within 48hrs of receipt of the HR1 notification.

This contact will be undertaken by a Jobcentre Plus district based 'Rapid Response Service' Manager or by a National Employer Relationship Manager, if JCP have a national account relationship with the employer.

1. Initiating response (ii)

1.3 Statutory responsibilities

Jobcentre Plus are required to offer the 'Rapid Response Service' to every employer proposing 20 or more redundancies

Employers making fewer than 20 redundancies can also access the service if the JCP District Manager judges the cumulative impact of the redundancy on the local economy as sufficient in justifying intervention.

In addition, support must be given to any employer who contacts JCP to tell us they are making people redundant and asking for help.

JCP are responsible for making initial contact with the employer within 48hrs.

1.4 Local Partner Support (non statutory)

Local Authority economic development teams- many Local Authorities have staff dedicated to liaising with local business, and can assist in responding to redundancies.

Local Enterprise Partnerships- as LEPs become established, it is likely they will ask to be notified of redundancies in their locality, and maybe able to provide assistance and unlock resources in responding to redundancies.

BIS Local- BIS local represent BIS sub-nationally. There are 6 BIS local teams covering England. BIS Local should be notified of major redundancies, and will add value given their close working relationship with BIS's national functions.

Skills Funding Agency- fund colleges and training providers to deliver government recognised qualifications and courses. The SFA can help identify the right providers to involve in a large scale redundancy response.

Support providers- many publicly funded and private training, careers, finance, recruitment and self-employment/business start up services could contribute to a redundancy response.

2. Determining the scale of response (i)

2.2 Workforce needs assessment

- What is the age structure of staff at risk? What proportion are likely to consider early retirement? (Ask firm to provide the age profile of the staff at risk of redundancy)
- What job types are undertaken by the staff at risk? Are there similar roles in the locality they could undertake or will many need to re-train?
- What training and support are staff requesting? Consider circulating a survey giving employees the opportunity to state their specific needs to ascertain the level and nature of demand.

2.3 Locality Impact Assessment

- Is the company a major employer in the area? If so a large scale redundancy could result in a significant rise in unemployment.
- To what extent will the redundancy impact other employers? Assess how many in-direct jobs may be affected by the redundancy, e.g. through knock-on impact to supply-chain, or reduced consumer spending in locality.
- How many of the staff at risk live in the locality? The higher proportion of staff resident in the locality, the greater detrimental effect on local economy. (Ask firm to provide an analysis of postcode distribution of staff home addresses)

2. Determining the scale of response (ii)

2.1 Convening decision makers

Partners should have established protocols on how to go about agreeing the scale of response in the eventuality of a large scale redundancy. Some effective ways of doing this include:

- Partner organisations in a locality each agreeing a **nominated representative** to be consulted and make decisions in light of a large redundancy
- One partner organisation taking the designated lead role in contacting other local partners to agree the scale and nature of a redundancy response
- It is essential given that decisions may need to be taken rapidly that nominees have sufficient delegations to make decisions that may have significant resource implications

Protocol check list

Are there nominated representatives from key organisations in your locality that are empowered to make rapid decisions in the case of a large scale redundancy?

Have partners agreed on 'lead' partner in the case of a large scale redundancy?

NB. Typically this role should be undertaken by a local authority or Jobcentre Plus district manager

Are all employer facing staff in partner organisations aware of who to flag a potential redundancy situation to?

2. Determining the scale of response (iii)

2.4 Key steps to take

Within the framework of the initial assessment the 'nominated representative', (see previous slide) will need to ensure that the following sequence of actions and consultation will take place:

- A confidential meeting with the company to assess required arrangements for dealing with redundancies, the support required from the public sector agencies and the appointment of an out-placement service.
- With the agreement of the company, a meeting with the Trade Unions representing affected employees.
- A decision as to whether the circumstances merit the establishment of a Task Group.
- Clarification of timescales.
- Clarification of the specific support needs of the members of the workforce affected, according to the skills levels and any special circumstances they face.
- The development of an outline action plan to determine the roles of the partners and the key steps needed.
- Agreement as to how the required resources will be provided.
- The development of an outline communications plan
- Invitation to agencies to join a Task Group, if required (in agreement with the company).
- Set up the first meeting of the Task Group (in agreement with the company).

3. Different models of response

(i)

3.1 Introduction

- There is no 'one right way' in responding to a large scale redundancy. The response must reflect the specific requirements of the company, its workforce and local context.
- Some redundancy programmes are completed within 6 months (the statutory minimum for a large scale redundancy is 3 months consultation and 3 months notice), whilst other redundancy programmes may be part of a wider restructuring programme over many years.
- Resourcing of the support package should reflect the potential of the employer to provide support for affected workers 'in house' or through out-placement.
- Beyond the initial Rapid Response Service offer, further publicly funded support should only be provided when a firm is unable to resource the training and support needs of affected staff.

Broadly speaking there are 3 ways of responding to redundancy:

- Rapid Response Service, Jobcentre Plus led
- In House, Employer led
- Taskforce Response

3. Different models of response

(ii)

3.2 Rapid Response Service (Jobcentre Plus led)

- Lead broker will chair a telekit/meeting involving key partners and other district brokers, (if necessary) and take responsibility for co-ordinating all activity, (contacting employer, gaining understanding of the situation, identifying services required and putting together the required package of support) whilst keeping all partners, District Manager, and Group Director apprised of situation

This may be the most appropriate form of response when:

Employers require a range of support to help employees facing redundancy. The range of support available from JCP and partners include:

- Jobsearch and Benefit Advice
- Skills Analysis
- Financial Advice and Guidance
- It is strongly recommend that by working with a range of partners in redundancy situations a better outcome will be achieved

3. Different models of response

(iii)

3.3 In house (employer led)

- As part of their commitment to their staff and wider corporate social responsibility, many employers wish to provide support for staff they put at risk of redundancy.
- Such employers typically provide staff time off to train, work on their CV and secure alternative employment. They may also provide out-placement support, training grants and financial advice.
- In such cases, public support should be confined to meeting identified needs which cannot be met by the employer.

This may be the most appropriate form of response when:

- The company has the necessary in-house HR expertise to support affected staff
- The company commits to brokering training and support for affected staff
- The redundancies will not have a significant impact on the local economy

3. Different models of response

(iv)

3.4 Taskforce response (multi partner)

- Where a redundancy is likely to have a significant negative effect on the locality or industry sector, public sector partners may decide that public intervention is necessary to manage and minimise negative impact.
- Typically, this will require a multi-faceted response delivered in tight timescales.
- In some localities, groups already exist to undertake this role. For example in the South West, 'Area Action Forces' provide a co-ordinated public sector response to redundancies and company closures in their area, covering cover the following areas: Bournemouth, Dorset, Poole (BDP); Cornwall; Devon; Gloucestershire; Somerset; Swindon; West of England and Wiltshire.

This may be the most appropriate form of response when:

- Local partners decide the redundancy will have a significant negative effect on the locality, which if not managed will have a long term detrimental effect on the local economy and workforce.
- The employer making redundancies is unable to provide adequate support for at-risk staff.
- Where at-risk staff are likely to struggle to find alternative employment due to not possessing skills demanded by local employers, or a lack of local employment opportunities.

4. Supporting affected workforce (i)

4.1 Finding vacancies- useful websites and contact numbers

- **Direct Gov** www.directgov.uk
- **Jobseeker direct** 0845 6060 234
- **Get Britain Working: Work Clubs** the aim of these are to encourage people who are out of work to share skills and experience
- **Company websites** – either through internet at home or UK online centre or library for free. Find the nearest centre www.ukonlinecentres.com or 0800 77 1234
- **Digital channels** – download jobsearch applications to a mobile and search on digital TV www.direct.gov.uk gives more information.
- **Use Local and national newspapers and trade journals**
- **Employment Agencies** – Check Yellow Pages or Recruitment and Employment Confederation (REC) website www.rec.uk.com/
- **Word of mouth** – speak to family and friends.
- **Self Employment:** www.direct.gov.uk and www.businesslink.gov.uk/
- **Voluntary Work** :www.do-it.org.uk/ and www.volunteering.org.uk
- **EURES** Internet jobs database for jobs in Europe www.eures.europa.eu

4. Supporting affected workforce (i)

4.1 Finding vacancies (continued)

Popular employment websites:

- Jobcentre Plus Vacancies www.direct.gov.uk
- Total Jobs www.totaljobs.com
- Jobsite www.jobsite.co.uk
- Monster www.monster.co.uk
- Fish4Jobs www.fish4.co.uk
- Jobs www.jobs.co.uk
- UK Job Search www.jobsword.co.uk
- Red Goldfish www.redgoldfish.co.uk
- Prospects (graduate job vacancies) www.prospects.ac.uk/index.htm
- Graduate jobs www.graduate-jobs.com/
- Companies recruiting apprentices www.apprenticeships.org.uk
- <http://www.startupbritain.org/>

- **Other support available from Jobcentres to help secure work:**
- **Jobsearch Support**, for example; CV preparation, interview techniques;
- **Work trials** – which may be available to show employers that an individual is the right person for the job;
- **Access to Work** - helps people with disabilities overcome obstacles to work www.direct.gov.uk
- **Funding**– which may be available for travel and childcare costs, tools and equipment.

4. Supporting affected workforce (ii)

4.2 Skills and training

- **Next Step** www.direct.gov.uk/nextstep or 0800 100 900 provides information, careers and skills advice to any adult in England seeking advice on planning their career and developing their skills, whether in or out of work.
- **Apprenticeships** – The government are placing an increased emphasis on apprenticeships, which can be undertaken by young people or adults. As employees, apprentices earn a wage and work alongside experienced staff to gain job-specific skills. Off the job, usually on a day-release basis, apprentices receive training to work towards nationally recognised qualifications. Anyone living in England, over 16 and not in full-time education can apply www.apprenticeships.org.uk
- **Further education colleges, a wide range of training providers and universities** are funded by Government to provide government recognised training and qualifications. Many courses are fully or part subsidised depending on an individual's circumstances. Visit <https://nextstep.direct.gov.uk/improvingyourcareerthroughlearning/choosingacourse> for further education courses or <http://www.ucas.com/students/coursesearch/index.html> for Higher level courses.
- **Learndirect** www.learndirect.co.uk provides online e-learning courses, many of which are free.
- **Jobcentre Plus Skills Analysis service** - Enables previous work experience and future career prospects to be discussed, and where appropriate a potential training option identified. This can be arranged through Jobcentre Plus and is available whilst under notice of redundancy and for 13 weeks after redundancy. If the Skills Analysis identified the need to improve an individual's skills, then funding may be available to help get the vocational training needed.

4. Supporting affected workforce (iii)

4.2 Skills and training (continued)

- In any given patch there will be a number of providers receiving public funding to offer vocational education and training programmes.
- Colleges and training organisations have an obligation to respond to the skills needs of their localities. The Skills Funding Agency should be contacted in the first instance because in addition to the nearest FE college there may be other providers that could offer support
- The Skills Funding Agency also funds a number of providers to deliver the 'Response to Redundancy' offer which is specifically framed to support employees at risk of redundancy.
- If the affected workforce have higher level qualifications, they may be interested in university provision. In which case contact the nearest University. It is worth noting that many colleges also offer higher level training.

4. Supporting affected workforce (iv)

4.3 Finance

- **Advice UK** www.adviceuk.org.uk
- **Citizens Advice Bureau (CAB)** www.citizensadvice.org.uk
- **Community Legal Advice (CLA)** www.communitylegaladvice.org.uk
- **Consumer Credit Counselling Service (CCCS)** www.cccs.co.uk
- **Consumer Financial Education Body (CFEB)** www.moneymadeclear.fsa.gov.uk
- **Advice on benefits:** www.direct.gov.uk/benefits
- **Working Tax Credits Enquiries:** HM Revenue and Customs Tax Credit Helpline: www.hmrc.gov.uk .0845 300 3900 or Text phone service 0845 300 3909
- **National Debtline** www.nationaldebtline.co.uk
- **Uk Credit Union Ltd** – www.ukcu.co.uk
- **Money Advice** <http://www.moneyadviceservice.org.uk/>
- **Free legal advice:** www.communitylegaladvice.org.uk/index.jsp
- **Pension Forecasts** www.direct.gov.uk an estimate of the current value of a individuals State Pension, based on the information currently held and an estimate of how much might be received at pension age.
Contact:0845 300 0168/Text phone service 0845 300 0169
- **Pension Credit** www.direct.gov.uk If you are over 60 you may be entitled to claim Pension Credit. **Contact:** 0800 99 1234/Text phone service 0800 169 0133
- **Additional Useful Contacts:**www.pensionadvisoryservice.org.uk - 0845 60 12923 /
www.pensionprotectionfund.org.uk - 0845 60 02542
- **Redundancy handbook** – www.moneymadeclear.org.uk/redundancy
- **Redundancy payments helpline:** 0845 145 0004

4. Supporting affected workforce (vi)

Health and wellbeing

- **Access to Work** provides practical tailored support to overcome work related obstacles – more details can be found through www.direct.gov.uk/jobseekers
- **Advice and Information for disabled people and carers on the full range of benefits, Contact:**
0800 882 200 or Text phone service: 0800 243 355
- www.citizensadvice.org.uk
- www.relate.org.uk
- www.samaritans.org
- www.depressionalliance.org
- www.drinkaware.co.uk
- www.nhs.uk
- www.counselling-directory.org.uk

5. Minimising economic impact

(i)

5.1 Getting premises back in use

- Ascertain company plans for disposal of site. Consider brokering in commercial property advice and expertise if necessary.
- Are there opportunities to seek a new tenant for site that could take on existing workforce?
- Who owns the freehold of the site? If it's the local authority, they may wish to consider how the future use of the site could contribute to wider economic and regeneration priorities of the area.
- Are the premises specialist/ specific to a particular industrial use? If so consider promoting site through relevant business networks/ trade journals.

5.2 Involving wider industry

- Ask the company if they would be willing to invite firms interested in redeploying workforce to a jobs fayre at the company.
- Approach your regional UKTI team and any inward investment services for the locality to make them aware of the premises coming to the market.
- Flag with business networks and consortia the talent and skilled labour being made redundant to stimulate interest in redeployment opportunities e.g.
 - BIS National Sector Teams
 - Industry sector bodies e.g.
 - Engineers Employers Federation
 - Chambers of Commerce

5. Minimising economic impact

(ii)

5.3 Talent retention and redeployment

Individuals with generalist administration, customer service and management skills typically can access relevant employment opportunities through recruitment firms, national job sites and Jobcentre Plus.

Individuals who possess niche, high value skills e.g. specific scientific, engineering or manufacturing competences may need additional support in identifying new employment opportunities, and there maybe support available from industry and government bodies in an effort to avoid 'talent drain'.

Consider approaching the following organisations to find out if there are any redeployment schemes in operation:

- Relevant Sector Skills Council (<http://www.sscalliance.org/>)
- BIS Sector Teams (www.bis.gov.uk)
- Industry representative organisations
- Relevant Knowledge Transfer Networks

Case study- Linde MH

- In early July 2009 Linde announced its intention to close its manufacturing facility in Basingstoke and transfer production to other facilities overseas, putting 342 production and engineering staff at risk of redundancy.
- SEEDA rapidly met with Linde's senior management ascertain redundancy timescales and implications for the company, its staff and local economy.
- SEEDA convened a local taskforce of partners to agree a package of support.
- Linde accepted offer of support, recognising their in-house HR team and outsourced services would not provide sufficient access to retraining and outplacement support required by staff facing redundancy, many of whom had worked at the plant for several decades.
- A dedicated project manager provided by the SFA was appointed to co-ordinate the activities of partners involved in the joint support offer and act as a focal point for both Linde Management and partners.
- The project manager working with senior HR personnel at Linde developed a survey giving employees the opportunity to identify specific needs. 75% were returned and these were used to design the support and training package.
- In October 2009 a launch event was held. All Linde employees received a comprehensive brochure outlining support available to them, and given the opportunity to speak with support providers and sign up for 1 to 1 appointments and training sessions.
- An on-site information and training centre opened in October following the launch event. The centre was staffed by partners on a rota basis, with Linde's HR team providing administrative support.
- The package was jointly resourced by the public sector and Linde, who provided a training grant plus 50 hours off for training to all staff, and also provided forklift truck training.
- Over the lifetime of the support programme, 509 '1 to 1' support sessions took place and 658 training certificates or qualifications were awarded.
- In parallel to delivery of the support programme, SEEDA worked with Linde senior management and the freeholder of the plant to explore options for future use of the production facilities, and any opportunities to redeploy Linde's skilled assembly workers and production engineers.
- SEEDA and Jobcentre Plus raised awareness of firms potentially interested in recruiting skilled assembly workers and production engineers of forthcoming redundancies, and encouraged them to participate in 'job fayres' at Linde.
- **The Linde scheme is a good example of a blend of an 'employer-led' and 'taskforce response', with both the employer and the public sector resourcing and delivering the support package to affected staff.**

Case study- Parker Pens

- In July 2009 Parker Pen announced its intention to close its manufacturing and production facility in Newhaven and transfer these operations to a larger French site putting 180 production and engineering staff at risk of redundancy
- SEEDA, Learning and Skills Council and Jobcentre Plus staff met with Parker's Plant Manager to ascertain details on timescales and the implications for staff and to outline the potential support available
- SEEDA convened a local taskforce of partners to agree an appropriate package of support
- Parker accepted the taskforce offer but needed it to run alongside an existing company agreement for an outplacement offer
- A dedicated project manager provided by the Learning and Skills Council co-ordinated the activities of partners involved in the multi-agency support offer and acted as the main contact for the employer and partners
- An 'Open Day' approach was agreed with Parker management to allow Parker staff to 'get a feel' for the support available. A schedule for releasing staff/departments was agreed with the company thereby minimizing disruption to production
- The project manager working with Parker HR produced a needs survey document to determine the types of support required by the workforce to inform the development of a detailed bespoke support offer to follow the Open Day
- In December 2009 partners attended the 'Open Day' to raise awareness of available support to staff.
- As a result of the Open Day (attended by over 150 staff) a support programme was developed that saw sessions on benefits, IAG and training delivered both on and off site. The multi-agency offer was aligned to the outplacement company offer.
- Staff were released for certain elements of the offer but the business imperative to continue production needed to be factored into release decisions
- SEEDA Area Director discussed site related issues with the company, the Local Council and the local MP

Case study- Polestar Foods

- Closure announced on TV and Administrators made contact with JCP on 01/02/11
- 240+ job losses with immediate effect (majority of workforce)
- Administrators sent out redundancy letters signposting to JCP and RP1's
- JCP and Devon AAF made contact with employer to offer support
- JCP Employer Engagement Manager alerted customer facing staff at local JCP
- Event organised for 07/02/11 on factory premises for workforce.
- Union involvement – USDAW promoted Event to members
- Citizens Advice Bureau (CAB) drafted in extra advisers to help with footfall.
- JCP brought along partner organisations such as HMRC, CAB, next steps, local council, Westward Training to Event. JCP Redundancy Manager delivered session on RRS support and the other partners also gave short presentations
- Westward Training set up twice weekly drop in sessions on site delivering two day job search seminars . 120+ workers have used the service so far.
- Work Club set up in Okehampton from 04/03/11 . Funded by Devon CC and a local charity

Case study- Coventry Building Society, formerly Stroud & Swindon

- Announcement of closure of Head Office in Stroud and Call Centre in Gloucester by September 2011
- JCP alerted by Area Action Force *
- Members of AAF including Gloucester First (Council lead economic task force) and JCP met with employer and agreed joint response in July 2010
- Support agreed included – awareness sessions on jobsearch, labour market information, CV writing, benefits advice , retraining and 1-2-1 action planning
- Staff leaving by a phased approach
- Gloucestershire First, JCP, Pinnacle People (JCP Provider for Support Contract) are involved in delivery on regular basis
- Working alongside Penna – an outplacement provider
- Planning a Jobsfair for Summer 2011 which will involve local employers who are recruiting, volunteer agencies, CFEB (consumer financial education body) and local colleges

**AAF - these were set up by the RDA to bring together partners to co-ordinate a response to larger company closures. Each AAF was linked to a Employment & Skills Board and in the South West there were 8. Typically they would meet monthly and then if a sudden or planned significant redundancy occurred they would set up a Task Force to respond. Key partners could include ACAS, FSB, GOSW, sub regional economic partnerships , SFA, Unions, local authorities etc. JCP was always a key partner and often co-ordinated the support to the workers. The AAFs are now being replaced up the LEPs*

Support event checklist

Please find below a checklist that could be used following agreement to hold a support event:

- Consider using, (nil cost) venue; the employer or a partner may be able to host.
- Brief the organisations who will be exhibiting – what the day involves; setting up arrangements; our expectations of them; company health & safety requirements etc.
- Liaise with all relevant people in the company - facilities manager, receptionists, security, catering etc.
- Advertise the event (and any other training courses and workshops) using whatever channels are available – emails, notice boards, direct letters etc.
- Advertising should include venue, date, times and details of exhibitors and their offers.
- Suggest attendance is staggered over the course of the event.
- The event is an opportunity for people to gather information, not for detailed 1-1 discussions. Ensure there is the opportunity for attendees to book appointments or register interest in training courses and workshops.
- A reception desk can welcome attendees and guide people to stands.
- The company may be able to supply admin help for the support programme – help with advertising, booking appointments etc.
- A third party may be able to manage the support programme if funding is available – eg a college or provider.
- Keep awareness high – update notice boards with new information, details of workshops etc
- Identify as many sources of support as possible

Taskforce approach check list

The list below could be used to inform/remind actions for consideration

- Has the taskforce manager met with the company to fully understand the redundancy situation, understand expectations and agree timescales for activity?
- Have you appointed a taskforce manager responsible for co-ordinating activities across all agencies and providing a single point of contact for the company?
- Does each participating partner in the taskforce have a nominated point of contact for the taskforce manager to liaise with?
- How will affected employers be consulted on what support they need and how will they be made aware of this package of support?
- Should support be delivered on-site or off-site?
- Should supply-chain companies also be eligible for package of support?
- The taskforce will also need to determine when it's work is complete and therefore when to stand down

You may want to confirm this in writing.

Local partners should agree who will provide a taskforce manager.

Nominated representatives should be empowered to make quick decisions on resourcing.

This could be done using a simple tick box sheet giving employees an opportunity to express interest in different types of support and development services.

A launch event could be held, with partners hosting stands to explain what services they offer. A brochure could also be produced.

Taskforce needs to agree if the timeline and scale of redundancy justifies an on-site solution.