External Evaluation of the Sector Skills Agreement: An Analysis

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Introduction

This ‘work in progress’ paper analyses the current external literature that evaluates the Sector Skills Agreement (SSA) effectiveness. This is a work in progress paper, as a significant further analysis by the author is proposed for his PhD submission.

This paper looks at some of the issues surrounding the evaluation of the SSAs from external sources, with the emphasis being on the difficulties that Sector Skills Councils (SSCs) had while putting together their SSAs. From this an analysis of why SSAs failed to meet their potential is developed (a theme that will run through a number of subsequent papers) and became rather than a policy driver, just another voice of policy within the devolved nations and English regions.

The implication of the Leitch (2007) review for the future of SSAs is considered and the problems emanating from a stage 2 sub-group is also considered. These papers are seeking to draw together the multiplicity and multifaceted components that make up an SSA, and analyse them, try where possible to make some sense of them, put them within a theoretical context for analysis, and finally try to understand how notions of power and governance under a ‘New Labour’ government has contributed to this policy development.

Evaluating the Sector Skills Agreement from Literature

At first sight, the definition of what a SSA would appear to be straight forward:

“In simple terms, a Sector Skills Agreement (SSA) is a deal between employers, training providers and government. Employers lay out what their workforce and skills requirements are now and in the future. In return, the government and providers agree to fund and deliver training tailored to this need, within government policy, providing employers are also willing to make a commitment” (Summitskills, 2006,p2)

As will be seen however, it actually was not as simple as that. The SSA was actually a five stage process, which SSDA described in the following terms: Stage 1 the Sector Needs Analysis (SNA) was designed to be a sophisticated assessment of each of the sectors making up the Skills for Business Network (SfBN) which was supposed to determine short-term, medium-term and long term skills needs and to map out the factors for change within the sector. Stage 2, the Assessment of Current Provision (ACP) looked at the current training provision across all qualification levels related to the sector, from foundation and level 1 to level 5 where this was appropriate (Summitskills,2006, p2; Bacon & McManus, 2008,p3).
Stage 3 was entitled the ‘gap analysis’. In this exercise, theoretically (I say this here, as subsequent analysis for the substantive work, may challenge this) the main gaps and weaknesses in workforce development were analysed and priorities agreed. Stage 4, was a rather illusive function (as it didn’t have a report with it) but was entitled by Summitskills as ‘How we can work together to address these issues?’ (p3). The official version of this stage was that a review was conducted into the scope for collaboration and engaging with employers to invest in skills development to support improved business performance, with an assessment being made into what employers are likely to sign up to. Finally, there is stage 5 which is the final outcome, and is an agreement about how the SSC and employers will work with key funding partners, to secure the necessary supply of training (Summitskills, 2006, p2; Bacon & McManus, 2008, p3).

Table 1 below shows the Sector Skills Development Timeline, which was managed by the SSDA, for the development and completion of each SSA:

<table>
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<tr>
<th>Development Phase</th>
<th>Sector Skills Council</th>
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<tbody>
<tr>
<td>Pathfinder (launched SSA mid-2005)</td>
<td>Construction Skills; e-skills UK, SEMTA, Skillset (4)</td>
</tr>
<tr>
<td>Tranche 2 (launched SSA in late 2006/early 2007)</td>
<td>Cogent; Lantra; Skillsfast-UK; Skills Active; Skills for Health; Skills for Logistics (6)</td>
</tr>
<tr>
<td>Tranche 3 (launched SSA in mid-to late-2007)</td>
<td>Automotive Skills; Asset Skills; Improve; Go-Skills; People 1st, Skills for Justice (6)</td>
</tr>
<tr>
<td>Tranche 4 (anticipated completion by March 2008)</td>
<td>Creative &amp; Cultural Skills, Energy and Utility Skills; Financial Services Skills Council; Government Skills; Lifelong Learning UK; Proskills; Skills for Care and Development; Skillsmart Retail; Summitskills (9)</td>
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Source: SSA Development Timeline (October 2007)

In SSDA (2006a) the role of Sector Skills Councils (SSCs) and the SSDA (Sector Skills Development Agency) were defined in the following terms:

“SSCs were to be powerful 21st century, employer-led collectives that would move beyond the voluntarism of the late 20th century but which would (usually) stop short of the statutory regulation of employer training through levies, which had been tried previously and generally found wanting. The SSA was originally seen as a mechanism that embodied the role of SSCs. It would encourage employers to work together so that their individual investment in training, which was substantial, could be better realised. The original intention, as set out in the 2003 Skills White Paper, was that an SSA would be an agreement for collective action by employers and would be pursued’…where the SSC and employers judge that such an agreement would be valuable.”

(SSDA, 2006a, p5)

The DfES (2003) (as it then was) published a white paper entitled “21st Century Skills: Realising our Potential’ published in July 2003. The white paper identified six areas of work/ ideas about what a SSA should cover: First, an analysis of sector trends, productivity drivers and the skills and development needed to improve competitiveness in the sector. Secondly, a review of current skills, including skills gaps and shortages and thirdly a review of training provision and priorities for improvement; and fourthly an identification of major cross-industry skill needs. Fifthly SSAs were perceived to make an assessment of the scope for collaborative
action by employers, the form that action might take and the extent of agreement between employers and trade unions as to its desirability and sixthly, to develop close collaboration with the LSC and RDAs so that existing funding was prioritised to meet sector needs (SSDA, 2006a, p5-6) which ultimately would lead to an employer demand led sector.

It may be argued that the aims of the SSA both emanating from the White Paper and subsequently the developed ‘five stage process’ described above were probably more inspirational than practical in the final analysis. The pluralism described in Hammond (2008a) as being at the heart of the ‘New Labour’ has had the unfortunate side effect of allowing stakeholders to gain a foothold on the policy initiative and ‘twist it’ to their own ends, as is indicated by the quote from SSDA (2006a, p7) below:

“One of the most striking aspects of the SSA in practice is that the scale of the task has expanded, seemingly exponentially, since its initial conception. It has evolved from an initially anticipated one year SSA development timeframe [Annex 3- Specification for the Scope and Delivery of Sector Skills Agreements (England), SSDA] to a typical 18-month gestation in practice (and sometimes longer). It has also grown from being a single agreement to multiple agreements for each of the UK nations, and at some points, for each English region.” (SSDA, 2006a, p7)

The point is made more forcefully later in the report:

“The Stage 1 Skill Needs Assessment¹, in particular, can become a hostage to fortune, especially when the SSA has expanded to encompass separate sets of stakeholders within each of the nations and regions. The finely grained research and the depth of consultation required may be impossible to achieve- and the SSCs tend to be at the whim of individual stakeholders and group of stakeholders within the nations and regions to determine what continues acceptable analysis in practice. SSDA and stakeholders use a quality standards framework alongside their own expectations, to judge outputs. One stakeholder described it as: ‘death by a thousand cuts’” (SSDA, 2006a, p8)

Stakeholders on the supply side were therefore able to exert unintended or possibly intended control on the outcome of the work, by challenging the data presented, the methodology etc. The SSA developed into a mammoth number of reports, to try to meet the needs of each region and nation, which never seemed to be rationalised as the process went on (SSDA, 2008, p25). In later work, the way that the SSDA managed the SSA process and particularly the ‘research function’ will be considered against some of the theoretical ideas considered by Newman (2001) et al in Hammond (2008b); although as SSDA (2008) points out, the principal-agent quality assurance standards related to the later stages, from stage 3 onwards were relaxed considerably (p25).

¹ Subsequently re-named the Sector Needs Analysis, a convention throughout this paper and subsequent work I retain.
A clear idea that can be extrapolated from Bacon & McManus (2008) is that the drive for this relaxation may have had less to do with SSDA wanting to use a ‘less hands on approach’ (as will be seen in a subsequent analysis of the feedback on reports 1 & 2 through the prism of Principal-Agent contractual arrangements in subsequent work this relationship between SSDA and SSC research teams could be very fraught) but more to do with the SSDA wishing to be seen as fulfilling a ministerial pledge prior to its dissolution and resurrection as the UK Commission for Skills:

“The Skills for Business network (SfBn) is on track to have fulfilled its commitment to Ministers that all SSCs will have a Sector Skills Agreement in place by the end of March 2008. At time of writing March [2008], a small number of SSCs are in the final stages of developing their first Sector Skills Agreement. Approximately six SSCs are expected to be still finishing their SSAs in Northern Ireland and two in Scotland, in spring 2008. All others have completed the main part of the development phase and are either negotiating actions with partner organisations, or concentrating on their implementation.” (Bacon & McManus, 2008, p3)

As will be suggested in subsequent work, had quality assurance techniques and the time that these took been maintained (particularly in relation to stage 1) then there is little chance that the Tranche 4 SSCs would have completed their SSA before the demise of the SSDA and the promise that SSDA had made to Ministers.

SSDA (2008, p25)argues that this in hindsight was probably not in the best interests of the overall agreement, as it suggests that the actual idea that the agreement was the most important thing about the SSA, may have been lost, with such emphasis being given to the research. Some stakeholders were more interested in the agreement, than in the research and LMI, although SSDA (2008) argue that the most intensive engagement between SSCs and stakeholders in the formal SSA process was centred on LMI (p25). Although this may seem surprising, as will be shown in a subsequent paper, the use of SSC LMI to triangulate existing regional LMI to support regional policy, is a core part of the use that the English regions particularly seem to have made of the SSA, rather than using the SSA as a tool for radical change and the ushering in of a demand led system, and this in many ways shows how the SSA product has been devalued by the pluralistic regional and devolved nation governments. It is suggested that the failure of many SSCs to produce LMI that triangulated or was of use to regional governments and RSPs was the reason that many regions used to ‘side line’ SSA LMI from stage 1 & 2. SSDA (2008) concedes this point:

“The challenge has been that that it is very hard to do anything other than develop a template analysis and tailored various data and region-specific text. Much then depends on the skill of the SSC in being able to overlay that regional intelligence- in practice through their regional employer engagement teams .If this is not done effectively, then regional SSA reports and action plans tend not to provide the depth of insight that stakeholders are looking for. A significant number of the critiques of the SSA research reports stem from this.” (SSDA, 2008, p25)
Not all regions have been critical of the LMI they have received and so SSDA (2008) records positive comments by a regional LSC:

“The LSC’s regional commissioning plan in the East of England for example states that: ‘Sector Skills Agreements alongside the National Skills Survey, have given us a sharper understanding of the needs of employers than ever before. We will work closely with colleges and training providers to increase the proportion of enrolments on programmes leading to qualifications valued by employers and identified by SSC’s as priorities.’” (SSDA, 2008, p43)

Even though LMI may be created, then unless it meets existing regional priorities as discussed elsewhere within this paper, then it is likely to be ignored:

“Much is made of the extent to which SSA LMI is most able to influence where it is aligned with partner priorities. The identification of a skills gap or shortage is not in itself sufficient for action. One RDA interviewee made the point that ‘addressing shortages in leadership and management skills is an issue identified by almost all SSAs, but doesn’t meet anyone’s PSA (target) to deliver that.’” (SSDA, 2008, p43-44)

A stakeholder in Scotland complained that things such as literacy and numeracy, disappeared in later stages of the SSA, despite being prevalent in stages 1 & 2, suggesting that there was a failure to carry through research findings throughout the process (SSDA, 2008, p44)

Stakeholders themselves appear to have become confused, as to how the process is supposed to work:

“On top of this, there is still a lack of stakeholder consensus about how the process should work. Stakeholders within the same geographic area make critiques of SSA outputs that are mutually exclusive, which shows that the agreements are still not being judged on a consistent basis. One stakeholder criticises the Stage 1 and 2 reports generally for being too generic (‘they read like annual reports of the labour market with very little to differentiate them…they are chasing a template’). Another stakeholder reported that ‘each SSA has a different format, so it is hard to see where the SSC is coming from’. As much as anything, this shows the difficulty of introducing a process that is going to satisfy all stakeholders within a given geographic area. Arguably, the risks associated with perceptions of SSAs being generic (and, as a consequence, not adding value) are far greater than those associated with having a multitude of different approaches” (SSDA, 2008, p31)

There was also an expectation by the SSDA, that the stages would flow nicely together, as was suggested in DfES (2003) in creating a demand led system. The ‘road blocks’ however put in the way by a variety of stakeholders, citing all manner of excuses from contradictions of existing regional policies to budgetary constraints were not perceived at initiation, leading SSDA (2006,a p9) to conclude:
“It is also unrealistic to expect a continuous logical flow from stage 3 gap analysis to the Stage 5 agreement Evidence-based policy making can only ever inform the decision making process—it cannot determine it (my emphasis). Actual decisions will always be constrained by current budgets and systems for delivery across a range of partner organisations. The SSA is only one input into the policy mix (my emphasis) and it is only over time that the scope (or lack of scope) for potential influence has emerged. The SSA ‘output’ is therefore more of a staging post and part of a longer-term process of negotiation about delivery, which the SSA ‘product’ captures in broad ‘direction of travel’ (my emphasis)” (SSDA, 2006a, p9)

To create a demand led system, then DfES (2003) identified the need to put the employer voice central to policy making, and the development of curriculum and training. The language of DfES(2003) appears to suggest that the Sector Skills Agreement would usher in a new demand led system, where the needs of the employers would be paramount and curriculum would be adjusted accordingly (Hammond, 2003). SSDA (2006a, p9) concession therefore that the SSA is only one voice in the policy mix and therefore cannot determine policy and only indicate a direction of travel, is a significant concession to reduction in influence of the SSA. The pluralistic ‘new labour’ third way defined by Newman (2001) and Hammond (2008a; 2008b) is seen ultimately as the force that ultimately relegated the force and the power of the SSA to a mere functionary role. SSDA (2006a, p9) concludes:

“As is pointed out by SSDA (2006a, p7) the original context of a UK report was unworkable in practice due to the political context of devolution, which as Newman (2001, p72-75) points out is a major part of the ‘New Labour’ modernisation agenda. The particular problems are most acute politically in Scotland, where even before the SNP took control of the Scottish Parliament, there was a distinctly different attitude to that in England and the rest of the UK, and it is proposed to consider this in more detail along with the devolved nations in a further paper. So GHK (2006, p31) cited in SSDA (2006a, p11) when reviewing the Skills for Business Network in Scotland (the network of twenty-five Sector Skills Councils) concluded:

“If an SSA is truly employer led, then the skill needs identified will often be the same in different parts of the UK. Most SSAs are set in a global context or framed around a small number of strategic industry drivers. Yet
if nations and regions are the main mechanism for delivering SSAs then the notion of a unified SSA process is hard to sustain. This is notable in Scotland, for example, where the underpinning notion of the demand-led system has completely different connotations. There was never consensus about what role the SSA should play and stakeholders in Scotland (and indeed elsewhere) have tended to impose their own vision, describing it ‘variously as: an input into the policy pot; a workforce planning tool; an additional piece of LMI; and providing ideas for pilots.” (SSDA, 2006a, p11)

SSDA (2006a, p14) declares that while the SSA influence ‘is still often at the margins’ in England, Wales and Northern Ireland the hypothesis that ‘providers know best has been challenged’. This may be the case, and further analysis will develop this point, but the point remains, that Sector Skills Agreements in practice are a poor reflection of what was originally intended.

Perhaps as a result of the disappointment of the SSA not meeting expectations, as well as what Ball (2003) describes as the plethora of constant policy initiatives, there is evidence that DfES (as it then was) now DIUS moved on from supporting SSAs, as SSDA (2006a, p18) states:

“At the start of the SSA development process there was a dedicated team within the DfES working closely with the SfB network. The team worked to help articulate the vision for the SSA, liaise with and bring stakeholders into the process (e.g. HEIs) raise the profile of the SSA with Ministers and within government, while also managing the demands and expectations being made of the SSA. That locus of policy intelligence and operations within the centre was a fundamental contributor to the effective development of the first SSAs. Where is that locus now within DfES? What is less clear now is the degree to which the SfB network has effective ‘sponsors’ both within central government departments and in the nations reflecting the interests of the network within policy discussions. Further, recent reviews raise the question of the extent to which SSDA and the SSCs are adequately resourced within their policy development teams in the UK and nations to hold effective influence over the policy process.” (SSDA, 2006a, p18)

Blame for the failure of the SSA process is also shared between the SSCs and employers:

“In taking forward the SSA ,the corollary to the lack of funding and qualification reform has been the continued reluctance of employers to seize the opportunity to engage in collective action and the slow speed in changing the prevailing employer culture. This has partially been exacerbated by the way in which the SfB network has presented SSAs to employers as ‘your opportunity to influence the supply side.’ There has also been reluctance among some SSC staff involved in negotiating agreements to challenge employers’ views and to challenge them to engage more actively in the solutions.” (SSDA,2006a, p17)
SSDA (2008) also identifies a number of ‘systematic blockages’ that have affected the Skills for Business Network to achieve influence, and these are: First, there are no collective mechanisms to influence employer investment available to SSCs, as the levy payments through the training boards with the exception of construction, have disappeared into antiquity. Secondly, funding for public provision in skills development is linked to separate planning processes that SSCs can only influence indirectly. In Hammond (2003) there was a discussion in the early days of the SfBN for funding to be transferred from the LSC to the SSCs, this didn’t happen, which I argued was due to the fact that the Government, was still concerned at the problems with ‘sleaze’ and accountability that plagued some of the Training and Enterprise Councils in the 1990’s, leading to their closure. Thirdly, decision-making is increasingly focussed on the nations and regions, where there are parallel sets of organisations undertaking equivalent dialogue and thus SSC involvement is variable (SSDA, 2008, p19). The second and third arguments, are very strong, as quintessential an SSA is a UK document that is supposed to determine and influence policy that is concentrated within the regions and nations, and the SSC has no leverage through funding, and some SSCs do not even have a dedicated member of staff for each region or nation. Given these two undisputed facts, it is perhaps not surprising that the SSAs only had minimal impact.

As SSDA (2008, p26) indicates, the SSA, was not a fixed process, it was an evolutionary process, that changed as a result of political tensions, as initially at least, the SSA was seen as an ‘English’ driven mechanism, with the result that the devolved nations organised themselves to have a significant influence on the development (or not) of the SSA in their nations. So in Northern Ireland the Stage 3 process, became the point where the deal was brokered based more on the LMI than in any other country (in part due to the lack of LMI in the province, which will be discussed more in subsequent work). Although this will be discussed in more detail, the methodology used, was that of creating ‘project boards’ where a group of stakeholders come together to comment on or quality assure SSA and to facilitate sign up (SSDA, 2008, p26). SSDA (2008, p26) concludes:

“In Wales, Scotland and Northern Ireland the project board has tightened up the whole of the SSA development process. It has been a sensible way to progress where the number of stakeholders is of a manageable scale to ‘get round a table’. Policy evolution in Wales has further emphasised this, with an increasing concentration of skills and employment functions within the WAG. It has meant that completing the ‘process’ is, in some ways, easier in the nations” (SSDA, 2008, p26)

This is not of course to say that project boards have been the panacea of SSA problem solving, indeed the English project board was discontinued before tranche 4 had even got going on their SSA. The reasons for the English project board demise will be discussed in subsequent work. SSDA (2008, p27) points to some of the problems encountered with the project boards:

“It is still unclear how a lot of stakeholders who have invested so much time and resource through the project boards are supporting SSA
implementation in practice. This was a source of frustration for some partners who sit on project board, but it is partly a failure of ownership over the process for those partners. The development process itself has become the focus to the detriment of the substance—i.e. what it is trying to achieve. One SSC questioned the extent to which the project board model facilitated access to decision-makers: ‘the process forces you to work with people (in partner organisations) that are only empowered to say no!’” (SSDA, 2008, p27)

Although of course SSDA (2008) makes no allowance for the fact that that may be the ultimate if unstated purpose of the project boards, to neutralise messages from the SSA that contradict with current devolved nation policy. This will be discussed and expanded later in a subsequent analysis of the devolved nations, as it will be seen, that ultimately the politics of the nations may be very influential in the way that the SSA was seen and agreed.

The problems with the SSA process are described succinctly in SSDA (2008, p32):

“The weaknesses in the SSA rationale are becoming more apparent as increasing numbers of SSCs reach the end of Stage 5. One stakeholder in Scotland felt that ‘the idea that SSAs will deliver things is entirely wrong’ The process in Scotland had been routinised so that the project board becomes a ‘bland letter…drawn up along the lines that we agree to talk about things.’ The point was made that where there is something to be done we will do it and don’t need a signed agreement.’ This notion of a signed agreement being anathema to Scotland’s modus operandi has been constantly made by a range of stakeholders, but there is a more general point that the Scottish experience most clearly highlights in terms of partners’ tactical response to stag 5: ‘partners can’t be held accountable to the agreement and if they could, it would be even blander’ “ (SSDA, 2008, p32)

The idea that SSAs were definitely supposed to deliver things in their original design was entirely right, they were supposed to deliver a demand led system with employer needs at the apex, although through the use of pluralistic methods, partners and stakeholders were able to de-power them, and change their focus.

SSDA (2008) however has a more detailed analysis of where SSCs themselves did not help themselves, as the SSA presumed that each SSC had an established research function and fully functioning employer network, that was able to respond to the challenges that the SSA presented, which with many of the newer SSCs did not have, as the SSA required a number of diverse skills in turning research into policy and strategy that was missing from many SSCs.

In addition, SSCs in many cases are very different animals, with some being large established organisations with a long history, such as Constructionskills, which as CITB had been around many years, had a significant number of regional offices and large numbers of staff, whereas many of the smaller SSCs had no more than thirty staff in total, yet all SSCs were supposed in the SSA, to produce a similar product.
The size of the SSC has impacted on that SSC’s ability to engage with partners in the regions more easily, supporting an easier sign up to the SSA (SSDA, 2008, p16).

There was a belief by many SSCs that the SSA would become an effective tool for business planning, although SSDA (2008) suggests that in practice, this aim was mixed, with the SSA process in later tranches being reduced as SSCs began to contextualise the SSA as simply another project, which is given to one individual, and which causes a ‘silo’ effect, where the SSC as whole does not learn from the process. SSDA (2008, p16) concludes that it is hard to distinguish the SSA as something that the SSCs are doing generally, suggesting that the link between an SSA and SSC business planning may be more opaque that was intended or believed.

There was also a suggestion that the SSA process mitigated support for the process from employers across the employer base. Employers interviewed in SSDA (2008) felt that it was to employers just one more task to get one’s head around, with the language and format, being difficult to understand, with the result that employers who are actively involved in the skills discussions are further involved, but those disengaged are further disengaged (SSDA, 2008, p42).

Bacon & McManus (2008,p7) state:

“If one thinks that the overall purpose of SSAs was to deliver quick and substantial changes to the skills infrastructure then it was probably not the right way to go about it. However, if one thinks of the SSAs as fundamentally about relationships and changing the way in which the demand and supply-side interacts on investing in skills and commissioning training- then one could argue that SSAs have set in train the potential for fundamental and sustainable change. But those changes are not manifest yet”. (Bacon & McManus, 2008,p7)

The SSA was not though in its inception about relationship building, it was about bringing into being a ‘demand led system’, and if it failed, then it is proposed to explore how the neo-pluralism of ‘New Labour’ facilitated this failure, through devolving and dissipating power among a pluralistic body of public sector organisations, whose best interests were ultimately not perceived by them to be served by allowing the SSA to develop beyond a useful LMI tool.

SSDA (2008) has some recommendations for how it feels that the SSA should go forward:

“Going forward from here we would suggest that the SSA continues, with a lighter touch process but with stronger commitments to outcomes. There needs to be an on-going agreement about what different partners will deliver for employers. Thus far in reality, the SSA is an agreement between the SSC and the public sector on behalf of, and endorsed by employers. In the future, the SSAs, in order to ensure delivery, need to present much stronger case for market failure and justification for public service investment and be clear what employers, especially large
ones, are prepared to fund themselves. The SSA is clearly work in progress and should be seen as such. Despite this, it has to be managed to deliver some important benefits in many cases.” (SSDA, 2008, p48)

In subsequent work, some further discussion will be undertaken to define what became known initially as the Stage 6 process, which took the form of a European Social Fund (ESF) for more monies for SSCs to facilitate implementation of the SSA, and to undertake more research. Given what has been said above, it may be seen that the implementation stage did not improve even with the ESF monies perceptibly. Stage 6 however makes a comeback in the recommendations arising from SSDA (2008), they conclude:

“For a number of respondents arrangements for ‘Stage 6’- reporting on performance and accountability for delivery- are fundamental for moving forward. Whilst we have suggested that SSCs need to own the SSA process- the SSC and its partners must share reporting on action. Collaborative agreements by their very nature imply collective responsibility. If this is the case then SSCs reporting performance to partners in the nations and regions is part of their on-going dialogue rather than an exercise in accountability” (SSDA, 2008, p50)

The Leitch Report

The Leitch (2007) report was produced as a UK wide report on the state of skills and training. Although it fell equally ‘foul’ of the devolution divide within the UK, as each of the devolved nations considered it, and took a different nationalistic slant on its findings, accepting some recommendations, rejecting others. The Scottish Executive for example produced a ‘Skills Strategy for Scotland’ upon which it based its policy decisions, which in many respects it could be argued was giving the same treatment to Leitch as was received by the SSCs through their SSAs.

In England however, the Leitch report was accepted, and therefore recommendations are being implemented. In relation to reaching the concept of ‘demand led’ funding, then in England to reduce the supply side driven nature of funding, then Leitch (2007) recommends that all adult skills vocational funding in England be routed through ‘Train to Gain and Learner Accounts by 2010. The report also recommended the creation of the UK Commission for Employment and Skills through amalgamation of the SSDA, NEP and the Skills Alliance in England, with a remit of re-licensing SSCs, and scrutinizing the journey to world class skills and employment (Campbell, 2007, p6).

Another major recommendation emanating from Leitch that is likely to affect SSCs, is the recommendation to ensure that qualifications reflect economically valuable skills, with the requirement that qualifications receiving public funding must reflect the skills employers need. Leitch (2007) suggests that employers through their SSCs should be more responsible for the control of vocational qualifications, such that only vocational qualifications approved by SSCs should be eligible for funding (Campbell, 2007, p6).
In a previous paper (Hammond, 2008b) I examined the role of ‘class’ within the English education system, and how the middle classes have used the education system to self perpetuate their class, and practically obtain places at the best universities. Given the inability of SSCs through the SSA to impact on Higher Education generally, the suggestion that SSCs should go up against the university sector and change it, seem at best ‘optimistic’, however this is what is proposed:

“While employer action to raise demand for intermediate and high skills should be driven by SSCs, the Review has developed a specific proposal to increase engagement with Universities. Improving the quality and quantity of senior research staff through employer collaboration and investment will facilitate greater levels of knowledge transfer, innovation and dialogue between leading employers and leading academic specialists in universities. These objectives must become important components of any assessment of research quality, as the system is developed to take the place of the Research Assessment Exercise (RAE).” (Campbell, 2007, p17)

Although out of the scope of this work, it is argued that it is unlikely that the universities with large amounts of ‘social and political’ capital (Oxbridge and the ‘Red Bricks’ for example) are likely to be influenced by SSCs and have the connections in the higher reaches of Government and the Civil Service to ‘scupper’ any ambitions of an SSC to have a major influence, even if the SSC can ‘circumnavigate’ the pluralistic structures of education in the UK. In Hammond (2008b) I argued that Leitch (2007) accepted the demise of the ‘job for life’ and in Chapter 7 of Leitch (2007) this concept is spelt out clearly:

“In Budget 2006, the Chancellor commissioned the Letich Review to consider how to better integrate skills and employment services. In the new global economy, economic security for individuals can no longer come from trying to protect particular jobs, holding back the tide of change. Instead it comes from helping people adapt to change, finding new work and opportunities. Skills are central to this, building the flexibility to change jobs and careers. There does not have to be a choice between world class skills and employment. In the new global economy, skills are increasingly central to world class employment and economic security.” (Campbell, 2007, p19)

The development of ‘Marxian technician’ through the process of globalisation has already been discussed in Hammond (2008) and it is proposed to return this in future work.

SSDA/SSC Analysis of the SSA Post Leitch

Although many SSCs had not finished their SSAs, there was a movement within SSDA and the SSCs to begin to analyse the performance of the SSA, so SSDA (2007a) invited SSCs to ‘SSA Refresh Workshop’ in early 2007. The purpose of the workshop was to have initial discussions on what a “Post Leitch” SSA would like,
and from this two questions were posed: The First question, was what would you do differently from the current SSA Process to meet the challenges set out in the Leitch Review? Secondly, what are the drivers and barriers to implementing a “Leitch SSA” across the Devolved Administrations and English Regions? (SSDA, 2007b, p2)

An important comment that came out of the meeting was that the data that was needed from the bodies such as the Learning and Skills Council, the Welsh Assembly Government, the Department for Employment and Learning Northern Ireland and the Scottish Funding Council was not robust enough, and more work needed to be done (SSDA, 2007b,p2). From this the ‘Stage 2’ Sub-group was created as a retrospective group post the SSA.

A comment was also made in relation to a SSA post Leitch stage 4, that a great deal of work was needed to define what ‘good’ looked like in terms of employer investment in skills for each sector, and how improvements could be measured, with a ‘Skills Passport’ being mooted as a possible way forward (SSDA, 2007b,p2).

There was also a feeling that the ‘missing link’ from the SSA at stage 5 was the lack of a mechanism to give the agreement ‘bite’, which quintessentially is a requirement that funders would have to act on SSAs in a mandatory way, rather than voluntarily (SSDA, 2007a,p2). There was also the suggestion, that as more SSCs completed stage 5 that there was a need for a ‘Checkpoint Review/Stage 6 as this helped SSCs focus on delivery (SSDA, 2007b, p3).

To get a good SSA post Leitch a more general comment was made at the meeting that:

“Supply side organisations in England still want to run some form of centralist planning system and until this policy blockage is addressed, SSAs have limited potential to deliver significant change for the benefit of their employers” (Leitch,2007,p3).

This comment is interesting, as planning was the central tenant on the inception of the LSC as a response to ‘rampant’ neo-liberalism of the FEFC and the Major Conservative Government. It is potentially another contradiction of ‘New Labour’ governance philosophy, because in some way the Government has always been keen to emphasise that the ‘market dynamism’ of the FEFC market model would in some way be maintained. If the LSC were planning the curriculum, then it might be argued that they were doing the job for which they were created, the question I suppose is are they? It will be seen in later work that in the case of one SSC, there is an argument that the failure of the LSC to adequately plan curriculum led to a fundamental problem that the SSC sought to eradicate  (Hammond, 2003b).

There was also an expression made, that SSCs need to work out the deal for employers in relation to public support (whatever this is) and the individual benefiting from skills development, such that SSCs need to work out what is paramount to the long term success, sustainability and productivity of the UK and just the sector (SSDA, 2007b, p3).
The SSCs noted the different policy context within the devolved nations, with it being pointed out, that in Scotland, partners had been reluctant to sign up to the ‘checkpoint’ reviews with Ministers, as they were telling SSCs they felt that they needed to be some form of process to monitor progress in the intervening period. There were also concerns raised by SSCs about the nature of the SSA Project Board, which required the SSCs to enter into discussions with partners they have little need to do (SSDA, 2007b, p3). This is a valid point, as SSCs had to get ‘sign off ‘ agreement with every partner, even if they had nothing to ‘broker’ with them, causing a lot of unnecessary bureaucracy, but needing the ‘New Labour’ governance obsession with ‘consultation and partnership’ (Newman, 2001).

A subsequent meeting took place towards the end of 2007, and from this meeting the following points were enunciated, which in many ways echo the views expressed in previous work.

From Leitch (2007) in relation to SSAs the following points were enunciated. The increased reliance on Sectoral labour market information, which recommended that SSCs take the lead role was a key issue for SSCs. Secondly, there was a need for SSCs to engage employers in investing in their workforce. Thirdly the recommendation that collective hard targets for employers’ contribution to skills at multiple skill levels was problematic as SSAs do not contain ‘hard targets’, and Leitch (2007) raised the spectre of ‘levy’ if employers continued to be erstwhile in their support of training. SSCs were also tasked by Leitch (2007) to develop occupational standards and vocational qualifications (SSDA, 2007c, p1).

To address these Leitch (2007) argued that SSCs needed to lobby for equal responsibility for the supply side (LSC, WAG, SFC & DEL) to respond to SSAs, such that the supply side works to respond to the issues coming from the SSA, which as has been shown numerous times in this paper is possibly not currently the case and arguably was the intention of the SSA in the first place (SSDA, 2007c, p1).

Current barriers to SSA impact was defined as, conflicting public sector targets, a lack of review mechanisms to ensure delivery on agreements reached on paper. Policy drivers and initiatives are arising that are not driven by SSAs, which is not surprising given as is pointed out in this paper, the status that the SSA has generally. There was an increasing partner expectations about the SSA scope, quality and nation/region specificity; causing higher resource commitment to the process than was initially anticipated by the SSCs. A lack of funds for piloting SSA-led initiatives to help SSCs influence the skills delivery system also prohibited delivery. Finally SSC attendees at the meeting felt that unless they could see a ‘deal for a deal’ then they were hardly likely to commit to hard investment targets (SSDA, 2007c,p1). This argument is interesting, as it smacks of the ‘something for something’ philosophy of ‘NewLabour’ described in Newman (2001) although of course it should be pointed out that it was said by SSCs on behalf of employers, and employers could be somewhat further behind in their thinking.

In relation to a post Leitch (2007) SSA, it was decided that it should follow a number of facets. First, it should be shorter than those that SSC had published thus far, containing a small number of clear, sharp priorities with appropriate targets. Secondly, a prioritisation of the needs of employers as opposed to public sector
partners, with less need to compromise for the sake of reaching agreement. This second point appears to reject the ‘New Labour’ notion of partnership pluralism, and evidences a desire to see the SSA as being a strategic document that directs as well as informs. Thirdly the SSA should contain an increased emphasis on employer commitments to investment, clearly contributing to the Leitch targets. Finally there is the suggestion of a return to a very popular Government policy of ‘name and shame’ where the SSC members present felt that the SSA should contain information on where SSCs have been unable to reach agreements with public sector partners, and other examples of where the skills system (s) require change to meet employer need (SSDA, 2007c, p2).

**Stage 2 Sub-Group**

Because of the difficulties of obtaining data for stage 2 of the SSA, then at a researchers meeting in December 2006, a meeting of researchers determined that there was a need for a sub-group of SSCs to be created to address the real issue of supply data given to the SSCs. A typical comment from the minutes of that meeting is contained below:

“In England the LSC is the key data partner. Despite overcoming initial problems there are still major concerns over the availability of appropriate data at regional level. The group suggests writing a letter to the LSC asking for a change in their approach to providing data. Given the difficulties in meeting the needs of 25 diverse SSCs, a better use of capacity might be to concentrate on training SSC researchers in the proper use of data and supply the whole dataset (suitably sanitised) to these individuals” (SSDA, 2006b, p5)

Similar comments were made:

“There were mixed experiences of getting data from the LSC and the devolved equivalents. For the devolved nations the feeling was that they were simply overwhelmed by the volume of requests, but that the information provided was appropriate. However it was noted that the data supplied was not strictly comparable...LSC would only provide enrolment data in pre-determined formats. In the case of [an SSC] they were totally unresponsive to alternative suggestions such as our contractor sending them a query file which they could run against their database. At one stage they made the somewhat worrying statement along the lines of they couldn’t let us have the data because they didn’t have time to make sure we were using it properly”. (SSDA, 2006b, p7)

It is suggested that the two statements above reflect less on individual experiences with the LSC as on the way that the process was presented to partners and stakeholders. Issues around data sharing, had not been resolved by time that the tranche 4 SSCs presented themselves to the funding bodies. There must have been some concern over handing data to a plethora of consultants, as most SSCs did not have research teams able to carry out the work, without recourse to consultants, a theme that will be returned to in a subsequent paper, as capacity of SSCs was
probably a major issue in the failure of the SSCs to use their SSAs to influence policy. The divergence in the way that devolved nations collect their data had not been considered it would appear, when the SSC was originally conceived, as standardisation for comparative analysis purposes across the two nations is not uniform, although general trends can be identified.

SSDA (2006b) lists a plethora of data wants that SSCs have with data, but the major issues that need addressing and for which the sub-group has been formed are: First classification of subjects, as these are not always relevant or coherent to the sector. Secondly, data is not classified by sector, this can be difficult where SSCs share a SIC code such as Construction Skills and Summitskills share SIC45. This in England (and probably also the devolved nations) is not surprising as FE providers tend to group provision around OfSTED inspection categories, built on FEFC categories. Timing, as funders have dates for return for providers, and these would appear not to be consistent across qualifications and geographies, with SSCs being given data that is two academic years old. This is part of a number of problems oscillating around dealing with essentially four different qualifications structures across four nations. Fourthly, timescales leads to inconsistent data recorded and reported over time. Fifthly there are issues with accessibility, related to cost, timing and identifying who to contact. Sixthly, there is a general inconsistency in data from different sources, regarding different qualifications, different time periods, different classifications used and different types of data provided (SSDA, 2006b, p4).

The Stage 2 sub-group is therefore tasked to seek to resolve these issues, but it is argued that the key point from this section is that these issues should have been identified before the process commenced, and not be something that is being addressed subsequent to the publication of what was supposed to be a policy that would usher in major changes to the education and training sector and result in the creation of a ‘demand led system’. This ‘work in progress’ paper has begun to suggest why that might in the final analysis be the reason SSAs failed to deliver.

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