

Rotherham Employment & Skills Plan

Foreword

To attract, support and grow new and existing businesses, Rotherham needs a skilled and enterprising workforce. This starts in the education system, where strong links with local businesses are crucial in ensuring that young people are equipped with the tools and knowledge required to forge a career in a dynamic economy.

Improving skills is also a critical factor in combating poverty. Adults who lack literacy and numeracy skills are less attractive to employers, tend to be less productive at work, earn lower wages and are more likely to suffer from ill health and experience social inclusion. –(can we quote evidence/research to back up the claim that adults lacking lower level literacy skills are less attractive and less productive?)

With in-work poverty increasing significantly in recent years, the quality of work is also important. Our aspiration is for all local people to have access to employment that is stable and decently paid, enabling them to plan confidently for the future, as well as providing opportunities for them to gain skills and progress.

Good quality employment will not only benefit employees, but also boost the local economy. Research by the Leeds City Region suggests that for every out of work benefit claimant who moves into a job paying the living wage, the local economy will benefit by an average £14,643 per annum.

The Employment and Skills Plan will help local people to access support that meets their individual needs and aspirations, creating a workforce that is motivated and adaptable, contributing to the ongoing growth of Rotherham’s economy.

Background

Rotherham borough has a population of approximately 263,000. Although the majority of the population are based in Rotherham and the surrounding towns, the borough is actually 70% rural.

In recent times the Rotherham economy has diversified away from the traditional heavy industries of coal mining and steel and has secured a wide range of new investments, with their associated employment opportunities. These include:

- The Advanced Manufacturing Park
- Gulliver's Valley theme park (opening in 2020)
- Forge Island Leisure Development (opening 2020/21)

Part of South Yorkshire and the City Region, Rotherham town centre and Sheffield city centre are only 8 miles apart and form a single economic area, within which the Advanced Manufacturing Innovation District (AMID) is a major employment and innovation area.

Rotherham town centre is the borough's major urban area, with investment recently made, or in the pipeline, for a major leisure development, university centre, transport interchange and the markets complex.

Rotherham is also home to a number of existing or potential culture/leisure attractions. These include Wentworth Woodhouse, Rother Valley Country Park and Gulliver's Valley Theme Park, all with potential employment opportunities for local residents.

Key Statistics

- Rotherham's employment rate is currently **78.5%** and now matches the national rate. This compares to a gap to the national rate of 3.2 percentage points, as recently as 2015.
- Around 15,850 people in Rotherham are unemployed or long-term sick, approximately one in ten of the working age population
- Rotherham has a growing business stock, rising from 6,390 businesses in 2015 to **7,230** in 2017.
- Employment in Rotherham continues to increase, with **99,000** Rotherham based jobs in 2017 and **119,300** residents in employment (*demonstrating relatively high levels of travel to work within the surrounding area*)
- Higher skill levels are increasing, with **25.1%** of Rotherham's working age population qualified to level 4 or higher, although there remains a sizeable gap to the national average (13.2 percentage points), which needs closing.
- Rotherham secondary schools are recognised as the best in south Yorkshire and perform above average with regards to the progress young people are making from the end of key stage 2 to the end of key stage 4. Progress scores are also above average for our primary Schools from the latest confirmed data (2017). Can GCSE results for SY/national be included to show comparison?
- **87%** of secondary schools within Rotherham have achieved either outstanding or good Ofsted ratings.
- Rotherham's female economic activity rate (ages 16-64) is **32.6%**, against an average for England of 27.4%. For Pakistani and Bangladeshi women the inactivity rate more than doubles to **66%**
- Research shows that a young person who has four or more meaningful encounters with an employer is 86% less likely to be NEET and can earn up to 22% more during their career.
- Child poverty figures reflect deep inequalities within the borough, averaging 41% in the most deprived 10% of neighbourhoods, compared to only 3% in the least deprived 10%.
- 35.2% of residents aged 16-64 have no qualifications or are qualified to below NVQ level 2.

Issues

Although the employment rate is rising, there are still issues with skills and employability, including a number of groups which are performing well below the national average in accessing and retaining employment. Sheffield Hallam University were appointed to carry out research into these areas, with their work highlighting the following issues:

- In-work poverty and links to issues with the implementation of Universal Credit.
- Low levels of employment for certain groups of women (BAME, returners to work)
- Performance above national average up to GCSE, then drops away for higher levels
- Skills shortages and recruitment difficulties in certain sectors (manufacturing & construction)
- Young people not aware of the opportunities available to them within the borough
- Considerably below the national average for residents qualified to Level 4+
- The number of people on long term sick benefits remains high (10,000+)
- A lack of skills and confidence for those people returning to the jobs market
- The increased employment rate (up 7.8 percentage points since 2015) reduces the pool of quality skilled workers available to local businesses looking to grow and expand.
- Many people in Rotherham are excluded by barriers relating to: skills and qualifications, ill-health, disability, language, financial exclusion and digital exclusion.
- Basic skills are crucial. People with *good English and Maths* skills are better able to secure and sustain employment. Basic skills, particularly in the long-term workless, remain an issue for Rotherham. National statistics show that whilst progress scores within Rotherham Secondary Schools are high, attainment scores are low.
- While employment is fundamental to the causes and solutions of poverty, there is an increasing issue of in-work poverty in the current climate of fiscal constraint and low earnings growth, which must also be tackled if employment is to be the preferred option for all residents.

SWOT analysis

<p>Strengths</p> <ul style="list-style-type: none">• Schools are above average at (progressing) is this the right word? our learners• Rotherham schools recognised as best in SY• Good record in attracting inward investment	<p>Weaknesses</p> <ul style="list-style-type: none">• Underperformance in skills for levels 4+ (<i>13.2 percentage points below national average</i>)• High levels of health related worklessness• Aging workforce in certain sectors• School leavers are slightly below average in GCSE attainment and also with regards to entry into employment, education or training.
<p>Opportunities</p> <ul style="list-style-type: none">• University Centre Rotherham (UCR)• AMRC Training Centre• Growing economy• A number of major, high profile investors• Changes to benefits system introduction of Universal Credit	<p>Threats</p> <ul style="list-style-type: none">• High levels of worklessness in specific groups/areas• The impact on jobseekers of implementing Universal Credit• Brexit

Our Strategic Priorities

Improved skill levels will underpin strong and sustainable economic and employment growth, while supporting an increase in the levels and quality of employment for local residents. To achieve this, Rotherham partners will seek to deliver activities which:

- 1. Provide the support that Rotherham residents require to access the local job market and to maximise progression within their careers, particularly those who are disadvantaged or face specific barriers**
- 2. Assist businesses to source the training they require to unlock new jobs, new markets and raise productivity.**
- 3. Broker close linkages between companies and Rotherham schools and colleges to develop enterprising young people and jobseekers, aware of the career options available to them and the breadth of local employment opportunities, including apprenticeships.**
- 4. Use the University Centre Rotherham (UCR) to drive an increase in the number of residents with Level 4 and higher qualifications.**
- 5. Ensure that people can secure a “local” job within Rotherham (or the wider City Region) that meets their skills and aspirations.**
- 6. Provide fulfilling, sustainable jobs and promote workplace wellbeing**

1. Provide support for Rotherham Residents

- Gaining an ESOL qualification demonstrates the good speaking, writing, listening and reading skills in English, that many employers will require. However, it can currently be expensive to for those who do not qualify for support
- There is a need to increase the promotion of apprenticeships as a route into employment. We must ensure that the right numbers of suitably qualified people are seeking apprenticeships and that these apprenticeships contribute to the success of local businesses.
- Further investigation of the reasons for high levels of worklessness amongst certain groups is needed, to identify suitable and effective interventions to tackle these issues and ensure that these are implemented.
- Provide targeted, effective support to overcome barriers to employment. Supporting Rotherham residents to access learning to improve their chances of securing, retaining or progressing in employment.
- Improve transport linkages between major employment sites and those areas of greatest deprivation.

- Provide effective careers advice ensuring young people and job seekers take the right route to employment. Ensure that training provision and advice and guidance provided by schools and employability providers is relevant to the local job market and reflects the needs of employers.

2. Assist businesses with their training

- Enterprise Adviser Network (EAN) strengthening links between business and education
- RNN have set up “Sector Groups,” linked to the UCR, to ensure that they offer the skills/qualifications local businesses require to grow.
- Deliver in work skills development that supports progression and therefore addresses low pay and supporting the businesses to provide jobs that are good for health and wellbeing.
- Assist local businesses to access the training that is available to them through projects such as “Skills Bank 2 “
- Schools, colleges and providers must produce *work ready young people*, with the skills required by Rotherham employers
- Support business to access or develop training packages and up-skill employees that are lacking in the skills needed to progress.

3. Improve business education links

Research from the Education and Employers Taskforce shows that a young person who has four or more meaningful encounters with an employer is 86% less likely to be NEET and can earn up to 22% more during their career.

Rotherham council is working in partnership with Sheffield City Region (SCR) and the Careers & Enterprise Company to link employers to schools through the national Enterprise Adviser Network, which all 28 secondary schools and colleges have signed up to. The goal is to support Rotherham schools and colleges in increasing meaningful employer encounters and experience of the workplace for Rotherham’s young people, with each young person having at least one meaningful employer encounter each year from age 11 to 19, one of which will be with a STEM employer (Science Technology Engineering and Maths).

In addition, RMBC is collaborating with neighbouring local authorities to deliver the ESF funded Business and Education project supporting SME business growth through links with schools to raise awareness of career opportunities within our growing economy and provide their workforce of the future

4. Increase Higher Level skills

Rotherham performs well for skills up to GCSE, however after this performance falls, so by Level 4 it is over 13 percentage points below the national average.

The opening of the UCR in Rotherham in autumn 2018 is a step towards reversing this trend, with a state of the art town centre site delivering degree level education, eventually covering 50 subjects.

5. Local jobs for local people

There are roughly 100,000 jobs based in Rotherham, with a target in the Economic Growth Plan to increase this by 1,000 year on year.

This level of job growth requires both inward investment and growth within the indigenous business base, both of which require

6. Ensure that our residents have the skills and experience to access local jobs and progress in their careers

Rotherham works in partnership with local businesses and education providers to inspire young people and residents by hosting the annual LEAF job and careers fair and the Get Up To Speed (GUTS) event to raise awareness of careers within Science, Technology, Engineering and Maths (STEM).

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Apprenticeships

Historically apprenticeships have offered young people and adults in the UK an effective route to gain valuable skills and find work. For businesses apprenticeships will provide a trusted route for unlocking talent, plugging skills gaps, gaining commercial growth and increasing productivity.

The high standard of apprentices within Rotherham is highlighted during the annual Rotherham Apprentice of the Year competition, sponsored by the Rotherham Advertiser

Between August 2017 and April 2018, 1540 people started an apprenticeship in Rotherham. Of these 880 were aged 24 or below and 560 aged 25+

The starts were across a number of sectors, with the main ones being

- Business Administration & Law (410)
- Engineering & Manufacturing Technologies (340)
- Health, Public Services and Care (320)
- Retail and Commercial Enterprise (190)
- Building, Planning and the Built Environment (130)

There is a need to ensure the quality of apprenticeships; by making sure they are real, paid jobs and include sustained training and clear skills gains.

The apprenticeship levy is currently paid by all employers with an annual wage in excess of £3m, with their contribution being 0.5% of the gross wage bill.

As of March 2017 all public sector organisations have a target that the annual number of apprentice starts will be equivalent to 2.3% of their NI paying employee headcount.

Apprenticeships are an important tool in helping young people in care/leaving care into employment

Poverty

14 million people in the UK are in poverty, with the figure for Rotherham being **48,400 people deprived of income (18.7%) with 12,050 children affected (24.3%)**. Many of these people are in employment, with a mixture of low-paid, unstable jobs and high living costs meaning the number of working people in poverty is rising.

ACTION PLAN

Ensure that our residents have the skills and experience to access local jobs and progress in their careers

Action	Outcome	Timescale
Increase the local HE offer through the UCR and the AMRC	Increase the % of working age population with Level 4+ qualifications from the current baseline of 25.1%	Dec 2020
Engaging with residents and supporting them to acquire the functional, financial and digital skills and experience to allow them to secure employment.		
Provide support for those people excluded from the labour market due to health issues. Build on the WorkingWin project currently being piloted within the City Region.	Reduction in the number of Rotherham residents currently on long term sick, assisting them into, or towards, sustainable employment.	
Work with employers to identify their requirements in potential employees and how these can be embedded in the local population		
Provision of sector based work academies	Support for training in those sectors, identified as having the greatest future growth potential in Rotherham.	

Make young people aware of the educational/training and employment opportunities available to them within the borough

Action	Outcome	Timescale
Production of a video for use in schools, setting out local labour market information (LMI) including; the range of employers located in Rotherham the various educational routes that can lead to jobs with them and the career progression these can lead to		
Promotion of apprenticeships as a career/education choice		

Preparing young people for the world of work through links with local employers

Action	Outcome	Timescale
Increase number of meaningful encounters that young people have with employers	All Rotherham schools achieve Gatsby Benchmark 5	
Provide a quality work experience offer for Rotherham young people	All young people receive at least 1 week's work experience during their school years	

Engage with the local Rotherham business community to ensure that skills provision is aligned to supporting and driving future economic growth

Action	Outcome	Timescale
Recruitment of Enterprise Advisers for all Rotherham Schools	Strengthened business-education links Schools being aware of the requirements of Rotherham businesses for their future workforce	On-going (dealing with "churn" in the recruited EAs)
Support local businesses to access or develop training packages to meet their specific needs in upskilling employees that are lacking the requisite skills	Rotherham businesses to access funds from Skills Bank 2	Starts early 2019
ESF funded Business Education project, strengthening links between young people and schools, with Rotherham SMEs		Oct 2018 – Sept 2021

Provide people outside the labour market with the training and support required to secure and retain employment, if they so wish.

Action	Outcome	Timescale
Improve accessibility to major employment sites for those people without their own transport.	Lack of a private vehicle does not act as a barrier to accessing jobs in Rotherham	
Work with partners to ensure employment/training provision links to other "wrap round" support (e.g. housing, health, misuse services) and enables progression into employability		

services.		
Drive forward the inclusion of excluded groups into the Rotherham economy <ul style="list-style-type: none"> - NEETS - LAC - SEND - GRT - BAME (women) 		

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Statistics

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Level of qualifications as a percentage of working age population

	None	NVQ 1+	NVQ 2+	NVQ 3+	NVQ 4+
Rotherham	8.7%	84.0%	64.8%	45.5%	25.1%
SCR	8.6%	84.0%	70.2%	50.7%	32.5%
England	7.6%	85.5%	74.6%	57.1%	38.3%

APS 2017

The gap between both SCR and England widens at the higher levels, with a 13.2 percentage point gap with England for people qualified to Level 4 or higher.

Sectoral growth projections

The table below, taken for the Sheffield City Region's Strategic Economic Plan sets out expected sectoral job growth in Rotherham for the period 2013 -2024

Sector	2013 jobs	2024 jobs	Increase	% increase
Financial & Professional Services	3,600	4,300	700	+19.4%
Business Services	8,500	11,000	2,500	+29.4%
Health	12,000	12,700	700	+5.8%
Education	9,700	9,875	175	+1.8%
Retail	9,300	10,300	1,000	+10.8%
Construction	5,600	6,250	650	+11.6%
Sports, Leisure & Culture	6,600	7,400	800	+12.1%
CDI	3,100	3,800	700	+22.6%
Logistics	3,600	5,250	1,650	+45.8%
Advanced Manufacturing	3,600	5,900	2,300	+63.9%
Med-Low Tech Manufacturing	9,000	7,500	-1,500	-16.7%
Public Admin	5,800	4,500	-1,300	-22.4%
Low Carbon	2,100	2,500	400	+19.0%
Other Sectors	10,500	10,850	350	+3.3%
TOTALS	92,300	101,425	9,125	+9.9%

The main sectors with regard to the growth in actual numbers of jobs are:-

- 1) Business Services (2,500)
- 2) Advanced Manufacturing (2,300)
- 3) Logistics (1,650)

Despite the issues surrounding retail and the "High Street" it is still one of the Borough's biggest sectors, with employment expected to continue to increase.

Medium-Low Tech Manufacturing and Public Administration are expected to shed over 1,000 jobs each and planning is needed for how to help any employees affected by this to stay in employment.

Female Economic Inactivity 2015-17 (average of 8 rolling quarters)

Females	Barnsley	Doncaster	Rotherham	Sheffield	England
Total aged 16-64	77,190	94,290	79,440	184,210	17,318,690
Economically Inactive	28.7%	29.3%	32.6% (25,910)	30.0%	27.4%
Student	3.0%	3.8%	4.2% (3,310)	7.9%	5.7%
Looking after home/family	10.0%	12.6%	13.5% (10,710)	11.1%	10.0%
Long term sick	7.7%	7.5%	6.3% (5,030)	5.2%	4.7%
Retired	4.0%	3.3%	3.6% (2,850)	2.9%	3.6%
Other	3.2%	1.6%	4.3% (3,400)	2.7%	2.8%
Inactive but want a job	28%)	26%	21% (5,500)	27%	23%
Inactive and don't want a job	72%	74%	79% (20,410)	73%	73%

Source: Annual Population Survey (ONS) 2015-17

Rotherham has a high percentage looking after the home and/or family and other inactive. A higher than average proportion of those who are inactive don't want a job.

Female Economic Inactivity by Ethnicity

Females Aged 16-64	Rotherham	Sheffield	Region	England
Employment Rate - White	65%	70%	70%	72%
Employment Rate – Non-White	37%	47%	48%	55%
Econ. Inactivity Rate - White	31%	27%	26%	25%
Econ. Inactivity – Non-White	60%	43%	46%	39%
Econ Inactivity Rate – Pakistani and Bangladeshi	66%	46%	60%	58%

Source: Annual Population Survey (ONS) 2015-2017 (allows for small sample size of non-white females in Rotherham).

The overall employment rate for women is below the average for both England and the region. However, for