



# **PACE – Towards a Future Delivery Model**

---

**Commissioned by The Scottish Government**

**By Employment Research Institute  
Edinburgh Napier University**

December 2010

# CONTENTS

<b>Executive summary</b>	<b>3</b>
<b>1. Introduction and aims</b>	<b>5</b>
<b>2. Background on PACE</b>	<b>6</b>
<b>3. PACE delivery</b>	<b>7</b>
<b>4. Examples of UK and international redundancy programmes</b>	<b>9</b>
<b>5. Challenges and strength of service delivery</b>	<b>12</b>
<b>6. Key issues and options for improving delivery</b>	<b>15</b>
<b>7. Conclusions</b>	<b>18</b>

# 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). The Scottish Government established the PACE Partnership on 23 June 2009 to bring together agencies with an interest in PACE. This report forms part of the work assigned to the PACE Delivery Workstream, which was charged with undertaking a review of the current mechanism for delivery of PACE support and highlighting areas for improvement.

This report sets out some of the issues related to developing the operational delivery of PACE. The focus is on the broad service delivery model at the local level, so relatively little is said about the core, national PACE operation.

It is based upon a review of the PACE Work Stream event and other material and interviews with selected PACE chairs.

PACE is not 'broken' and generally appears to offer an appropriate service. There are a number of challenges and strengths in the current system and there is scope for improvement.

## The Study

The study was carried out in three phases:

*Phase 1:* Review of current arrangements based largely upon the PACE Work Stream event and a search for lessons concerning partnership based responses to redundancies in other UK nations and other countries.

*Phase 2:* Interviews with key stakeholders to: identify challenges in the delivery of PACE at a time of high unemployment; examine the effectiveness of partnership arrangements as understood by those delivering the service on the ground and assess the extent to which jobseekers' employment and training needs are being met; and identify new opportunities for PACE to develop and refine the current model through which jobseekers are provided with tailored support when faced with redundancy.

*Phase 3:* Analysis, presentation and dissemination including this report and a presentation to the PACE Partnership national group on 22 June 2010.

## Main Findings

PACE is not 'broken' and generally appears to offer an appropriate service. There are a number of challenges and strengths in the current system and there is scope for improvement. There is a need for an assessment of early intervention, intensive working with employers and training for individuals that is connected with real work.

There are many strengths of the current model and these should be maintained and built upon. These include:

- Each employer gets one call rather than many. At events for employees there are appropriate people not a 'cast of thousands'
- Fast reaction (in many places)
- PACE standard offering of presentation is consistent across Scotland
- Local flexibility with a close strategy and delivery link
- Real joint working on local delivery and strategy
- Brings or signposts relevant expertise
- Efficiency (sharing resources)
- No direct budget, so partners feel it is worthwhile and can lever some appropriate resources (e.g. premises for events). In some cases a small budget may be useful.

*What makes a PACE intervention work well:*

### Partnership working

- partners who are committed and value what PACE is all about and will contribute concretely
- "PACE is an attitude about working together – it is not Rocket Science"

### Delivery:

- fast, effective engagement with employers
- good PACE offer (about which everyone is clear and matches what employers and employees need)
- ability to take an occasional 'hit' – i.e. accept some risk
- doing the job well

### The Team

- enthusiastic and 'can do' attitude

### Good communication

- good communication (including stopping other organisations knocking on doors of employers in trouble)

## Issues for consideration

Some major issues to consider concerning improving delivery are:

### *What to deliver and to whom?*

- Should greater emphasis be given to targeting SMEs? People who are made redundant by SMEs are sometimes not identified through existing mechanisms, but they could benefit from the services provided by PACE. 'One-off' events in local areas may be useful to make PACE services available to them.
- How is greater demand to be handled (e.g. larger numbers of public sector redundancies) and with more limited resources (due to the expected general budget cuts)? There will be a continued need to identify different forms of appropriate support for different types of people (e.g. sector, skills, etc.). Given the likely increase in public sector redundancies (including publicly funded bodies in other sectors such as the third sector), contingency plans and good practice to identify early warnings and support different parts of the sector, should be created (perhaps led by an individual PACE partnership chair but involving other partnerships for each of the main parts of the public sector or significant threatened private sector industries). This 'good practice' should then be transferred rapidly throughout the PACE partnerships. This may include support for those on fixed term contracts who are not getting their contracts renewed and who may therefore not be counted as being redundant.
- What types of early intervention should PACE be involved in delivering? There is danger of 'mission drift' or overlap with economic and other business support agencies if PACE moved too far towards general business support. This should be avoided.

- Should the role of the training offered be re-considered in the light of evidence from elsewhere (e.g. on the importance of Level 3 skills)? As well as helping and guiding people in short term training programmes etc., PACE should consider whether their support and advice will help people move up sufficient levels of skills to make a significant impact on their likelihood of getting a job and progressing in it – and how such support can be improved.

### *How to deliver better?*

- There is a need to improve consistency in:
  - who the chairs are and their involvement in national meetings
  - improving the training of chairs
  - delivery of funding (SDS, JCP, SFC)

Specifically, PACE should consider good practice and seek to apply it consistently, where appropriate, in the areas such as:

Formal induction and training for new chairs (and for new partners, much of which could be prepared nationally). Including checklists

Mentoring

Systems for shadowing between partners and getting to 'walk in others' shoes'

Specific skills (communication, monitoring etc.)

Providing checklists of things to discuss with employers.

### *Where?*

- PACE boundaries need to be reconsidered. Options include: the status quo, although 21 PACE teams; but there is little current activity in some such as Skye and Caithness; Reduce to 5-6; Highland: going from 4 to 1 (with separate teams for Islands, Moray and Argyll and Bute). These and possibly other alternatives should be considered.

### *So what?*

- There is a need to improve monitoring and evaluation at a national level so as to improve services and identify what works for different types of employees and employers. PACE monitors (non HR1) the numbers made redundant in an area through local intelligence but it can be difficult to determine the impact of PACE intervention and longer term outcomes for employees. Firstly, there appears to be national variation in the way in which client activity and outcome data are collected; secondly, the absence of centralised reporting and common tracking systems may be impeding the sharing of data.
- Job Centre Plus (JCP) is the main partner which has or can have relevant data on individuals and their outcomes in terms of employment in the short- and long-terms. There is a need to consider setting up a consistent system for longer term monitoring based primarily on existing JCP monitoring data. This can build upon the spreadsheet and other initiatives currently under development. This requires a national lead from JCP, Skills Development Scotland and PACE.

# 1. INTRODUCTION AND AIMS

The Employment Research Institute (ERI), Edinburgh Napier University was commissioned by the Scottish Government to help develop a future delivery model for the Partnership Action for Continuing Employment (PACE).

The Scottish Government established the PACE Partnership on 23 June 2009 to bring together agencies with an interest in PACE. Those who signed up to the PACE Protocol are committed to overseeing a continuous improvement programme to enhance the operation of PACE to ensure that Scotland and its people emerge from the economic downturn in the strongest possible position. An action plan to be implemented through six workstreams was approved. This report forms part of the work assigned to the PACE Delivery Workstream, which was charged with undertaking a review of the current mechanism for delivery of PACE support and highlighting areas for improvement.

The Scottish Government has instituted a review of the services offered by PACE to ensure that employees receive effective and co-ordinated support at a time of immense personal difficulty. This report is part of this review. It sets out some suggested areas for improvement that need to be considered.

PACE is the Scottish Government's national strategic partnership framework for responding to redundancy situations<sup>1</sup>. SDS provides co-ordination for PACE at a national level. SDS co-ordinates all local response teams to provide employment advice and assistance for individuals at risk of, or facing redundancy.

Partners including Jobcentre Plus and local authorities provide a range of services for employees facing redundancy and may include: information about funding for training; careers guidance services; help with CVs and letter writing; an information pack on where to receive further support.

## 1.1 Aims and Objectives of the Research

This report seeks to assist in the development and refinement of the current delivery model. It takes into account the impact of the current economic climate and integrates recent internal and external evaluations of PACE. An important component of the research was seeking the views of PACE Partnership chairs across many of the 21 delivery areas. Chairs were approached to set out their vision for a new model of delivery that reflects significant change to the labour market created by the current economic climate.

This report has three aims. These are to:

1. Identify how PACE is currently being delivered at a strategic and operational level.
2. Identify relevant cases of response to redundancy services nationally and internationally to inform the development of the next phase of the PACE delivery model.
3. Deliver proposals for an enhanced delivery model that enables PACE to meet the requirements of employers and employees.

More specifically, the objectives of the research were to:

- Undertake a longitudinal review of all materials relating to the historic delivery of the service since its inception in 2000 to identify key themes. Materials used included the Delivery Audit, existing SDS research, the draft report by IFF Research, and initial aims of local PACE Partnerships.
- Conduct interviews with key stakeholders involved in the delivery of the service. Interviews were conducted with key informants from SDS, the Scottish Government and Jobcentre Plus. Interviews with SDS and Jobcentre Plus Staff focused on the effectiveness of the referral process and identified opportunities and barriers in the current delivery model. Findings from the interviews were embedded in the emergence of a new delivery model.

- Map current partnership arrangements in the delivery of PACE to identify current information sharing arrangements and to better understand how these arrangements can be integrated into a new delivery model.

## 1.2 Methodology

The research was carried out in three phases.

### *Phase 1: Review of Current Arrangements*

This phase of the research analysed previous evaluation work on PACE. The research team were also able to access results from the PACE Work Stream event.

In addition to internal review material, a review of national and international response to redundancy activities was also conducted. This identified lessons for partnership based responses to redundancies in other UK nations and other countries.

### *Phase 2: Interviews with Key Stakeholders*

The second element of the research involved interviews with key stakeholders. This phase had three primary aims. Firstly, to identify challenges in the delivery of PACE at a time of relatively high unemployment. Secondly, to examine the effectiveness of partnership arrangements as understood by those delivering the service on the ground and assess the extent to which jobseekers' employment and training needs are being met. Thirdly, to identify new opportunities for PACE to develop and refine the current model through which jobseekers are provided with tailored support when faced with redundancy.

### *Phase 3: Analysis, presentation and dissemination*

Findings from key stakeholder interviews and the review of previous evaluation material were analysed and used to develop the proposed revised delivery model for PACE as set out in section 5. A presentation to the PACE Partnership national group was also made on 22 June 2010.

The rest of this report sets out: the background to PACE; the PACE process; examples from the UK and international programmes; issues and options for a renewed delivery model; challenges and strengths of service delivery; key issues and options for a service delivery model; and conclusions.

<sup>1</sup> <http://www.scotland.gov.uk/Topics/Business-Industry/support/15419>

## 2. BACKGROUND ON PACE

Since its launch in March 2000, PACE as a national strategic framework has sought to adopt a partnership based approach to respond to redundancies. The UK recession of 2008-2009 has highlighted the central role of effective and rapid partnership based responses to redundancies. This response is both timely and relevant given the continued high rates of unemployment in Scotland. Recent data suggest that the Scottish unemployment rate is not declining at a rate comparable to that of the UK as a whole. Data from Skills Development Scotland shows that there was no monthly change in claimant count unemployment in Scotland between February and March 2010<sup>2</sup>. It therefore seems appropriate that the Scottish Government has encouraged PACE to extend support to all situations where there is the possibility of redundancy irrespective of the scale of job losses.

Across Scotland there are 21 local PACE teams – 12 in Central and Lowland Scotland and 9 in the Highlands and Islands<sup>3</sup>. Each partnership involves local and national agencies including Skills Development Scotland, Jobcentre Plus and local authorities. SDS has responsibility for the co-ordination of national and local response teams who provide help and support to individuals facing redundancy and identify training activities where appropriate.

A PACE Summit on 9 February 2009 brought together those involved in delivering this support to share best practice and consider how the service can be further improved. A report of the Summit was published on 1 April 2009 and includes a synopsis of the day and actions to take forward to further enhance the operation of PACE.

The key outcome from the Summit was the establishment of the PACE Partnership which brought together a high level strategic group comprising the Scottish Government and 18 organisations with an interest in PACE.

The Scottish Government has recently enhanced the PACE service through improvements in partnership working between SDS and JCP and improved access to support for employees facing redundancy. More specifically these improvements include:

- Additional SDS staff have been dedicated to work alongside JCP staff to deliver seamless services between skills development and employability support to individuals in different locations, including JCP offices, Careers Centres and employers' premises.
- A national helpline, revamped website and improved information resources were launched in February 2009 to make PACE services more accessible to individuals and employers through increased marketing and promotion and subsequently further marketing and other improvements were made. PACE was previously (before February 2009) primarily targeted at large scale redundancies. This helpline and improved website have opened services to more individuals and employers in rural as well as urban areas<sup>4</sup>.

<sup>2</sup> Monthly Unemployment Update, Skills Development Scotland, April 2010.  
<sup>3</sup> <http://www.scotland.gov.uk/Topics/Business-Industry/support/15419/background>

<sup>4</sup> <http://www.scotland.gov.uk/Topics/Business-Industry/support/15419/background>

## 3. PACE DELIVERY

This section reviews findings from previous evaluations to avoid duplication and identify areas for improvement in the current PACE delivery model. Key issues from internal and external evaluations are discussed with the purpose of identifying how a future delivery model ought to address these issues. Several evaluations are used in this section and their findings are integrated so as to provide a comprehensive review of key issues in the current PACE delivery model.

### 3.1 PACE Support for Employees

Employers have a statutory duty to inform the government when they plan to make redundant 20 or more people from a single site within a 90 day period. Initial meetings with companies that have notified of imminent redundancies are conducted by PACE chairs or their representatives. Subsequent meetings to organise and monitor service delivery are held with the PACE chair or other member of the team. Employers are generally welcoming of the support offered by PACE, although it was normal for initial meetings between PACE and the employer to be tense due to the problems of the business and concern about the effects of redundancies on employees<sup>5</sup>. Internal research with staff delivering PACE highlighted the views of employees facing redundancy:

*'Some are accepting of the situation and occasionally happy if they are leaving with a financial offer, but others have real concerns about accruing debt or securing future employment to support their family in this economic downturn. Other factors affecting the mood of the client are; length of time employed, number of times made redundant, frequency, employees required to support the redundancy process when they are in fact affected themselves'*<sup>6</sup>.

Where larger redundancies are taking place, members of the PACE team will give a presentation to employees. For smaller groups, an informal discussion is favoured<sup>7</sup>. Information packs are a core aspect of the initial offer of support to employees. Information packs provide information on further employment, benefits and training opportunities. Almost all PACE customers surveyed (89%), thought that the information provided in the packs was relevant to their needs<sup>8</sup>.

Information packs are tailored to reflect regional differences. For example, the insert in the PACE pack to employees facing redundancy in Tayside provides information about local authority services. It was drafted by Angus, Perth and Kinross and Dundee City Councils and states that the three councils are working together to 'deliver a wide range of services for people facing the prospect of unemployment. In the event of redundancy all three will endeavour to provide or guide an individual to the most appropriate agency to help with: housing; employment access and training; adult and community education; jobs and social work services and benefit advice'<sup>9</sup>.

Although a key element of the offer to employees, information packs have sometimes been criticised for being out of date<sup>10</sup>. Local PACE Partnerships add local information where it is considered relevant. There have also been concerns about confusion arising from the way in which the packs are branded with Careers Scotland information as 'this may heighten confusion around branding, or who does what'<sup>11</sup>.

The issues of how PACE is represented to employers and employees was also raised by the Pace delivery audit. The audit highlighted ways in which PACE services could be marketed to improve local knowledge of the services offered. Suggested activities for raising awareness of the partnership included: improving contacts with local Chambers; links to Scottish Enterprise account managers; media reports and increased press coverage; and links to the national PACE website from job websites<sup>12</sup>.

The duration of support provided to employees ranged from a one to one interview with PACE partner staff to on-going support for up to 6 months. The type of support employees received was wide ranging and included financial support for re-training from Skills Development Scotland and the Scottish Funding Council and through the JCP Rapid Response fund<sup>13</sup>.

Research from a customer perspective (the employee being made redundant) identified the type of services that were provided. A majority of individuals (89%) could recall receiving a general group presentation and information pack from PACE. Other employment support services received by those being made redundant included: information about funding for training; careers guidance services; help with CVs and applications; benefits information; help with interviews and job search strategies<sup>14</sup>.

It should be noted that take up of services offered by PACE was high and that there were generally high levels of satisfaction with the services being offered. Almost all (80%) of clients thought that the services that had been offered to them were relevant<sup>15</sup>. More than half of individuals offered support took up one or more of the previously mentioned services. A very small minority (3%) of those questioned could not recall what services they received from PACE.

A key finding from previous research is that in most cases, employers do not offer other forms of employment support to their staff other than that offered through PACE. Only a minority (16%) of respondents that had received support from PACE had received other employer led support. Therefore for those employees who choose not to seek employment and training support independently of their employer, PACE may represent the only opportunity to receive support, or in some cases PACE may be seen by employers as a substitute for their own (possibly lower level) support.

<sup>7</sup> PACE: Internal Research Interviews

<sup>8</sup> IFF Research (2010) (draft). PACE Client experience baseline survey. p.13

<sup>9</sup> PACE Redundancy support Tayside. Available at: [http://www.skillsdevelopmentscotland.co.uk/media/99156/tayside\\_support.pdf](http://www.skillsdevelopmentscotland.co.uk/media/99156/tayside_support.pdf)

<sup>10</sup> PACE Internal Research Interviews. p.3

<sup>11</sup> PACE Internal Research Interviews. p. 3

<sup>12</sup> PACE Delivery audit summary. November 2009

<sup>13</sup> IFF Research (draft). PACE Client experience baseline survey. p.11

<sup>14</sup> IFF Research (draft). PACE Client experience baseline survey. p.11

<sup>15</sup> IFF Research (draft). PACE Client experience baseline survey. p.13

<sup>5</sup> PACE: Internal Research Interviews

<sup>6</sup> PACE: Internal Research Interviews

Employees who received support through PACE thought that assistance with CVs was the single most relevant piece of support they received. 90% of respondents thought help with CVs was either very or quite useful. Other services considered by employees to be very useful included the PACE presentation and information pack and help with interviews and job search strategies.

### 3.2 The PACE Process

The PACE Partnership offer is triggered by receipt of the HR1 notification of redundancy form or other methods, such as local intelligence. If an employer is proposing to dismiss as redundant 20 to 99 employees at one establishment within a period of 90 days, then notification must be given to the government. In some cases, local knowledge of an imminent redundancy situation can pre-empt notification through the HR1 route.

In almost all cases where a redundancy is about to occur, the onus is on the local PACE Partnership to approach the employer with their offer of support for employees. It appears to be unusual for a partnership to be approached by an employer. Where this has occurred, it was as a result of the employer having contact with the PACE partnership through a previous redundancy. It is unclear if there is any evidence to suggest that interventions that occur prior to receipt of the HR1 notification are more effective at delivering support to employees.

Initial meetings with companies that have notified of imminent redundancies are normally conducted by PACE chairs (or team leaders in some cases). Subsequent meetings may be held with the co-ordinator or team leader<sup>16</sup>. Although previous internal research has highlighted how PACE partners within areas demonstrate a good understanding of these processes, there was felt to be an opportunity for greater consistency in the delivery process across PACE areas<sup>17</sup>. Providing greater consistency across PACE areas would perhaps encourage greater sharing of resources and collaboration across areas. Internal research interviews with PACE staff highlighted the potential benefits to combining partnership areas and strengthening the support and response teams. A key step in this process would be the formation of an up to date list of national PACE team structures that would enable SDS staff to provide appropriate referral routes<sup>18</sup>.

Across PACE Partnerships there is variation in the perceived role of PACE team members. PACE members described a variety of roles including: attendance at PACE Partnership meetings; co-ordinating activity through partners; providing workshops for employees; one to one intervention activity<sup>19</sup>. There was also recognition that some partners, primarily local authorities, delivered their own redundancy support activities. Where this occurred SDS advisors were only used where appropriate<sup>20</sup>.

<sup>16</sup> PACE: Internal research interviews

<sup>17</sup> PACE: Internal research interviews

<sup>18</sup> PACE: Internal research interviews

<sup>19</sup> PACE: Internal research interviews

<sup>20</sup> PACE: Internal research interviews, p. 2



## 4. EXAMPLES OF UK AND INTERNATIONAL REDUNDANCY PROGRAMMES

This section outlines some examples of redundancy programmes, firstly in the UK and then abroad.

### 4.1 ReACT Programme

The Redundancy Action Scheme (ReACT) is a Welsh Assembly Government initiative that provides funding for training for people living in Wales who are facing redundancy and for employers who are downsizing or recruiting new staff. Employers are provided with recruitment and training support to help them take on workers who have been made redundant. Funds are available to contribute towards the cost of vocational training. Funding is also available to overcome barriers to work such as child care. The ReACT programme is a partnership between Careers Wales, Job Centre Plus and the Welsh Assembly Government<sup>21,22</sup>.

A 2004 report commissioned by the Welsh Assembly Government, on the delivery of learning provision in response to major employment events (redundancy and inward investment) commented on the delivery of the ReACT programme<sup>23</sup>:

Those seeking training through the ReACT programme have to be interviewed by a careers advisor at the beginning of the process in order that a learning plan can be agreed. However, in some cases clients met with training providers and agreed what training courses they would attend prior to meeting with the career advisor.

There needed to be a common quality assurance mechanism for the interviews conducted by careers advisors.

There needed to be improved monitoring of the quality of the training delivered by training providers.

A 2005 report provided a longer term evaluation of the ReACT programme<sup>24</sup>. It found that: most clients had found new employment soon after being made redundant; and that attitudes towards learning had become more positive. It was recommended that training plans should focus on longer term goals and not just on the immediate threat of redundancy; and that there needed to be improved monitoring of the ReACT programme.

### 4.2 MG Rover Taskforce

The MG Rover Taskforce has been seen as being a good example of effective governance. In 2000 in reaction to BMW's plans to sell MG Rover the Rover Taskforce was set up to help suppliers diversify into new markets and to develop and diversify economic activity in areas most reliant on MG Rover. The MG Rover Taskforce was set up in 2005 when MG Rover went into administration<sup>25</sup>.

The MG Rover Taskforce focused on 3 areas: getting ex workers back into employment; helping employers in the MG Rover supply chain to keep on staff; and providing advice in the community for former workers. Longer term solutions were also put into place to address barriers to work; foster competitiveness in the supply chain; and encourage investment in the wider South West Birmingham area<sup>26</sup>.

Analysis of the experiences of the Rover Taskforce and the MG Rover Taskforce has highlighted some of the strengths of the programmes:

- Strong partnership working was essential to success. During the Rover Taskforce period *“people were able to engage from strategic groups to operational staff to deliverers”*<sup>27</sup>.

- Central coordination with clear communication of responsibility was important<sup>28</sup>.
- The MG Rover Taskforce made direct contact with companies<sup>29</sup>.
- There were rapid response times. Advance preparation ahead of the closure allowed the MG Rover Taskforce to respond quickly. Keeping knowledge of how to deal with closures would ensure this could happen again in future<sup>30,31</sup>.
- The role of worker's support networks should not be underestimated as the majority of ex MG Rover employees found work through personal contacts. This highlights the need for embedded support<sup>32</sup>.
- Analysis of UK and international evidence in order to assess how the response to the closure of MG Rover could be most effective highlighted that any training given to ex workers needed to be at level 3, rather than level 2, in order to increase their employability<sup>33</sup>.

21 Careers Wales (2010). Redundancy. <http://www.careerswales.com/adults/server.php?show=nav.2252> (Accessed 16.06.2010)

22 Welsh Assembly Government (2010). What is the Redundancy Action Scheme (ReACT)? <http://wales.gov.uk/topics/educationandskills/learners/worklearning/gettingbacktowork/redundancyaction/what/?lang=en> (Accessed 16.06.2010)

23 Estyn (2004). The responsiveness of training provision in Wales to major employment events (Cardiff: Estyn) – [http://www.estyn.gov.uk/publications/Remit\\_46.pdf](http://www.estyn.gov.uk/publications/Remit_46.pdf) (Accessed 16.06.2010)

24 CRG Research Ltd (2005). Evaluation of the ReACT programme – Phase II. (ELWa) [http://wales.gov.uk/docrepos/40382/4038232/403821/196449/050505\\_evaluation\\_ReACT\\_Pro1.pdf?lang=en](http://wales.gov.uk/docrepos/40382/4038232/403821/196449/050505_evaluation_ReACT_Pro1.pdf?lang=en) (Accessed 16.06.2010)

25 ECOTEC (2008). Evaluation of the Rover Task Force 2000 and MG Rover Task Force 2005 Programmes. Final Report to AWM. (Birmingham: ECOTEC). [http://www.advantagewm.co.uk/Images/Rover%20Final%20Report\\_tcm9-18157.pdf](http://www.advantagewm.co.uk/Images/Rover%20Final%20Report_tcm9-18157.pdf) (Accessed 16.06.2010)

26 MG Rover Task Force (March 2006). Final Update Report: The Work Goes On – <http://www.bromsgrove.gov.uk/cms/PDF/CD1.7%20mg-rover-task-force-final-report.pdf> (Accessed 16.06.2010)

27 ECOTEC (2008). Evaluation of the Rover Task Force 2000 and MG Rover Task Force 2005 Programmes. Final Report to AWM. (Birmingham: ECOTEC). [http://www.advantagewm.co.uk/Images/Rover%20Final%20Report\\_tcm9-18157.pdf](http://www.advantagewm.co.uk/Images/Rover%20Final%20Report_tcm9-18157.pdf) (Accessed 16.06.2010)

28 ECOTEC (2008). Evaluation of the Rover Task Force 2000 and MG Rover Task Force 2005 Programmes. Final Report to AWM. (Birmingham: ECOTEC). [http://www.advantagewm.co.uk/Images/Rover%20Final%20Report\\_tcm9-18157.pdf](http://www.advantagewm.co.uk/Images/Rover%20Final%20Report_tcm9-18157.pdf) (Accessed 16.06.2010)

29 ECOTEC (2008). Evaluation of the Rover Task Force 2000 and MG Rover Task Force 2005 Programmes. Final Report to AWM. (Birmingham: ECOTEC). [http://www.advantagewm.co.uk/Images/Rover%20Final%20Report\\_tcm9-18157.pdf](http://www.advantagewm.co.uk/Images/Rover%20Final%20Report_tcm9-18157.pdf) (Accessed 16.06.2010)

30 ECOTEC (2008). Evaluation of the Rover Task Force 2000 and MG Rover Task Force 2005 Programmes. Final Report to AWM. (Birmingham: ECOTEC). [http://www.advantagewm.co.uk/Images/Rover%20Final%20Report\\_tcm9-18157.pdf](http://www.advantagewm.co.uk/Images/Rover%20Final%20Report_tcm9-18157.pdf) (Accessed 16.06.2010)

31 Bailey, D; Chapain, C; Mahdon, M; and Fauth, R (2008). Life after Longbridge: Three Years on. Pathways to re-employment in a restructuring economy. (Work Foundation). [http://www.workfoundation.co.uk/Assets/Docs/MG\\_Rover\\_130509.pdf](http://www.workfoundation.co.uk/Assets/Docs/MG_Rover_130509.pdf) (Accessed 16.06.2010)

32 Bailey, D; Chapain, C; Mahdon, M; and Fauth, R (2008). Life after Longbridge: Three Years on. Pathways to re-employment in a restructuring economy. (Work Foundation). [http://www.workfoundation.co.uk/Assets/Docs/MG\\_Rover\\_130509.pdf](http://www.workfoundation.co.uk/Assets/Docs/MG_Rover_130509.pdf) (Accessed 16.06.2010)

33 Cowling, M and Isles, N (2005). Sent to Coventry? The re-employment of the Longbridge 5,000 (Work Foundation) – [http://www.theworkfoundation.com/assets/docs/publications/137\\_Sent%20to%20coventry.pdf](http://www.theworkfoundation.com/assets/docs/publications/137_Sent%20to%20coventry.pdf) (Accessed 16.06.2010)

### 4.3 Redundancy Support in Small and Medium Sized Enterprises

An evaluation of the redundancy support services run in the south east of England (funded by the South East England Development Agency (SEEDA) and managed by Job Centre Plus) in order to meet the needs of those in small and medium sized enterprises (SMEs) affected by redundancy has highlighted the importance of good partnership working<sup>34</sup>. The initiative provided a free brokerage service delivered by brokers for people under threat of redundancy, offering support and advice in order to help them remain in work. The service provided varied depending on the size of the company and their particular needs. The service was seen to perform well, with strong collaboration and trust between SEEDA and Job Centre Plus. The brokers also ran teams across the region and therefore were knowledgeable about the areas in which they worked. The evaluation also highlighted the value of “‘softer’ outcomes such as offering an extra pair of hands of support to companies, boosting confidence of individuals affected by redundancies and business changes, offering advice clear of jargon and signposting to other support services in the region”<sup>35</sup>.

Analysis of the Jobroute service, which was set up in 1998 in Leeds with initial funding ending in 2001, also highlights issues to be considered when delivering redundancy support to SMEs. An analysis of the service highlighted that often SMEs were not aware of the redundancy support available to them and therefore Jobroute had to be proactive in its approach. On site redundancy support was especially valued and would have not been otherwise available as SMEs tend not to use private outplacement services because of cost. Finally the Jobroute service drew together and coordinated a variety of local services and delivered a focused and local service<sup>36</sup>.

### 4.4 Some International Examples

#### Australia

A 2008 report by Wren<sup>37</sup> suggests that Australia needs to do three things to cope with the worsening economic climate: look to alternatives to firing and invest in skills; repair the safety net to avoid poverty and dislocation; and ensure retrenched workers get the most effective assistance to get back to work quickly. It says that “*Measures to increase access to redundancy entitlements, early intervention and case management should be more widely available, rather than based on a lottery approach dependent on whether a person works in a specific industry subject to special government supports, the number of employees at the firm, or whether the employment is casual or permanent.*”

This suggests that PACE may be ahead of some other countries. The report makes recommendations on how redundancy support services could be improved in the context of the economic downturn:

- The Government Skills Development Fund could be used to encourage employers to keep on workers by releasing them for training rather than making them redundant.
- Current support for those made redundant is not coherent and therefore makes it difficult for some to find new work.
- A third of employees are not covered by redundancy entitlements despite the introduction of a National Employment Standard. This is because many casual workers and small businesses are not protected. It suggests that the Swedish Job Security Council “*pay-as-you-go redundancy trust funds*” be used to ensure that all workers are provided with redundancy payments.
- Under the Australian employment services model most people out of work have to wait 12 months for individual assistance.

- It argues that “*Evidence from overseas and Australian structural adjustment schemes in industries undergoing large scale redundancies, found early intervention, intensive case management and training connected with real work has proved to be more effective in preventing long term unemployment.*”

#### Sweden

An interesting example of redundancy support services is that of the Swedish Job Security Councils which use early intervention and intensive case management. Since 1974 the Swedish social partners have used security and adjustment agreements to help those facing unemployment due to collective redundancy or individual notice to find work. The support services are delivered by Job Security Councils and Job Security Foundations and supplement the work of the public employment service. They primarily cover white collar workers but the scope has now been widened to include certain blue collar workers. This focus on white collar workers is relatively unusual, but increasingly important.

There are 14 job security councils in Sweden and they are financed by employers through a contribution of 0.3% of the company's wage bill per annum. Each council decides what support to provide so that it is tailored to individual need. The organisations delivering the support vary between councils with some having in house advisors. The councils currently only take a preventative approach but will provide a wide range of support throughout the restructuring process: for example, financial support and skills development<sup>38</sup>.

<sup>34</sup> DTZ Consulting and Research (August 2007). *Mid-term Evaluation of the Redundancy Support Service in the South East. (SEEDA)* [http://www.seeda.co.uk/\\_publications/RedundancySupportService\\_finalreport.pdf](http://www.seeda.co.uk/_publications/RedundancySupportService_finalreport.pdf) (Accessed 16.06.10)

<sup>35</sup> DTZ Consulting and Research (August 2007). *Mid-term Evaluation of the Redundancy Support Service in the South East. (SEEDA)* [http://www.seeda.co.uk/\\_publications/RedundancySupportService\\_finalreport.pdf](http://www.seeda.co.uk/_publications/RedundancySupportService_finalreport.pdf) (Accessed 16.06.10)

<sup>36</sup> White, A and Bruff, G (2001). *Filling the Gaps in Redundancy Support: Lessons from Leeds. Regional Studies*, 35 (4): 363-367

<sup>37</sup> Wren, T (2008). *Keeping Skills During Hard Times (For Dusseldorp Skills Forum and Job Futures)* – [http://www.jobfutures.com.au/docs/Keeping\\_Skills\\_During\\_Hard\\_Times%20\\_Final\\_.pdf](http://www.jobfutures.com.au/docs/Keeping_Skills_During_Hard_Times%20_Final_.pdf) (Accessed 18.06.2010)

<sup>38</sup> European Commission (2009) *European Employment Observatory Review: Spring 2009* – <http://www.eu-employment-observatory.net/resources/reviews/EN-EEORReviewSpring2009-3.pdf> (Accessed 18.06.2010) p. 118-

### *New Zealand*

A New Zealand Department of Labour report assessing redundancy laws and provision recommends that the New Zealand Government should introduce statutory requirements for redundancy entitlements such as redundancy support. It also recommends the development of the *Security in Change* programme which helps redundant workers find employment<sup>39</sup>. Some of the recommendations address problems with delivery and increasing awareness about the programme including:

- A major awareness raising programme on redundancy support.
- Developing connections with the Unified Skills Strategy so that lifelong learning is maintained throughout redundancy experiences and that Industry Training Organisations are actively involved in retraining support.
- Expanding the scope and level of support for workers made redundant.
- Consider the possible interface between redundancy support, income maintenance, employment security and the investment in jobs for sustainability (e.g. home insulation).

The issue of awareness raising is one that is particularly important for SMEs who may use PACE, and some progress has been made in PACE. The other points are also worthy of reflection.

<sup>39</sup> Public Advisory Group on Restructuring and Redundancy (2008). *Restructuring and Redundancy Report Of The Public Advisory Group On Restructuring And Redundancy*. (New Zealand Department of Labour) p. 7

## 5. CHALLENGES AND STRENGTH OF SERVICE DELIVERY

This section considers some main challenges facing, and the strengths of, PACE and what makes a local PACE partnership work well. It should be noted that evidence from the IFF study, informal views of chairs and others suggests that PACE is not 'broken' and that generally its operation is effective. However, there is scope for some significant improvements. This section considers:

- What are the main challenges for PACE delivery?
- Strengths of the current model
- What makes a PACE intervention work well?

### 5.1. What are the main challenges for PACE delivery?

Although by no means comprehensive, major current challenges faced in the delivery of PACE at a time of relatively high and rising unemployment include:

#### *Context and workflow*

- PACE areas have uneven, varied and unpredictable workflows.
- Increasing workload over last year and varied in timing and type (scale, industry etc.), as reported by PACE chairs.
- High levels of redundancies, sometimes after years of 'quiet' when a PACE team has had little to do and therefore is not geared up for rapid action.
- The levels of redundancy might reduce in the medium term, so there is a need to be careful that not too large a system is created.
- There is a lack of alternative jobs for people to move on to (especially at equivalent pay and conditions).
- A challenge is sometimes getting the co-operation of employers, e.g. access to employees within the workplace – with an interviewee suggesting that perhaps this should be made a condition of HR1s.

#### *Targets*

- Reaching SMEs is a major problem – but the number of redundancies among SMEs is unknown. One estimate was that 70% of redundancies in one PACE area were from SMEs.
- While types of redundancies vary across time and areas, there is the emerging issue of Public Sector redundancies. These are likely to be potentially large scale compared to most other company redundancies. So the types of skills may vary and the numbers of people a PACE team has to deal with may grow significantly.
- People on temporary contracts may increasingly be 'let go' (e.g. public sector employers are not renewing contracts) and they will not show up in any redundancy measures, other than those supported by PACE.
- There is a need to better understand what motivates employers and employees (especially those who do not want support).
- One aspect of this is that much training is not geared at such a level (e.g. moving people from SVQ level 2 to 3) as to equip them to maintain their pay and conditions in a new industry or job. Interestingly the MG Rover initiative suggested this (see Section 4) and UKCES data suggest that Scotland does relatively poorly in intermediate skills as set out at the April 2010 Scottish Government Skills and Training Summit<sup>40</sup>.

#### *Consistency of service across Scotland*

- There is some lack of consistency in what is delivered and how it is delivered. A decision might be needed as to what a consistent service should look like.
- There is mostly consistency with offering the same basic 'offer' (presentation and information).
- Lack of consistency of job roles (especially of chairs).
- Consistency in active partners vary (is this a problem?).
- Lack of consistency in access to and use of information on clients.

#### *Consistency in the application of funding streams*

- Each of the funding streams appears to operate slightly differently in different areas (depending partly on how good local actors are at applying for funding) – i.e. SDS's Training for Work; SFC PACE related funding; JCP's Rapid Response Fund. Funds should be used correctly and to give efficient impact for the expenditure. E.g. Lanarkshire apparently seems flexible but some other areas hardly access some of these funds (e.g. SFC for some colleges or Training for Work for those whom the Administrator has officially made unemployed already).
- Hence there is a lack of consistency in the application of funding streams, with some areas or agencies appearing more successful in gaining funding than others.
- We need a consistent application of rules for people across all of Scotland.

40 Skills: Scotland's Opportunity Report of the Scottish Government Skills and Training Summit, Surgeons' Hall Edinburgh, 27 April 2010.

### *Geographical coverage*

- There is a variety in local PACE teams, but every area is different (local economy, networks among agencies, among people etc.), so there could be a need for more homogeneous local PACE?

### *Weak monitoring and evaluation – we do not fully know what is happening and what works*

- Generally we do not have good monitoring or evaluation data, although the data for the IFF Report and the recent data system should greatly help here.
- There is a lack of consistency in collection and use of data, although this is being addressed.
- How many people could benefit from PACE involvement (e.g. data on SME redundancies)?
- What works (what support works where and in what circumstances?).
- What are the longer term outcomes for clients?
- Overall, across Scotland there is limited monitoring and evaluation.
- Limited learning from practice (exchange good and improving practice) although recent events have proved very useful.

### *Resources are limited and likely to get more so*

- PACE is a part-time job for all actors involved, including the chair.
- Skills of staff are limited, although if new roles are taken on these are likely to be provided by new agencies or through greater involvement of existing agencies.
- Getting 'buy-in' of partners takes time and depends on good relations.

- However, we are entering an era of more limited resources with possible headcount cuts at partners (e.g. JCP or local authorities). There is no budget for local PACE partnerships.
- Quality assurance of suppliers is very limited.

### **5.2 Strengths of the current model?**

- A major strength is the *clear focus*. Some views from PACE chairs include:
  - The focus revolves around something like: “working with employers and individuals to manage the impacts of redundancy upon individuals, employers and the community”.
  - PACE has clarity of vision and is tangible, easy to buy into, and to understand, it has ‘people’s hearts and minds’, clear common branding, and usually all partners do offer what they can to the bigger picture.
  - “The focus is on delivery of services to individuals; the needs of the partnership are secondary”.
- A strength is also that an employer gets one call rather than many. At events for employees, employees get support from appropriate people and agencies and not a ‘cast of thousands’. Hence PACE improves efficiency (sharing of resources) and avoids duplication.
- There is a fast reaction time (in most places).
- The PACE standard offering of presentation is consistent across Scotland (with local contacts). Flexible one-to-one follow-up is provided as required for individuals.
- There is local flexibility (what is delivered, how it is delivered, tailored delivery). There is learning by doing (e.g. moving from full-day to half-day events in some areas. Another example is the importance of informal meetings as networking and support among job seekers is crucial. There is a need for a relatively ‘holistic’ approach. It is important to maintain this close link between national and local strategy and local delivery and to enable local flexibility.

- There appears to be real joint working and links between local delivery and strategy.
- PACE brings or signposts relevant expertise: PACE acts as a signpost to most relevant partners (although this depends partly on what partners will do and how well they do it – e.g. Business Gateway only provides some support).
- There are no budgets, so partners feel it is worthwhile and can lever some appropriate resources from their own organisations (e.g. premises for events provided by a local authority).

### **5.3 What makes a PACE team work well?**

#### *Clarity of Focus:*

- Clear objectives and strategy to meet these.

#### *Partnership:*

- Partnership working with partners who are committed and value what PACE is about and who will contribute concretely.
- Honesty and trust between partners, and strong relations between the individuals concerned.
- Understanding of what PACE is and hopes to achieve.

Good partnership working is aided by having local actors who usually work closely together rather than a relatively ‘far off’ strategy group who may not have a strong relationship with the local actors (e.g. a small rural local authority is likely to pay less attention to a request from an SDS office with whom they rarely deal with some distance away than to a request by SDS or JCP with whom they regularly work). Currently strengths of PACE are strong local operational partnerships.

*The Team:*

- The teams are enthusiastic and experienced.
- The chair is good at networking, not a controller.
- Need to have the right people and agencies to deliver.

*Good communication:*

- There is good communication (especially with other organisations to avoid duplication of services), so responses are delivered through PACE and this eases things for clients, as well as increasing efficiency and effectiveness.
- It diminishes PACE if each partner does their 'own thing'.

*Delivery:*

- Where the PACE team is seen to be responsive and contacts the employer in good time (to quickly ascertain numbers involved, skills sets, number likely to leave, assistance required), share information and organise and deliver a response quickly.
- Having the right products (what the customer is looking for).

- Fast and effective engagement with employers.
- Support structures are set up quickly.
- Ability to take occasional 'hit' – i.e. accept some risk.
- PACE does the job well, so word of mouth recommendations spread.
- Getting right actors, including Trades Unions (or Consultative Forums), involved.
- Perhaps there is a need to try to get employers to use their resources for re-training rather than mostly on out-placement (which PACE can offer).
- Sometimes dealing with issues of employees, including basic numeracy and literacy.
- Keeping 'Party Politics' out of the situation (e.g. local, Scottish and UK politicians all have a legitimate interest, but all agencies need to work well together).
- Sharing credit among partners for PACE actions.



## 6. KEY ISSUES AND OPTIONS FOR IMPROVING DELIVERY

This section considers some main issues concerning the improvement of the delivery of PACE. This section summarises:

- What should PACE deliver?
- How to do it better? Better partnerships and clearer roles
- What are the roles of PACE staff and chairs?
- Where should the PACE boundaries be?
- When do we know if it works? Monitoring and evaluation

### 6.1 What should PACE deliver?

Every area and redundancy is different so there is need for local flexibility in the strategy but also in operational delivery (as resources of partners vary at any specific time and PACE requires a rapid response). While PACE have a full and (across Scotland) consistent 'menu' of services, what is delivered in each case should be flexible.

Whether the PACE offer should be changed should always be under consideration. However, there is an historic lack of good monitoring and evaluation information to base any changes on, although this is now being improved. Some specific issues include:

- Should there be a specific PACE offer for the expected large-scale public sector redundancies (and people not having contracts renewed)?
- Should the link to training be improved? Should there be greater emphasis on up skilling people e.g. from levels 2 to 3? Interestingly the MG Rover initiative suggested this (see Section 4) and UKCES data suggest that Scotland does relatively poorly in intermediate skills as set out at the April 2010 Scottish Government Skills and Training Summit.

### *SMEs*

- Do SME employees need a different offer? (E.g. not based upon workplace based presentation, but rather have 'open' events).
- There is a need to develop proper process for identifying SME redundancies. This might be based upon JCP records.
- While appropriate titles are made on some publicity material (e.g. "Redundancy Support" on PACE folders or "Are you facing Redundancy" on national advertising material) there is an issue of whether PACE should change its branding.

### *Should PACE have an early intervention or aftercare role?*

- Is there a need for aftercare for individuals who previously had (or were offered but did not accept) PACE support?
- Early intervention needs to be clearly defined, and the roles of different bodies clearly specified. Early intervention could lead to an expansion of roles for PACE which might be more appropriately carried out by others and could lead to 'mission drift'.
- Would it be better to have an appropriate, separate network of early intervention into firms that PACE could refer to (and work alongside where appropriate)?

### 6.2 How to do it better? Better partnerships and clearer roles

#### *Partnership working within PACE areas*

There is usually a small core of partners at a local level: JCP and SDS, usually with local authorities. Other partners contribute valuably but are not as core to the delivery of PACE.

- PACE must remain action orientated and with close ties between those enacting local strategy and operations in order to avoid PACE becoming a talking shop.

- Local PACE partnerships should be open and invite all, but they cannot insist on membership. Some 'sleeping' members may only want to be kept up to date by a quarterly email rather than attend all meetings. The encouragement of greater private sector involvement (e.g. Chambers of Commerce) is useful.
- Not all national partners have a local equivalent or would want to be involved at a local level.
- A written PACE protocol would be useful, setting out responsibilities etc. Although overtime this needs to be changed to reflect changing practices.

#### *Partnership working across PACE areas*

- There is scope for improved partnership working across PACE areas (e.g. to support clients and suppliers who live outside the area). This seems ad hoc and often the transfer of information and support for employees (or sub-contractors of an employer) is only within an organisation (e.g. JCP) or SDS (e.g. some might call on a neighbouring SDS office where the employee lived and make an appointment for them, but others would not do so unless requested).

#### *Relationship to CPPs*

- Usually, any links between PACE and Community Planning Partnerships are informal and through common membership of both and occasional presentation at meetings. Current 'informal' linkages appear to be working reasonably, without the need for formal links.

#### *Meetings*

- Most felt a three monthly 'strategy' group meeting would be reasonable (although this could take the form of an e-meeting or simply sending e-minutes with just a minimum of a yearly meeting perhaps). If the numbers of redundancy situations reduced then this may even be too frequent.

### Role of national PACE

One role of the national core is to support local PACE teams through:

- Delivery principles should be consistent. There needs to be guidance from national organisations on what should be delivered e.g. additional SDS or JCP funding.
- Clear strategic direction and guidance on what to provide; and on what can and cannot be done. PACE packs are generally fine, but we need to be a bit smarter on updating them, ensuring consistency and identifying what is out there that may be better.
- Give direction of what is expected of PACE and act as conduit on what the Scottish Government wants.
- Chairs do things differently – need clarity from national PACE on:
  - what is the offer
  - maximum intervention time (e.g. 24 or 48 hours) for offers to be made
  - general understanding of partners (JCP, SDS, colleges, local authorities and others as required)
  - clear instructions on evaluation
- Need clarity of how funds operate so if it has been used in one place, it can similarly be used elsewhere (e.g. JCP RRF, SFC). For example, can SFC fund a speculative course that a College is not guaranteed to fill? How can Rapid Response services deal with non-HR1s.
- Make access to resources easier for local PACE teams (especially the smaller ones).
- Get national agreements on sharing information and tracking clients etc.

- Continue training and dissemination of good/improving practice.
- Continue to improve communication between PACE areas.

### 6.3 What are the roles of PACE staff and chairs?

#### *The role of the chair*

- The question ‘should all chairs be SDS staff’ did not generally elicit strong responses. However, there is a need to keep non-SDS chairs ‘in the loop’. If all chairs are SDS staff, then there should be greater consistency and will get the participation of all in national briefings and meetings.
- Chairs do things differently – need clarity from national on: what is offer; maximum intervention time (e.g. 24 or 48 hours) for offer to be made; general understanding of partners (JCP, SDS, colleges, local authorities and others as required); and need clear instructions on evaluation.

#### *Training needs of PACE chairs*

- There is a range of training needs for chairs.

### 6.4 Where should the PACE boundaries be?

Currently PACE partnership boundaries result in very different partnership areas and membership. This need not necessarily be a matter of concern as it may reflect the varied population, economic and organisational circumstances across Scotland. For instance: some PACE partnerships might cover a rural area with a single local authority with one college, where key actors know each other well and the whole community recognises the importance of a redundancy situation. Another may cover a large varied urban-rural area covering four local authorities, many colleges, lots of redundancies, many of which are small and ‘below’ the PACE and public radar.

- Should there be a consistent PACE region? How many PACE partnerships should there be?

There are many alternatives, for example:

1. *Status Quo*: 21 PACE (which recognises the diversity of the current situation and may link well with current working relationships and public recognition of ‘natural’ economic and geographical areas). It was reported that currently there was little PACE activity Skye and Caithness.
2. *Reduce to 5-6 PACE* (which would allow consistency across large PACE area). Some Pros: could have a ‘full-time’ PACE chair; easier to administrate; greater consistency; match JCP or SDS regions. Some Cons: may cut local strategy-operational link; danger of another tier of PACE (National – PACE-Operational PACE); de-motivate key local partners; currently there is easy transfer of SDS resources

In addition there is the issue of the Highlands where there are four PACE partnerships within a single local authority area.

3. *Highland*: goes from 4 to 1 PACE partnership (separate PACE partnerships for the Islands, Moray and Argyll & Bute?). This may be worth considering, although if a single PACE team covered the whole of the Highlands then there would likely to be some form of more local organisation within the PACE, due to the large geographical dispersion. Some Pros: keeps PACE closer to TTWA and current and historic co-operation areas (e.g. the Lothians). Close link between strategy and operation. Some Cons: still around 18 PACE.



### **6.5 Monitoring and evaluation – when do we know if it works?**

Consistent, rigorous data collection appears weak although work is underway (e.g. on the national spreadsheet). However, PACE does not now consistently monitor: (non HR1) numbers redundant in an area; impact of PACE intervention and longer term outcomes for employees. JCP are main ones who have/can have relevant data – but there are resource implications.

- Can a consistent system for longer term monitoring and evaluation be set up? This needs a national lead.
- Overall, there is a need for greater evaluation to identify what does or does not work in different circumstances (and why), that supports PACE staff on the ground and nationally to improve performance and support.

# 7. CONCLUSIONS

## 7.1 Overview

PACE is not 'broken' and generally appears to offer an appropriate service. There are a number of challenges and strengths of the current system and there is scope for improvement. There is a need for continued early intervention, intensive working with employers and training for individuals that is connected with real work.

There are many strengths of the current model and these should be maintained and built upon. These include:

- Each employer gets one call rather than many. At events for employees there are appropriate people not a 'cast of thousands'
- Fast reaction (in many places)
- PACE standard offering of presentation is consistent across Scotland
- Local flexibility with close strategy and delivery link
- Real joint working on local delivery and strategy
- Brings or signposts relevant expertise
- Efficiency (sharing resources)
- No direct budget, so partners feel it is worthwhile and can lever some appropriate resources (e.g. premises for events). In some cases a small budget may be useful.

What makes a PACE intervention work well?:

### Partnership working

- partners who are committed and value what PACE is all about and will contribute concretely
- "PACE is an attitude about working together – it is not Rocket Science"

### Delivery:

- fast, effective engagement with employer
- good PACE offer (about which everyone is clear and matches what employers and employees need)
- ability to take occasional 'hit' – i.e. accept some risk
- doing the job well

### The Team

- enthusiastic and 'can do' attitude

### Good communication

- good communication (including stopping other organisations knocking on doors of employers in trouble).

## 7.2 Main challenges

1. Work flow increasing, varied and unpredictable
2. Resources are limited & likely to get more so
3. The target groups and context
  - Reaching SMEs: large (but unknown) number of redundancies among SMEs
  - Emerging Public Sector redundancies (scale)
  - Lack of alternative jobs for people to move to
4. Lack of consistency:
  - of organisation and service across Scotland
  - in application of funding streams (SDS's Training for Work; SFC PACE funding; JCP's Rapid Response Fund)
  - of geographical coverage (e.g. Caithness v the Lothians)

5. We do not fully know what is happening and what works or why, due to lack of consistent monitoring and information.

## 7.3 Issues for consideration

Some major issues to consider concerning improving delivery are:

### What to deliver and to whom?

- Should greater emphasis be given to targeting SMEs? People who are made redundant by SMEs are sometimes not identified through existing mechanisms, but they could benefit from the services provided by PACE. 'One-off' events in local areas may be useful to make PACE services available to them.
- How is greater demand to be handled (e.g. larger numbers of public sector redundancies) and with more limited resources (due to the expected general budget cuts)? There will be a continued need to identify different forms of appropriate support for different types of people (e.g. sector, skills etc.). Given the likely increase in public sector redundancies (including publicly funded bodies in other sectors such as the third sector), contingency plans and good practice to identify early warnings and support different parts of the sector, should be created (perhaps led by an individual PACE partnership chair but involving other partnerships for each of the main parts of the public sector or significant threatened private sector industries). This 'good practice' should then be transferred rapidly throughout the PACE partnerships. This may include support for those on fixed term contracts who are not getting their contracts renewed and who may therefore not be counted as being redundant.

- What types of early intervention should PACE be involved in delivering? There is danger of 'mission drift' or overlap with economic and other business support agencies if PACE moved too far towards general business support. This should be avoided.
- Should the role of the training offered be re-considered in the light of evidence from elsewhere (e.g. on the importance of Level 3 skills)? As well as helping and guiding people in short term training programmes etc., PACE should consider whether their support and advice will help people move up sufficient levels of skills to make a significant impact on their likelihood of getting a job and progressing in it – and how such support can be improved.

#### *How to deliver better?*

There is a need to improve consistency in:

- who the chairs are and their involvement in national meetings
- improving the training of chairs
- delivery of funding (SDS, JCP, SFC)

Specifically, PACE should consider good practice and seek to apply it consistently, where appropriate, in the areas such as:

- Formal induction and training for new chairs (and for new partners, much of which could be prepared nationally). Including checklists
- Mentoring
- Systems for shadowing between partners and getting to 'walk in others' shoes'
- Specific skills (communication, monitoring etc.)
- Providing checklists of things to discuss with employers

#### *Where*

- PACE boundaries need to be reconsidered. Options include: the status quo, although 21 PACE; but there is little current activity in some such as Skye and Caithness; Reduce to 5-6 PACE (as discussed earlier); Highland: going from 4 to 1 PACE (with separate PACE for Islands, Moray and Argyll and Bute). These and possibly other alternatives should be considered.

#### *So what?*

- There is a need to improve monitoring and evaluation at a national level so as to improve services and identify what works for different types of employees and employers. PACE cannot now monitor (non HR1) the numbers made redundant in an area so it is difficult to determine the impact of PACE intervention and longer term outcomes for employees. Firstly, there appears to be national variation in the way in which client activity and outcome data are collected; secondly, the absence of centralised reporting and common tracking systems may be impeding the sharing of data.
- Job Centre Plus is the main partner which has or can have relevant data on individuals and their outcomes in terms of employment in the short- and long-terms. There is a need to consider setting up a consistent system for longer term monitoring based primarily on existing JCP monitoring data. This can build upon the spreadsheet and other initiatives currently under development. This requires a national lead from JCP, Skills Development Scotland and PACE.