PACE: Delivery and Early Intervention Options

Commissioned by the Scottish Government

Conducted by Employment Research Institute
Edinburgh Napier University

September 2011
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EXECUTIVE SUMMARY

Introduction

The Employment Research Institute, Edinburgh Napier University was commissioned by the Scottish Government to help develop a future delivery model for the Partnership Action for Continuing Employment (PACE). Building upon an earlier report by the ERI in June 2010, this study consulted a range of bodies and considered three issues concerning:

1. Options for changing PACE boundaries from the status quo if appropriate.
2. The role of PACE in early intervention services.
3. The role of PACE in skills utilisation.

The focus is on the broad service delivery model at the local level, so relatively little is said about the core, national PACE operation.

What the study did

The study involved:

- Telephone or face-to-face interviews with the 16 of the 19 organisations represented on the national PACE Partnership plus a local Business Gateway Director and Scottish Government and Skills Development Scotland officials; 6 PACE Chairs; and two local authority officials.
- An online survey of members of all 21 local PACE Partnerships. Each local PACE Partnership Chair circulated the survey to partner agencies. A total of 84 respondents completed the questionnaire.
- A review of secondary information such as reports to provide background context and of national data on users of PACE services (employers and employees).

Background to the PACE Conference

General

Although established in March 2000, PACE as a national strategic framework has never had to operate in such a difficult economic climate as we have recently been experiencing. The central role of effective and rapid partnership based responses to redundancies has been highlighted during, and since, the 2008-2009 UK recession.

Boundaries

There are currently 21 local PACE Partnerships. This may appear at first to be a large number; however, 10 cover the main populated areas in Lowland Scotland and the other 11 cover low population density rural and island communities. In general there is strong support for maintaining existing PACE boundaries, outside the Highland Council area (see below).
In the larger population areas of most of Lowland Scotland the geographic boundaries follow the boundaries of groups of local authorities and areas of existing and historic partnership working. Usually they are large enough so that there is a high degree of overlap between employee residences and their workplaces.

It should be acknowledged that there is a large degree of flexibility with the current PACE model, with neighbouring PACE Partnerships assisting or taking the lead where appropriate (e.g. if there is a large scale redundancy or many redundant employees live in other areas then the more appropriate PACE Partnership may take the lead rather than the one where the employer is located).

Early Intervention
There are differing meanings of ‘Early Intervention’ in the context of PACE. These may relate to early support: for redundant employees, in terms of job search etc; for employers, so as to avoid redundancies in the first place; and for redundant employees who may wish to set up their own business. The interviews with key stakeholders supported the idea of early intervention, particularly to reduce redundancies or allow early support for those made redundant, with one mentioning early support for start-ups. Each of these is briefly considered, but the main focus in the context of this report is on early intervention to support employers.

In terms of support for employers, nearly all interviewees agreed that existing agencies (specifically the Enterprise Agencies and Business Gateway) and private sector bodies (such as advisers in various professions, insolvency practitioners, etc.) should provide these services rather than the PACE Partnership in itself. Business support was seen as a specialist area, in which, for instance, the PACE Chairs do not have the expertise. The expertise is already present in many PACE Partnerships through partners such as the Enterprise Agencies or Business Gateway, but this support is usually delivered outwith the PACE offer. It should be noted that aftercare may be as important as early intervention, but this is the role of specialist business development agencies.

Skills Utilisation
Skills utilisation is about making effective use of skills. It includes a wide range of issues such as workplace culture, leadership, people management, job design, employee engagement and the management of learning in the workplace. Improvements in all of these were seen as useful to improve business performance and reducing the likelihood of redundancies and as important parts of responses to redundancy situations.

Recommendations
General
Although flexible delivery already exists, there should be continued efforts to ensure: smooth dealing with redundant employees who live and work in different PACE areas; a consistent main PACE offer; and the exchange of good practice. There should be a greater exchange of information between local partners on each other’s roles, resources and on what each partner can deliver on the ground, both in terms of the case of a redundancy situation and in terms of action before redundancies become definite.

It would also be worthwhile investigating the operation of similar schemes elsewhere, such as ReACT (Redundancy Action Scheme) in Wales to learn reasons for their high levels of recognition from employers and high satisfaction levels.

Boundaries
The existing boundaries should remain, except in the Highland Council area. Should the economy improve and the level of redundancies decrease significantly for some time, then consideration should be given once again to reviewing the number of local PACE Partnerships.

There should be a single Highland Council area PACE Partnership. This suggestion would require consultation with the relevant partners.
Early Intervention
Early intervention and skills utilisation are important to the economy and to employers facing redundancy situations. However, the specific role of PACE and its local partnerships in these areas needs to be clear.

a) PACE Partnerships should leave early intervention for employers, in terms of direct support for firms, to existing agencies such as the Enterprise Agencies and Business Gateway. However, the potential role of Business Gateway in providing more support (including aftercare) for firms where there is a threat (or there have been) redundancies should be considered during the drawing up of new contracts which are to be specified and negotiated in 2012.

b) Early intervention for employees to assist them through redundancy situations is already fully embedded in the operation and development of PACE. The usual continuous review of standard PACE services, including how local partners can better gather early intelligence of where their support may be useful and marketing PACE services, should identify any further action.

Continued effort needs to be made to ensure good communication between PACE partners on information and intelligence regarding potential or actual forthcoming redundancies, subject to commercial sensitivity issues between partners. This involves good communication within each partner organisation and the sharing of appropriate information between partners. Cases of good practice should continue to be highlighted at national events and disseminated to all local PACE Partnerships.

Local PACE Partnerships should have a clear understanding of the main roles and resources of each partner, both in dealing with redundancy situations but also, more proactively, in identifying what actions they can do to help reduce future redundancies.

A short, concise outline of these could be produced by each PACE Partnership, although acknowledging the need for flexibility and that what each partner can offer may vary according to circumstances.

c) No further extension of PACE’s remit in early intervention for self-employment is required, beyond the usual continuous review of standard PACE services, including dialogue between the Skills Development Scotland Advisers and Business Gateway on potential opportunities (or draw backs) to business start-up in an area. Local PACE Partnerships should identify gaps in the provision and uptake of early intervention services in their areas.

Skills Utilisation
Skills utilisation should be provided by the specialist organisations rather than local PACE Partnerships (the specialist organisations will often already be part of the local PACE Partnership, such as the Enterprise Agencies). The local PACE Partnerships should identify if there are gaps in relevant local services that affect relevant PACE client firms, or firms that may become PACE clients, and seek to improve such support from the relevant agencies.

Greater awareness of the skills utilisation issue needs to be raised at the local PACE Partnership level. This could perhaps initially be achieved through presentations etc. at national PACE events, with a follow up for local PACE Partnership members through Continuing Professional Development (CPD) or other events, so that they are in a better position to signpost firms to other bodies for support. This could perhaps be combined with similar action to raise awareness of early intervention.
PACE: DELIVERY AND EARLY INTERVENTION OPTIONS

1. INTRODUCTION

The Employment Research Institute (ERI) at Edinburgh Napier University was commissioned by the Scottish Government to help develop a future delivery model for the Partnership Action for Continuing Employment (PACE). This report presents the results of consultation with a range of bodies and recommendations on three issues:

1. Options for changing PACE boundaries from the status quo if appropriate.
2. The role of PACE in early intervention services.
3. The role of PACE in skills utilisation.

The report is based upon telephone and face-to-face interviews with members of the National PACE Partnership, an online survey of members of all 21 local PACE Partnerships and a brief review of national data on users of PACE services (employers and employees).

1.1 Background and aims of the research

Although established in March 2000, PACE as a national strategic framework has never had to operate in such a difficult economic climate as we have recently been experiencing. The central role of effective and rapid partnership based responses to redundancies has been highlighted during, and since, the 2008-2009 UK recession.

The Scottish Government established the national PACE Partnership on 23 June 2009 to bring together agencies with an interest in PACE to oversee a continuous improvement programme to enhance the operation of PACE. One of the areas for consideration was the model of delivery for PACE support and whether this could be improved. This report takes this work forward and focuses on the broad service delivery model at the local level, so relatively little is said about the core, national PACE operation.

The report builds upon an earlier ERI study Towards A Future Delivery Model which was published in February 2011 and highlighted various issues to be addressed when considering a new model for the PACE support that is currently delivered through 21 local PACE teams. The report raised issues which need to be clarified in respect of the role of PACE in the area of early intervention and concluded that: PACE is not ‘broken’ and generally appears to offer an appropriate service; there are a number of strengths and challenges in the current system and scope for improvement; and there is a need for continued early intervention, intensive working with employers and training for individuals that is connected with real work.

There is also a need to clarify what role PACE may have (or indeed may not have) in terms of skills utilisation. The need for greater alignment between business objectives and skills utilisation has been previously identified. It is important that support is available for employers facing redundancy situations to improve skills utilisation to increase company performance. This type of support falls within the area of early intervention. However, what is meant by early intervention needs to be clarified.

The objectives of this study are to analyse responses from the various stakeholders consulted and set out clear recommendations for:

1. Options for changing PACE boundaries from the status quo if appropriate, including the pros and cons for each option, identifying a preferred option, for a new model for the delivery of PACE support.
2. A definition of early intervention services to prevent staff from being made redundant; the extent to which PACE should deliver early intervention services; and what links there should be from PACE to early intervention services.
3. The role of PACE in terms of skills utilisation.

1.2 Methodology

Interviews with key stakeholders

This element of the research involved, where possible, telephone or face-to-face interviews with 16 of the 19 organisations (including Job Centre Plus, Skills Development Scotland and COSLA, see Annex 4) represented on the national PACE Partnership plus a local Business Gateway Director and Scottish Government and Skills Development Scotland officials; 6 PACE chairs; and two local authority officials.

Online survey of local key stakeholders

An online survey of members of all 21 local PACE Partnerships was carried out. Each local PACE Partnership Chair circulated the survey to partner agencies. A total of 84 respondents completed the questionnaire. Summary results of this survey are presented in Annex 1.

Secondary data

To provide background context, national data on users of PACE services (employers and employees) and other relevant information was briefly reviewed. A summary of the conclusions of this review is in Annex 2. Data reviewed included:

1. Data on the Employer Perspectives Survey 2010 were analysed with the Scottish Government providing details on Scottish responses for comparison with UK data. While recognition of PACE and its services is well established among key stakeholders and support agencies, the 2010 survey show that it is less well recognised among individual firms, with just over 13% of employers having heard of PACE, (this is not unexpected as awareness of the service should increase as more firms need PACE services, although awareness of PACE among those expecting redundancies over the next year was only 14%) (Annex 3).

2. The UK Employer Perspectives Survey 2010 is one of two major employer surveys conducted on a biennial basis by the UK Commission for Employment and Skills. The aim of the survey is to provide robust evidence for policy makers regarding employers' engagement and satisfaction with Government support for recruitment and workforce development. http://www.ukces.org.uk/evidence-reports/employer-perspective-survey-2010

Awareness of the ReACT initiative (Redundancy Action Scheme – similar to PACE) in Wales was high at 22.3%, and also use and satisfaction with the services were also quite high. It may be worthwhile to investigate the operation of ReACT. Awareness of the Rapid Response Service (Jobcentre Plus’s Redundancy Support Service) was lower in England than in Scotland, suggesting that PACE is not replacing recognition of JCP’s services.

2. The 2010 Client Experience Survey by IFF was also undertaken in 2010 to consider the quality of provision of PACE support. The research found that PACE is perceived as having a positive influence on people’s ability to find work; and also that almost two-thirds (63%) of individuals who had been made redundant and completed their engagement with PACE before the survey took place had either secured new employment (51%) or undertaken some type of training or development (12%).

3. The 2010 ERI report Towards a Future Delivery Model (mentioned above).

4. The PACE Conference held in October 2010 which included sessions on ‘PACE in Practice’ and ‘Perspectives on PACE’ together with workshops to provide participants with an opportunity to hear about PACE developments and to make their own contributions on the steps that could be taken to further enhance the operation of PACE.

1.3 Remainder of the report

The remainder of the report considers each of the key questions in turn. Under each question the responses of the national PACE Partnership interviews, online survey and background information are presented, followed by recommendations.

Section 2 – PACE Boundaries
Section 3 – Early Intervention
Section 4 – Skills Utilisation
2. PACE BOUNDARIES

There are currently 21 local PACE Partnerships. This may appear at first to be a large number; however, 10 cover the main populated areas in Lowland Scotland and the rest cover rural and island communities. In general there is strong support for maintaining existing PACE boundaries, outside the Highland Council area (see below).

Around half of local PACE Partnerships are in low population areas. In the larger population areas of most of Lowland Scotland the geographic boundaries follow the boundaries of groups of local authorities and areas of existing and historic partnership working. Usually they are large enough so that there is a high degree of overlap between employee residences and their workplaces.

It should be acknowledged that there is a large degree of flexibility with the current PACE model, with neighbouring PACE Partnerships assisting or taking the lead where appropriate (e.g. if there is a large scale redundancy or many redundant employees live in other areas then the more appropriate PACE Partnership may take the lead rather than the one where the employer is located). The boundaries do not necessarily coincide with those of major PACE actors, such as Skills Development Scotland (SDS) and Jobcentre Plus, but the sub-Scotland boundaries of these organisations themselves are not common and also change (Jobcentre Plus has restructured and has moved from six districts to four).

2.1 Existing PACE Partnership areas

The three Island Council areas of Shetland, Orkney and Western Isles each have a PACE Partnership and there seems little justification in amalgamating them with other areas, given that they include the most appropriate local partners and difficult communications mean that they are clearly focused and aligned to local needs.

Moray has particular redundancy issues, especially related to Kinloss air base, and it would be disruptive to consider changing boundaries at this moment. Much of Argyll and Bute is relatively remote from the Central Belt and when there are redundancies (such as in Helensburgh) neighbouring PACE Partnerships have sometimes taken the lead where appropriate. The two southern rural areas, Dumfries and Galloway and the Borders, have close working partnerships within their local areas and are more geared up for small scale (but locally important) redundancy situations.

The 10 main lowland PACE Partnerships (Ayrshire, Dunbartonshire, Fife, Forth Valley, Glasgow, Grampian, Lothians, North and South Lanarkshire, Renfrewshire and Tayside) largely follow former Regional Council or Local Enterprise Company (LEC) boundaries, which still reflect to a degree the functional economic or travel-to-work areas (except Glasgow) and also reflect joint working between relevant agencies.

It is important to note that the internal allocation of resources within the main national agencies (especially Skills Development Scotland and Jobcentre Plus) mean that changes in demand at a local level can be met through internal resource allocation. It is important to maintain this flexibility within the organisations and for them (especially the relevant line managers) to be fully aware of the importance of this for PACE delivery. If there were, for instance, full time PACE chairs for staff, then there is a danger that there may be inflexibility as workloads vary over time and between areas.

In both the consultation with national PACE organisations and the local PACE survey the great majority of respondents (88% in the case of the online survey) felt existing boundaries should be maintained for a range of reasons (see Appendix 1, Section B).
Pros to keeping existing PACE boundaries include:

- Maintaining the operational-strategy link
- Buy-in by key local PACE Partners
- Speed of delivery
- Flexibility
- Large incentives to respond well (e.g. pressure from local communities, politicians, etc.)
- Joint learning by doing
- Existing partnership structure works well
- Local solutions and local knowledge and responsive to local circumstances
- Good relationships with local partners and well established working links
- Restricted human resources as a result of public spending cuts
- Importance of local delivery
- Knowledge of local business community
- Changing may reduce motivation of some partners to contribute
- Changing could lead to a reduction in effectiveness due to less effective local partner involvement

Cons to keeping existing PACE boundaries include:

- Not able to tap into bigger solutions at a higher strategic level
- May miss out on good practice in other areas
- Delivery across the country is not consistent, lack of uniformity
- Does not address issues outside of local area that may impact on local residents
- Boundaries not always reflective of local economic areas (e.g. people in Fife working in Edinburgh) and general cross boundary confusion
- Larger PACE Partnerships may allow for more flexible use of staff resources
- Improved marketing and economies of scale

2.2 Highland Council area

There are currently four PACE Partnerships in the Highland Council area, based upon the legacy of Local Enterprise Companies (Caithness and Sutherland, Inner Moray Firth, Lochaber and Skye and Wester Ross). In recent years the vast majority of PACE activity has been in Inner Moray Firth. The other PACE Partnerships have had few, if any, medium or even small scale redundancies and rarely meet as PACE Partnerships (although it should be noted that even a small redundancy situation in a remote community may be highly significant locally).

It would seem to be more efficient and effective to group together all of the Highland Council area PACE Partnerships into one. Local delivery can be retained where appropriate by using locally based personnel of Highland (or Scotland) wide organisations such as Highland Council.
Pros to reducing the number of Highland local PACE Partnerships:

- Most PACE support is provided by Highland (or Scotland) wide organisations, so this should lead to more efficient use of staff and allow improved communications. Even locally based personnel often spend part of their week or are regularly in Inverness. The key decision making levels are often concentrated in Inverness, although delivery may be local
- A single PACE Partnership would provide more strategic, uniform and coherent processes across the area and link into Community Planning Partnership activities more closely
- There is an uneven demand for PACE services and a limited need for PACE services in some of the areas (PACE activity is concentrated in the Inner Moray Firth) so some PACE Partnerships meet up only irregularly on PACE business
- It may be easier to co-ordinate complementary services offered by different bodies (e.g. colleges)
- Marketing of PACE services should be less confusing for employers and employees

Issues to consider if reducing the number of Highland local PACE Partnerships include:

If there is a single Highland Council area PACE Partnership then, especially given its large land mass, it is important that a number of potential problems are dealt with:

- There be appropriate consultation with the key bodies involved
- Community based responses remain (i.e. locally based personnel and operational links with companies etc. should be fully involved as well as relevant local bodies)
- Current levels of local PACE services are maintained
- Communications on local circumstances is actively maintained, including intelligence on possible forthcoming redundancies etc. subject to commercial sensitivity issues between partners
- The workload of staff, especially that of the Chair of any single Highland area PACE Partnership should be carefully monitored, and/or consideration might be given to rotating the Chair (although this is mainly an internal management issue for Skills Development Scotland)

Recommendations:

*The existing boundaries should remain, except in the Highland Council area. Should the economy improve and the level of redundancies decrease significantly for some time, then consideration should be given to reviewing the number of local PACE Partnerships.*

Although *current flexible delivery already exists*, there should be continued efforts to ensure: smooth dealing with redundant employees who live and work in different PACE areas; a consistent primary PACE offer; and the exchange of good practice. There should be a greater exchange of information between local partners on each other’s roles, resources and on what each partner can deliver on the ground, both in terms of the case of a redundancy situation and in terms of action before redundancies become definite (this is discussed later under Early Intervention).

*There should be a single Highland Council area PACE Partnership. This suggestion would require consultation with the relevant partners.*
3. EARLY INTERVENTION

There are differing meanings of 'Early Intervention' in the context of PACE. These may relate to early support: for redundant employees; for employers, so as to avoid redundancies in the first place; and for redundant employees who may wish to set up their own business. The interviews with key stakeholders supported the idea of early intervention, particularly to reduce redundancies or allow early support for those made redundant, with one mentioning early support for start-ups. Each of these is briefly considered, but the main focus in the context of this report is on early intervention to support employers.

3.1 Early support for employers

For this report, the main form of early intervention considered was that of assistance to employers at an early stage, so that they might reduce or avoid redundancies. This is clearly an issue which, in principle has widespread support; however, the practical implications for PACE are not necessarily straightforward.

Nearly all agreed that where early intervention entailed support for firms, then existing agencies (specifically the Enterprise Agencies and Business Gateway) and private sector bodies (such as advisers in various professions, insolvency practitioners, etc.) should provide these services rather than the PACE Partnership in general. Business support was seen as a specialist area, in which, for instance, the PACE Chairs do not have the expertise. The expertise is already present in many PACE Partnerships through partners such as the Enterprise Agencies or Business Gateway, but this support is usually delivered outwith the PACE offer. It should be noted that aftercare may be as important as early intervention, but this is the role of specialist business development agencies.

However, there were a variety of views as to whether Business Gateway could provide sufficient support to firms who may be likely to make employees redundant under their current Business Gateway contracts. In a number of local areas there are currently additional resources to support firms facing redundancies, but that these resources came from local authorities or other sources which supplemented Business Gateway contracts and may change in the future.

In the online survey there appeared to be greater, but mixed, support for PACE Partnerships to be involved in early intervention and less fear, than among stakeholders interviewed, that this would result in overlap or lead to confusion among employers (See Appendix 1, Section C).

It is important that the support offered through PACE is well marketed to private sector business advisers of firms (e.g. accountants, solicitors, etc.) as this is a prime source of information, especially for small firms.

The role of the Enterprise Agencies and local Business Gateways in identifying firms likely to make employees redundant (including the non-renewal of temporary contracts for long term reasons rather than normal business practice such as seasonal work) is important in providing the PACE Partnership with early warning (subject to the usual confidentiality issues). So PACE Partnerships should review their early warning systems.

PACE has largely been a reactive agency rather than a proactive one (i.e. it has waited until there is the threat of redundancy). A wider proactive role may appear attractive, although this could dilute the clear focus of PACE and may require major changes to its organisation and strategy.
Pros to local PACE Partnerships increasing Early Intervention include:

• It may increase focus on prevention rather than ‘clearing up’ after redundancies
• This could help provide a more holistic service for employers facing a redundancy situation by offering specialist support in all areas
• This could help create a seamless support mechanism from early intervention to the full PACE support offer

Cons to local PACE Partnerships increasing Early Intervention include:

• Business support was seen as a specialist area, where existing PACE Chairs do not have the expertise. The existing specialist agencies should provide this support (as well as private sector advisers, etc.)
• Business Gateway and Scottish Enterprise and Highlands and Islands Enterprise support is targeted at growth firms of all sizes. There is a danger that if they also targeted firms under threat of making redundancies that they may divert attention, focus and resources away from growth, possibly to the long term detriment of the economy
• Further there would be difficulty in identifying firms eligible for support as they may not wish to be classified as being under threat of making redundancies (as there may be negative consequences both within the firm and externally); and difficulty in identifying when early intervention should commence. Another consequence could be that large numbers of firms could appear as ‘eligible’ for support and hence negate the targeting of support where it would have most impact
• Despite this, there is a case for considering the potential role of Business Gateway in providing more support for firms where there is a threat (or there have been) redundancies when the new Business Gateway contracts are specified and negotiated in 2012

Recommendation:

PACE Partnerships should leave early intervention, in terms of direct support for firms, to existing agencies such as the Enterprise Agencies and Business Gateway. However, the potential role of Business Gateway in providing more support (including aftercare) for firms where there is a threat (or there have been) redundancies should be considered during the drawing up of new contracts which are to be specified and negotiated in 2012.

3.2 Early support for redundant employees

The main aspect of early intervention for PACE concerns identifying and providing relevant PACE services to employees (such as information and advice on job seeking, careers, benefits and welfare etc.) starting as soon as possible after the redundancies become known.

Some of the issues related to this include early identification of employers deciding on redundancies, services for small scale redundancies from SMEs, cases where employers do not co-operate with PACE, etc.

There is extremely high support for such early intervention and it is a fundamental part of the PACE offer. As each of these have been considered elsewhere (e.g. in the reports cited earlier), this report does not consider it further.
Recommendations:

These issues are already considered in the operation and development of PACE, so the usual continuous review of standard PACE services, including how local partners can better gather early intelligence of where their support may be useful and marketing PACE services, should identify any further action.

Continued effort needs to be made to ensure good communication between PACE partners on information and intelligence regarding potential or actual forthcoming redundancies, subject to commercial sensitivity issues between partners. This involves good communication within each partner and the sharing of appropriate information between partners. Cases of good practice should continue to be highlighted at national events and disseminated to all local PACE Partnerships.

Local PACE Partnerships should have a clear understanding of the main roles and resources of each partner, both in dealing with redundancy situations but also, more proactively, in identifying what actions they can do to help reduce future redundancies. A short, concise outline of these could be produced by each PACE Partnership, although acknowledging the need for flexibility and that what each partner can offer may vary according to circumstances.

3.3 Other forms of early intervention

Another form of early intervention could include early support, or ‘sowing the seed’ for thinking about self-employment, for redundant employees who may wish to set up their own business. One issue here is when is the appropriate time for giving redundant workers presentations and support for starting up their own business. Generally introductory presentations are given at the time of the main PACE intervention, so that people will be aware of such support and the idea of self-employment/business start-up may be triggered. The main support is likely to be requested in the future, after more immediate issues such as benefits are sorted and the job market has been tested. In addition to, for example, presentations from Business Gateway partners, self-employment is also an option considered during careers advice as part of PACE support. It may be worth considering sending information on start-up support from the Enterprise agencies to former PACE clients at suitable points some months after their redundancy and PACE support.

Recommendation:

No further extension of PACE’s remit in this area is required, beyond the usual continuous review of standard PACE services, including dialogue between the Careers advisers and Business Gateway on potential opportunities (or inhibitors) to business start-up in an area. Local PACE Partnerships should identify gaps in the provision and uptake of early intervention services in their areas. The role of PACE Partnerships will be to continue to offer a platform for Enterprise Agencies to present the possibility of self-employment to clients and to discuss the options and support for self-employment in careers meetings. A longer-term follow up of self-employment information some months after the redundancy should be considered.
4. SKILLS UTILISATION

Skills utilisation is about making effective use of skills. It includes a wide range of issues such as workplace culture, leadership, people management, job design, employee engagement and the management of learning in the workplace. Improvements in all of these were seen as important parts of responses to redundancy situations by being useful in improving business performance, making the employer more resilient and reducing the likelihood of redundancies.

There are various existing initiatives which are directly related to improving skills utilisation by employers, such as Investors in People (IiP) or some leadership training on how to better utilise\(^3\) skills. However, the general stakeholder view was that there is a limited role for PACE in promoting the active use of such schemes (e.g. through making them more available through reduced entry requirements or being subsidised) to employers receiving PACE support. While it was often accepted that IiP could be a useful business development tool that can help firms manage change (e.g. before or after a redundancy situation), it was generally felt that having just made staff redundant meant that the firm generally had other urgent priorities and also the perception of them seeking IiP might lead to a negative reaction from employees. In terms of developing staff skills so as to improve the utilisation of skills across the organisation, flexible training opportunities were already sufficiently available for PACE related firms and no special treatment for them was generally thought to be necessary. The overall view was that the specialist skills utilisation support remit should be left to the specialists (e.g. Enterprise agencies, IiP, private sector firms etc.) and any special funding (e.g. subsidised fees) or other support for firms that are likely to face (or had just experienced) redundancies would need to be carefully checked against the usual criteria such as value for money.

It is important that existing networks and support bodies, including the Sector Skills Councils (SSCs), are involved where appropriate with PACE. For redundancies in specific sectors, the SSCs could be utilised to a greater degree to provide support both to employers and employees, such as helping to gain employer engagement, improved skills utilisation and offering training and qualifications that may enable that person to do a different job within the company or be equipped with the skills necessary to do a new job elsewhere. When a PACE Partnership was working with an employer in a specialist sector, it may be useful to make contact with the relevant SSC (with preferably each SSC having a named contact for PACE to get in touch with). Other bodies (including Colleges and the Open University) may have some role in skills utilisation in specific sectors\(^4\).

In general there was again mixed support among the online survey respondents for the wider availability of such support among firms undergoing (or about to undergo) redundancies (see Appendix 1, Section D). As with early intervention, it was felt that skills utilisation improvements required specialist advice and support and that this would be most effectively and efficiently provided through existing support networks rather than through modifying PACE. However, local PACE Partnerships should audit the level of support and take up of such support in their local areas and encourage the relevant local PACE partners to ensure high levels of service and identify any gaps in provision. This may involve a greater signposting of support.

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3 There is also skills development support directly to employees under the existing PACE offer, such as: JCP’s Rapid Response Service for employees who are faced with redundancy or are under threat of redundancy (e.g. immediate access to the Support Contract providing flexible training opportunities to people who would benefit from additional training or re-skilling in order for them to be better placed in the labour market); and Training for Work. Skills development of some of the workforce may be needed in order to allow improved skills utilisation for them (e.g. learning a new piece of software in order to better utilise their existing skills) or other employees (e.g. one employee developing skills which allows others to be better deployed to use their existing skills).

4 In some cases colleges and others may provide skills utilisation support – for sectors (for initiatives in specialist sector e.g. a skills utilisation project for the life sciences to identify and develop unused workplace skills and experience to increase business performance http://www.dundeecollege.ac.uk/Business-Services/Funding-Opportunities/Life-Sciences-Skills-Utilisation)
available from some partners (such as SDS) to the other partners (and the wider local economy) and private sector advisers to firms. To help this process it may be useful to raise greater awareness of the skills utilisation issue. This could perhaps initially be achieved through presentations at national PACE events, with a follow up for local PACE Partnership members through Continuing Professional Development (CPD) or other events, so that they are in a better position to signpost firms to other bodies for support. This could perhaps be combined with similar action to raise awareness of early intervention.

Local PACE Partnerships should also ensure that they have relevant skills utilisation organisations involved in their partnerships (and their local areas), particularly IiP and the Enterprise Agencies.

**Pros concerning improved Skills Utilisation support include:**

- Skills utilisation is fundamental to improved business performance, both when employers are doing well and also when they are under pressure (such as before or after redundancy situations).
- It may assist firms either to avoid further redundancies or to recover from them.
- PACE could have a positive effect on improving up-skilling when the economy was relatively healthy rather than just intervening when there was a redundancy problem. So it may be worthwhile for PACE Partnerships to discuss and promote (through the main partners involved in skills utilisation, such as Enterprise Agencies) the improvement of skills utilisation among employers with, or at risk of, redundancies in their areas. However, this should not dilute the focus of PACE on directly assisting those made redundant, i.e. ‘mission creep’ should be avoided.

**Cons concerning improved skills utilisation support include:**

- Improved skills utilisation may go hand-in-hand with some related skills development (e.g. to improve the utilisation of one employee's skills may require some development of colleagues skills – it can be useful not to artificially separate the two). Existing skills development that may be related, such as flexible training opportunities, are already sufficiently available for PACE related firms. Skills utilisation already permeates PACE support for individuals (in terms of helping redundant people to become “confident, motivated and relevantly skilled individuals who are aware of the skills they possess and know how to best use them in the workplace” or their potential future workplace).
- There is no clear argument that firms facing redundancies should receive additional specialist financial support to participate in skills utilisation initiatives above that to which similar firms would be eligible (although in some cases such firms may arguably be more receptive to support for improved skills utilisation assuming that they prioritise it above other pressing issues).
- This should be left to specialist agencies that can provide the specialist support in conjunction with other required business development support.
- A high profile focus on schemes such as IiP may be seen as inappropriate during or following redundancies. Special incentives for firms with redundancies may also have potential to devalue the ‘brand’.
- It is important that support is appropriate to the needs of the employer (or employee) and that the driving force is not to ‘sell’ the product (such as IiP) to the firm. The process of moving to e.g. IiP certification may be more important than the certificate, but this means that any potential performance targets for agencies should include a variety of outcomes as well as the number of employers gaining IiP certification.
Recommendation:

Skills utilisation should be provided by the specialist organisations rather than local PACE Partnerships (the specialist organisations will often already be part of the local PACE Partnership). The local PACE Partnerships should identify if there are gaps in relevant local services that affect relevant PACE client firms, or firms that may become PACE clients, and make representation to improve such support from the relevant agencies (such as existing partners including Enterprise Agencies, but also IIP and relevant private bodies). Local PACE Partners would then be better able to signpost such support to employers.

Greater awareness of the skills utilisation issue needs to be raised at the local PACE Partnership level. This could perhaps initially be achieved through presentations etc. at national PACE events, with a follow up for local PACE Partnership members through Continuing Professional Development (CPD) or other events, so that they are in a better position to signpost firms to other bodies for support. This could perhaps be combined with similar action to raise awareness of early intervention.

Acknowledgements:

Many thanks are due to all those who agreed to be interviewed or took part in the online survey. Also thanks to: Margaret Sutor and Kirstie Corbett of the Scottish Government and Calum MacLean of Skills Development Scotland.

Authors Professor Ronald McQuaid, Doctor Emma Hollywood, with Matthew Dutton.
ANNEX 1 - RESPONSE TO SURVEY OF LOCAL PACE PARTNERSHIPS

This annex is divided into five sections reflecting the sections of the survey. These follow the sections of the main report.

The results detailed below are from an online survey made available to all those organisations involved in PACE.

A total of 84 responses were received from a number of organisations including Skills Development Scotland, Local Authorities, Scottish Enterprise, Job Centre Plus, HM Revenue and Customs, Citizens Advice Scotland, Colleges, Business Gateway, Scottish Chambers of Commerce. It should be noted that not all respondents replied to all the questions and the numbers responding to each question are indicated in the text below.

SECTION A: INVOLVEMENT IN PACE PARTNERSHIP

Respondents were asked about how involved they were in setting and influencing the local PACE Partnership strategy and providing services through the PACE Partnership (Figure 1).

In response to setting and informing the local PACE Partnership strategy 43.4% (36) of organisations were ‘involved’; 38.6% (32) were strongly involved and only 8% (8) not involved and 2.4% (2) not strongly involved [83 responses to this question]

In terms of providing services through PACE 55% (44) of organisations stated they were strongly involved; 31.3% (25) involved; and only 3.8% (3) not involved and 5% (4) not strongly involved [80 responses]
SECTION B: GEOGRAPHICAL BOUNDARIES

Organisations were asked if they thought the geographical boundaries of PACE should be changed. Of the responses to this question 12.3% (9) organisations said the boundaries should be changed and 87.7% (64) said there should be no change to the boundaries [73 responses].

A number of open ended questions explored in further detail attitudes to boundary changes, although for the majority the existing structure was seen as working well.

• Should be merged across South of Scotland
• Needs to be more link up between PACE boundaries – for example some employers have employees who straddle boundaries and areas that have links to major cities (for example Fife and Lothian)
• One PACE Partnership for Highland Council region

Respondents were also asked what the effects of boundary changes might be and these views are outlined below:

Positive effects
• Being able to develop new relationships
• Less duplication
• One point of contact for employers
• Allow for more flexible use of staff resources

Negative effects
• More difficult to spread resources over a wider area and be effective
• Loss of local relationships and knowledge
• Loss of specific local partners
• Difficulty in attending meetings/travel
• Other regions may not provide same services
• Loss of autonomy and local control
• Confusion over which organisation would provide support
• Diluted response in rural areas
• Loss of focus on local issues

Respondents were then asked if they thought there should be a different number of PACE Partnerships, the main responses are outlined below:

• Highland should be one (but not with Argyll and Bute and the Islands)
• Islands should remain autonomous
• Areas with high population density and shared PACE services could be amalgamated
• Current structure works well
• Unable to comment because of lack of knowledge of other boundaries
Respondents were also asked about the pros and cons of existing PACE Partnerships:

**Pros**
- Existing partnership structure works well
- Local solutions and local knowledge
- Good relationships with local partners
- Well established working links
- Responsive to local circumstances
- Current structure makes sense in particular in remote and island areas
- Restricted human resources as a result of public spending cuts
- Importance of local delivery
- Knowledge of local business community

**Cons**
- Not able to tap into bigger solutions at a higher strategic level
- May miss out on good practice and other areas
- Delivery across the country is not consistent, lack of uniformity
- Duplication of effort and reporting
- No contacts to some areas
- Does not address issues outside of local area that may impact on local residents
- Boundaries not always reflective of local economic areas (e.g. people living in Fife who work in Edinburgh)
- Cross boundary confusion

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**SECTION C: EARLY INTERVENTION**

A number of questions were asked on early intervention. Respondents were asked if they had a definition of early intervention services as it would relate to PACE Partnerships. Although the majority of respondents stated that they didn’t have a definition, there were a number of responses to this question which are outlined in the table below:

- Early intervention as a way of trying to help the victims of redundancy before they become redundant
- Working with employers before they have to make redundancies
- Early intervention services means information about where organisations can get help to, hopefully, prevent or lessen the number of redundancies
- In the current economic climate early intervention is the ability to be more aware of early warnings for businesses who may require intensive business care and support - this to be done in a co-ordinated way between the PACE Partners
- There are two areas of support which should be provided. Support to the workforce facing redundancy and support to business which may help prevent redundancy/closure/rationalisation

Anything and everything that either prevents the loss of a job in the first place or limits the impact of a job loss should be in place and on offer early
Respondents were then asked for their responses to a number of statements in relation to early interventions. In general there was overall support for early intervention (Figure 2):

- 28.4% (19) agreed and 23.9% (16) strongly agreed that PACE Partnerships should deliver early intervention services; whereas 16.4% (11) disagreed [67 responses]

- 39.4% (26) disagreed that PACE Partnerships’ direct involvement in early intervention would create confusion among employers and 33.3% (22) neither agreed or disagreed [66 responses]

- In terms of PACE Partnerships’ direct involvement in early intervention reducing overlap among providers, 37.9% (25) neither agreed or disagreed; 31.8% (21) agreed and 16.7% (11) disagreed [66 responses]

- 28.8% (19) agreed that PACE Partnerships should leave early intervention to Business Gateway/Scottish Enterprise/Highlands & Islands Enterprise; although 10.6 % (7) and 24.2% (16) strongly disagreed or disagreed respectively [66 responses]
Respondents were then asked about what links should there be from PACE Partnerships to early intervention services and responses are outlined in the following bullets:

- Clearer handover and communication about what early intervention was taking place
- Ensuring that all the partners are connected and informed about delivery inputs – discussing and agreeing delivery content and lead delivery partner
- Links that may provide added value e.g. skills mapping/profiling
- Automatic involvement of PACE in early intervention services
- Early intervention services keep PACE partnership informed
- Appropriate and effective communication links between PACE Partnerships and early intervention services
- There may be cases where early intervention by Business Gateway, etc., would be most appropriate
- The early intervention service providers should sit on the PACE Partnerships
- Existing business support structures are the best delivery model. There should be a close relationship between PACE and existing support structures, accepting commercial sensitivity issues
- Awareness of what has gone before and support that has already been put in place
- Indication of skills in organisation
- Seamless system from early intervention to full PACE support where needed
- It is very important that PACE front line staff are aware of partnership interventions and bring the partners on board earlier in the process to ensure intervention assistance is given by appropriate advisers and product specialists
- There should be close links with Business Gateway, Scottish Enterprise (SE), local employability partnerships and local business support services where they exist

**SECTION D: SKILLS UTILISATION**

Respondents were asked to answer a number of questions on the role of PACE Partnerships in skills utilisation. It was found that:

- 34.9% (22) and 17.5% (11) agreed or strongly agreed respectively that PACE Partnerships should have a direct role in improving skills utilisation among companies actually making redundancies; while 36.5% (23) disagreed with this statement [63 responses]
- 35.5% (22) disagreed that PACE Partnerships should have a direct role in improving skills utilisation among companies potentially making redundancies; while 19.4% (12) neither agreed nor disagreed; and 27.4% (17) and 16.1% (10) agreed or strongly agreed [62 responses]
- 45.2% (28) agreed that PACE Partnerships should leave skills utilisation to the relevant partners who would keep PACE Partnerships informed of what support they have given; while 16.1% (10) disagreed with this statement and 22.6% (14) neither agreed nor disagreed [62 responses]
- 53.3% (32) neither agreed nor disagreed that Investors in People should be made more available by easing eligibility for employers receiving PACE Partnership support, while 20% (12) agreed and 18.3% (11) disagreed [60 responses]
- 53.3% (32) neither agreed nor disagreed that Investors in People should be subsidised for employers receiving PACE Partnership support; while 20% (12) agreed and 18.3% (11) disagreed [62 responses]
- 38.7% (24) agreed that Flexible Training Opportunities should be made more available by easing eligibility for employers receiving PACE Partnership support; and 33.9% (21) strongly agreed; while only 6.5% (4) disagreed; although 21% (13) neither agreed or disagreed [62 responses], although it is not clear if there is evidence that Flexible Training Opportunities are currently difficult for employers to get
- 32.3% (20) and 30.6% (19) agreed and strongly agreed respectively that Flexible Training Opportunities should be subsidised for employers receiving PACE Partnership support; while 9.7% (6) disagreed and 27.4% (17) neither agreed nor disagreed [62 responses]
This is also illustrated in Figure 3 below.

**Figure 3: Role of PACE Partnership in skills utilisation (by number of respondents)**

- PACE Partnerships should have a direct role in improving skills utilisation among companies actually making redundancies.
  - [Bar chart showing responses]

- PACE Partnerships should have a direct role in improving skills utilisation among companies potentially making redundancies.
  - [Bar chart showing responses]

- PACE Partnerships should leave skills utilisation to the relevant partners who would keep PACE Partnership informed of what support they have given.
  - [Bar chart showing responses]

- Investors in People should be made more available by easing eligibility for employers receiving PACE Partnership support.
  - [Bar chart showing responses]

- Investors in People should be subsidised for employers receiving PACE Partnership support.
  - [Bar chart showing responses]

- Flexible Training Opportunities should be made more available by easing eligibility for employers receiving PACE Partnership support.
  - [Bar chart showing responses]

- Flexible Training Opportunities should be subsidised for employers receiving PACE Partnership support.
  - [Bar chart showing responses]
Respondents were then asked an open ended question on what should be the role of PACE Partnerships in terms of skills utilisation. The main responses to the question are outlined in the table below.

- Supporting employers to identify/map existing skills and competences, identifying gaps, and stimulating discussion and action around making the relationship between supply and demand an efficient one, perhaps as a first step analysing what that relationship looks like in a sector/geography
- To inform and signpost organisations to support available from organisations such as SDS
- This is a specialist remit and should be left to the specialist
- Keep client/customers informed about range of skills utilisation available from partners
- Help constituent partners, e.g. College/Training Provider to promote the support they can provide for skills utilisation if/when it is appropriate to do so
- Providing support for those facing redundancy but have an opportunity to retrain within the business. Training should also be available for those being made redundant and wishing to reskill to obtain alternative employment. Information Advice and Guidance as well as funding for appropriate training ILAs FTOs
- PACE should be able to facilitate or deliver a skills analysis of the business concerned, included in the early intervention services
- Any skills development can and should only be delivered by experienced and suitably qualified organisations
- Scotland’s Colleges (and potentially some private training providers) generally have the skills and SDS contracts in place to be able to help with workforce development
- PACE Partnerships could be widened to include those organisations involved in skills utilisation and many partners are already involved. The Partnership could highlight the benefits of skills utilisation to companies and signpost them to possible support. However, I think that it should be a level playing field for all companies as regards Investors in People and FTOs
- PACE is trying to be all things to all people. It can’t be and shouldn’t be and should at most be a co-ordinating and information sharing role

SECTION E: GENERAL ISSUES
Respondents were asked for their responses to statements on learning and exchange of knowledge in PACE Partnerships. In response:

- 35% (21) agreed that we do not have good monitoring or evaluation data at local PACE Partnership level; while 33.3% (20) disagreed; and 20% (12) neither agreed nor disagreed [60 responses]
- Similarly 42.1% (24) agreed that there is limited learning from practice (exchange good and improving practice) across local PACE Partnerships; while 24.6% (14) disagreed and 7% (4) strongly disagreed; and 15.8% (9) neither agreed nor disagreed [57 responses]
These findings are also outlined in Figure 4 below.

Figure 4: Learning and exchange of knowledge in PACE Partnerships (by number of respondents)

Respondents were asked about the strengths and weaknesses of the PACE current model:

- 53.3% (32) agreed that PACE Partnerships have clarity of vision which is tangible, easy to buy into, and to understand; while 15% (9) disagreed; and 18.3% (11) neither agreed nor disagreed [60 responses]

- 57.6% (34) agreed the focus is on delivery of services to individuals; the needs of the Partnership are secondary; while 15.3% (9) disagreed; and 11.9% (7) neither agreed nor disagreed [59 responses]

Respondents were asked a number of questions on what makes a PACE Partnership work well:

- 48.3% (29) and 35% (21) agreed and strongly agreed respectively that there is good communication with other organisations in the PACE Partnership to avoid duplication of services; while only 6.7% (4) disagreed [60 responses]

- 50% (30) agreed and 16.7% (10) strongly agreed that PACE Partnerships have the right products (what the customer is looking for); while 13.3% (8) disagreed; and 16.7% (10) neither agreed nor disagreed [60 responses]

- 36.7% (22) neither agreed nor disagreed that PACE Partnerships have an ability to take some risks; while 30% (18) disagreed; and 20% (12) agreed [60 responses]

When asked what PACE Partnerships should deliver:

- 42.9% (24) neither agreed nor disagreed that there should be greater emphasis on up skilling people, e.g. from levels 2 to 3; while 28.6% (16) agreed; and 17.9% (10) disagreed [56 responses]

- 38.6% (22) agreed and 12.3% (7) strongly agreed that early intervention could lead to an expansion of roles for PACE Partnerships which might be more appropriately carried out by others and could lead to ‘mission drift’; while 28.1% (16) neither agreed or disagreed; and 15.8% (9) disagreed [57 responses]
These findings are also illustrated in Figure 5 below.

Figure 5: What PACE Partnerships should deliver (by number of respondents)

Finally, respondents were asked for their views on the following areas, in a set of open ended questions, the responses to which are outlined in the table below.

**What should PACE Partnerships deliver?**

- Support to both business and staff during a redundancy situation
- They should deliver information and advice which is meaningful and relevant and delivered at the right time
- Practical support to enable individuals to maintain their self-esteem and feel confident about their future
- Advice to people facing redundancy on what is available locally to assist with job finding, new skills and income maximisation
- Support for individuals at risk of redundancy. Early intervention to avoid redundancy situations. Support for employers in managing redundancy situations when these are inevitable
- A variety of support to those facing redundancy or having been made redundant, benefit and financial advice, training advice, local labour market information advice and guidance
- Greater early warning systems to enable positive engagement and intervention/signposting by PACE Partners
- Employability and training awareness sessions to workers facing redundancy. An overview of the benefits system
- Support to get people back into employment/self-employment
- Holistic service for employers and employees facing redundancy offering specialist support in all areas
- A co-ordinated service which provides the right mix of support for individuals and businesses
- Full range of “toolbox” products within existing partners
- Redundancy support, careers advice, financial advice, funding for training, support to get people employed as soon as possible, signposting to services which support employers
How can PACE do better, especially through improving partnerships and having clearer role?

- Clarify role within early intervention, track customers over a period following the intervention, install full time PACE co-ordinators (SDS) within certain geographic areas
- Through an extended partnership that is utilised flexibly
- Continue to strive to achieve early intervention, and early contact
- Differentiate PACE activity from activity agency would perform anyway. Make direct contact with employees
- “if it ain’t broke...........
- More effective knowledge of services provided by PACE Partners
- Put themselves out more – very few companies know what it is
- Could emphasise the assistance to employees which might make more employers get in touch earlier
- Be clearer on what each partner can effectively offer on the ground
- By continually stressing partnership as more important than the role of individual member organisations, becoming better at ensuring that employers provide adequate lead time and adequate time off for workers to take advantage of support on offer
- Earlier contact with companies and highlighting good news from previous redundancy situations
- Look at the role of PACE Chair and how that can be developed. Without dissolving local partnerships, perhaps there could be a role for a full time chair ‘lead’ in certain areas without dissolving local Partnerships
- Full information on options for progression

What should be the roles of PACE Partnership Staff and Chairs?

- Intervention, co-ordination, info sharing, disseminating good practices, sharing good news stories, being proactive, labour market experts, presentational - i.e. telling businesses of services, promotional, learning together
- Hold meetings to anticipate redundancy situations and plan joint response where appropriate
- To ensure that all relevant bodies are pulled together to provide maximum support and minimum overlap
- To liaise with employers, facilitate events
- Effective communication knowledge of and dissemination of products and grants available to support intervention
- Ensure equal and consistent service offered to all employers and employees. Ensure quick contact and interaction with companies
- To communicate and pull together partners
- To ensure monitoring and compliance of partners is in place and discuss case studies, improved promotion of this redundancy service is embedded in the community and with all stakeholders - first point of contact for referral and signposting
How do we know if it works? How well do we monitor and evaluate?

- We should track clients after they are made redundant to monitor the success rate of PACE interventions.
- Could be a lot better on the evaluation and monitoring side – need to improve customer follow up.
- We need to monitor people who have received presentations to determine whether it was what they required at that time in their redundancy journey, and if not, what/when would have been more useful for them.
- Measure through the job centre, follow up clients.
- More monitoring should be done to evaluate how PACE intervention has assisted, i.e. numbers of redundant employees found new posts through PACE Business start-ups as a result of PACE intervention.
- Monitoring is difficult when there are no large redundancies for two years and then several in the space of a few months.
- Evaluation from employer and feedback between partners as part of end process.
- PACE has to some extent been overtaken by the scale of economic downturn and for some time has struggled to cope. I think that monitoring and evaluation have fallen by the wayside.
- Better feedback of how successful PACE interventions have been – how many moved into other jobs, impact of training, etc.

contact XXXXX for copy of questionnaire
ANNEX 2 - SUMMARY OF SECONDARY RESEARCH

As set out in the invitation to tender, the main conclusions of the various reports were:

CLIENT EXPERIENCE SURVEY RESEARCH

- Review the times at which certain PACE services are offered to individuals
- Ensure that advice on business start-up and managing money is more effectively targeted and delivered
- Limit the scope of any survey to individuals who have left their redundant job role
- Collect further information about the timing of the PACE intervention
- Understand when specific services were taken up and why
- Identify what service users would like from PACE that they did not receive and their views for improvement
- Identify people’s expectations and plans for their post-redundancy lives and challenges they anticipate facing
- Identify the extent to which PACE provides individuals with access to support after the initial intervention
- Undertake qualitative depth interviews or discussion groups.
- A longitudinal telephone survey
- Comparative analysis looking at the progress of PACE service users versus a control group of individuals who did not receive redundancy support through PACE

TOWARDS A FUTURE DELIVERY MODEL REPORT ISSUES

- What to deliver and to whom
- Should greater emphasis be given to targeting SMEs?
- How is greater demand to be handled?
- What types of early intervention should PACE be involved in delivering?
- Should the role of the training offered be re-considered in light of the evidence from elsewhere?
- How to deliver better – need to improve consistency in who the Chairs are and their involvement in national meetings; improving training; delivery of funding
- Seek to apply good practice consistently in formal induction and training of new Chairs and for new partners; mentoring; systems for shadowing between partners; specific skills; checklists for discussions with employers
- PACE boundaries need to be reconsidered
- Monitoring and evaluation to be improved at a national level including setting up system for longer-term monitoring
PACE CONFERENCE REPORT RECOMMENDATIONS

A Clear Understanding of the Operating Context

• Any changes made to the PACE offer need to be in keeping with a comprehensive understanding of the operating context, both in terms of changes to economic circumstances and the level of resources available to partners to commit to the partnership. Proposed changes need to be tested with key partners to determine their likely success and sustainability over the longer term.

Review of Activity

• In the face of significant budget cuts, concerns were raised by many partners that the current levels of service may not be sustainable across all client groups. PACE needs to consider various scenarios in response to this in terms of the differential responses that could be offered to clients depending on their individual situations, for example, supporting employers downsizing to save costs versus those struggling to survive or individuals taking voluntary severance versus those forced in to redundancy. Coupled with this could be a consideration of a client’s ability to pay, with PACE standing back when employers are willing, and able, to bring in private sector support.

Identifying and Addressing Weaker Aspects of PACE

• Whilst recognising that there is often a time lag between addressing issues raised by partners and clients and a recognition that these have been dealt with, it is critical that PACE retains its commitment to continuous improvement and seeks to identify and deal with any weaker aspects of PACE as they arise. This may require a more systematic review of the experiences of partners and clients across the 21 local Partnerships to address the perceived differences in experience reported through the workshops.

Early Intervention Strategy

• Where PACE has successfully engaged early with employers, it has had significant success. A clearly articulated early intervention strategy would help to provide a clear mechanism for achieving this.

Reviewing Partner Capacity

• In a time of limited funding, the potential of building up capacity within private and public sector organisations to provide self-help in redundancy situations should be considered. There is likely to be significant scope for organisations such as the NHS, the police, local government etc. to draw on the expertise of their HR functions to build capacity in other organisations. This would require a review of partner capacity.

Concluding Thoughts

• Following a successful and informative day, the Chair laid down the challenge for partners in taking PACE forward, “As good as it is, we can always improve”. The contributions made by partners and participants throughout the Summit, will provide the basis for future developments.
ANNEX 3 - EMPLOYER PERSPECTIVES SURVEY 2010

This annex provides some of the data provided by the Scottish Government from the UK Employer Perspectives Survey 2010. This is one of two major employer surveys conducted on a biennial basis by the UK Commission for Employment and Skills. The aim of the survey is to provide robust evidence for policy makers regarding employers’ engagement and satisfaction with Government support for recruitment and workforce development (http://www.ukces.org.uk/evidence-reports/employer-perspective-survey-2010).

1 – Use of all services x size of firm (unweighted base) – Scotland

As expected, relatively few firms (from the survey sample) have used PACE or Rapid Response Service (Jobcentre Plus’s Redundancy Support Service) in Scotland in the last year – in total 0.1% and 0.9% respectively. Care needs to be taken as the number of firms in each size band of the sample is often very small, but in both cases larger firms are more likely to have used the services (this may be partly linked to the notification level of redundancies as large firms have a duty to notify large redundancy numbers). 5.5% of large firms (over 250 employees) and 2.5% of those with 50-249 employees had used PACE in the last year with 3.3% and 1.0% using the Rapid Response Service (some may possibly have counted their Rapid Response Service as PACE as they would be ‘marketed’ under the PACE banner). This compared to between 0.2 and 0.6% of firms under 50 employees using PACE but 0.4 to 0.3% using Rapid Response Service.

2 – Awareness of all services x reported redundancy concern/not (weighted to better reflect the structure of the economy) – Scotland, England and Wales

When asked ‘Have you heard of PACE’ 13.43% of all firms said yes, with little difference between those who expected (13.99%) or did not expect redundancies (13.42%) in the next year (The question was: “What business challenges, if any, do you see your establishment facing in the next 12 months?: Redundancies / reduced headcount”). For the Rapid Response Service the figures were 10.88% overall and 10.78% for those not expecting redundancies and 14.12% for those who did. However, in England the figures (also weighted) were lower at 9.03% overall and only 7.7% in Wales.

However, awareness of the ReACT initiative (Redundancy Action Scheme – similar to PACE) in Wales was very high at 22.3% (weighted results). This knowledge increases with firm size (with 57.5% of those employing over 250 employees having heard of ReACT compared to 31.3% for those employing 10-24 or 14.6% for those with under 5 employees). The use of ReACT was also high with 3.6% being involved in ReACT (6.9% of unweighted responses) and overall customer satisfaction quite high (70.4% of users were satisfied and 16.0% dissatisfied, with 5.1% neither and 8.5% don’t know). In Wales, fewer had heard of the Jobcentre Plus’s Rapid Response Service, so some recognition of this service may be subsumed under ReACT.
ANNEX 4 - MEMBERSHIP ORGANISATIONS OF THE NATIONAL PACE PARTNERSHIP

The Scottish Government*
Skills Development Scotland*
Jobcentre Plus Scotland*
ACAS Scotland
Alliance of Sector Skills Councils*
Citizens Advice Scotland*
Confederation of British Industry Scotland*
Convention of Scottish Local Authorities*
Federation of Small Businesses Scotland*
HM Revenue and Customs*
Highlands and Islands Enterprise*
Scotland's Colleges*
Scottish Chambers of Commerce*
Scottish Enterprise*
Scottish Funding Council*
Scottish Qualifications Authority*
Scottish Trades Union Congress*
Scottish Training Federation
Universities Scotland

(* interviewed during the study) (March 2011)
ANNEX 5 - MAP

MAP KEY

No. PACE Partnership
1 Argyll
2 Ayrshire
3 Borders
4 Caithness and Sutherland
5 Dumfries and Galloway
6 Dunbartonshire
7 Fife
8 Forth Valley
9 Glasgow
10 Grampian
11 Inner Moray Firth
12 Lochaber
13 Lothians
14 Moray
15 Lanarkshire
16 Orkney
17 Renfrewshire
18 Shetland
19 Skye and Wester Ross
20 Tayside
21 Western Isles

Notes:

a. The proposed single Highland Council area PACE Partnership is illustrated via the colour coding of areas 4, 11, 12 and 19.

b. Helensburgh and the surrounding area to the west, bordered by Loch Long, are part of the Dunbartonshire PACE Partnership, not the Argyll and Bute PACE Partnership.

c. Although Dunoon is part of the Argyll and Bute PACE Partnership, service provision may be delivered by the Renfrewshire PACE Partnership to ensure the most efficient use of resources.