Rotherham Employment and Skills Strategy 2025-2030

IPSC June 2025





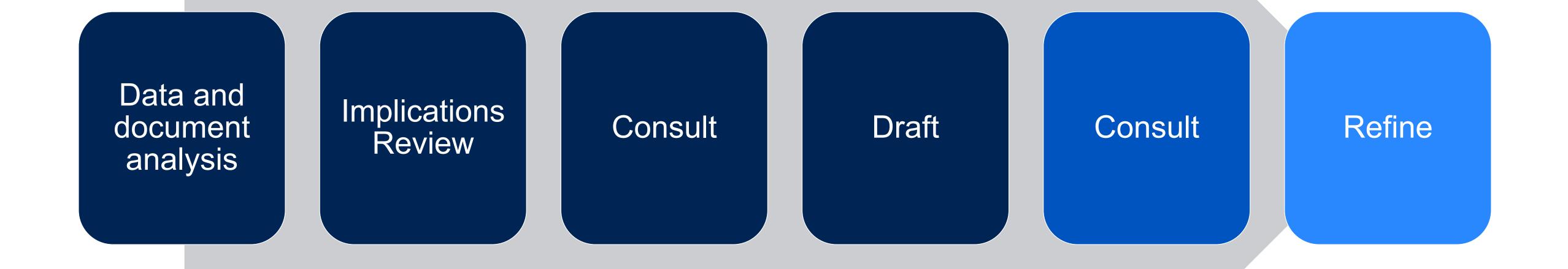
Aims and Objectives

- A vision for employment and skills to help residents prosper and businesses succeed.
- Provide a framework for actions over the next five years.
- Align with regional and national focus on employment and skills.

Strategic Context

- Post pandemic changes, hybrid working, increasing economic inactivity.
- Technological change, demographic shifts, increasing automation, global instability.
- National initiatives like Skills England, Get Britain Working White Paper, Modern Industrial Strategy.

Approach



Implications Review 1

- Economic Inactivity is a pressing concern particularly ill-health
- The rapid increase in the number of young people who are NEET indicates future challenges.
- There is a key role for employers but many face increasing costs and a difficult operating environment

Implications Review 2

- The share of adults with no qualifications is twice the national average
- Too many young people in Rotherham are at a disadvantage in the labour market because of poor educational attainment
- Barriers to progression need to be understood and clear pathways are needed to encourage residents to progress.
- Rotherham benefits from 'good' Further Education provision and a local HE offer designed to meet current and future skill requirements. The strength of this provision should be harnessed to meet the needs of both residents and business.

Implications Review 3

- There is a need to coordinate engagement activity to ensure a coherent ask of employers
- "Good Employment" is necessary to provide more residents with the opportunity to reskill and upskill
- Established sector strengths and emerging sectors offer opportunity
- Developing and retaining a higher skilled workforce is essential for attracting inward investment

Proposed Missions

Proposed Mission	Commentary
Enable more Rotherham residents to work, to improve life chances and encourage an inclusive economy	This aligns with the SY Mission: <i>Move those far from the labour market into or ready for work</i> It covers people who are far from the labour market – recognising the urgency of addressing
Simplified: Enable more Rotherham residents to work	Rotherham's high level of economic inactivity – and those who are at risk of disengagement , reflecting the importance of early intervention and a preventative approach to reduce flows into economic inactivity.
Invest in the acquisition of knowledge and skills to enable prosperity for all	This aligns with the SY Mission: Raise attainment of core knowledge and skills
Simplified: Invest in residents' knowledge and skills	The emphasis is on equipping Rotherham residents with the knowledge and skills they need to enter and progress in work , and providing skills pathways aligned to local needs.
Secure a resilient, diverse and skilled workforce to support inclusive growth	This aligns with the SY Mission: Increase the supply of a highly skilled workforce
Simplified: Secure a resilient, diverse and skilled workforce	It focuses on developing, attracting and retaining the skilled workers needed at all levels in key growth sectors to create a thriving inclusive economy and enable Rotherham's employers to grow.

Strategic Framework

Rotherham has a thriving and inclusive economy, where residents and businesses are nurtured, inspired and empowered to flourish, prosper and progress to realise their potential

Secure a resilient, diverse and skilled workforce



Enable more residents to progress into good work



Invest in residents' knowledge and skills

Inclusive & Equitable

Responsive & Resilient

Collaborative & Coordinated

Intervention Areas

Proposed Mission	Intervention Areas
Enable more Rotherham residents to work	Encourage economic activity (inactive/at risk interventions, address barriers to participation such as transport and childcare, VCFSE support)
	Improve life chances (NEETs, disadvantaged communities, positive role models)
	Provide quality employment opportunities (<i>Living Wage employers, inclusive practices, social value commitments</i>)
Invest in residents' knowledge and skills	Facilitate pathways to positive destinations (CEIAG, essential skills, work experience, encounters, targeted support for specific groups)
	Secure basic and core skills (literacy, numeracy, digital, language, essential skills)
	Responsive skills system (responsive curriculum aligned to sector/employer needs, promote offer, investment in capital and equipment)
Secure a resilient, diverse	Attract and retain working age residents (Rotherham offer and proposition, IAG, placements/internships)
and skilled workforce	Realise the potential of the workforce (upskilling/reskilling, IAG, inclusive practices)
	Align growth opportunities with local talent (understanding employer requirements, horizon scanning, brokerage, IAG)

Implementation Plan

- High-level plan for 2025-2027 period
- Set out the main actions to be taken during the first 12-24 months of the Strategy
- Identify funding sources, roles and responsibilities
- Define clear outputs and outcomes
- Confirm monitoring responsibilities, reporting and oversight

Draft Actions

Draft Actions	Mission One	Mission Two	Mission Three	Priority Level	
1. Capacity Building and Coordination					
1.1: Coordinated and Accessible CEIAG					
1.2: Joined up and tailored provision for 16-24 year olds					
1.3: Identifying and Responding to Employer Skill Needs and encouraging 'Good Work'					
1.4: Realising the potential of the VCFSE sector					
2. Developing Interventions and Strategy					
2.1 Articulating the Employability and Skills Offer to Learners and Employers					
2.2: Deep Dive Research into Economic Inactivity in Rotherham					
2.3: Develop targeted, person-centred interventions for young people at risk of becoming NEET					
2.4: Develop a workforce investment plan for Rotherham					
3. Delivering Bespoke Solutions					
3.1: Increase employer engagement in schools and colleges					
3.2: Develop a Rotherham Early Support Hub					
3.3: Tailor community learning opportunities to identified need					
3.4: Support those experiencing digital poverty and exclusion					
3.5: Develop employment and skills plans for regeneration areas					
3.6: Support employers to identify and horizon scan their current and future skill needs and provide supportive workplace environments					

Appendix

Rotherham Employment and Skills Strategy Implications Review

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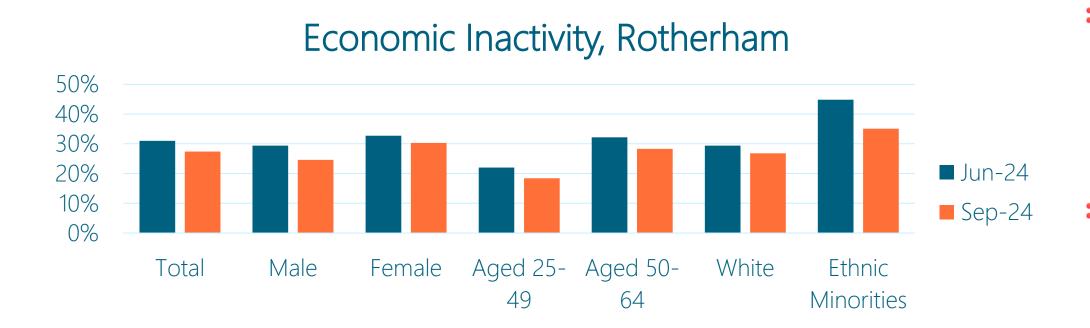


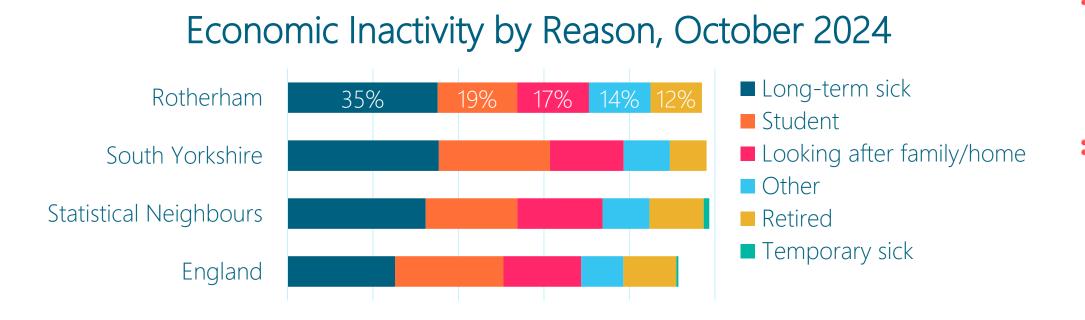
Move those far from the labour market into or ready for work

(analysis organised under SY Missions)

Unemployment and Economic Inactivity

Avos	September 2024			
Area	Unemployment Rate	Economic Inactivity		
Rotherham	4.2%	27%		
South Yorkshire	3.2%	26%		
Statistical Neighbours	3.3%	24%		
England	3.5%	21%		



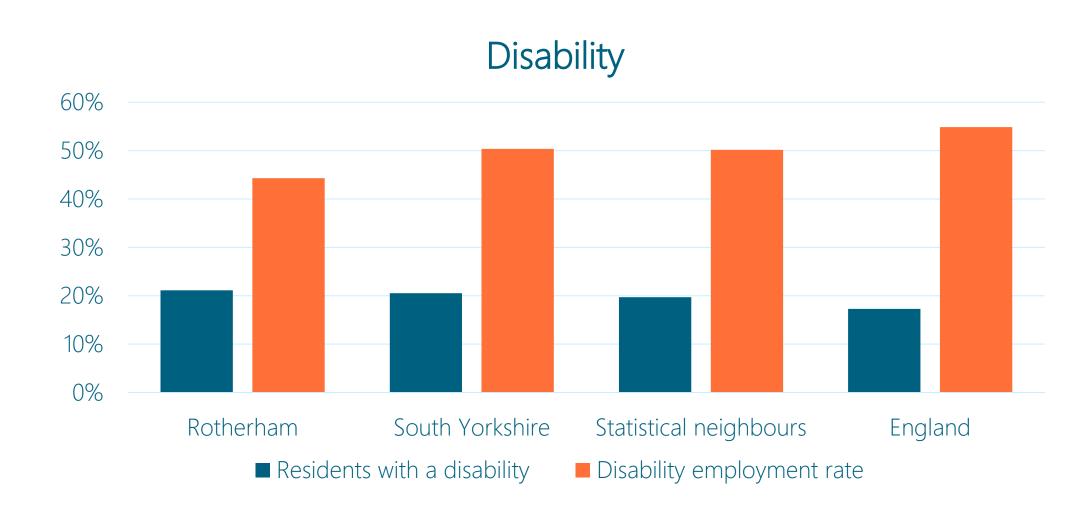


- As of October 2024, Rotherham's unemployment rate (4.2%) was higher than comparator areas.
- **Economic inactivity is also higher** (27%) than in South Yorkshire, statistical neighbours and the national average. This is driven by higher economic inactivity among women, residents aged 50-64, and ethnic minorities.
- After two years of rising inactivity, peaking at 31% in June 2024, economic inactivity rates dropped significantly in October 2024, particularly among those from an ethnic minority. This contrasts with a stable national rate.
- Long-term sickness is the leading reason for inactivity. Rotherham has the highest rates of inactivity due to long-term sickness (35%) and retirement (14%) among comparator areas.
- Inactivity due to ill-health is a key national and regional priority, with multiple new forms of support being introduced over the coming year, including Connect to Work and the Pathways to Work Trailblazer activity.
- Research indicates that **joining up support services** and providing **person-centred, tailored support** is crucial for supporting this client group



Source: Annual Population Survey, ONS, 2024

Barriers to Work

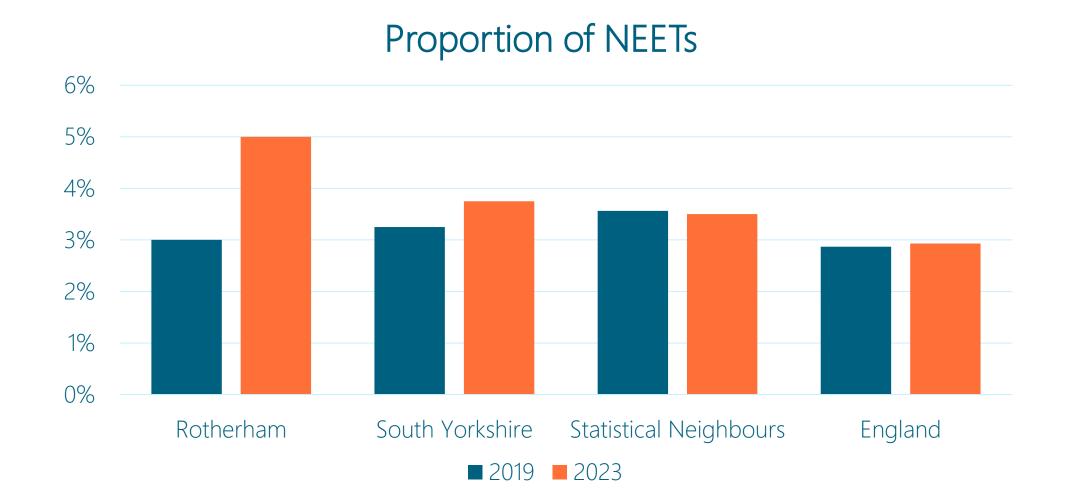




A number of factors present barriers to work in Rotherham:

- Health: 21% of Rotherham's population has a disability—similar to South Yorkshire and statistical neighbours but noticeably higher than the national average (17%). Employment rates for disabled people are low (44%) compared to benchmarks and declining, which suggests a need to improve job access for disabled residents.
- **Skills:** 11% of the working age population has no qualifications, exceeding both statistical neighbours and the national average (see slide 24). Rotherham also performs poorly on childhood conditions for social mobility—which measures parental qualifications and occupations—suggesting limited opportunities for progression.
- Transport: Homeworking rates in Rotherham are low (21%), and over a third (35%) of commuters travelling more than 10 km to work—above the South Yorkshire and England averages. Long commutes may be limiting access to job opportunities, particularly for those with transport challenges.
- Most economically inactive people experience a **range of overlapping barriers**, with no one 'silver bullet' which will enable them to move into work.
 - Experiencing multiple barriers can lead people to 'spiral', moving further away from the labour market as confidence declines and skills / experience become less up-to-date. People might then 'stabilise' but with limited support or incentive to move back towards work, particularly given current benefit entitlements.

Young People NEET



% of NEETs		
Rotherham	6.0%	4.0%
South Yorkshire	4.5%	3.3%
Statistical Neighbours	4.0%	2.9%
England	3.3%	2.5%

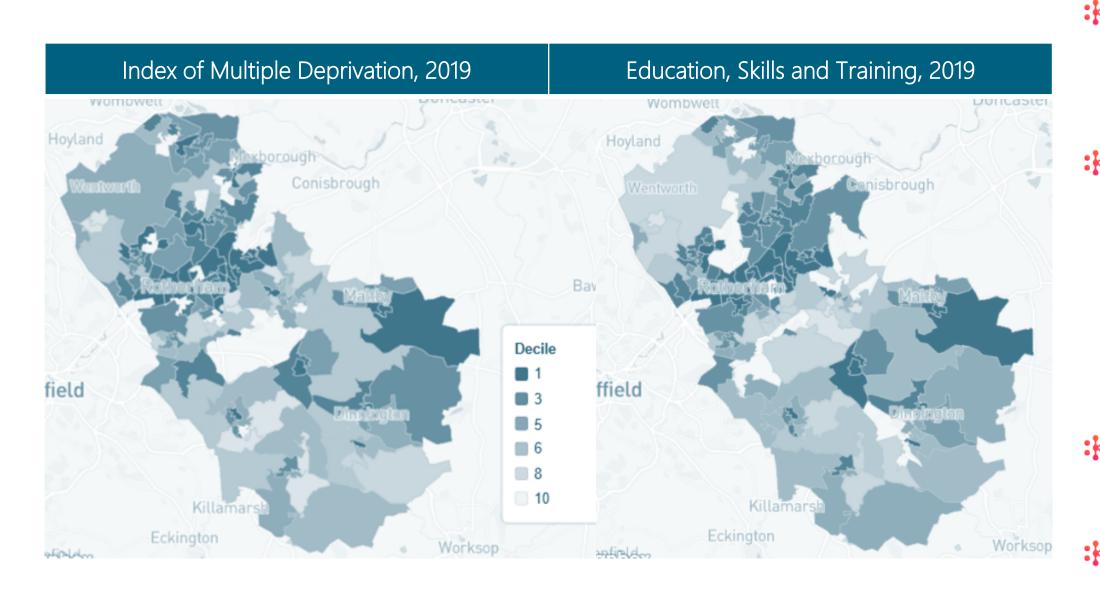
Number of NEETs 2019: 195 2023: 313 Net increase: +116 % increase: 61%



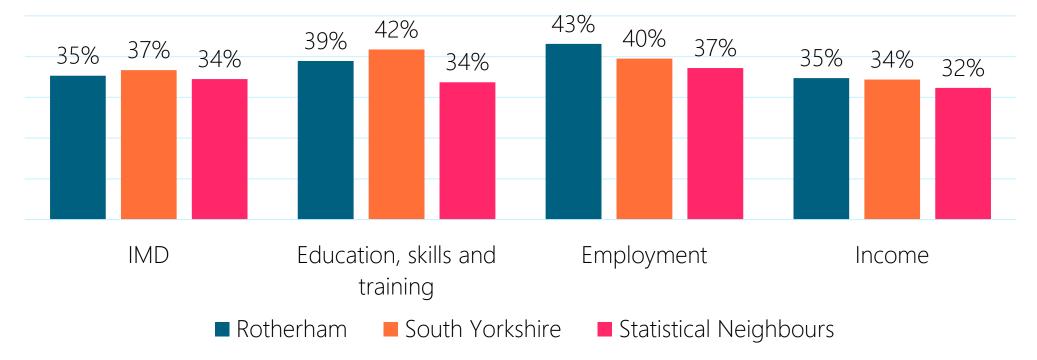
- In 2023, there were 313 people in Rotherham aged 16-17 who were not in education, employment or training, equivalent to 5% of the 2019 and population. This marks an increase from 3% in 2019 and indicates significantly poorer performance than all comparator areas.
- The higher and increasing proportion of NEETs in Rotherham is driven by males. The proportion of NEETs is **higher among males than females**.
- Long periods out of work whilst aged 16-24 can have lasting effects, with those affected finding it hard to develop the skills they need to obtain and sustain good work with progression opportunities. The increased number of young people in Rotherham who are NEET risks creating a long-term challenge for the Borough.
- Higher rates of **persistent absence from school** post-pandemic are associated with an increased risk of becoming NEET. Early support for young people at risk of disengaging with education, and better CEIAG for all young people to support good transitions, are key to reducing the number of young people becoming NEET.
- An **engaging and accessible offer** is needed for NEET young people, recognising challenges faced in travel to learn and the negative associations many have with 'learning'.

 The learning is needed for NEET young people, recognising challenges faced in travel to learn and the negative

Geographic concentrations, deprivation and low incomes

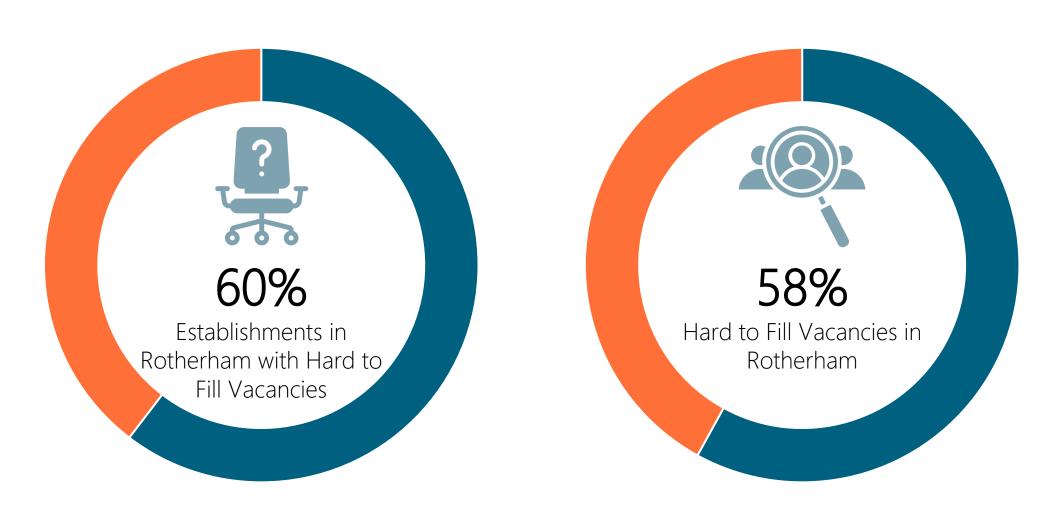




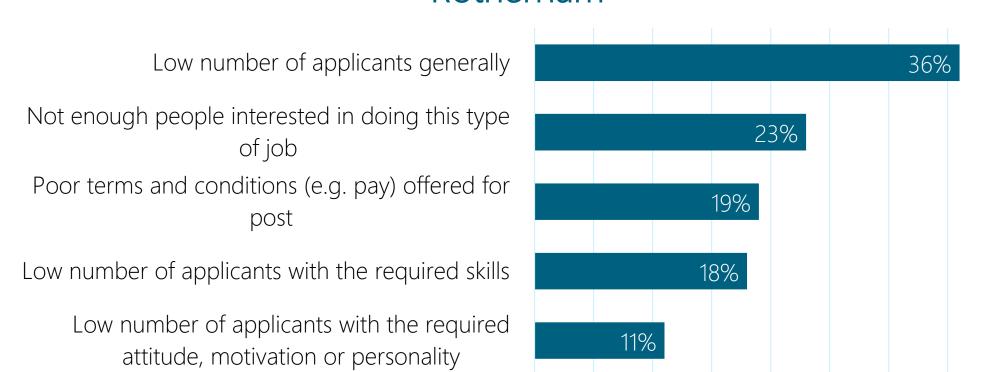


- 35% of LSOAs in Rotherham fall within the 10% most deprived areas in England, slightly above the statistical neighbours' average (34%), reflecting high levels of deprivation.
- Deprivation is particularly high in the domains of employment (43%), education, skills and training (39%) and income (35%). Pockets of deprivation are notably present in areas such as Rotherham Central, Eastwood and Maltby, with the wards of Rotherham East, Rotherham West and Boston Castle demonstrating high levels of need across a range of indicators.
- There is a **close relationship** between areas with high levels of ill-health, high levels of deprivation and high levels of economic inactivity.
 - As of 2023, 19% of children under 16 living in Rotherham were living in absolute poverty, higher than the national average (14%). Some areas in Rotherham Central, Eastwood, and Masbrough have particularly high proportions of children in poverty, with figures reaching up to 73%.
 - The Council's emerging Council Plan seeks to create **vibrant communities**, and the Place-Based Investment Strategy highlights the importance of supporting residents to gain the skills to enable them to work given the clear link between worklessness, low attainment and material deprivation, this is key to reducing inequalities.

Vacancies / hard to fill roles



Top 5 Causes of Having a Hard to Fill Vacancy, Rotherham



- Supporting those far from the labour market into work is dependent on **the number and nature of employment opportunities available locally**, and how well these align with the aspirations, capabilities and skillsets of economically inactive people.
- Around 1 in 6 (17%) establishments in Rotherham reported at least one vacancy in 2022, below comparator areas (22% across statistical neighbours and 21% in South Yorkshire).

 60% of these establishments report difficulties filling the roles, with 58% of the total number of vacancies identified as hard-to-fill, on par with the average among statistical neighbours (61% and 59%, respectively).
- The **low number of applicants interested in the type of jobs offered and with the skills required** have been identified among the five main reasons of hard to fill roles in Rotherham, as well as the poor terms and conditions offered for the posts, including salaries which aligns with the relative low earnings in the area (see slide 38).
- Feedback from employers focuses on the 'work readiness' of younger workers, with this seen as a greater issue than technical skills.
- The interaction between the quality and financial rewards of the jobs on offer locally and the relative security and enhanced payments for those deemed not to be capable of work, can lead to **perverse incentives and create significant risks for those thinking of moving into work**. The Pathways to Work Green Paper sets out the Government's approach to reforming the benefits system to overcome these issues.
- In Rotherham, a higher proportion of establishments have vacancies for high-skilled jobs (37%) than for labour-intensive roles (28%), and these roles are also more likely to be hard-to-fill (32% of hard-to-fill vacancies, compared to 16% from labour-intensive occupations).

Key points arising for the Strategy

Economic inactivity

- This is a pressing concern for Rotherham, with more residents economically inactive than in the comparator areas. Women, older workers and ethnic minorities are more likely to be inactive, and Rotherham has a high proportion inactive due to poor health / disability
- Early intervention is required, as the likelihood of returning to work reduces significantly over time
- Significant investment is already being made / forthcoming through existing interventions and the new Pathways to Work and Connect to Work support.

Young people

- The rapid increase in the number of young people who are NEET indicates future challenges, given the scarring effect of time out of work for young people. Those with SEND and the increasing number of young people with mental health challenges need bespoke support to aid progression to positive destinations and improve life chances, with strengthened connections between Key Stage 4 and post-16 provision.
- Early inspiration for young people about careers in Rotherham and beyond is needed to boost confidence, support aspiration and motivation



Key points arising for the Strategy (2)

Geographic focus

- Disadvantage is concentrated in specific parts of the Borough with high levels of ill-health, high levels of deprivation and high levels of economic inactivity closely correlated targeting the most deprived communities with employment and skills support is necessary to ensure growth in Rotherham does not exacerbate inequality, and align need with opportunity
- A neighbourhood-level approach could match residents/workers to job opportunities, including information, advice and guidance, upskilling/reskilling support, support with essential skills development (attitude, motivation etc), and overcoming barriers (transport, childcare, housing etc)

Role for Employers

- Rotherham's employers have a key role to play in creating more opportunities for residents to access 'good work' which is fairly rewarded and supports progression and work satisfaction to incentivise participation but many face challenges due to increasing costs and a difficult operating environment
- Inclusive recruitment and employment practices would facilitate participation amongst groups including the disabled and ethnic minorities, but Rotherham's employers may need support (advice and practical support) to create inclusive and accessible workplaces
- * Working with employers could provide a route to support people at risk of becoming inactive whilst they are still in work

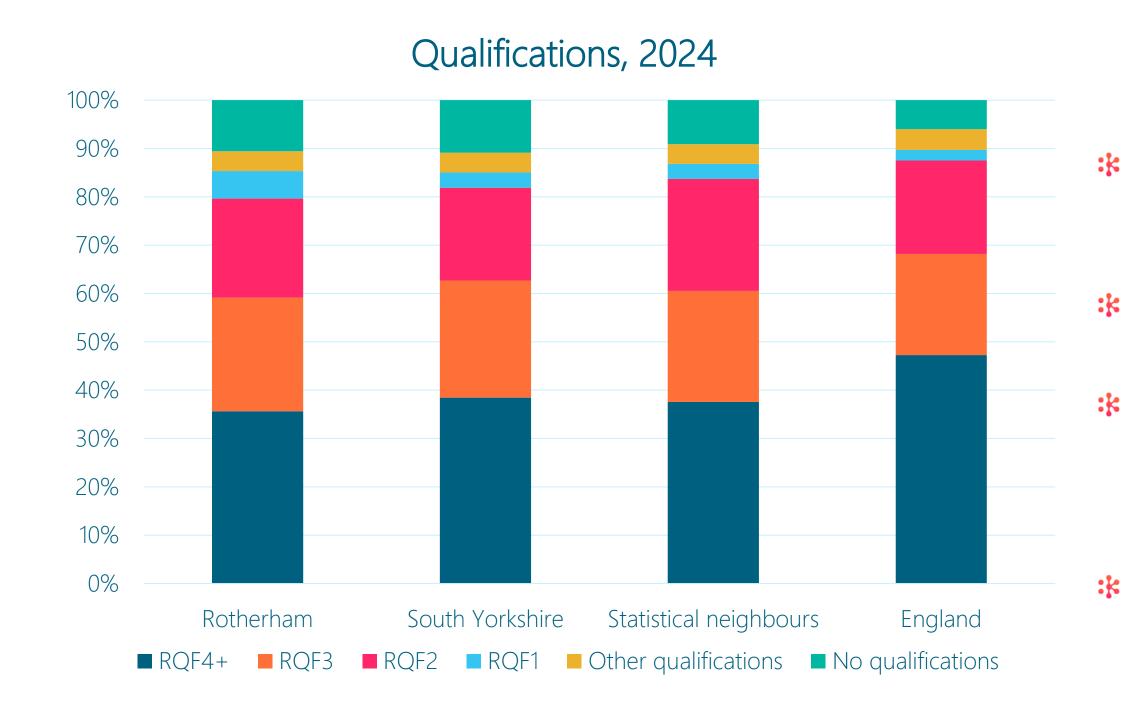


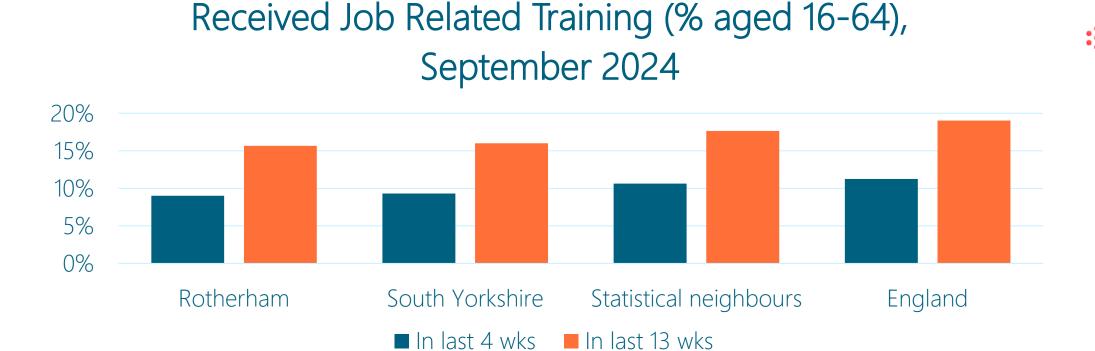


Raise attainment of core knowledge and skills

(analysis organised under SY Missions)

Qualification levels





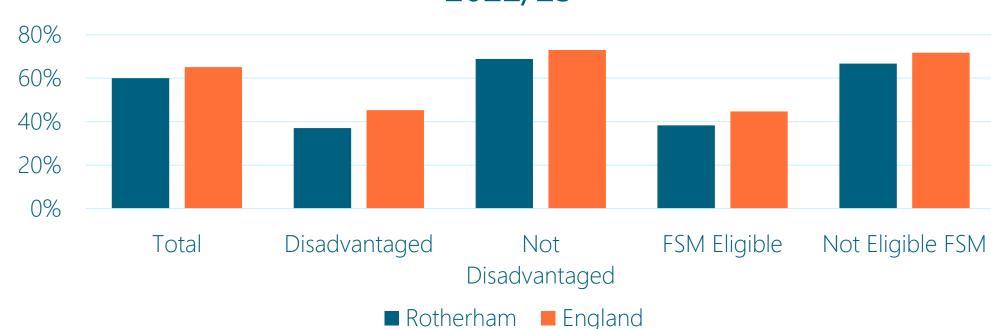
- **36% of working age adults in Rotherham hold a Level 4+ qualification.** This is the lowest proportion among comparator areas, ranging from 38% in both South Yorkshire and statistical neighbours, to 47% in England.
- In contrast, **Rotherham has a stronger intermediate skills base**, with 44% holding Level 2 and Level 3 qualifications compared to 40% nationally.
- 11% of adults have no qualifications, significantly above the national average (6%). The proportion of **residents with advanced qualifications has increased significantly** over the past five years, accounting just 27% of the working age population in 2019.
- In addition, Rotherham has a **relatively low proportion of people receiving training connected with their job or a job they might be able to do in the future**. Only 9% received training in the last four weeks, rising to 16% over the last 13 weeks.
- South Yorkshire aims to become the "healthiest region in the UK". Low qualifications are linked to poorer health and life expectancy outcomes with areas of low attainment seeing residents spend fewer years in good health than areas that see more qualified residents.



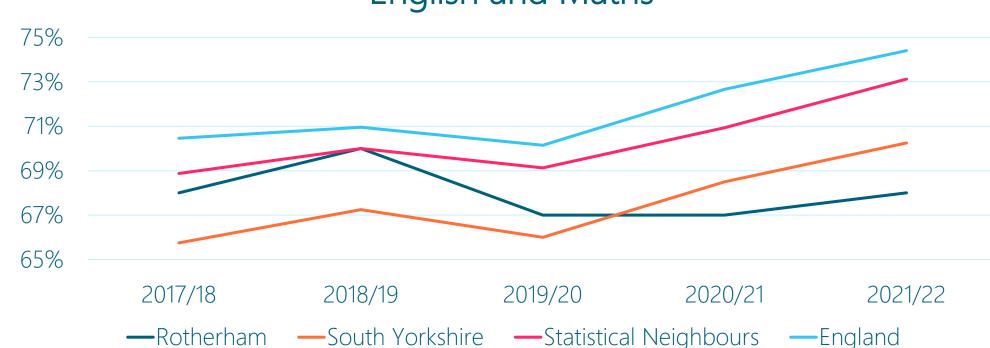
Source: Annual Population Survey, ONS, 2024

English and Maths Attainment





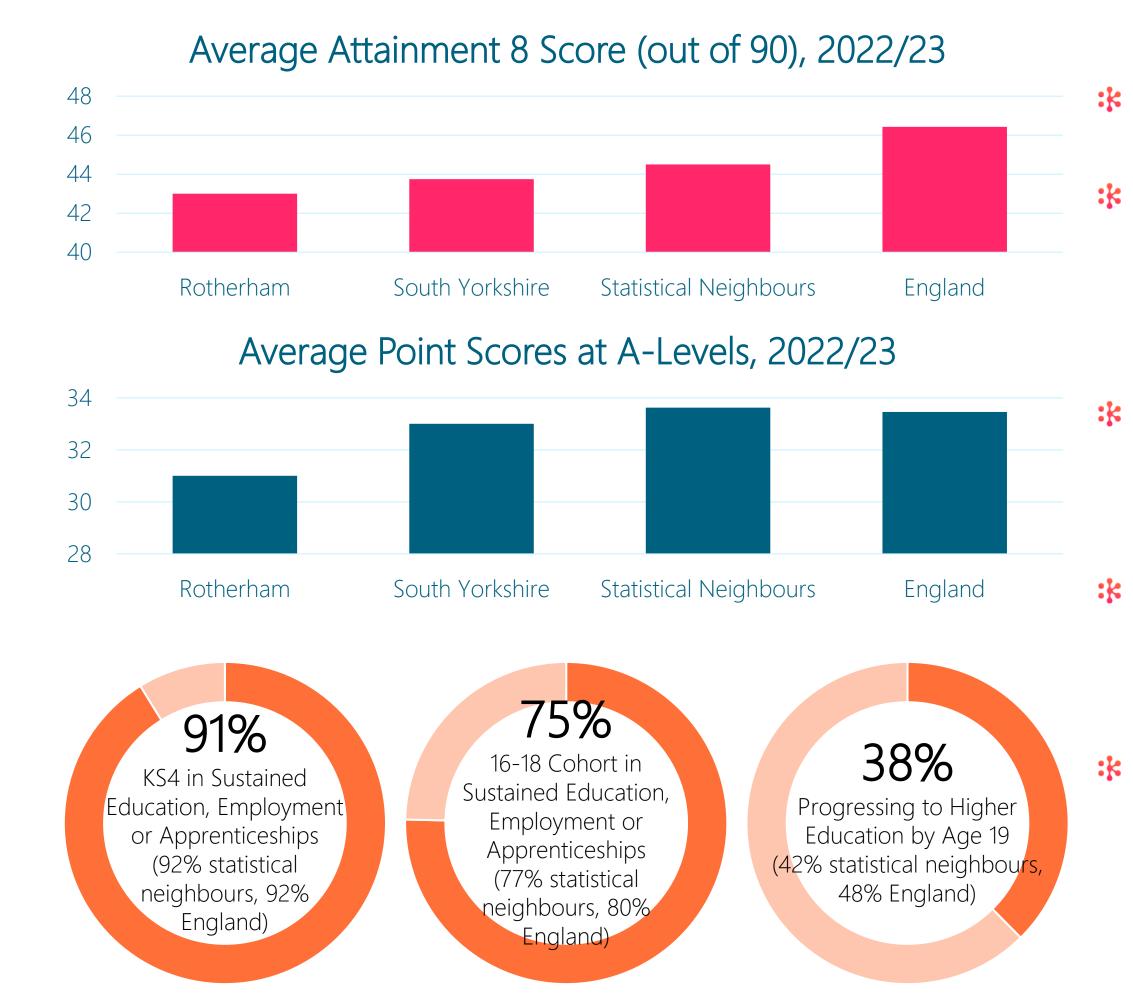
Percentage of Aged 19 Who Achieved Level 2 English and Maths



- Attainment in English and maths GCSEs is below all comparator areas. This underperformance is driven by low attainment amongst disadvantaged students and those eligible for Free School Meals.
- By age 19, 68% of Rotherham students achieved Level 2 in English and Maths, compared to 74% nationally. Similarly, this underperformance is mainly driven by low attainment among men and those eligible for Free School Meals.
- This rate has decreased from 70% in 2018/19, in contrast to the positive progress seen in comparator areas.
- Lack of L2 qualifications in English and maths can **reduce progression options** the Government is introducing changes to the apprenticeship system to reduce this barrier.
- Multiply has been delivered effectively across Rotherham and additional provision for a broader core skills offer is set to be rolled out using UKSPF funding in 2025/26.



Young people's attainment and destinations



- Attainment at both GCSE and A-level is below comparator areas and the national average and has declined over the past two years.
- Rotherham performs well in the proportion of KS4 pupils continuing in education, apprenticeships, or employment after completing their studies, with rates similar rates to comparator areas and the national average. However, this decreases as the 16-18 cohort move through KS5, and the gap with comparators widens.
- Rotherham is below the comparators and national average for the proportion of pupils progressing to higher education by age 19, limiting future progression into higher-skilled roles and suggesting clear pathways may not be available / visible.
- Supporting young people into work is a key priority for the Government. The **Youth Guarantee** is a commitment by the Government to ensure that all 18-21-year-olds can access training, apprenticeships or employment support, being piloted in eight Trailblazer areas in 2025/26.
- In South Yorkshire, a **Youth Taskforce** will provide a coordinated and targeted offer to young people, supporting them to remain close to the labour market. This is important as those who fall away from the labour market and become NEET when they are young experience may experience 'scarring effects'.



Key points for the Strategy

Young people

- Too many young people in Rotherham are at a disadvantage in the labour market because of below-average educational attainment. The Strategy needs to align with wider work and interventions aimed at raising attainment at KS4 and KS5 (particularly in English and maths), including targeted support for disadvantaged and SEND pupils.
- Progression to positive destinations needs to be enhanced through raising aspirations and awareness of apprenticeship, higher education and employment opportunities in Rotherham and South Yorkshire, and providing exposure to the world of work through experience and encounters, to provide a good appreciation of employer requirements.
- Barriers limiting progression to higher education (potentially including offer, cost, transport and perception of the value of personal investment) need to be fully understood in order to be addressed.



Key points for the Strategy (2)

Adults

- The share of adults with no qualifications is nearly twice the national average. These residents may face a range of other challenges in the labour market. Providing accessible and attractive opportunities to upskill will help them secure, sustain and progress in work.
- Adults with work and family responsibilities need flexible provision to support acquisition of core skills including numeracy, ESOL, digital and essential skills for work.
- Enhancing digital skills depends on residents having access to the appropriate equipment and data tackling digital poverty is part of addressing core skills needs.
- * Clear pathways are needed to encourage residents to progress from core skills to intermediate and higher-level education and training, to increase their earning potential, career progression, and support a more skilled and productive workforce.

Providers

- Rotherham benefits from 'good' Further Education provision and a local HE offer designed to meet current and future skill requirements and the demands of learners and employers, and the strength of this local provision should be harnessed to meet future needs.
- Providers need flexibility to meet new and emerging skills needs in the careers of the future.
- Coordination is needed when engaging employers in education and skills, to avoid duplication and confusion in the marketplace.





Increase the supply of a high-skilled workforce

(analysis organised under SY Missions)

Sectoral employment

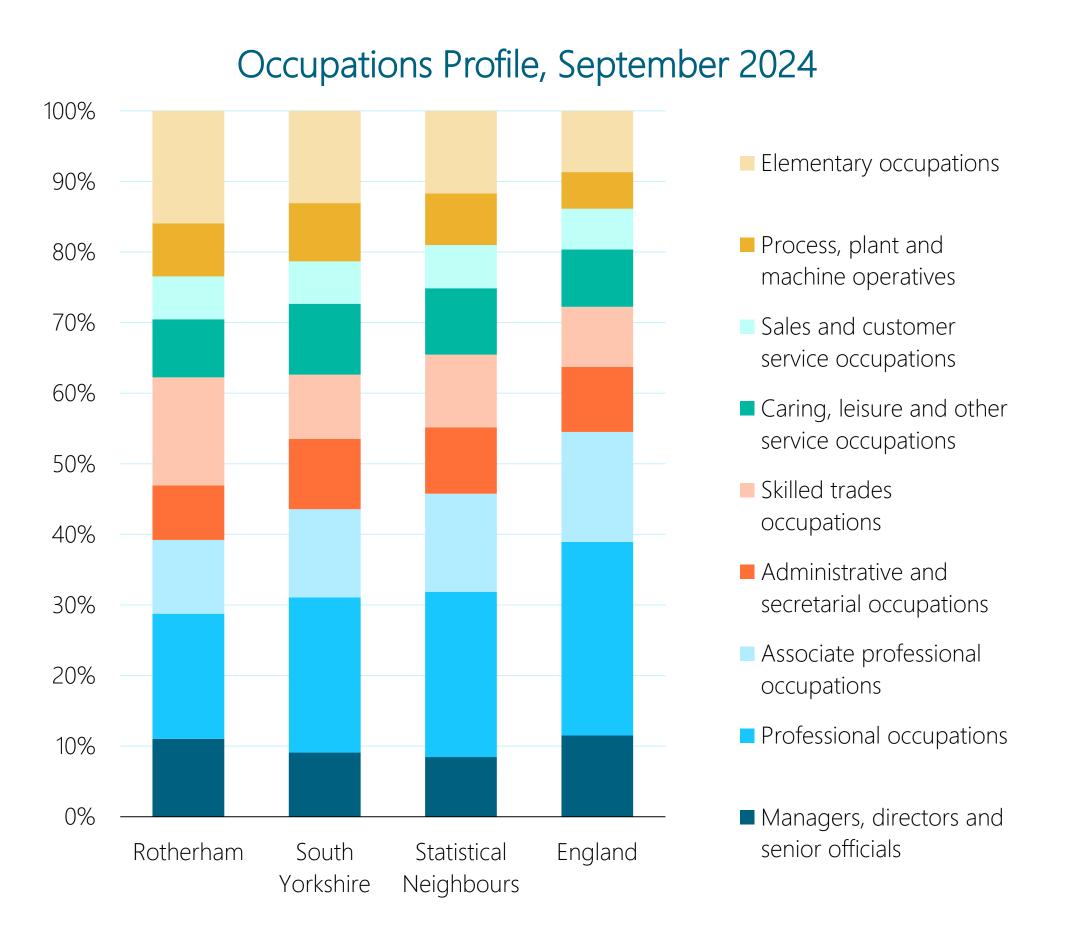
Employment LQ 2022 and Employment Growth 2018-22, Rotherham



- In 2022, Rotherham was home to **106,150 jobs, marking a 3% increase since 2018** (or 2,750 additional jobs). This is consistent with the growth rates observed in England, South Yorkshire and statistical neighbours.
- **Health, manufacturing and retail** are the leading employment sectors in Rotherham, providing 41,000 jobs in 2022. Although Rotherham has specialisms in these three sectors, only employment in the health sector has grown over the last four years (+23%, which compares to +8% nationally).
- Growing and specialised sectors also include **transport and storage**, **construction**, **and motor trades**. Mining, quarrying and utilities is another area of specialisation, although from a smaller employment base (1,500) and facing job losses (-14%).
- The Plan for Good Growth highlights South Yorkshire's sectoral strengths in technology, green energy, health, advanced manufacturing and creative industries. 2,000 jobs are anticipated to be created through the Advanced Manufacturing Innovation District.



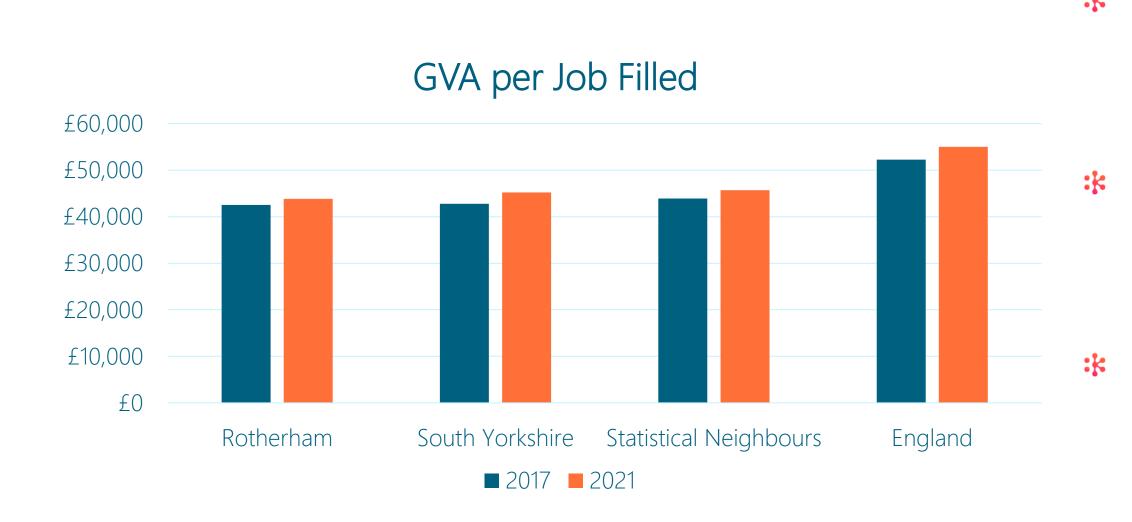
Employment by occupation

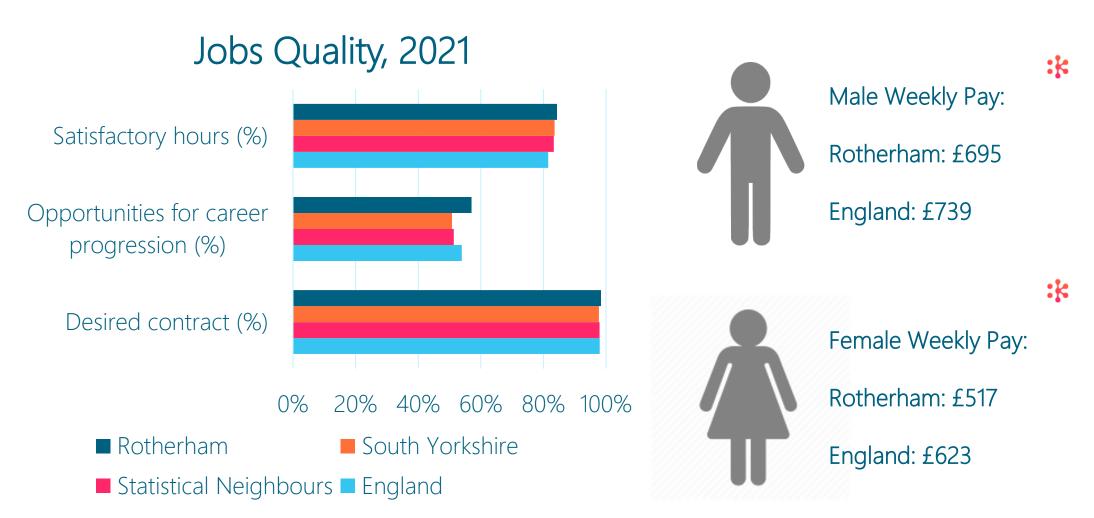


- Rotherham has a **low proportion of workers in highly skilled occupations** (39%), compared to 44% in South Yorkshire and 55% in England.
- The proportion of managers, directors and senior officials (11%) in Rotherham is above South Yorkshire (9%) and statistical neighbours (8%) and is on par with the national rate (12%). However, **significant gender differences remain**, with only 6% of female workers in managerial roles compared to 16% of male workers. This suggests opportunities to support the development of leadership and managerial skills among women, as well as initiatives that encourage gender diversity in higher-level positions.
- Elementary occupations (16%) and skilled trades occupations (15%) are overrepresented in Rotherham's workforce compared to comparator areas. The increase in the proportion of workers in these roles indicates growing opportunities for new entrants in vocational and trade-focused roles.
- With the **risk of automation**, especially for those in lower skilled roles highlighted in the LSIP, ensuring that those in elementary occupations are given the opportunity to retrain and enter more secure employment will increase the overall resilience of the workforce in Rotherham.



Productivity and earnings





Low productivity: Output (GVA) per job filled remains below South Yorkshire and statistical neighbours' levels, presenting a 20% gap with the national average. Although productivity levels have increased over the past five years; this has been at a slower rate than nationally (3% vs. 5%).

Low resident earnings: Weekly gross resident earnings in Rotherham currently sit at c.£600 for full time employees, £93 less than the national figure. Rotherham has seen a 16% growth in resident earnings from 2019, the same as the national average but below comparator areas (18%).

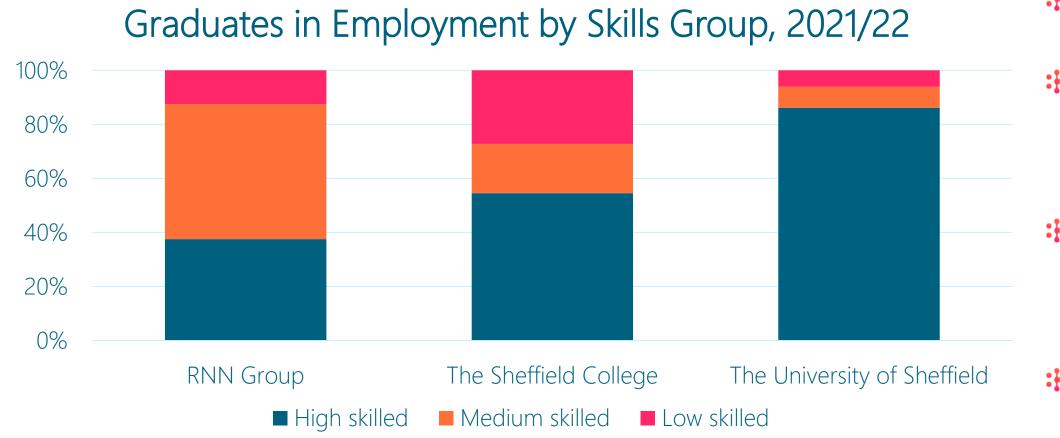
High gender pay gaps: Men in Rotherham currently earn 34% more than women. This is significantly higher than the differences in weekly earnings in South Yorkshire (23%), statistical neighbours (16%), and England (19%), which might be associated with the high proportion of men working in high-skilled, high-paid, occupations in Rotherham.

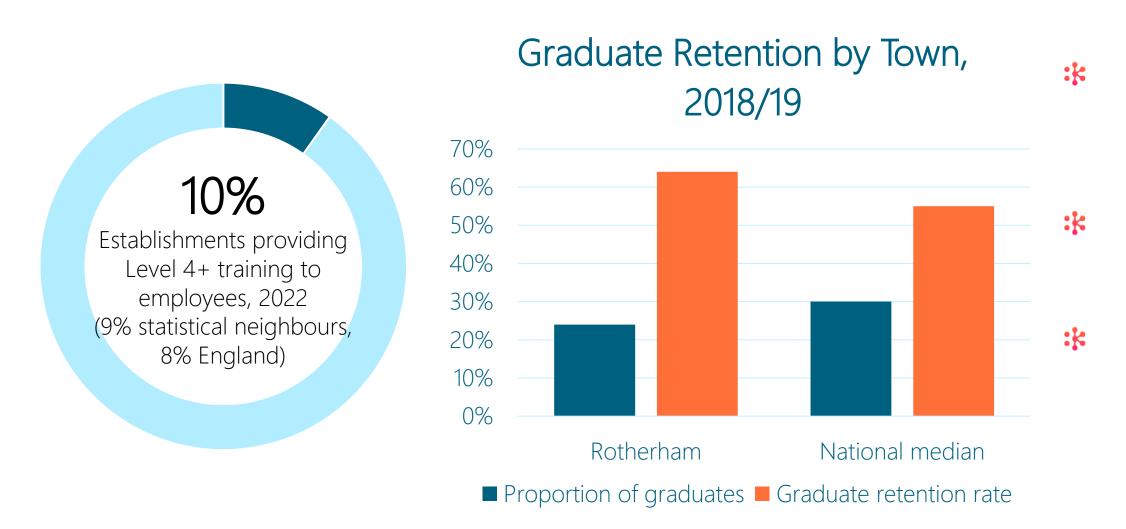
High job quality in some metrics: Rotherham presents a higher proportion of people employed with a desired contract and working satisfactory hours than the comparator areas. Although the proportion of employees with jobs offering good opportunities for carer progression is also relatively high, this differs significantly by gender (53% for women and 61% for men).

Addressing **skills gaps** to increase productivity levels is a key priority under Rotherham's Place-based Investment Strategy, with the emerging Local Growth Plan also highlighting the need to develop targeted **skills interventions focused on the growth industries** identified in the Modern Industrial Strategy.



Higher-level education and skills provision





- Rotherham has a low proportion of GCSE pupils becoming graduates (24%) compared to the national median (30%).
 - The University Centre Rotherham (part of the RNN Group) provides degree and higher-level qualifications in Rotherham, producing an average of 300 qualifiers every year, most of them obtaining employment in high and medium skilled occupations 15 months after graduation.
 - This is complemented by higher education provision in Sheffield (Sheffield Halam University and the University of Sheffield), which produced a pool of 24,680 qualifiers in 2022/23. Most graduates at the University of Sheffield secured employment in high-skilled occupations (86%).
 - Data on graduate retention by town suggests that a high proportion of graduates who grew up in Rotherham returned to their hometown. In 2018/19, 64% of graduates from Rotherham were still living there after achieving their qualifications, above the national median (55%).
 - Businesses also contribute to upskill the workforce in Rotherham through training towards nationally recognised qualifications. In 2022, **10% of establishments provided training to Level 4+ qualifications**, slightly above comparator areas.
 - Continued efforts to attract investment and support diverse and growing businesses in Rotherham will provide a range of job opportunities locally and increase options for graduates wanting to remain in the area.
 - The SY Skills Strategy highlights the importance of employer contribution to higher-level skills, arguing that greater awareness is needed of the productivity and wellbeing benefits of upskilling their workforce, and that training must be more accessible.



Key points for the Strategy

Growth sectors and opportunities

- Rotherham has the opportunity to harness and build on established sectoral strengths in areas such as Advanced Manufacturing and Clean Energy, as well as strengthening emerging sectors including culture and creative industries.
- Increased economic vibrancy and the strengthening of the town centre offer will create new employment opportunities at a range of skills levels.
- Facilitating collaboration between residents, skills providers and employers will ensure the future workforce is well-equipped with the skills needed to progress and accelerate growth in these industries.

Links between inward investment and the Employment and Skills Strategy

- Attracting and retaining a highly skilled workforce is fundamental to attracting higher levels of inward investment, whilst attracting a diverse range of businesses into Rotherham will provide a wider variety of higher-level employment opportunities within Rotherham, reducing the chance of highly-skilled workers moving away from the area
- Promoting the sectoral strengths and opportunities in Rotherham and raising positive perceptions of the area could attract more businesses and investors.



Key points for the Strategy (2)

Role for employers

- Rotherham's employers play a key role in driving demand for skills. Partners should work with employers to better understand current and future needs, concerns and opportunities; help them navigate the skills and training landscape to shape provision for their business; and encourage employer investment in training to support productivity growth and resilience to changing skills requirements.
- Partners should coordinate engagement activity (across education, skills, careers and employment providers) to ensure there is a coherent ask of employers.

Good employment for all

- All residents should have the opportunity to reskill and upskill to support their progression into higher level and higher paid positions
- Ensure support for inclusive recruitment and in-work practice such as gender and ethnic diversity in more senior positions, emphasising how such practice can benefit both the staff and business performance.
- * Encourage 'good employment' by supporting employers to meet and exceed the Living Wage, offer secure terms and conditions to workers and close the gender pay gap.
- Support those with a health condition or disability to find or stay in work by, offering tailored support to both the individual and the employer.

