



# Report to the Partnership for Urban South Hampshire Joint Committee

Date: **19 March 2009**

Report of: **Kathy Slack, SEEDA**

Subject: **Ford Update**

## SUMMARY

Ford has confirmed that 400-500 staff will be voluntarily made redundant before May 2009. These redundancies are part of a national package of redundancies - about 850, with Southampton taking the Lion's share.

Ford has re-confirmed their commitment to build the new chassis cab at Southampton but have shifted the start date, we believe by 1 -2 years.

A local group of key partners has been pulled together by SEEDA, consisting of LSC, Jobcentre Plus Southampton City Council, Eastleigh Borough Council and Business Link. Meetings have been held with Ford and a dedicated project manager has been put in place (provided by the LSC).

The Joint Committee is asked to NOTE the joint action being taken by partners to support workers in the automotive sector.

## **INTRODUCTION**

### **Work to date by Local partners**

1. SEEDA, along with Train to Gain staff, SEMTA and the LSC has been working closely with Ford since October 2008 in helping them with the business and training plan, which would ensure that the new chassis cab would be built at Southampton.

### **Coordination group of local partners**

2. A group of the key partners, along with the Chief Executives of Southampton City Council and Eastleigh Borough Council are meeting regularly to ensure that Ford workers, and workers within the supply chain, are offered an integrated offer, a one stop shop for support and employment on 6 March and training and benefits support on site from 9 March. Training support will also be given to those who decide to stay on at Fords.

### **Key Milestones:**

- 23 February: distribution by Ford of a redundancy information pack to all staff. This included outline details of the support available from the public sector 'Ford Employment & Skills Task Force';
- 6 March: Event, open to all Ford employees and supply chain employees, on site. The 'Ford Employment & Skills Task Force' provided an overview and access to one-to-one advice and guidance on employment, skills and benefit services. John Denham MP attended. Press release issued by local partners SEEDA leading;
- From 9 March training and advice sessions at Plant;
- 20 March: likely details of exact numbers, locations and existing skills of those being declared redundant; and
- 5 May: commencement of 'redundancy leave'.

### **Supply Chain**

3. Ford has agreed to contact their key first tier suppliers and pass on details to the local Ford Task Group. Uncertainty concerning the future of the plant and declining orders for the Transit Van have resulted in some supply chain companies already making redundancies.
4. For example VFS, a firm that adapts Transit vans for specialist use, laid off two thirds of their staff in the second half of 2008. There are companies clustered around the main works that provide outsourced maintenance and servicing, cleaning, cooking and sanitation services. It is not yet clear whether they will be making staff redundant, although we are expecting numbers to reduce in line with the Ford cutbacks. Companies involved include: Hamton (pre-assembly /cleaning) are making 50 staff redundant, Penske (logistics) employ 175 and Magna (upholstery). This could result in a further 100 staff being made redundant in addition to the 400-500 announced by Ford

## **CONCLUSIONS**

5. Members will be kept up to date on the impact of this redundancy on the surrounding areas

### **Enquiries:**

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