Mid-term Evaluation of the Redundancy Support Service in the South East

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EXECUTIVE SUMMARY

In April 2006, DTZ Consulting & Research was commissioned by the South East England Development Agency (SEEDA) to undertake the mid-term evaluation of the Redundancy Support Service in the South East of England.

The Redundancy Support Service (RSS) has been a time-bound joint initiative between SEEDA and Jobcentre Plus (JCP), operating in the South East since October 2003. The aim of the initiative is to meet the needs of all those affected by redundancy and in particular Small and Medium Enterprises (SMEs). The specific objective of this evaluation study was to provide a mid-term evaluation of the Redundancy Support Service project from 2006-2007. The funding of the programme will come to an end in March 2008.

Our approach to this evaluation has involved the following research elements:

- Desk-based research, including review of the existing RSS database of beneficiaries and literature review of other similar models operating in the UK.
- Meetings with senior staff at SEEDA and Jobcentre Plus with responsibility for the service in the region.
- Consultations with all current brokers involved in the delivery of RSS and interviews with past employees.
- Identification of good practice case studies.
- Telephones interviews with Next Step staff operating in the region.
- A telephone survey of 33 organisations that received support from the RSS Brokers in the last 3 years.

This summary provides an overview of the key findings from each element of the research, conclusions and recommendations for the future.

SUMMARY OF KEY FINDINGS

Review of the available Management and Financial Information for the RSS indicates that:

- The total number of people assisted by the programme has steadily increased over the years.
- Of businesses supported through the programme, 4 in 10 are in manufacturing. A significant number are also in the services industries e.g. retail, support services and hospitality.
- Just under a third of assisted (and tracked) beneficiaries are in companies with less than 250 employees.
- The programme appears to be a significant contributor of employment support for SEEDA, contributing 92% and 69% to the relevant SEEDA targets in 2006 and 2007 respectively.

The beneficiary survey has also shown that:

- Employers learn about the programme mainly through the JCP (30% of respondents), SEEDA (15%), are approached by the RSS Broker (15%) and word of mouth (12%).

- The most common support given/received is staff briefing through workshops. Nearly all respondents (97%) received this type of support. Information packs were received in 88% of the cases and an exploratory interview (i.e. 1-to-1 careers guidance) took place in 85% of the organisations in the sample. Signposting was provided in 70% of cases.

- On a scoring scale 1-5, where 5 is very good, for 58% of benefited organisations, relevance of the overall service was very good (score 5) and for 42% (score 4) it was good. No organisation scored the RSS below 4.

- For 2/3 of businesses, the RSS offers a unique service in the market.

- There may be a need to improve and update the content of the information provided trough a similar service in the future, but overall, organisations are satisfied with the timing, content and quality of the support they receive.

- In terms of the effectiveness of the specific topics and areas of support, briefing workshops were more likely to be rated as very good in terms of their relevance, quality and timing in comparison with information packs and signposting to other agencies.

- Assisted organisations consider the key strengths of the service to be: provision of knowledgeable/useful information; boosting confidence; offering help with options/finding another job and, providing clear advice /no jargon.

- Areas where improvements could be made include: provision of more one-to-one briefings and accurate information for people who are in specialist jobs.

- If the RSS was not provided free of charge, 58% of companies would pay for this type of support. The survey is based on a small sample of companies, but it is worth noting that most companies are prepared to pay over £100 but less that £250 for the type of support they received.

The report includes a number of case studies and detailed survey findings. The following 2 quotes summarise the comments made by the vast majority of assisted organisations during this research.

'The RSS Brokers provide a very useful support. Some of the staff never had to apply for a job for years. The info they were given was extremely helpful'.

'Helping to boost our employees and support them in looking for future work. Appreciating the difficulties for both employers and employees and understanding both points of views'.

The interviews with the RSS staff and key stakeholders echo the survey results in relation to satisfaction with the RSS. This is a very well received programme. The RSS support itself also appears to 'trigger' and provide referrals to a wide range of other outplacement services such as the LSC-funded Next Step. According to interviews with the Next Step staff, a large number of their business comes from the RSS Brokers.

More specifically, according to the RSS staff and key stakeholders the key benefits/ strengths of the RSS are:

- Provision of preventative support so that workers who are to become redundant, are not becoming economically inactive. All advice is focussed on helping people to find other jobs or opportunities to train / enter self-employment.

- The people that need most assistance with coping with redundancy and finding alternative work are older workers and unskilled workers. The types of businesses that the RSS assists tend to have people in these categories.

- The RSS Brokers are regarded as being committed, flexible, proactive and innovative and most importantly they tend to offer psychological and emotional support.

- The RSS programme is free and accessible. In particular, the RSS makes life easier for people looking for advice about redundancies because they are able to have somebody knowledgeable in their workplace to speak with them.

- The RSS Brokers have built up good partnerships with local agencies and support the work delivered by other agencies in particular Next Step – both in terms of identifying companies making redundancies and organising assistance for the people affected by redundancy in those companies.

OVERALL ASSESSMENT

The research has shown that, overall, the RSS has performed well. The programme is consistently exceeding the targets set by SEEDA in terms of jobs created and safeguarded, number of people assisted and business created and demonstrating growth after 12 months.

In terms of management and delivery of the programme, it is evident that these have been based on a strong collaboration and trust between SEEDA and JCP. The RSS Brokers also operate as a team and network across the South East. As a result they have established a well-respected and, according to stakeholders and assisted organisations, a knowledgeable and effective mechanism to support economic activity in the region.

For 2/3 of businesses, the RSS offers a unique service in the market, with the particular strengths being around '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.

On the basis of existing data, DTZ estimate that the programme represents good VFM in comparison with targets set for it. In terms of rationale for the continuation of this type of the intervention, the overall aim of the RSS suggests that the elements of this programme are fit to contribute to the Objective 2 (Smart Growth) of the RES. The RSS network of Brokers represents a solid network of advisors that could contribute to reducing the impact of redundancies through direct delivery but also indirect intervention by supporting other business support and employability programmes. Although the skills and expertise of the RSS Brokers may need to be reviewed against the specific needs of the market, their tacit knowledge and networks should not be underestimated. It is recognised, however, that positioning of the RSS depends on the overall Action Plan to deliver this Objective and the resources available for it.

1 Introduction

In April 2006, DTZ Consulting & Research was commissioned by the South East England Development Agency (SEEDA) to undertake the mid-term evaluation of the Redundancy Support Service in the South East of England.

The Redundancy Support Service (RSS) has been a time bound joint initiative between SEEDA and Jobcentre Plus (JCP), operating in the South East since October 2003 to meet the needs of all those affected by redundancy. The specific objective of this evaluation study was to provide a mid-term evaluation of the Redundancy Support Service project from 2006-2007.

1.1 The Evaluation Brief

The specific objectives of the evaluation were agreed as follows:

- To review the performance of the programme to date.
- To review and assess the RSS achievements to date (in terms of quality and effectiveness), looking at both process and impact.
- To identify challenges and barriers that have impacted upon the performance of the support provided.
- To assess the added value of the service to establish where and to what extent the brokers' activities have added value (in terms of partnerships, economic activity, employer satisfaction).
- To see where performance could be improved to help maximise the impact of the programme in future. Possible improvements to feed into the new project for the remainder 2007/08.
- To highlight lessons learned and experiences, good practice examples, what works well and what works less well, for whom, under what circumstances and management structures.
- To consider options and plans for sustainability and mainstreaming of the programme and provide any appropriate recommendations.

Essentially, the key research questions to capture these objectives can be summarised as follows:

- What is the **rationale** for the RSS and how it continues to fit with the regional and sub-regional priorities?
- What are the **achievements and contribution** of RSS to date?
- Have the **delivery arrangements** been effective?
- Does the RSS **add value and represent value for money**?
- Can the RSS **be improved**? And how?
- What are the **possible models/options for the future**?

This is the first time that the programme is evaluated. Therefore this evaluation has a critical role to play as a learning and management tool to offer an independent overview and assessment and act as a learning and management tool to help build the capacity and capability of the partners and brokers involved in the programme to date. It is also important to identify and highlight lessons learned and good practice and the added value of the service and demonstrate how RSS continues/will continue to fit with relevant regional and sub-regional strategies and future socio-economic and policy developments.

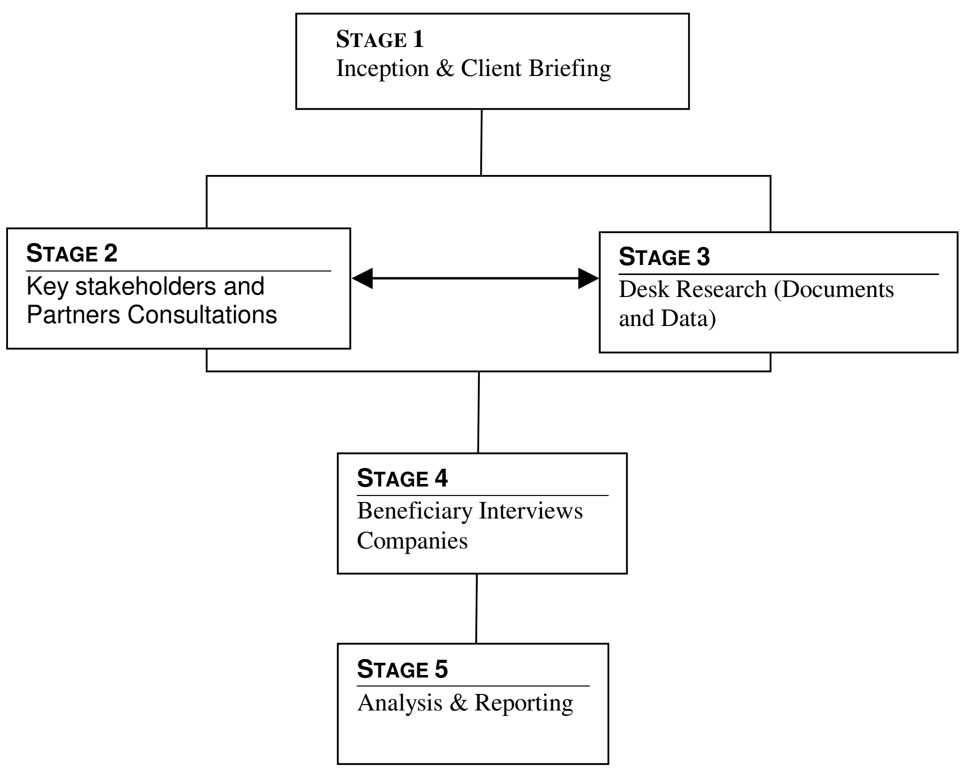
1.2 Agreed Methodology

Our approach to this study has involved the following research elements:

- Desk-based research, including review of the existing RSS database of beneficiaries and literature review of other similar models operating in the UK.
- Meetings with senior staff at SEEDA and Jobcentre Plus with responsibility for the service in the region.
- Consultations with all current brokers involved in the delivery of RSS and interviews with past employees.
- Identification of good practice case studies.
- Telephones interviews with Next Step staff operating in the region.
- A telephone survey of approximately 35 organisations that received support from the RSS in the last 3 years. A decision was taken in agreement with the SEEDA project Manager not to survey individuals directly, and instead access feedback from the businesses that were assisted. A copy of the questionnaire is attached in Annex A.

An overview of the study approach is shown in Figure 1.1:

Figure 1.1 – Methodology



1.3 Acknowledgements

DTZ would like to thank the staff in SEEDA, Jobcentre Plus and in particular all the RSS Brokers that contributed to this study. Their help included the following support:

- Guidance for the study;
- Providing access to monitoring data and programme management information; and,
- Participating in interviews and workshops.

A full list of consultees is included in Annex B.

1.4 Report Structure

The remainder of this report is structured as follows:

- Section 2 provides an overview of the RSS scheme in terms of its history, rationale, objectives, management arrangements and service delivery. It concludes with our assessment and recommendations, in relation to all these.

- Section 3 provides an overview of the programme's performance to date including delivery of key outputs and achievements, contribution to key regional employment indicators, profile of expenditure and estimates of value for money (VFM).

- Section 4 presents the findings from the survey of beneficiary organisations. It also presents a selection of case studies demonstrating good practice and impact.

- Section 5 presents the findings from the consultation process with key stakeholders.

- Section 6 summarises information about other similar programmes operating in other parts of the country.

- Section 7 presents an assessment of the programme and our overall conclusions and recommendations.

2 Programme Overview and Delivery

This section presents the background to the RSS scheme and the current delivery arrangements. This is based on our understanding of the scheme following consultation with the SEEDA Project Manager, Jobcentre Plus and the Brokers.

2.1 Programme Overview, Key Objectives and Rationale

The RSS has been a joint initiative between SEEDA and Jobcentre Plus (JCP), operating in the South East since October 2003 to meet the needs of all those who are either 'under threat' or 'under notice' of redundancy, in particular SMEs. The funding of the programme will be coming to an end in March 2008. It provides a rapid, coherent and effective response to redundancies, working with people who have been notified that they are facing redundancy whilst they are still in work, aiming to move them quickly into different jobs.

JCP provides a dedicated Rapid Response Service across the UK that works with regional partners and companies to manage the impact of job losses. The RSS represents an enhanced Rapid Response Service, which was created in the South East Region to meet the needs of all those affected by redundancy originated from one of the objectives of the Framework for Regional Employment and Skills Action (FRESA) in the South East. Objective 7 of the FRESA stated that '*Timely support for employees facing redundancy can significantly improve their chances of getting re-employment or retraining'*.

The aim of the RSS is to increase the employability of workers facing redundancy, in particular in SMEs, preventing them from becoming detached from the labour market and entering the benefits system. The objective is to facilitate the passage of people under threat of redundancy into work by providing a brokerage service offering advice and guidance, and enabling individuals to remain economically active.

Review of the documented information on the rationale for the establishment of the scheme suggests that the intervention was introduced to deal with a number of perceived failures in the labour market that impact on individuals' employability and could be caused by:

- A mismatch between the skills of the existing workforce and the skills required by employers (particularly among men leaving traditional industries seeking roles in the expanding service sector).
- Lack of information about learning and training opportunities for up-skilling and/or re-skilling.
- Lack of information about how to identify job opportunities, apply and cope with interview situations.
- Failure among those facing redundancy to identify the key transferable skills that they already possess and market these to potential employers.
- Failure of companies, in particular SMEs, to offer their employees this type of support due to their inability to 'buy' it in the open market i.e. afford the costs involved in hiring an outplacement company that could offer this advice at a commercial rate.

There is also an equity consideration since some groups are disproportionately affected, particularly:

- Those individuals with a background in traditional industries and skills e.g. from/in the manufacturing sector; and /or,

- Those with no qualifications/lower skilled.

These groups are more likely to take longer to re-enter the labour market following redundancy and should ideally be explicitly targeted by the scheme.

The forecasted figures for the lifetime of the project demonstrate a slight year on year increase in redundancies. For example, anticipated redundancies for 2007 – 2010 for the South East are as follows[1]:

2007 – 2008:	Non service sector:	22,500
	Service sector:	69,190
	Total:	91,690
2008 – 2009:	Non service sector:	22,490
	Service sector:	69,980
	Total:	92,470
2009 – 2010:	Non service sector:	22,500
	Service sector:	71,060
	Total:	93,560

Comparisons with the actual figures for April 2005 – March 2006[2] demonstrate a significant increase in the number of redundancies predicted over the next three years, particularly in the service sector. **However, according to SEEDA and JCP, close monitoring of net jobs in the market (i.e. jobs created minus redundancies), indicates that the labour market in the South East is currently buoyant - with more jobs created than redundancies.**

2.2 Strategic Fit

The South East's strong performance in national terms puts the region among the most prosperous regions globally. However, as stated in the Regional Economic Strategy, strong headline economic growth masks substantial regional variations. GVA per head in the Thames Valley was 60% higher than the national average in 2002, while in the Isle of Wight it was 39% below the national average. Even though disparities in economic growth between South East county areas have narrowed slightly since 1999, they remain larger than the disparities between the nine English regions.

Productivity and labour market indicators follow broadly similar patterns. Between 1997 and 2003, the South East has seen a higher rate of growth in output per hour worked than any other UK region, and is second only to London in terms of absolute productivity levels. Performance is again mixed within the region, with Kent and East Sussex lagging behind the UK average in terms of both absolute levels and average annual growth rates. Across the region, current trends and projections point towards an increasingly polarised labour market in the South East, with a strong and growing proportion of both high-end and personal service occupations alongside significant decline in intermediate occupations.

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[1] Data provided by SEEDA **on the basis of research undertaken by Experian**.
[2] These were as follows: Non-service sector 26,050 and service sector, 55,600 bringing the total to 81,650 people.

With high economic activity rates, high vacancy rates and low unemployment the South East has one of the tightest labour markets in the UK, and indeed is one of the highest performing regions globally in this regard.

However, 900,000 residents of working age, representing almost 20% of the region's potential labour force, are economically inactive. Within this group, almost 250,000 people report themselves as wanting to work. As a group, the economically inactive tend to be concentrated in the Eastern part of the region, along the coast and in the region's largest urban areas.

The RSS project tends to intervene during notice periods before redundancies take place. It therefore serves as a **proactive and preventive** service within the context of Objective 2 (Smart Growth) of the RES and Target 6 that refers to Employment and supports economic activity related rates outcomes:

- Raising economic activity rates by addressing barriers to employment. The proposed **target of 85% economic activity will bring 110,000 of these residents into employment by 2016, with a view to raising this number to 250,000 by 2026.** SEEDA is committed to work with partners to achieve this through a combination of: increasing the viability of employment; identifying and increasing the benefits to wellbeing; addressing the barriers to employment and increasing the incentives to work; promoting self-employment as a route into economic activity; and building links between volunteering and economic activity.

- Promoting self-employment as a route to economics engagement – this project encourages and supports individuals wishing to become self-employed and therefore is encouraging an enterprise culture in the region.

- Reduce health inequalities – being in work is an effective way to keep healthy. There is a wealth of research on the negative affects of redundancy on the well being of those affected and their families. This project actively seeks to move people at risk from one work straight to another thus avoiding the downward spiral effect redundancy can bring.

- By bringing back the economically inactive into employment, disadvantaged communities and less prosperous areas of the South East would increase their economic contribution, helping to reduce sub-regional disparities and contributing to a higher standard of living for the region as a whole. As a regional project, all of the South East is supported, including disadvantaged communities.

An important consideration when reviewing unemployment is not just the level of unemployment but also its duration. People who have been out of employment for a longer period of time are often least likely to possess the skills and experience necessary to gain employment and are often in the greatest need of support in terms of workplace experience and training or job search. This project aims to intervene prior to unemployment, providing up-skilling, support and training. This intervention supports individuals into rapid redeployment and sustainable employment, thereby avoiding benefit dependence and the resultant confidence issues, skills and training needs.

A factor that affects higher participation in economic activity is the benefit trap experienced by many people in receipt of state benefits. By intervening prior to redundancy, individuals do not need to resort to claiming benefits, thereby avoiding the benefit trap that can lead to long-term dependency on Jobseekers Allowance or Incapacity Benefit and difficulty in re-entering the labour market.

2.3 Management Arrangements

The RSS is funded by SEEDA and managed by JCP. The service has been provided through a team of 6 County Redundancy Support Service Brokers (this is down from 8 Brokers in the earlier years of the programme).

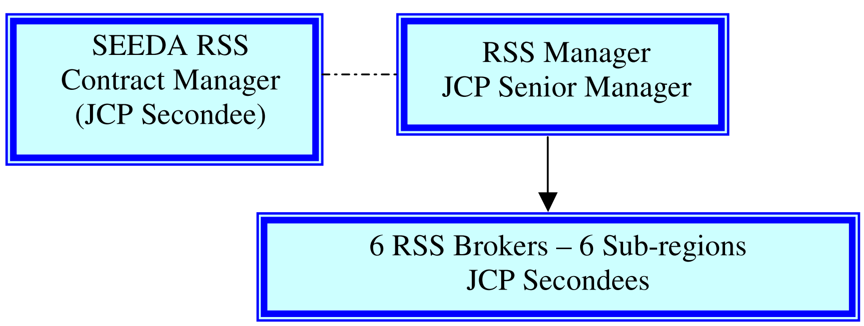
The RSS is free of charge to both companies and individuals and is delivered at sub-regional level i.e. Brokers have lead responsibility for one of the 6 sub-regions: Berkshire, Bucks & Oxon, Hampshire, Kent, Surrey and Sussex. Although sub-regionally based, the RSS brokers are expected to operate on a regional basis, pulling resources and working in areas where the need is greatest at any given time.

The Brokers offer advice and guidance to employers and employees including:

- Consultancy to the company declaring redundancies, including contacts with local partnership groups.
- Information on JCP job services, benefit entitlements, National Insurance and pension implications.
- Signposting to externally funded IAG brokers to provide further information on learning opportunities available.
- Signposting to other agencies in relation to preparation of curriculum vitas and access to vacancies.
- Advice on provision of training for up-skilling and re-training through other organisations as well as self-employment support.

The following diagram depicts the management structure of the programme.

Figure 2.1: Management Structure of the RSS, May 2007



All Brokers (bar 1) are on secondment from JCP and are managed by a JCP Senior Manager (this post is a JCP-funded post). There is also a dedicated SEEDA Contract Manager (until recently the post holder was JCP-seconded). Their responsibility is for:

- Reporting on project progress to SEEDA.
- Acting as the key point of contact and liaison between JCL and SEEDA and discussing future delivery planning and delivery with the dedicated JCP Senior Manager
- Providing funding and policy advice and support to the team/network of the RSS Brokers.

- Ensuring effective monitoring and reporting mechanisms are implemented.

Administrative support including collection and collation of Management and Financial information related to the programme is delivered by one of the Brokers using the JCP electronic systems. JCP also provides accommodation for all Brokers.

The JSC Senior Manager has the responsibility for the assessment of the Brokers' performance, which takes place on an annual basis according to JCP guidelines for review of staff performance and against JCP targets. All RSS Brokers have extensive experience of the local labour market, redundancy support and the benefits system.

2.4 Delivery of the RSS

Delivery is on a flexible basis depending on the needs of each beneficiary group and company, with delivery at the most suitable location, usually at the employer's premises. The RSS support forms part of an integrated package of support with beneficiaries being referred to local partnership agencies as appropriate.

Services are customised to meet the needs of individual redundancy and beneficiary situations. As one RSS Broker stated *'I see my job to provide as much help as possible to as many people as possible with the resources I have within my county'.*

Many businesses assisted through the RSS are branches of a larger company[3]. Although the vast majority of organisations assisted through the RSS are private sector businesses, exceptionally organisations in the public sector may receive support e.g. NHS and Local Government. Case Study A provides an example of support for businesses operating in the NHS.

Case Study A

Business Profile and the Case for Intervention…

A large independent hospital specialising in the treatment of cancer and heart disease and employing 274 staff ranging from consultants to kitchen staff. The hospital had a 50-year partnership with the NHS. The hospital had been in the hands of administrators for some time, but it was in negotiation with a private company, who had offered to buy the land to build housing in exchange for a new hospital. Unfortunately, the developers pulled out of the negotiations at the last moment, and the hospital went into administration.

The RSS Broker was contacted by the Administrators, asking if any assistance could be provided for the staff, who were being notified on that Thursday, and leaving the following Friday. This was to be a complete closure, with the loss of all the staff.

The RSS intervention step by step…

- The RSS Broker immediately contacted Next Step, Jobcentre Plus, the Council and two other RSS Brokers to set up a response.

- In agreement with the Administrators, it was arranged that 2 RSS Brokers to be present every day the following week to make sure that all staff had the opportunity to see someone, and be made aware of their benefit entitlement, issue claim forms and tell them what steps they had to take.

[3] NOTE: data on the size of businesses assisted through the RSS is based on the total number of people employed by the business, not the number of people employed at the branch where the redundancies are being made.

- Jobcentre Plus provided 2 people for three days to assist, and the local Jobcentre managers arranged to open on the following 2 Saturdays to take claims. This made sure that no one had too wait too long to be seen.

- Next Step arranged for CV workshops to be held on Tuesday, Wednesday and Thursday and had a very good response. They also arranged for help to continue locally for a number of weeks to assist with this. The Council donated the premises for the outplacement work. They also had someone on site to deal with housing issues, as some of the staff lived on site and had been given three weeks notice to leave.

- Information was given for those interested in self-employment, but in view of the speed of their redundancy, it was not felt appropriate to have anyone on site at that time.

- In total 209 people were seen for 1-2-1 interviews, many taking the form of counselling as much as information.

- There was no outplacement company involved because the hospital went into Receivership.

- Help continued over the next 3-4 weeks, as people were contacting the RSS Brokers for further advice and support.

Results…

Of the people who kept in touch with the RSS, more than 78 had found work by six months.

Feedback from the staff during the week we were at the hospital was fantastic, and the Receivers, expressed their thanks for all the assistance, saying it had made their job much easier.

Companies' submissions of HR1s tend to be the starting point for identifying 'at risk' and redundancy situations. Approximately 80% of referrals for the RSS Brokers come from these[4]. Next Step[5] and SEEDA are also a vital source of information. The survey of companies has shown that companies found out about the service as follows:

- 30% found out about the service from JCP
- 5% from SEEDA
- 15% from RSS Broker
- 12% Word of mouth
- 9% Used before

The typical steps for provision of the RSS support can be described as follows:

[4] Employers are required to notify DTI if they plan to make more than 20 redundancies. DTI sends the HR1 forms to JCP's head office in the South East. They are sorted by county and then put onto the shared drive where all the Brokers can access the information. However, according to the RSS Brokers, the forms are often factually incorrect.

[5] **Next Step** is funded by the Learning and Skills Council and provides information, advice and guidance on work and learning opportunities available locally, practical ways to get ahead, such as how to apply for jobs and how to plan a career, and where to go next for information about transport and free services for learning and work. Where to go next to gain information about benefits is for the RSS Broker to do.

1. The RSS Broker will contact the organisation/employer to find out as much information as possible in relation to the redundancies and what their needs are. Organisations are contacted more than once (depending on the severity of redundancy in terms of number of people to be made redundant and the Broker's workload). It is estimated that 45%-50% of the businesses that are contacted take-up assistance from the RSS.

2. A visit to the employer's site will be arranged for a presentation to employees. There is always an initial meeting with the HR manager. Agreement will also be reached on who else will attend. Normally, the RSS Broker will give a talk on benefits; Next Step will give a taster session on interview techniques and CVs, Enterprise Gateway[6] will often give a talk on self-employment and enterprise; and, Next Step will then set up a subsequent meeting for more in-depth provision.

3. Evaluation sheet is sent to individuals after they leave the company to determine what the RSS could do better.

4. The Brokers keeps in touch with employer/Next Step/Enterprise Gateway to check on progress.

5. "Mop-up" events may be arranged by the Brokers to provide a refresher of the benefit talk originally given in step 2.

6. Limited aftercare is available for a specific period e.g. whilst beneficiaries are under notice of redundancy, they will be tracked and offered aftercare for up to 12 months depending on outcomes. This aftercare will involve:

    - Reviewing progress towards career aims

    - Monitoring progress with business start-ups

    - Provision of benefits information as required

    - Effective referral to local partnership agencies as and when required

It is difficult to describe a typical redundancy service. The assistance varies considerably depending on the size of company and what it wants to focus on.

The example below presents a very comprehensive programme of assistance that could be/has been provided to businesses and Case Study provides.

[6] **The Enterprise Gateway Network** is a joint initiative developed by the South East England Development Agency (SEEDA) and the South East Business Links. Enterprise Gateways promote a culture of enterprise and self-employment, particularly amongst disadvantaged individuals and groups. Each Enterprise Gateway is run by a Director and is supported by a business champion and local community groups. The Gateway Director provides intensive business guidance, signposting and support to give clients the confidence and skills they need to revitalise their working opportunities. The network supports all types of business models, including social enterprise and not-for-profit businesses.

Example of Large Redundancy - RSS Service Provision	
Skills for Work Assessments	An assessor is brought in to assess competency in basic skills (literacy, numeracy, IT and ESOL). Individuals are advised on their level of competency and referred to appropriate provision to improve their skills. This tends to be delivered by an LSC-funded organisation/local partnership group.
CV Workshops	Delivered by Next Step staff. A 2.5 hour workshop on site covering application forms, CVs, interview technique etc.
One-to-One Careers Advice and Guidance	Delivered by next step staff. A 1-hour session on site targeted at individuals that wished to change careers. All sessions undertaken on a one-to-one basis.
Information Workshops	Delivered by the RSS Brokers usually with a local JCP colleague. A 1 hour session on site covering a range of issues relevant to those facing redundancy: • General job search information - (what firms are recruiting locally, where local jobs are advertised, who are the local employment agencies etc) • How JCP can support job-search • How to make a claim for Job Seekers Allowance (JSA) and other financial assistance that might be available. • Opportunities for self-employment and training • Signposting to support organisations such as Citizens Advice Bureau (CAB) • How to get a pension forecast.
Jobs Fair	The RSS brokers get in touch with local employers / employment agencies and invites them to a jobs fair that is held on the site. This is an opportunity for employees to submit CVs to potential employers and start the job-search process. However, jobs fairs are only organised occasionally. Often local employers do not have time to attend such events and they are time-consuming to organise.

It would be very rare for a business to receive all the five types of support outlined above – but the example above illustrates what is potentially available. Interviews with the brokers also indicate that the estimated demand for the specific activities listed above tends to be as follows:

- Information workshops: 100% of all organisations seeking assistance – which is the only activity that appears to be delivered solely by the RSS Brokers.
- Skills for work assessments: 75%
- CV workshops: 60%
- One to one careers advice and guidance: 33%
- Jobs fairs: 5%

However, the RSS Brokers are also often asked to provide advice and support on issues that go beyond their immediate remit and expertise as Case Study B demonstrates.

Case Study B

Business Profile and the Case for Intervention…

The company was a manufacturer and distributor of white domestic units. The HR Manager, who had worked with the RSS previously, when the company were downsizing, contacted the RSS Broker. This time, the company had decided to close its plant at the specific location and transfer production to the North West, with the loss of 70 jobs.

Provision over and above the expected RSS Intervention…

The HR Manager recommended a meeting with Next Step, Jobcentre Plus and the Enterprise Gateway Director who deals with self-employment help. At the meeting a series of presentations were arranged to the staff by the RSS Broker and Next Step, to let staff know what help was available to them and to answer questions.

Presentations took place, and we saw 53 people and arranged for Next Step to conduct CV and Interview Skills workshops on the premises. There was 95% attendance at these events.

Apparently, the presentations brought up several issues that had made staff quite angry including competition in the local labour market from migrant workers – which are not always within the RSS Broker's remit and expertise, but the RSS Brokers tend to deal with because no other source of support deals with.

Next Step and the RSS Broker undertook about 20 1-2-1 interviews, with people who had worked for the company for over 20 years. Help and advice was provided on what steps they should take to look for work or engage in further training.

Next Step identified 2 people who needed help with literacy and numeracy, and they were given the opportunity to access training.

Jobcentre Plus was kept informed, but as staff were to receive payment in lieu of notice of up to 3 months, there was no urgency to arrange appointments for the staff.

There was no outplacement company working in this redundancy.

Excellent feedback was provided from both the staff and management.

Key constraints in delivery cited by the RSS Brokers include:

- Employers themselves, who often perceive that there is no benefit in this type intervention/support. Normally because of one of the following reasons:
  - They think they know this information all already; and
  - They think the outplacement service cover everything (however, the outplacement service doesn't cover benefits).

- Secondly, outplacement services can sometimes see the RSS as a threat because its service is free. However, the majority are happy for the RSS agent to work alongside them to fill gap in the provision regarding advice on benefit entitlement.

SUMMARY AND DTZ ASSESSMENT

The Redundancy Support Service (RSS) has been a joint initiative between SEEDA and Jobcentre Plus (JCP), operating in the South East since October 2003 to meet the needs of all those who are either 'under threat' or 'under notice' of redundancy. Brokers who tend to be JCP seconded staff deliver the service are expected to work with people who have been notified that they are facing redundancy whilst they are still in work, aiming to move them quickly into different jobs. The **support is free of charge** and covers:

- Consultancy to the company declaring redundancies, including contacts with local partnership groups.
- Information on JCP job services, benefit entitlements, National Insurance and pension implications.
- Signposting to externally funded IAG brokers to provide further information on learning opportunities available.
- Assistance with curriculum vitas and access to vacancies.
- Advice on provision of training for up-skilling and re-training through other organisations as well as self-employment support.

Companies' submissions of HR1s tend to be the starting point for identifying 'at risk' and redundancy situations. Approximately 80% of referrals for the RSS Brokers come from this source. The RSS support also appears to 'trigger' and provide referrals to a wide range of other outplacement services such as the LSC-funded Next Step. **According to interviews with the Next Step staff, a considerable number of their business comes from the RSS Brokers**.

DTZ Assessment and Recommendations

The programme fits with the Objective 2 (Smart Growth) of the RES and Target 6 that refers to Employment and supports economic activity related outcome by addressing barriers to employment. The proposed **target of 85% economic activity means that 110,000 of more residents will need to be brought into employment by 2016, with a view to raising this number to 250,000 by 2026.** This is a challenging target and will need multiple interventions at business support and skills development levels to deliver it. The overall aim of the RSS suggests that the elements of this programme are fit to contribute to this purpose.

In the future, in terms of programme delivery, the provision of free of charge service needs to be based on evidence that businesses (or specific types of businesses) cannot afford to 'pay' for this type of support they receive through RSS. Evidence should also show how the RSS contributes to business generation for other private and public funded sector offering outplacement, learning, upskilling and business support advice.

In terms of management and delivery of the programme, the relationship between SEEDA and JCP has work well and the RSS network of Brokers represents a solid network of advisors. However, DTZ would recommend that the following issues should be considered by SEEDA:

- The programme Brokers/Advisors should receive limited wider socio-economic and labour market information to assist them in their understanding of the wider regional economic and employment picture.

- Business planning and targeting of the market should be based on 'market research'.

- Delivery of the RSS by the Brokers is increasingly limited to the provision of information for benefits. This is not consistent with the title of the ‘Broker’ and the role this person is supposed to play in the labour market. Furthermore, the RSS Brokers are increasingly requested to provide support for which, the vast majority of them have received limited or no training at all. To this end, a comprehensive review of the skills and capabilities of the existing RSS Brokers need to be undertaken and appropriate training needs to be put in place to meet the needs of such a programme and the market.

DTZ

3 Review of Programme Performance to Date

This section presents an overview of the available monitoring data on expenditure, beneficiaries and achievements of the programme to date. Contribution to key SEEDA and JCP outputs is also discussed. Information presented here is based on information provided by SEEDA and the JCP and is complemented by review and analysis of regional employment and business related data collated by DTZ.

3.1 Expenditure

The programme expenditure to date has been as follows:

2004/05: £252,706

2005/06: £322,817

2006/07: £337,912

Total: £913,435

Planned total expenditure from SEEDA for RSS for the current year (2007-08) is estimated to be £320,000 (it is likely that this will be lower due to loss of two brokers). The current project ends 31 March 2007. Funding has been agreed to continue the project until 31 March 2008.

3.2 Targets and Outputs

The Table below shows achieved outputs against targets from the beginning of the programme to May 2007. As the Table indicates, outputs have been exceeded since the beginning of the project.

Table 3.1: Actual Outputs Against Targets, 2003 – 2007 (May)

	2004-05		2005-06		2006-07	
	Target	Actual	Target	Actual	Target	Actual
Number of jobs created/safeguarded	40	71	40	87	40	62
Number of people assisted to get a job[7]	4,000	7,072	4,000	7,532	6,250	7,574
Number of new businesses created and demonstrating growth after 12 months	N/A[8]	N/A	28	45	28	29

The expected outputs for the current financial year 2007-08 are:

- Number of jobs created or safeguarded: 40
- Number of people assisted to get a job: 7,500
- Number of new businesses created and demonstrating growth after 12 months: 28

3.3 Achievements and Contribution to Key Labour Market Indicators

Table 3.2 summarises the overall achievements of the programme and an overview of the numbers of beneficiaries since the commencement of the programme (to March 2007).

[7] 'Number of clients assisted and tracked' column in Table 3.2.
[8] Information for this target has only been gathered from 2005/06.

Table 3.2: RSS Achievements and Beneficiaries 2003 – 2007 (March)

	S/E (new jobs created)	S/E 12+ months and employ-ing staff	No. of Employers Contacted	No. of Employers Assisted	No of clients assisted and tracked	No. of Clients Assisted & Tracked from Companies Employing up to 249 Employees	No. of Clients Assisted & Tracked from Companies Employing 250+ Employees
Berkshire	10	2	253	65	1724	684	1040
HantsNorth(Up to Early 2006)	4	2	30	16	448	130	318
Bucks&Oxon	31	16	282	121	3016	1892	1124
Hampshire & IoW	65	11	410	181	4385	1155	3230
HantsEast(From Early 2006)	6	0	45	28	487	97	390
HantsWest&IOW	55	9	335	137	3450	928	2522
Kent(Graeme)	20	12	240	124	8062	1606	6456
Kent(John)	0	0	25	6	75	66	9
Kent	20	12	265	130	8137	1672	6465
Surrey	33	23	243	61	1524	470	1054
Sussex	9	0	240	82	2556	764	1792
Total	168	64	1693	640	21342	6637	14705

The Figure below depicts that the total number of people assisted by the programme has increased steadily.

Figure 3.1: Number of people assisted, 2003-07

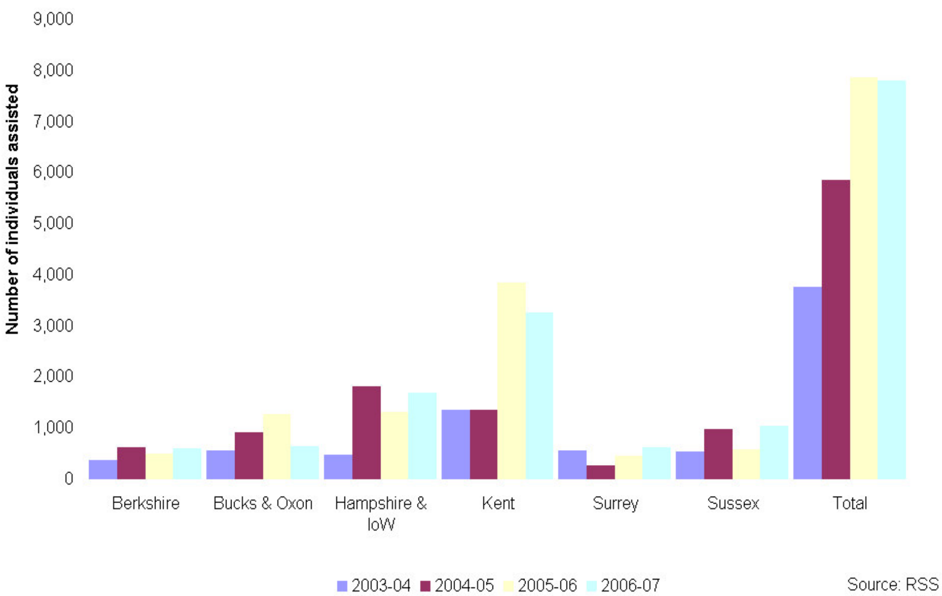
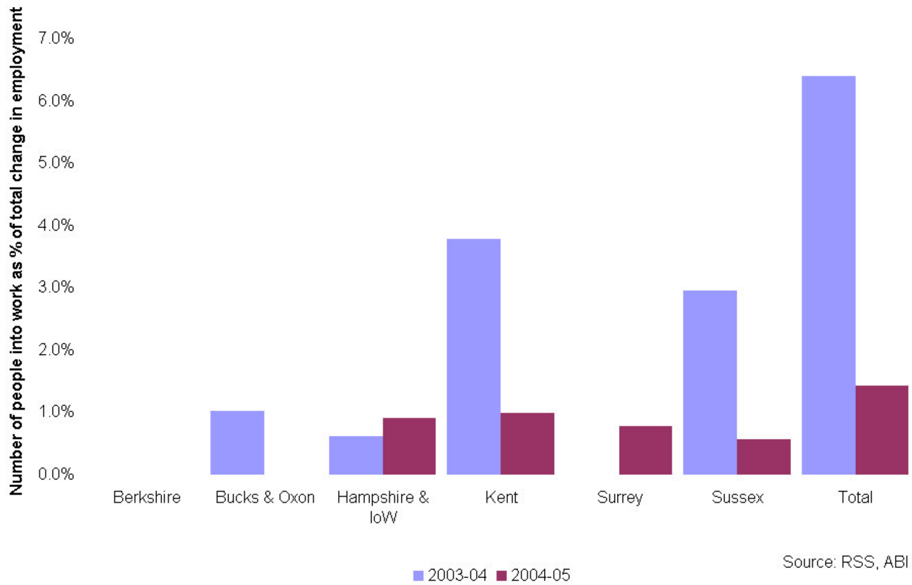


Figure 3.2 shows the number of people into work as a percentage of the total employment change during the same period. Zero percentages in the figure indicate that in that period total employment declined in that sub-region. However, despite this decline the RSS managed to help people to find jobs. This occurred during 2003-04 in Berkshire, and Surrey. During 2004-05 this trend also occurred in Berkshire and Bucks & Oxon.

Figure 3.2: Number of people into work as a % of employment change, 2003-2005



Of the 1693 companies that were contacted between 2003 and 2007, 640 were assisted **(38% of all contacted)**. Table 3.3 provides a breakdown of the market by sector and indicates that although 4 in 10 assisted businesses are in manufacturing, a significant number are in the services industries e.g. retail, support services and hospitality. Only around 3% of assisted organisations are part of Government.

Table 3.3: Employers Assisted 2003-07, By Sector

Sector/Industry	No	% of Total
Airlines	1	0.2
Charity	4	0.6
Construction	7	1.1
Education	14	2.2
Finance	22	3.4
Government	22	3.4
Hotel/Tourism	21	3.3
IT	22	3.4
Manufacturing	255	39.8
Media	8	1.3
Pharmaceutical & Medical & Care	26	4.1
Postal	3	0.5
Processing & Distribution	73	11.4
Recruitment	1	0.2
Retail	63	9.8
Science & Research	3	0.5
Support/Services	71	11.1
Telecoms	6	0.9
Transport & Logistics	18	2.8
Utilities	0	0
Total	640	100

3.4 Contribution to JCP Benefits Claims

Case Study C describes how the RSS contributes to getting people back to work relatively fast.

Case Study C

Business Profile and the Case for Intervention…

The company is a small subsidiary of a long-established British business in the foods and industry sector. The business closed down in the South East to relocate in the West Midlands. Many of the staff have been at the factory for most of their working lives. There were at least 40 Production Workers with severe basic skills needs and/or ESOL needs. There were another 21 Engineers being made redundant.

The RSS Intervention…

Notification was received from the DTI on 24 May. Arrangements were made to do Benefit Presentations to the staff. Benefit Presentations took place on 10 and 11 July followed by one-to-one sessions. After the first session, Next Step was contacted, but they could not help due to the short timeframe. A Basic Skills Provider were asked to help setting up a combined Support Day locally. Many of the staff were leaving on 14 July. The Provider booked a local community Centre. The Venue and provider's services were paid for out of the European Social Fund.

The Jobcentre Plus Mobile Unit was hand to give access to the local vacancy database. Benefit Advice was provided by members of the local Jobcentre Plus staff. The provider carried out the Advice and Guidance Sessions, including:

- Writing application forms and letter;
- Producing a CV;
- Preparing for Interviews;
- Finding Work.

The RSS Impact

80+% of the people made redundant did not make a claim for benefit. If the RSS Broker had not been involved, the employees of this business would have been making claims for benefit at the busiest holiday time. Due to the basic skills/ESOL needs of the employees the Jobcentre would have difficulty in giving them the individual help they needed.

On the basis of the existing monitoring and financial information it is not possible to assess the exact contribution made by the programme. JCP are unable to support calculation of this information due to the complex nature of benefits. Furthermore, it needs to be recognised that multiple interventions are in place to ensure that people are employable and return to work as soon as possible. Therefore, **outputs achieved i.e. jobs created and people back to work, cannot be attributed entirely to the contribution of this programme**.

On the basis of the information collected through the interviews DTZ have calculated the possible financial contribution of the RSS from job seekers returning to the labour market (relatively faster) as a result of the support they receive through RSS. This is presented below:

Estimated number of people assisted between April 2006 – March 2007: 7574

The Jobseeker's Allowance for a single person is: £57.45 per week

For 8 weeks (2 months), this would be £459.6 per head for these 2 months

On the basis of these:

- If **10%** of assisted people (i.e. 757) claim a benefit only for 4 or 5 weeks (rather than the 13 weeks entitlement), this saves the JCP the equivalent of 2 months benefits by these people, and this is approximately **£348,000**.

- As described in Case Study D, if as a result of the advice, over **40%** of assisted people (i.e. approximately 3030) claim a benefit for 4 or 5 weeks rather, this would provide the JCP with savings equivalent to **£1,392,580 or more**.

DTZ did not have access to detailed MIS information that would provide a breakdown of people into jobs by time taking to get back into employment. This, however, will be crucial information to enable accurate estimation of the savings made to JSA budget.

It also needs to be noted that the DTZ calculations above are based on the assumption that all these 757 individuals get back to employment entirely because of the RSS advice i.e. 0% deadweight, 100% additionality and no displacement at all[9]. It is more likely that the contribution of the scheme in the light of other factors including other support and interventions taking place is around 15% (i.e. around 113 of these people have got their jobs as a direct result of the RSS support). A survey of benefited individuals would provide a very good estimate of the RSS contribution to getting back to the labour market.

Case Study D

Business Profile and Case…

The company (computer repairs and peripherals) announced the closure of one of its sites in August 2006; the site closed at the end of September with the loss of 87 jobs. Occupations affected were 66 production staff, skilled electronic engineers and technicians and 21 admin and managerial staff.

The redundancy was notified directly by the employer. 44 employees received support via the Redundancy Support Service and other partners involved in the support package included Next Step and JCP.

The RSS Intervention…

CV Workshops – 15 attended.

Information Sessions (Presentations on jobsearch, claiming JSA, training etc) - attended by 44 people.

No subsequent help was formally arranged after this contact on site, but all staff had the RSS Broker's details and were free to contact at any time.

Written follow-up took place twice during the next 6-month period, again offering support if necessary.

No outplacement company was involved.

Impact and Contribution to JSA…

[9] Deadweight measures the result/impact that would have taken place anyway. Here we assume that there is no deadweight at all and all these people have found jobs because of the programme.

23% of those seen made a claim for JSA. However, 4 found work within 3 months (which is and 3 within 6 months. All those who attended the CV Workshops (15 people) either did not claim or 'signed off' very quickly. Overall, this means that 19 people of all those assisted through the RSS (43%) have moved into a positive outcome in the labour market faster.

The feedback from the company was very positive:

'Excellent knowledgeable support was given, participation was encouraged and all questions were answered thoroughly. Thank you for your support'.

3.5 Contribution to SEEDA Outputs

Information provided by the SEEDA Programme Manager indicates that the RSS contributes to key SEEDA outputs and in particular, it is a significant contributor of employment support for the Agency.

Table 3.4: Percentage contribution to key SEEDA outputs:

	2005/6	2006/7	2007/8 (forecast)
Job Creation	12%	3%	4%
Employment Support	92%	69%	80%
Business Creation	3%	1%	8%

However, if job creation figures are based on contribution made by the RSS and exclude deadweight, the numbers above will be lower.

In terms of efficiency and value for money (VFM) assessment for SEEDA, DTZ does not have access to actual expenditure, so the budget figure has been used in the VFM calculations. For year 2006/07, that was £337,912. Assuming that only 15% of all reported jobs created/safeguarded for that year can be attributed to the RSS i.e. 101 jobs out of 675 (see Table 3.1), the estimated cost per job safeguarded is:

Cost per job for 2006/07 = £3,345.

This is lower than the estimated cost per safeguarded job if only the target set by SEEDA for that year had been met (i.e. 40 jobs). On the basis of that target, the cost per job would have been higher: at £8,447.

SUMMARY AND DTZ ASSESSMENT

Review of the available Management and Financial Information for the RSS indicates that:

- The programme is consistently exceeding the targets set by SEEDA in terms of jobs created and safeguarded, number of people assisted and business created and demonstrating growth after 12 months.

- The total number of people assisted by the programme has increased steadily.

- On average, over the last 3 years, demand for the service is estimated at around 38% (companies assisted/companies contacted).

- Although 4 in 10 assisted businesses are in manufacturing, a significant number are in the services industries e.g. retail, support services and hospitality. Only around 3% of assisted organisations are part of Government.

- Just under a third of assisted (and tracked) beneficiaries are in companies with less than 250 employees. It seems that it is large companies that tend to declare redundancies and therefore 70% of assisted individuals are in organisations with more than 250 employees (it is recognised that data on the size of businesses assisted through the RSS is based on the total number of people employed by the business, not the number of people employed at the branch where the redundancies are being made).

- It is not possible to assess whether the programme tends to support more individuals in need e.g. with lower or outdated skills.

- The programme appears to be a significant contributor of employment support for SEEDA, contributing 92% and 69% to the relevant SEEDA targets in 2006 and 2007 respectively and offers relatively good VFM in comparison with target outputs in terms of jobs created and safeguarded.

- DTZ estimate that the programme represents good VFM in comparison with targets set for it. However, a number of assumptions in terms of deadweight, attribution and displacement have had to be made. For example, it seems that the total number of jobs created or safeguarded are reported on the basis that all these jobs are entirely due to the contribution of the RSS.

4 Beneficiaries Survey

This section presents the key findings from the beneficiary survey. The questionnaire covered the following key areas of enquiry:

- Profile of Beneficiaries
- Engagement with RSS
- Support Received
- Assessment of Relevance and Effectiveness
- Assessment of Added Value
- Strengths and Areas in Need of Improvement
- Recommendations for Future Delivery

A copy of the questionnaire is attached in Annex A. A telephone survey of 33 organisations that received support from RSS in the last 3 years was conducted in June 2007. This involved a 15-minute, one-to-one conversation with a senior member of the organisation. A decision was taken in agreement with the SEEDA Project Manager not to survey individuals directly, and instead access feedback indirectly from organisations representative of employers.

4.1 Profile of Respondents

The profile of the 33 respondents can be summarised as follows:

- Predominantly large businesses (63%) – see Table 4.1 below.

Table 4.1:Profile of Respondents by Size of Business

Size	Number of Firms	Percent
<5	0	0.0%
5-9	1	3.0%
10-19	0	0.0%
20-49	3	9.1%
50 - 99	6	18.2%
100-199	2	6.1%
200-249	0	0.0%
250-499	7	21.2%
500+	14	42.4%

- The sub-regional distribution of the sample was as follows:

Table 4.2: Sub-regional Distribution of the Sample

Sub Region	Number	Percent
Sussex	7	21.2%
Berks	5	15.2%
Surrey	6	18.2%
Hants and Low	8	24.2%
Bucks and Oxon	3	9.1%
Kent	4	12.1%

- Just over a quarter of the interviewed businesses have been involved in redundancies involving 50-99 people as the following Table indicates.

Table 4.3: profile of Respondents – Scale of Redundancies

Number of People Made Redundant		
Amount of People	Number of Firms	Percent
<5	0	0.0%
5-9	0	0.0%
10-19	7	21.2%
20-49	7	21.2%
50-99	9	27.3%
100-199	7	21.2%
200-249	1	3.0%
250-499	2	6.1%
500+	0	0.0%

- For nearly all organisations, advice was delivered on site i.e. the organisation's premises.

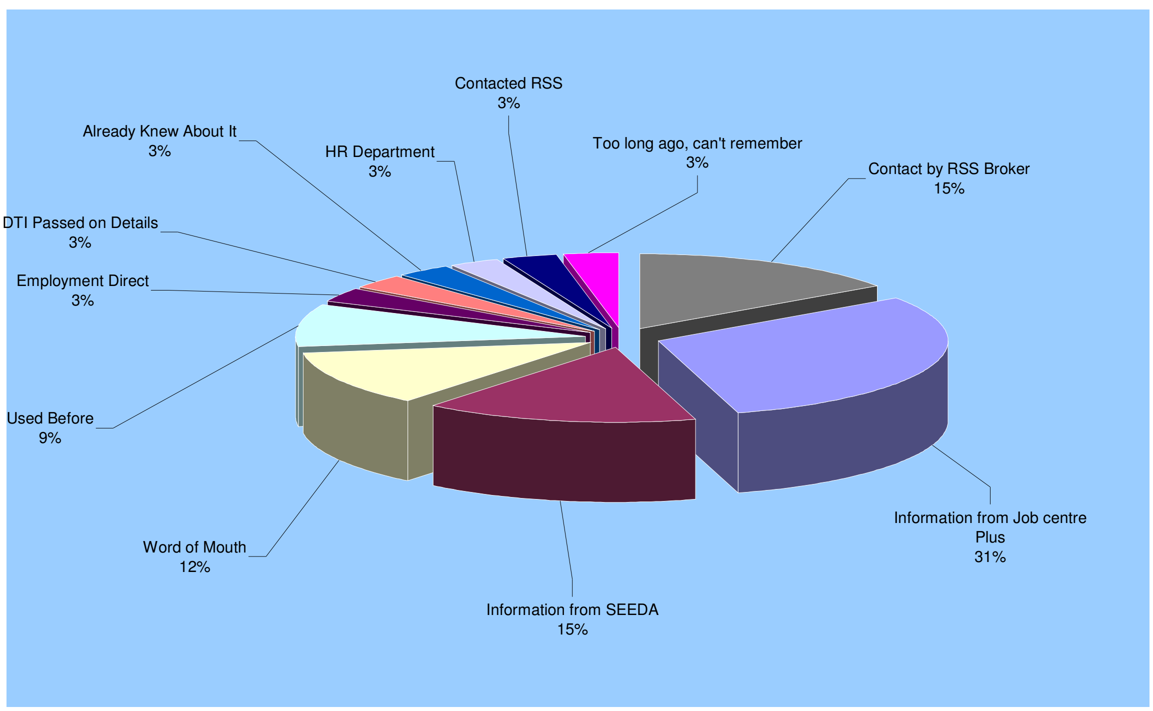
Table 4.4: Location of Briefing with RSS

Location	Number of Firms	Percent
Company Premises	31	93.9%
Job Centre Plus Premises	0	0.0%
Other	2	6.1%

4.2 Engagement with the RSS

As the Figure below depicts, the first point of contact for a third of respondents was through the JCP (30% of respondents).

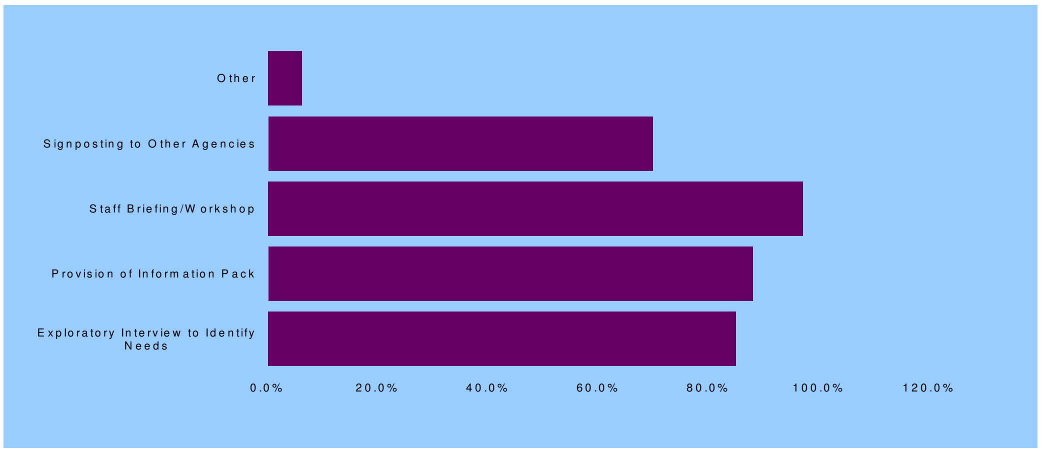
Figure 4.1: Initial Engagement with The RSS



4.3 Support Received

The most common support received was staff briefing and workshops. As Figure 4.2 indicates, nearly all respondents (97%) had received this type of support. Information packs were received in 88% of the cases and an exploratory interview (i.e. 1-to-1 careers guidance) took place in 85% of the organisations in the sample. Signposting was provided in 70% of cases.

Figure 4.2: Support Received – Key Activities



Tables 4.5, 4.6 and 4.7 provide detailed information on the topics covered under each broad support activity. Key findings can be summarised as follows:

- **CV writing/advice and information on benefits** were amongst the most common types of support provided during both the briefing workshops and the exploratory interviews.
- Interestingly, **training needs assessment** is a topic covered in a briefing workshop in 40% of organisations, but only in 10% of organisations during the exploratory interview.
- **Careers advice and job search** tend to be covered more often as part of a briefing workshop rather than a one-to-one exploratory interview.
- According to the survey, in just over a quarter of cases (26%), clients were **signposted to Next Steps**. It is important to note that all companies are signposted to Nextstep, however, many companies have already employed an alternative paid outplacement for IAG, so Nextstep is inappropriate. All brokers have a target to signpost 99% of all clients to Nextstep where there is no outplacement.

Table 4.5: Topics covered in a briefing workshop

Topics	Percent
CV Writing/Advice	56.3%
Interview Techniques	40.6%
Benefits and Entitlement Information	40.6%
Pension	6.3%
Internet/Computing Assistance	0.0%
Training Needs	40.6%
Careers Advice/Job Search	28.1%
Self Employment Advice	3.1%
Redundancy Rights	3.1%
Not sure/Can't Remember	6.3%
What they were going to cover, presentation was very good	3.1%

Base: 33 Responses

Table 4.6: Exploratory Interview – Key Elements

Needs	Percent
CV Writing/Advice	42.9%
Interview Techniques	28.6%
Benefits and Entitlement Information	32.1%
Pension/Retirement Information	7.1%
Internet/Computing Assistance	7.1%
Training Needs	10.7%
Careers Guidance/Job Search	14.3%
Self Employment Advice	7.1%
Nature of Business, why Redundancies Are Necessary	3.6%
Basic Information Requirements	7.1%
Identifying Individual Needs	7.1%
Used Right Management Who Liaised with RSS	3.1%

Base: 33 Responses

Table 4.7: Signposting to other agencies

Agencies	Percent
Next Steps	26.1%
Job Centre/Job Centre Plus	13.0%
Learn Direct	8.7%
Brookland College	4.3%
Self Employment Consultants	4.3%
Chamber of Commerce	4.3%
Start Up	4.3%
Recruitment Agencies	8.7%
Given their Own Advice on who to Approach	13.0%
Don't know/Can't Remember	21.7%
Given Lots of Telephone Numbers	4.3%
CMC	4.3%

Base: 33 Responses

4.4 Assessment of Relevance and Effectiveness

Organisations were asked to rate the relevance of the support they received to their needs on a scale of 1 to 5, where 5 equals very good and 1 equals very weak. For 58% of organisations, relevance of the overall service was very good (score 5) and for 42% (score 4) it was good, with no organisation scoring below these.

Organisations were also asked to rate the timing, content and quality of their engagement with the RSS. Their responses are summarised below. As the Table indicates, there may be a need to improve the content of the information provided, but overall, organisations are satisfied with the timing, content and quality of the support they receive.

Table 4.8: Assessment of Effectiveness of the Engagement with RSS

Communication	Very Good	Good	Neither/Nor	Bad	Very Bad
Timing	60.6%	39.4%	0.0%	0.0%	0.0%
Content	54.5%	42.4%	3.0%	0.0%	0.0%
Quality	66.7%	33.3%	0.0%	0.0%	0.0%

Base: 33 Responses

Furthermore, organisations were asked to rate the effectiveness of the communicator of the RSS information, on a scale 1-5 (where 1=very weak and 5=very good). Over two thirds of the respondents (67%) rated the communicator of the information as very good; 33% rated them as good. No organisation rated below these.

In terms of the effectiveness of the specific topics and areas of support, briefing workshops were more likely than information packs and signposting to other agencies to be rated as very good (score 5) in terms of their relevance, quality and timing. Tables 4.9, 4.10, 4.11 and 4.12 provide a detailed breakdown of responses.

Table 4.9: Assessment of Effectiveness of the Exploratory Interview

Effectiveness	Very Good	Fairly Good	Neither/Nor	Fairly Bad	Very Bad
Relevance	46.4%	46.4%	7.1%	0.0%	0.0%
Quality	53.6%	42.9%	3.6%	0.0%	0.0%
Timing	57.1%	39.3%	3.6%	0.0%	0.0%

Base: 33 Responses

Table 4.10: Assessment of Effectiveness of the Information Packs

Effectiveness	Very Good	Fairly Good	Neither/Nor	Fairly Bad	Very Bad
Relevance	58.6%	31.0%	10.3%	0.0%	0.0%
Quality	55.2%	41.4%	3.4%	0.0%	0.0%
Timing	62.1%	34.5%	3.4%	0.0%	0.0%

Base: 33 Responses

Table 4.11: Assessment of Effectiveness of Briefing Workshops

Effectiveness	Very Good	Fairly Good	Neither/Nor	Fairly Bad	Very Bad
Relevance	59.4%	34.4%	5.2%	0.0%	0.0%
Quality	62.5%	34.4%	3.1%	0.0%	0.0%
Timing	62.5%	34.4%	3.1%	0.0%	0.0%

Base: 33 Responses

Table 4.12: Assessment of the Effectiveness of Signposting

Effectiveness	Very Good	Fairly Good	Neither/Nor	Fairly Bad	Very Bad
Relevance	56.5%	30.4%	13.1%	0.0%	0.0%
Quality	52.2%	39.1%	8.7%	0.0%	0.0%
Timing	60.9%	30.4%	8.7%	0.0%	0.0%

Base: 33 Responses

4.5 Assessment of Value Added of the RSS

A series of questions were asked to gauge views on the added value of the support provided. Responses are summarised below.

- **Does RSS complement another service on offer?**

- ✓ **For 64% of respondents - NO**
- ✓ For 36% - YES (other services include private sector outplacement support & other HR and recruitment services).

- **What if RSS were not there? What other support would be offered?**
  - ✓ **None - 33%**
  - ✓ In-house - 18%
  - ✓ External Consultant – 18%

- **Would you have paid for similar service, if RSS were not free of charge?**
  - ✓ **58%– YES**, they would have paid. Of these respondents: 68% (13 companies) would have paid commercial rate and 32% (6 companies) would have paid per employee made redundant.

In terms of what organisations are prepared to pay for this type of service, responses are summarised below:

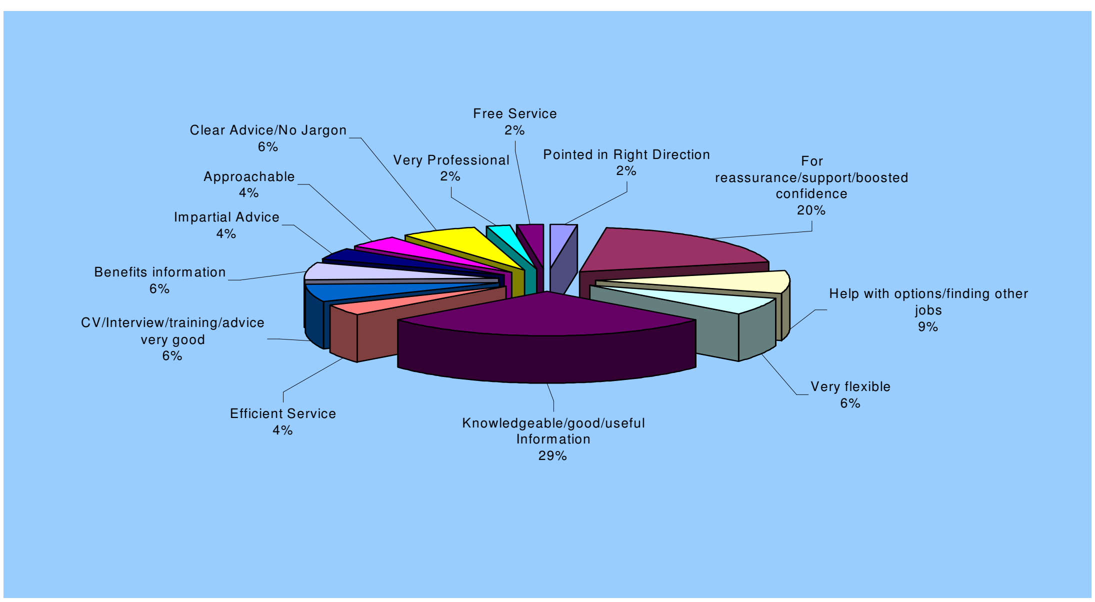
- Commercial rate (based on responses from 13 companies)
  - ✓ Don't know (3 companies)
  - ✓ £1-£100 (1)
  - ✓ £101- £250 (5)
  - ✓ £251 - £500 (2)
  - ✓ £501 - £750 (0)
  - ✓ £751 - £1,000 (1)
  - ✓ £1001+ (1)

- All those companies that are prepared to pay for a similar type of service per employee (6 companies), were prepared to pay up to £50 per employee made redundant.

4.6 Assessment of Strengths and Weaknesses of the Programme

Figure 4.3 presents areas of strength as perceived by organisations that took part in this survey.

Figure 4.3: Strengths of the Programme



The key strengths of the service as perceived by benefited organisations are summarised as follows:

- Provides of knowledgeable/useful information
- Supports and boosts confidence
- Offers help with options/finding another job
- Provides clear advice /no jargon

Over half the respondents (51.5%) also saw positive impact on their organisation (through offer of good advice and raised awareness of help and support). Furthermore, 32 (out of 33) respondents, 97%, would use RSS again if new redundancies emerge.

Examples of comments made to praise the **strengths of the RSS** are listed below.
The RSS Broker was honest, caring and nothing was too much trouble. She took time to see individuals with special requirements. They also saw her in the light of a true confident. She has certainly supported the personnel function here at the branch and brought another dimension to the whole personnel package.

'Reassuring people that there is light at the end of the tunnel and pointing them in the right direction'.

'Helping to boost our employees and support them in looking for future work. Appreciating the difficulties for both employers and employees and understanding both points of views'.

'Came in and understood what we are doing and they could understand the reasons behind the redundancies. Very supportive to both company and employees'.

'The information was very helpful; they were also very compassionate when dealing with the staff'.

'Very useful. Some of the staff never had to apply for a job for years. The info they were given was extremely helpful'.

'Response time was very good. They were also very good at boosting our employees' confidence as a lot of them had been with the company for a very long time'.

'Explaining clearly, not used any jargon- very approachable especially for shop floor workers'.

'Fact it was an independent company brought in. More creditability employees found them easy to approach'.

'Very accommodating. We had people on night shift and they came in to see them'.

'Pro-active in contacting us and very supportive'.

'Very professional. Good motivator. Wasn't afraid to touch on nasty subjects'.

'Company needs to cut costs at redundancy time, so we want to spend as little as possible and the service is free'.

Respondents were also asked to identify weaknesses and their responses are summarised as follows:

- None (76%)
- More accurate information (2 companies)
- Improved clarity on role/what is on offer (2 companies)
- One to one briefings may have been better (1 company)
- Better communication between job centre and HR (1 company)

Specific **recommendations for improvement** are listed below:

'Could have perhaps provided more info to people who were in specialist jobs. They need better services in this area'.

'One to one briefings could have been better'.

'Some of the information was not strictly accurate, in particular in relation to availability of jobs'.

'They get in contact after HR1 whereas we have already made decisions before the HR1 system'.

SUMMARY AND DTZ ASSESSMENT

A telephone survey of 33 organisations that received support from RSS in the last 3 years was conducted in June 2007. This involved a 15-minute, one-to-one conversation with a senior member of the organisation. A decision was taken in agreement with the SEEDA Project Manager not to survey individuals directly, and instead access feedback indirectly from organisations representative of employers.

The key findings form the survey with selected organisations that were assisted through the programmes are summarised below:

- Employers learn about the programme mainly through the JCP (30% of respondents), SEEDA (15%), are approached by the RSS Broker (15%) and word of mouth (12%).

- The most common support given/received is staff briefing and workshops. Nearly all respondents (97%) received this type of support. Information packs were received in 88% of the cases and an exploratory interview (i.e. 1-to-1 careers guidance) took place in 85% of the organisations in the sample. Signposting was provided in 70% of cases.

- For 58% of benefited organisations, relevance of the overall service was very good (score 5) and for 42% (score 4) it was good, with no organisation scoring below these.

- Overall, organisations are satisfied with the timing, content and quality of the material they receive.

- In terms of the effectiveness of the specific topics and areas of support, briefing workshops were more likely than information packs and signposting to other agencies to be rated as very good (score 5) in terms of their relevance, quality and timing.

- For 2/3 of businesses, the RSS offers a unique service in the market.

- The key strengths of the service as perceived by benefited organisations are: provision of knowledgeable/useful information; boosting confidence; offering help with options/finding another job and, providing clear advice /no jargon.

- Areas where improvements could be made include: provision of more one-to-one briefings and accurate information for people who are in specialist jobs.

- If the RSS was not provided free of charge, 58% of companies would pay for this type of support.

- The survey is based on a small sample of companies, but it is worth noting that most surveyed companies are prepared to pay over £100 but less that £250 for the type of support they received.

5 View of Stakeholders

This section reflects the views of the RSS Brokers and representatives of partner organisations and other stakeholders. The views expressed in this Section and the specific recommendations **put forward by consultees do not necessarily reflect those of DTZ Consulting & Research**.

5.1 Marketing and Raising Awareness

In addition to developing relationships with partner institutions including word of mouth, a number of other approaches to marketing have been tried:

- **Calling companies directly** as soon there is some rumour in the market but also **keeping very good relationships with HR officers and regional HR and business networks**. It is worth noting that the RSS Brokers introduce themselves as SEEDA staff rather than JCP or RSS specific in order to achieve a higher response rate. However, it is recognised that cold calling is not appropriate and that a service like RSS may only be of interest to a minority of companies at a given point in time. Furthermore, direct communication with companies to 'market' a redundancy service is an inherently risky activity due to possible information leakage and rumours, which can give have serious destabilising effects on the company.

- **Marketing the RSS services within partner organisations at local and regional levels**. This helps the RSS staff to update their knowledge of other local/regional sector specific services and funding and also ensure that members of staff not directly involved in RSS are able to guide potential beneficiaries towards its services. However, this can be limited as good practice material could be publicised more widely.

Stakeholders also mentioned that if the RSS had additional funding, this could be spent on increasing awareness of the service to SMEs. Additional funding would also mean that the RSS would be able to promote the service and offering to employees instead of having to leave it up to HR Personnel and other company managers within the business to inform their staff of what is on offer (what happens at the moment).

5.2 Collaborations with Partner Organisations

It is very clear that the RSS Brokers work very closely with Next Step staff but also a wide range of other local and region-wide organisations (as the previous Case Studies have highlighted and Case Study E overleaf also indicates).

In particular, there is consensus among RSS and Next Step staff that the services of the organisations/initiatives complement each other effectively and their relationship in not just operational but also strategic. One of the Next Step interviewees commented that *'…without the RSS there would be no awareness of Next Step. Next Step wouldn't be able to afford any marketing campaign or proactive contact with companies on their current funding levels'*.

Variations in the contracts and delivery of Next Steps may affect the extent of the help provided by the Next Step, but it is recognized that around half the referrals Next Step for Next Step are from the RSS Broker. Worth noting is also that Next Steps are funded to provide support for those needing support up to Level 2. Therefore, there may be instances that there is a perception by RSS that what Next Step can do is limited. However, for example, Careers Management Bucks and Milton Keynes have additional funding that enables them to provide assistance to those with qualifications of level 2 and above. Nevertheless, their core-funding still comes from the LSC for up to level 2 with probably around 75% of the people they see falling into this category.

Case Study E

Business Profile and Business Case…

A military base employing planning between 200 and 270 job losses and these were both permanent and contract staff. The base and staff ploughed millions into the local economy so there was potential for further job losses in the surrounding area.

A meeting was arranged with the base commander all partners were contacted to apprise them of the situation and invite them to attend.

There was no outplacement support available but the Service prepared to pay towards training as many of the staff had skills but no formal qualification.

Working in Collaboration with Other Local and Regional Organisations…

CV workshops were arranged through Next Steps whilst the RSS Broker arranged Benefit Sessions. Train to Gain were given details of 2 apprentices who will not complete before the base closes and they would try and find them placements.

South Hants Enterprise Agency were brought in to talk to staff regarding self-employment.

A road show was arranged with partners invited to attend including those mentioned and Learn Direct. ESSU (Essential Skills) and Learn Direct completed a skills' analysis, which highlighted training requirements in IT. ESSU arranged training through local providers to be carried out on site.

Despite the anger amongst a lot of the staff with the base the sessions were very well attended, CV workshops and benefit workshops were given regularly throughout the whole process to ensure that all staff could attend. Because of the numbers of partners involved it was essential that the Broker acted as a conduit for all arrangements and information, ensuring that everyone was kept up to date with developments and support was not duplicated.

Overall, there is a general belief among staff of the various partner organisations, that the RSS provides a distinct and valuable service to people who have been made redundant and those facing the threat of redundancy. A lot of the Benefits and Pensions related information is already in the JCP website. However, there is a general agreement among the RSS Brokers that the RSS Brokers have developed a great deal of sensitivity to the specific needs of employers before and during redundancies. In addition, the RSS has developed in such a way that it is able to provide a timely delivery to clients at very short notice, if need be. Key issues of concern may arise here though (and the RSS Brokers acknowledge these) **in terms of capacity/resources and capabilities to deliver activities that fall outside the remit of the RSS Brokers, in particular in the light of a lack of serious training and skills development opportunities.**

5.3 Views on Specific RSS Services

The interviews with the RSS Brokers have provided expert assessment of the various elements of the support provided and these are summarised below:

- **RSS information pack**: This is used extensively.

- **Staff briefing/workshop**: The RSS staff regard workshops as very useful, indicating that they receive very positive feedback from most workshop sessions. According to the Brokers, workshops improve the confidence of beneficiaries and help answer various questions. Furthermore, they represent a very efficient way in proving information and support given the resources allocated to the programme.

- **One-to-one support**: This service can be provided on request to any beneficiary but it is rare as it is resource intensive. The RSS brokers would be happy to get involved in this type of support more often, if they had the appropriate level of resources and support. It is also recognised that the RSS brokers are not currently qualified to provide this type of support.

- **Signposting to other agencies**: The RSS staff regard their links with other agencies as extremely important when providing support for beneficiaries and they also recognise the important role that the RSS is playing in helping them to meet their own targets.

5.4 Key Strengths and Weaknesses of the RSS

Throughout the consultations, a number of recurrent issues emerged that can be summarised as key strengths and weaknesses of the RSS intervention and these are described below.

Key Strengths

- The RSS Brokers are highly professional and are regarded as being experts in the area of benefits advice. Particularly important and helpful is also the signposting when it is done correctly and it is up-to-date. According to the RSS Brokers, information about training, upskilling and jobs is particularly well received.

- The RSS Brokers staff are regarded as being committed, flexible, proactive and innovative and most importantly they offer psychological and emotional support.

- The RSS programme is free and accessible. For example, it makes life easier for staff looking for advice about redundancies because they are able to have somebody knowledgeable in their workplace to speak with them.

- The RSS Brokers have developed networks and partnerships with providers and local agencies that represent extremely valuable foundation for any business support and labour market intervention programme.

- For the RSS Brokers, if the RSS support was not there:

    - More people would claim benefits for longer (the rationale for this is that based on the information provided, people realise how low benefits are and this makes them more motivated to find alternative employment).

    - There would be less exposure of ‘Next Steps’ and available training provision in general.

    - Beneficiaries – that is individuals and businesses, could end up paying for poor quality advice if not provided by the RSS Brokers.

Key issues to be considered

Consultees also highlighted key issues that may need to be considered in the future. In particular around:

- The remit of the programme. For example, the brokerage role is rather limited. The RSS Brokers do not play a job matchmaking role in the labour market.

- The output indicators used to drive the programme and assess its success. A number of interviewees felt that these fail to capture all support provided by the programme. Although the RSS does help people to find jobs, issues of sustainability, calibre and security of jobs are outside of its remit. Therefore it was suggested that the RSS employment impact should be judged on softer indicators. For example, its most significant impact is in that it helps to restore people's self-confidence, encourages them to undertake training or become self-employed (linking in with SEEDA targets) or to change their career path to something they would rather do than their current career path.

- Furthermore, in terms of market targeting, according to the RSS Brokers, there is no real pattern to the level of impact that RSS achieves in terms of job type/educational achievement/socio-economic grouping. For example, NHS direct nurses found it harder to find jobs than factory workers who walked straight into employment in Sainsbury's. CEO of larger company had high qualifications and experience, but no idea of how to write CV or apply for a job.

- It also needs to be recognised that there is no notification system for companies making less than 20 redundancies. Need local knowledge to identify these companies. There is also a delay in getting the HR1 data from DTI. According to the RSS Brokers, in the old days when information came via the post, it seemed to be much quicker; now that everything is electronic, it seems to take longer.

- Limited resources to track beneficiaries and provide better informed data on outputs and outcomes.

5.5 Ideas for the Way Forward

There is agreement among the RSS Brokers and the key stakeholders that this is a valuable and a relatively unique programme in the market.

For some, the RSS sits naturally with JCP. However, it is recognised that it does not fit with the JCP priorities because the RSS focuses on people who are already in employment whilst for JCP the priority is people who have been out of the labour market for sometime such as lone parents and those on disability benefit. The issue is that many people assisted through the RSS are not in a position where they can find work easily either; they may have worked for one employer for a long time and lack the skills needed in today's economy or they have no idea how to look for another job.

All Brokers also believe that they make a significant contribution to employability and economic activity priorities for the region and these are part of the SEEDA remit. At the same time the Brokers also have a very good tacit business and labour market knowledge and established networks in the sub-regions they operate. Therefore, according to a number of the RSS Brokers, the RSS would probably fit well with other SEEDA programmes e.g. Social Enterprise support initiatives, the Enterprise Gateway, the Business Support/Business Link programmes.

Although not all the RSS Brokers offer a truly brokerage service i.e. a matching people to jobs service, all of them consider this as an extremely important part of the job they are (could be) doing. A possible solution put forward by some RSS Brokers would be a mixed model of provision i.e. some beneficiaries would be entitled to free provision (those for which Next Steps gets funding for helping) and some would have to pay to get this type of support.

SUMMARY AND DTZ ASSESSMENT

The interviews with the RSS staff and key stakeholders have shown that the RSS Brokers operate as a team and network across the South East. As a result they have established a well-respected and, according to stakeholders, a knowledgeable and an effective mechanism to support economic activity in the region.

According to the RSS staff and key stakeholders the key benefits/ strengths of the RSS are:

- Evidence that it helps to get people back to work and off benefits as soon as possible. All advice is focussed on helping people to find other jobs or opportunities to train / enter self-employment.

- The people that need most assistance with coping with redundancy and finding alternative work are older workers and unskilled workers. The types of businesses that the RSS assists tend to have people in these categories.

- The RSS Brokers are regarded as being committed, flexible, proactive and innovative and most importantly they tend to offer psychological and emotional support.

- The RSS programme is free and accessible. For example, it makes life easier for staff looking for advice about redundancies because they are able to have somebody knowledgeable in their workplace to speak with them and provide them with up to date information.

- The RSS Brokers have built up good partnerships with local agencies and support the work delivered by other agencies in particular Next Step – both in terms of identifying companies making redundancies and also in organising assistance for the people affected by redundancy in those companies.

The key areas of improvement highlighted by the key stakeholders were mainly around performance indicators used to assess the achievements of the programme, in particular the need to take into account softer indicators and the strategic value added of the programme.

6 Other Models of Redundancy Support Interventions

This section describes a few other models of intervention operating with the purpose to support companies and individuals suffering from redundancies. The information presented here is based on desk-based review of relevant documentation and interviews with key staff involved in the delivery of the programmes.

6.1 Rapid Response to Redundancy Project (R2R) - East of England

The Response to Redundancy Programme is funded by the European Social Fund and is co-financed by EEDA. The R2R project operates in the East of England region.

The project was set up in late 2003 to support individuals and companies in the region suffering from redundancies. The scheme was designed to focus **on small-scale** redundancies as it was considered that these can have a significant impact on local economies, and cumulatively, on the regional economy.

SMEs were also identified as a target for the scheme as they might not have the access to the support that larger companies facing redundancy may have.

The **partnership involved in the R2R project all became involved at the bid-making stage and includes the East of England Development Agency, the six Local Learning and Skills Councils (LLSCs) in the region and Jobcentre Plus.**

The partnership was structured to ensure that there was no replication of support within the region. Further to this structure, other partners such as the Chambers of Commerce and Local Authorities were identified as essential in providing information on companies at risk. The information regarding companies facing difficulty comes from a variety of sources, however the main source being the mandatory HR1s that are sourced from the DTI.

In terms of structure, the central R2R team's role was to manage the local delivery of Information Advice and Guidance (IAG) and vocational training rather than to become the delivery agents themselves. The R2R team commissioned IAG services from accredited suppliers from across the region.

R2R was intended to be used only when all other avenues have been exhausted and recognises that some companies facing difficulties may already have access to a range of support measures through the various business support advisers operating in the region.

At the outset, the R2R project set the following targets for the period February 2004-December 2005:

- 3063 beneficiaries of the scheme
- 92 company interventions
- 100% of these would attend the IAG interview
- 33% would take part in training that leads to a qualification, of these 75% would lead to a qualification

The project exceeded all the qualification targets contained in the original bid.

The evaluation of the R2R scheme conducted in December 2005 examined the future of redundancy support in the Eastern region and concluded that although the redundancy support is valued by all, it has no natural home in any of the public bodies. Following this evaluation, in June 2006, EEDA decided that it was not appropriate for them to be co-financing and running the R2R programme. It was, therefore, put out to tender to run for the period July 2006-December 2007. The R2R-2 programme was fully operational by September 2007. Funding now is certain until December 2007. Discussions with the R2R-2 project manager found that future funding of the programme is currently under review by EEDA and if this funding is not secured, the Learning and Skills Council would look to fund the project.

The contract was awarded to Hertfordshire Prosperity Limited; with delivery being the responsibility of Exemplas Ltd. Exemplas is a not-for-profit organisation set up in 1993 to run Business Link Hertfordshire, and now brokers and manages an extensive range of training provision in the UK and abroad.

The R2R-2 team comprises of two project managers each covering 3 counties of the East of England region and two administrative assistants.

The aims of R2R-2 are to deliver a broad range of high-quality services for people threatened with redundancy and establish sub-regional partnerships to offer a co-ordinated service to East of England residents and companies facing closure, restructuring or downsizing.

The targets for R2R-2 are as follows:

- 2,800 initial Information and Advice Sessions
- 2,520 starters gaining a job
- 225 people achieving a level 2 qualification
- 112 people achieving a level 3 qualification
- 120 businesses advised, of which 80 will be SMEs
- 4 new redundancy networks established – these would operate on a county-wide basis and include Economic Development Officers and local business representatives
- 400 people referred to Train to Gain
- 400 people referred to Skills for Life

Since the R2R-2 programme started running in September 2006, over 900 people have received initial Information and Advice Sessions. The main differences **between R2R-1 and R2R-2 are that:**

- Key targets for R2R-2 are full qualification at Level 2 and Level 3.
- R2R also integrates with other national programmes such as 'Train to Gain' which is targeted at employers and offers free training to Level 2 staff that do not currently hold a level 2 or equivalent qualification.
- The R2R-2 programme will also assist those who need to improve literacy and numeracy skills (Skills for Life programme) and offer a contribution to wage costs for those employing less than 50 people.

The funding offered by the R2R-2 programme reflects this new emphasis and R2R can pay training costs as follows:

- Staff wishing to achieve an NWV Level 3 (or higher qualification: up to £1200
- Staff wishing to achieve an NVQ Level 2 qualification: up to £900
- For staff wishing to undertake other training identified through Information and Advice Sessions, where the employer is going into liquidation or is an SME: up to £500

The R2R-2 programme will use any training provider to deliver training. Their primary focus is on individual need. Training can be flexible enough to be delivered either in work, or in an individual's workplace. Wherever possible, the programme seeks to use local training providers. The service seeks employer contributions for these services but recognises that this is not possible in all cases.

The membership of the group is designed to ensure representation not only from all types of organisation most closely involved with R2R – such as IAG networks, learning providers, funding bodies and delivery organisations – but also from all parts of the East of England. Members come from the following organisations:

- Essex IAG Network
- Bedfordshire & Luton Economic Development Partnership
- Hertfordshire Careers Service
- Norfolk County Council
- Jobcentre Plus
- Resurgam Business Services
- Exemplas
- Papworth Trust
- Cambridgeshire County Council
- EEDA
- Association of College for the Eastern Region
- Learning and Skills Council

6.2 Bedfordshire and Luton Employment Support Programme

The Bedfordshire and Luton Employment Support Programme was set up in response to an environment of continuing redundancies in the local area. The recommendation to set up such a group came out of an evaluative report of a project that dealt with the closure of the Vauxhall Motors plant in Luton. A group working in this area has been in operation since the early 1990s but in 2002 a proposal was submitted to the East of England Development Agency seeking funds to formalise and extend the work of the redundancy support group.

The Employment Support programme has many partners and these include:

- The Local Learning and Skills Council
- Jobcentre Plus
- Bedfordshire County Council
- East of England Development Agency
- Chamber Business
- Trade Union Learning Link
- Mid Bedfordshire District Council
- Bedfordshire & Luton IAG Partnership
- Bedford College
- Barnfield College
- Dunstable College
- Bedford Borough Council
- Luton Borough Council
- South Bedfordshire District Council

The Employment Support Programme employs an Employment Support Co-ordinator and this role takes the responsibility to work with partners to identify companies that may need to access the service, co-ordinate any response and provide guidance and training to the employees whose jobs might be under threat. Information on potential redundancies often comes from the HR1 via Jobcentre Plus but sources also include EEDA, Economic Development Officers, the Learning & Skills Council and local newspaper reports.

The Employment Support Programme set the following targets in 2002:

- 4 new business start ups
- 4 reports produced

- 20 people gaining qualifications
- 100 training weeks
- 20 companies supported
- 200 individuals supported

The Programme has exceeded its targets in terms of people gaining qualifications, companies supported and individuals supported. **The programme has also produced the Bedfordshire and Luton Redundancy Toolkit and this can be considered a further output.** The toolkit is sent out on CD-ROM to those companies who have been identified as being at risk of redundancy. This toolkit has been used regionally as an example of good practice.

The area in which the programme has done less well, is in the number of business start-ups in which it was able to claim just one. The evaluation of the project suggested that it is difficult to track business start-ups and measurements such as 'number of people who have attended business start-up training' may be a more appropriate measure.

6.3 ReACT Programme Phase II (2001-2004) - Wales

The ReACT programme evolved from a pilot Redundancy Action Fund (RAF) administered by the West Wales Training and Enterprise Council. This scheme was designed to support individuals made redundant at the Lucas Factory in Ystradgynlais in 1999. In 2003 it was decided to 'brand' the redundancy support service and ReACT was established.

The ReACT programme during this time aimed to provide guidance, training and employment support to workers either facing or threatened by redundancy. The ReACT programme aims to do this by helping individuals gain new skills and improve their employment opportunities, remove existing and potential barriers to work and convince prospective employers to 'take a chance' on employing those who have previously been made redundant.

The partners involved in the ReACT programme include the National Council (Education and Learning Wales), Careers Wales, Trade Unions, various training providers, Jobcentre Plus, employers and individual workers. The type of support offered by ReACT is more grant and subsidy focussed than other schemes. Assistance offered by the service includes:

- Careers guidance from Careers Wales
- Employer recruitment subsidy whereby employers are able to claim £1950 for each worker they employ through the ReACT scheme. This payment is claimed in 3 stage payments over the first 39 weeks of employment.
- Employer training subsidy
- Discretionary training awards

Evaluation of the ReACT programme Phase II found that most beneficiaries (80%+) gain new employment fairly soon after being made redundant and that job sustainability and evidence of career progression is good. ReACT exceeded all its targets and supported 36% more beneficiaries than it planned for, without any increase in funding. Given that the programme had exceeded its targets, it was thought that value for money offered by the scheme was strong. In terms of future recommendations, it was suggested that training plans should encourage longer-term commitments to learning and upskilling and should not just address immediate needs for training to gain employment.

6.4 Learning Works For All Fund - South West

In May 2006, the Learning Works For All (LWFA) fund was set up and managed by the South West TUC, with £990,350 of funding from the South West Regional Development Agency

(SWRDA). The fund is used predominantly to allow Union Learning Representatives to fund and enable training and learning within the workplace.
The LWFA fund is open to Unions to bid for support to fund learning partnership work in the South West. All successful projects should contain partnership working. Trade Unions can bid for funding support for projects offering:

- Lifelong learning (all levels)
- Improvements to work/life balance
- Redundancy support
- Projects can come from all employment sectors. However, projects that engage workers from SMEs are encouraged, as are those operating in sectors identified as important by SWRDA.

One of the projects funded through this fund was the **South West Response to Redundancy Project** (SWURP). This was set up to help empower Union Learning Representatives (ULRs) to provide a co-ordinated Union response to redundancies. The aim of the project was to place ULRs in a position to respond quickly to any potential redundancies.

6.5 Careers Scotland Redundancy Advice Service

The Redundancy Advice Service (RAS) is designed to ensure that enhanced, customised services can be made available to more individuals under threat of redundancy, primarily those with low skill levels and/or those employed by SMEs.

In early 2001, the Scottish Executive launched the PACE initiative and this set out a national framework to support local public sector agencies in establishing rapid response to redundancies. RAS was designed to fill the gap where a full PACE response was not triggered.

The RAS intervened due to failures in the labour market. These include:

- A mismatch between skills held by the existing workforce and the skills required by employers
- A lack of information about training opportunities
- A lack of information regarding how to identify job opportunities
- A failure to identify key transferable skills

The RAS has the following targets:

- 15 large companies and 150 small companies will be helped through the provision of guidance services to workers under threat or notice of redundancy.
- 2,500 individuals (1,500 male) will undergo customised guidance and associated services

The RAS also has targets for individuals assisted by the Service:

- 60% entering training to up-skill or re-skill
- 5% securing employment with their existing employers
- 40% securing appropriate alternative employment within 6 months of becoming redundant
- 100% completing the programme

The project aims to provide a significant level of support to potentially redundant employees (2,500 over the duration of the project) and provide services/resources that are customised to meet specific local needs. The planned total expenditure for RAS-2 was £756,000 and this was to provide a customised service to 2,500 individual under threat of notice of redundancy over 13 months. The RAS project is part-funded through the European Social Fund and as a result has to support ESF objectives. A further 55% of the RAS funding is from Careers Scotland's existing national and local budgets.

Delivery of the service is on a flexible basis depending on the needs of each beneficiary group and company. The careers advice is usually held at an employer's premises. The service is customised and broadly includes the following:

- A diagnosis of career development needs
- Referral to appropriate agencies
- Assessment of aspirations and strengths
- Access to ICT
- Labour market information
- Access to vacancies

DTZ conducted an evaluation of the Redundancy Advisory Service in May 2006 and found that the scheme has had a net impact of 125 jobs, with a cost per job of £6,000. This is based upon a 15% employment outcome that can be attributed to the RAS and 30% displacement.

DTZ found when evaluating the project that there had been a lower penetration of the redundancy market than planned and that only 5% of the target number of training outcomes had been secured. Overall, RAS had struggled to deliver on its upskilling and re-skilling objectives.

SUMMARY AND DTZ ASSESSMENT

Review of other models that support companies and individuals during periods of redundancy indicates that:

- All programmes are based on wide ranging partnerships bringing together organisations with different but complementary remits.

- Some programmes are set up with public funds to deal with specific needs e.g. closure of a business with major implications for the regional/local economies. Others are set up with a longer-term commitment to complement information, advice, guidance, learning and skills development programmes.

- Programmes have a wide range of targets including outputs and outcomes, including achievement of employment and learning outcomes for the participants.

- Funding appears to be an issue for all these programmes as most of them have been funded with European funds that are coming to an end by March 2008. Therefore, it appears that redundancy related intervention commences on a free of charge basis, but the shrinking of public funding results in rationalisation of the programmes and resources and charging for provision of the various types of services.

7 Summary of Findings and Recommendations

The Redundancy Support Service (RSS) has been a time-bound joint initiative between SEEDA and Jobcentre Plus (JCP), operating in the South East since October 2003 to meet the needs of all those who are either 'under threat' or 'under notice' of redundancy.

The aim of the RSS is to intervene prior to unemployment, providing upskilling, support and training. This intervention supports individuals into sustainable employment, thereby avoiding benefit dependence and the resultant confidence issues, skills and training needs.

The service is provided by advisors – the RSS Brokers, who tend to be JCP seconded staff deliver the service are expected to work with people who have been notified that they are facing redundancy whilst they are still in work, aiming to move them quickly into different jobs. The **support is free of charge** and covers:

- Consultancy to the company declaring redundancies, including contacts with local partnership groups.
- Information on JCP job services, benefit entitlements, National Insurance and pension implications.
- Signposting to externally funded IAG brokers to provide further information on learning opportunities available.
- Assistance with curriculum vitas and access to vacancies.
- Advice on provision of training for up-skilling and re-training through other organisations as well as self-employment support.

This is the first time that the programme is evaluated. Therefore this evaluation has a critical role to play as a learning and management tool to offer an independent overview and assessment and act as a learning and management tool to help build the capacity and capability of the partners and brokers for this but also other similar programmes. This Section summarises key findings that emerged through this assignment, draws conclusions on the basis of these and presents our recommendations for the way forward.

SUMMARY OF KEY FINDINGS

Review of the available Management and Financial Information for the RSS indicates that:

- The total number of people assisted by the programme has increased steadily. The number of people into work as a result of the programme has also steadily increased over the years.

- Although 4 in 10 assisted businesses are in manufacturing, a significant number are in the services industries e.g. retail, support services and hospitality. Only around 3% of assisted organisations are part of Government.

- Just under a third of assisted (and tracked) beneficiaries are in companies with less than 250 employees.

- The programme appears to be a significant contributor of employment support for SEEDA, contributing 92% and 69% in 2006 and 2007 respectively.

Furthermore, the findings of the beneficiary survey indicated that:

- Employers learn about the programme mainly through the JCP (30% of respondents), SEEDA (15%), are approached by the RSS Broker (15%) and word of mouth (12%).

- The most common support given/received is staff briefing and workshops. Nearly all respondents (97%) received this type of support. Information packs were received in 88% of the cases and an exploratory interview (i.e. 1-to-1 careers guidance) took place in 85% of the organisations in the sample. Signposting was provided in 70% of cases.

- For 58% of benefited organisations, relevance of the overall service was very good (score 5) and for 42% (score 4) it was good, with no organisation scoring below these.

- For 2/3 of businesses, the RSS offers a unique service in the market.

- There may be a need to improve and update the content of the information provided, but overall, organisations are satisfied with the timing, content and quality of the support they receive.

- In terms of the effectiveness of the specific topics and areas of support, briefing workshops were more likely than information packs and signposting to other agencies to be rated as very good (score 5) in terms of their relevance, quality and timing.

- The key strengths of the service as perceived by benefited organisations are: provision of knowledgeable/useful information; boosting confidence; offering help with options/finding another job and, providing clear advice /no jargon.

- Areas where improvements could be made include: provision of more one-to-one briefings and accurate information fro people who are in specialist jobs.

- If the RSS was not provided free of charge, 58% of companies would pay for this type of support.

- The survey is based on a small sample of companies, but it is worth noting that most companies are prepared to pay over £100 but less that £250 for the type of support they received.

The interviews with the RSS staff and key stakeholders echo the survey results in relation to satisfaction with the RSS. According to stakeholders, the RSS offers a knowledgeable and effective mechanism to support economic activity in the region. According to the RSS staff and key stakeholders the key benefits/ strengths of the RSS are:

- Provision of help to get people back to work and off benefits as soon as possible. All advice is focussed on helping people to find other jobs or opportunities to train / enter self-employment.

- The people that need most assistance with coping with redundancy and finding alternative work are older workers and unskilled workers. The types of businesses that the RSS assists tend to have people in these categories.

- The RSS Brokers staff are regarded as being committed, flexible, proactive and innovative and most importantly they tend to offer psychological and emotional support.

- The RSS programme is free and accessible. For example, it makes life easier for staff looking for advice about redundancies because they are able to have somebody knowledgeable in their workplace to speak with them.

- The RSS Brokers have built up good partnerships with local agencies and support the work delivered by other agencies in particular Next Step – both in terms of identifying companies making redundancies and also in organising assistance for the people affected by redundancy in those companies.

CONCLUSIONS AND DTZ ASSESSMENT

The research has shown that the RSS is a programme that has performed well and the RSS Brokers operate as a team and network across the South East. As a result they have established a well-respected and, according to stakeholders and assisted organisations, a knowledgeable and effective mechanism to support economic activity in the region. For 2/3 of businesses, the RSS offers a unique service in the market, with the particular strengths being around '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.

The programme is consistently exceeding the targets set by SEEDA in terms of jobs created and safeguarded, number of people assisted and business created and demonstrating growth after 12 months.

On the basis of the information collected, DTZ have also calculated the possible financial contribution of the RSS from job seekers returning to the labour market (relatively faster) as a result of the support they receive through RSS. On the basis of these, if, in 1 year (e.g. 2006-07):

- **10%** of assisted people claim a benefit only for 4 or 5 weeks (rather than the 13 weeks entitlement), this saves the JCP the equivalent of 2 months benefits by these people, and this is approximately **£348,000**.

- If as a result of the advice, over **40%** of assisted people claim a benefit for 4 or 5 weeks rather, this would provide the JCP with savings equivalent to **£1,392,580 or more**.

In terms of efficiency and value for money (VFM) assessment for SEEDA, DTZ estimate that the programme represents **good VFM in comparison with targets set for it**. For examples, for the year 2006/07, the RSS budget was £337,912; assuming that only 15% of all reported jobs created/safeguarded for that year can be attributed to the RSS the **estimated cost per job safeguarded for 2006/07 is equal to £3,345**. This is lower than the estimated cost per safeguarded job if only the target set by SEEDA for that year had been met– that cost would be £8,447.

The original rationale for intervention appears to be based on failures in the labour market caused by a combination of factors, which DTZ has summarised as follows:

- A mismatch between the skills of the existing workforce and the skills required by employers (particularly among men leaving traditional industries seeking roles in the expanding service sector).

- Lack of information about learning and training opportunities for upskilling and/or re-skilling.

- Lack of information about how to identify job opportunities, apply and cope with interview situations.

- Failure among those facing redundancy to identify the key transferable skills that they already possess and market these to potential employers.

- Failure of companies, in particular SMEs, to offer their employees this type of support due to their inability to 'buy' it in the open market i.e. afford the costs involved in hiring an outplacement company that could offer this advice at a commercial rate.

The programme's objectives could fit with the Objective 2 (Smart Growth) of the RES and Target 6 that refers to Employment and supports economic activity related outcomes (including supporting raising economic activity rates by addressing barriers to employment). The proposed **target of 85% economic activity means that 110,000 of more residents will need to be brought into employment by 2016, with a view to raising this number to 250,000 by 2026.** This is a challenging target and will need multiple interventions at business support and skills development levels to deliver it. The overall aim of the RSS suggests that the elements of this programme are fit to contribute to this purpose.

However, **market failure to support an increase in economic activity is demonstrated in the first place by unemployment and unfilled vacancies existing side-by-side**. There is widespread evidence of structural change in the economy in the South East, with a decline in manufacturing and an increase in service-sector employment. **Unemployment in the region is relatively low and the numbers of unfilled vacancies are declining** (although care must be taken in interpreting the data due to changes in collection methodology, specifically changes in Jobcentre Plus procedures for taking and handling vacancies). Furthermore, there is no evidence to suggest that there is a specific problem with people and business facing redundancy in the region in relation to identifying and accessing opportunities to enter training or employment.

In the future, the provision of free of charge service needs to be based on evidence that businesses (or specific types of businesses) **cannot afford to 'pay'** for the type of support they receive through RSS. Evidence should also show how the RSS contributes to business generation for other private and public funded sector offering outplacement, learning, upskilling and business support advice. The need and rationale for the RSS intervention will also need to be demonstrated only by showing how this support could contribute to all the above based on robust information.

In terms of management and delivery of the programme, it is evident that these have been based on a strong collaboration and trust between SEEDA and JCP. However, delivery of the RSS by the Brokers is increasingly limited to the provision of information for benefits. Furthermore, the RSS Brokers are increasingly requested to provide support for which, the vast majority of them have received limited or no training at all. To this end, a comprehensive review of the skills and capabilities of the existing RSS Brokers need to be undertaken and appropriate training needs to be put in place to meet the needs of the programme and the market.

RECOMMENDATIONS FOR THE WAY FORWARD

On the basis of the above, DTZ would recommend a number of actions and these are discussed below.

- SEEDA will need to review its position in relation to this programme and take full ownership of it for the remaining months. SEEDA should also seek to engage other partners in the discussions for the future shape of the programme, in particular the Learning and Skills Council. The RSS network of Brokers represents a solid network of advisors that could contribute to reducing the impact of redundancies through direct delivery but also indirect intervention by supporting other business support and employability programmes. Although the skills and expertise of the RSS Brokers may need to be reviewed against the specific needs of the market, their tacit knowledge and networks should not be underestimated.

- The overall aim of the RSS suggests that the elements of this programme are fit to contribute to the Objective 2 (Smart Growth) of the RES. However, it is recognised that positioning of the RSS depends on the overall Action Plan to deliver this Objective and the resources available for it.

- There are a number of models that could be considered by SEEDA for the future delivery of the programme and further internal discussions will need to be undertaken to establish the preferred option. These would include:
  - No SEEDA contribution to the programme at the end of the agreed funding period – which would have implications for the SEEDA overall targets and outputs as the RSS makes some significant contribution to these.
  - Shared ownership of the programme with other regional and sub-regional partners, in particular the Learning and Skills Council.
  - Full ownership of the project as part of an integrated regional or area based business support and skills development programme.

- The last two scenarios would involve a number of business models depending on the exact nature of the proposed set up. Part funding of the support provided from public resources, and introduction of charges should be considered.

ANNEX A – BENEFICIARY BUSINESSES SURVEY QUESTIONNAIRE

ANNEX B – LIST OF CONSULTEES

DTZ