Managing the Sector Skills Agreement, an Initial Analysis

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Introduction

This paper continues the theme of Hammond (2008b) in that it analyses further the copious amounts of literature that emanated around the Sector Skills Agreement (SSA) policy. This paper begins to look at some of the issues around contract control, and the management of the SSA within the English regions. While ipso facto this will touch on the devolved nations within the UK (Northern Ireland, Scotland and Wales) it is proposed to deal with them within a separate paper.

In Hammond (2008a) I ‘played’ with the ideas of Principal and Agent in the context of Government policy development and performance of policy; while bringing the facets of this theory with the practice that underpinned the relationship of the Sector Skills Councils (SSCs) with the Sector Skills Development Agency (SSDA) and the partners and stakeholders within the SSA.

In Hammond (2008b) I talked about partnership, and how in the ‘pluralistic’ model of governance within the Post Compulsory Education and Training (PCET) sector, partners were utilising the partnering discourse to control and mould outcomes from demand driven to maintain in the main supply side domination of the curriculum offer, where a confrontation was imminent.

SSDA Procedural Control

It might be useful at this point, to consider the role of the SSDA. Giles (2004) in a standard foreword to all research that the SSDA published in its own right (although the SSDA used consultants to actually undertake the work):

“In October 2002 the Department for Education and Skills formally launched Skills for Business, a new UK-wide network of employer-led Sector Skills Councils (SSCs), supported and directed by the Sector Skills Development Agency (SSDA). The purpose of SfB is to bring employers more centre stage in articulating their skill needs and delivering skill-based productivity improvements that can enhance UK competitiveness and the effectiveness of public services. The remit of the SSDA includes establishing and progressing the network of SSCs, supporting the SSCs in the development of their own capacity and providing a range of core services. Additionally the SSDA has responsibility for representing sectors not covered by an SSC and co-ordinating action on cross cutting and generic skills issues.” (Giles, 2004, piii)

As stated in Hammond (2008b) the process of SSAs was chaotic from the start in many ways, with procedures and ideas changing throughout the process from the pathfinder SSCs to the final tranche, tranche 4, which contained all those SSCs who had yet to go through an agreement process. In Hammond (2008b) I described the SSA timeline, which was the creation of SSDA, and was intended to control the process, with a view to delivering SSDA’s promise to Ministers to get SSAs in place by spring 2008.
In subsequent papers, I intend to look more at the assessment of quality and the methods that SSDA used to achieve this, and the problems that SSDA perceived with the quality of SSAs coming from SSCs in the earlier tranches. As tranche 4 commenced its SSA, SSDA carried out a consultation among partners and stakeholders on the time-lines, which many SSCs were struggling with. Turton (2005) concludes:

“The strongest message from the consultation is that quality and robustness of SSAs are the most critical requirements. Partners were clear that variations to timing and volume of SSAs can be accommodated where SSCs demonstrate reliable and validated research, together with full employer engagement and stakeholder involvement.” (Turton, 2005, p1)

A few other points that arose from the consultation were that first, partners and stakeholders felt that timelines may need to vary according to specific sector factors. Secondly it was argued that the timeline can be tied to key endpoints in the process at stage 3 and 5 with less emphasis on the start date for developing an SSA. This point is significant in that it explains further in some part the point raised in Hammond (2008b) that the SSDA were not as rigorous in analysis of the Stage 3 and Stage 5 reports, as time had been truncated, as the Stage 1 and 2 reports were sent backwards and forwards for quality analysis between SSDA and the SSCs (Turton, 2005, p1).

Thirdly, it was felt that milestones should be built into the timeline to allow for evaluation by partners and SSDA to support the SSC in developing and delivering robust quality end product. This statement is also important, as it shows an effort by partners to have a greater say in the development of SSAs. As many of the partners are ipso facto supply side partners (Hammond, 2008c), then as I argued in Hammond (2008b) their function might be to ‘tone down’ the message of the SSA, and make it fit existing policy. It is difficult to see how exposure of supply side partners as proposed in the consultation enunciated in Turton (2005) would create a demand-led model. The fourth ‘key point’ from the consultation takes the point even further as it was suggested that the SSA timeline should be aligned to partner planning cycles where appropriate. This is ‘classic’ funder speak, particularly prevalent to the Learning and Skills Council (LSC), who request data from SSCs and others to inform their yearly planning cycles. In a pluralistic PCET model, this recommendation not only makes sense, but is eminently sensible, although it relegates the SSA, to being just one voice in the PCET policy mix (Hammond, 2008b); and as I have argued before, this possibly was not what was envisaged by the Government in the White Paper where SSAs were launched (DfES, 2003).

Sixthly, it was suggested that specific quality standards are needed to ensure minimum benchmarks are achieved at each stage of the SSA process. This is a strange recommendation as the SSCs had guidelines in place for the SSA, and suggests that while SSDA was looking for one type of standard, the partners and stakeholders were looking for another. Further evidence of this phenomenon, will form part of the substantive work (Turton, 2005).

An interesting process that the SSDA required of SSCs was the completion of an Form 1a Pre Stage: SSA Approval Process Documentation (SSDA, 2005). This form is interesting from two perspectives in that first, the White Paper DfES (2003) had required that every sector covered by an SSC, should have a SSA. Therefore what purpose did this form actually serve, as the inference is that the application could not be approved in which case the Ministerial intention would have been thwarted. An unsatisfactory submission therefore could only have delayed an SSC joining a tranche, a threat that by tranche 4 was nullified, as by then there was no more time for SSCs to submit approvals. The purpose of the form 1a therefore seems ambiguous, and even more interestingly, is marked draft, despite being issued to tranche 4.
SSCs, the final tranche to go through the process. As an initial planning tool, form 1a is useful as SSCs are required to consider a number of points, which are listed below:

- **Your understanding of the role and purpose of the SSA**: What does the SSC think the main role of the SSA is, and how does the SSC expect to benefit from the SSA process, and the key issues for the sector coming into the SSA.

- **Your capacity to develop a high quality SSA**: What parts of the SSA will be contracted out, has the SSC got in-house expertise and a defined process for managing consultants? How do you ensure high quality results from consultants? What experience do you have as an SSC in translating research into action, and negotiation with partners to deliver your objectives? How will you measure the quality of the SSA, and what will success look like? How will you as an SSC manage the quality of the SSA project?

- **Your ability to plan and manage the SSA**: Who will lead the SSA project within the SSC and be responsible for key decision making? What will the project management arrangements be, e.g. team, reporting lines, accountability, steering groups if any etc? How will internal staff resources be made available and what will be the effect on other areas of business? How will project progress be monitored? How will variances be identified? How will underperformance be rectified? How will employers be involved? How will key partners be engaged and managed?

- **Part 2 Project plan, Project aim and rationale**: The aim of the SSA project for your organisation. The rationale, where SSCs were asked to provide evidence and explain why the SSA is needed for their sector, with SSDA giving examples of demand and supply failures, barriers and key issues that can only be addressed by change. Added value, where SSCs were asked to explain the benefits that the SSA process will bring.

- **Project aim and rationale**: Critically what will not happen or which opportunities will be missed if the SSA is not developed.

- **Pre Stage 1 Production of detailed project plan and preparatory work**: Identifying Key Tasks, Methodology, Milestones and Outputs

- **Stage 1, Assessment of current and future skills needs (SNA)**: Sector Skills Agreement coverage, key drivers of business competitiveness. Implications for Skills Demand: character and composition of current skills needs, future skills needs, geographical perspectives, and priorities for the SSC footprint.

- **Assessment of Current Provision**: The SSC was required to provide information on scoping provider use, mapping provision, quantifying provision, assessing provision and collation and reporting.

- **Stage 3, Analysis of the gaps and weaknesses in current workforce development**: SSCs were required to describe their procedures for developing a scenario analysis, exploring scenarios, identifying priorities, dynamics.

- **Stage 4, Assessment of the scope for collaborative action by employers**: Under this heading, SSCS are to provide an indication of how they will define and interpret the data for collaborative action, identify good practice, take action.

- **Stage 5, Developing a costed action plan**: Under this heading, SSCs were required to identify key partners and core proposed action planning groups, set up a steering group of key partners to determine project timings and compute project costs, and identify priorities from determinable resources, and from this produce a costed action plan.

- **Schedule of outputs, timings and costs**: SSCs had to provide a detailed analysis of the times to finish each part of the project within the overall time line of course, and cost it. As the pre-determined cost had already been decided by SSDA, this meant that this cost was distributed by the SSC around the cost factors (SSDA, 2005).
As can be seen therefore, form 1a was both an action plan and a way for SSDA to assess the performance of the individual SSC in producing an SSA, although there was really no opportunity for the SSDA to use the plan to prevent an SSC commencing an SSA, that the author was ever aware of. The early stage at which an SSC was required to undertake this exercise meant that often an SSC could only be talking in generalities about what was intended. Here is where the first evidence of the principal-agent model described by Newman (2001) can be seen, as once submitted it was subjected from scrutiny from within SSDA, and as will be shown in the substantive document, when the primary data is incorporated, there was a significant of correspondence flowing between SSDA and the individual SSCs, seeking clarification. Popular topics although not covered in form 1a specifically were relationships with the devolved nations (based presumably with SSDA’s experiences in the devolved nations, see Hammond(2008b)) and diversity.

This discourse was carried out through and with the SSA manager that SSDA assigned to each SSC. Throughout the course of the SSA process, the SSC that the author worked for had four different managers, as responsibilities were moved around. In this way it is argued that the SSDA were able to exert a considerable amount of steering from the very first inception of the agreement, and as will be seen when the primary data is considered the control could be quite strong, where there was a view that an SSC was not producing what was expected.

Part of the SSDA management of the SSA process, was the development of ‘Kickstart’ events, which were held around the nations, which it might be argued given the problems encountered by the SSCs in the devolved nations enunciated in Hammond (2008b). The ‘kickstart’ for tranche 4 SSCs was in Scotland, and sought to bring partners and SSCs together, to establish a number of points (SSDA, 2006a,p1). First to establish aspirations and expectations for Sector Skills Agreements, although the invitation does not elaborate on whose expectations would be covered although a subsequent paragraph infers (as in fact was the case) that it was the partners’ expectations:

“Speakers will include officials from the Department for Education and Skills, the Department for Trade and Industry, Sector Skills Councils, Scottish Executive, Welsh Assembly Government, Department for Education and Learning Northern Ireland, Learning and Skills Council. We will also be hearing from the consultants who evaluated the Pathfinder Sector Skills Agreements process and are now refreshing the stage 1-5 guidance and developing quality standards.” (SSDA, 2006a, p1)

Secondly the point of the ‘kickstart’ event to review the policy framework for Sector Skills Agreements across the United Kingdom, with this part of the proceedings being undertaken by the representatives of the various Government departments. This process re-iterated the points made in Hammond (2008b) that Government departments particularly within the devolved nations expected the SSA to fit around their existing policies, rather than determine a new employer dominated (demand-led) agenda. Thirdly, SSCs attending that launch were expected to learn lessons from SSCs who had already undertaken the process. Fourthly it was intended during the day subject to the second point, to share information on how SSAs could help to form skills policy (SSDA, 2006a, p1).

As part of an ongoing monitoring and leading by SSDA, other meetings were arranged by SSDA to facilitate the development of SSAs. SSDA (2006b) the agenda for meeting in London for tranche 4 SSCs was to explore the Stage 2 SSA guidance and quality standard of the SSA process within the context of the four UK Home nations. As has already been stated SSDA had providence guidance and a ‘marking schedule’ for measuring quality on SSA documents, and this meeting was promulgated first to provide an overview of the Guidance
and the Quality Standard for Stage 2. An interesting aside to the assessment of the SSAs was the development of a grading formulation, with ‘developing’ being a euphemism for failure, “meets the standard” a pass, and “exemplar” being very good. There was a heavy return to the subject of national differences, with one of the themes being to: “Identify key differences between the 4 UK Home Nations related to policy landscapes, data sources, endorsement of employers, funders, stakeholders and tailored outputs”. Explicit within this item, is again the need to get the endorsement of both the supply and demand side, which as Hammond (2008b) suggests, and will be developed in further work, is probably an impossibility, and as suggested in Hammond (2008c) in relation to the English regions, the weighting is heavily biased towards the supply side in terms of members of the regional skills partnership (SSDA, 2006b, p1).

The fourth purpose of the meeting was to explore some of the key issues faced by an SSC from an earlier tranche, and some of the lessons that that SSC learnt. Finally, the programme was to provide an opportunity for SSCs to network with other SSCs in the same tranche and to raise questions, and issues for debate (SSDA, 2006b, p1). SSDA in that day employed a range of national managers, who facilitated the sessions, and along with the consultant who was responsible for the assessment of the stage 2 reports, and the SSC from a previous tranche, this was the totality of the speakers (SSDA, 2006b, p2). This example it is suggested provides evidence of the extent to which the SSDA sought to ‘steer’ the SSA process.

As intimated within this paper as well as others in this series, the SSA was experimental when it commenced with the pathfinder SSCs and evolved (as it is constantly being argued not very successfully) and an example of this can be seen in SSDA (2007), which was an attempt by SSDA to make the project boards more interactive, with the development of a marketplace type approach, with the purpose of establishing early dialogue between SSCs and partners on potential solutions as they are being developed, thus helping SSCs to ‘map SSA priorities against partners priorities’ (SSDA, 2007,p1).

SSDA (2007,p1) below describes the process of how this ‘marketplace’ procedure works. The use of modern discourse, such as ‘speed dating’ seeks to present the process as a skilful choreographed engagement in partnering, but (and the author took part in one of these) were at least initially very superficial:

“The interactive session lasts for up to 2 hours. This is based on a ‘market place’ scenario with SSCs playing the role of ‘shopper’ and partners as the ‘trader’. Each partner lists their key organisational goals/ business plan priorities onto a flip chart on the wall and stands next to them, in separate corners of the room. Each SSC lists their SSA solutions on ‘post it’ notes. The SSCs then each undertake a 5 minute ‘speed date’ with each partner to explore where the SSA priority may contribute towards the partner priority. ‘Post it’ notes are attached to the partner chart in the appropriate place to reflect the discussion…SSA solutions that do not seem to fit with any partner priorities are posted on a separate flip chart…SSA solutions that are identified as cross-cutting themes and needing a collective SSC approach can also be placed on a separate flip chart…Following initial identification of shared priorities in the speed dating session, an opportunity for further more detailed dialogue is provided. The outcome of the speed date and further dialogue is: an agreement on shared priorities; contact details for further discussion; identification of further work required to progress the solution; an identification of any other

1 For readers who have not read Hammond (2008b), then the stage 2 of the SSA, was the development by SSCs of a report identifying the supply side of their sector, and the fitness for purpose of existing provision.
partners that need to be involved; any obvious barriers/ hurdles that need to be overcome; when further dialogue will take place, etc.” (SSDA, 2007, p1)

From this then, certain tasks become necessary on the part of both the SSCs and the project board members. SSCs are asked to ensure that the outputs from the SNA and ACP have been shared with stakeholders in advance of the showcasing event, and arrive at the event with potential solutions at stage 3 and an understanding of what evidence supports this. As a result of this the SSC should be clear about which partners are more important to obtaining a solution to their needs, and also what the employer contribution and focus is for each solution (SSDA, 2007, p2).

Partners are asked to come to showcasing event with a summary of their organisation’s priorities to be written on the ‘flip chart’. Secondly partners need to be prepared to identify current or planned activities which might provide a vehicle for SSA solutions; and finally be prepared to discuss additional work or amendment to existing work that will support SSA solutions (SSDA, 2007, p2). While this is an interesting example of public sector partnering, it shows the relegation of the SSA to a subsidiary policy document and proposal.

One issue that has been a constant problem for SSCs, and has been touched on within this paper and others, is the issue relating to the provision of supply-side data. The difficulties were touched on in Hammond (2008b) and the attitude of partners to the SSA, and the impinges that it made on them and their working, is well illustrated in correspondence between the Learning and Skills Council (LSC) in England and SSC in a letter (dated 1 September 2006) entitled LSC supply-side data. From the letter, the following pertinent points emerge:

“To support Sector Skills Councils (SSCs) and their development of the Sector Skills Agreements (SSAs, the LSC previously developed an agreed specification for the issue of supply side data. This specification was developed in consultation with SSCs and has been trialled during 2005/06 using the latest set of full year data available...This data has been well received, although we don’t believe that it has been consistently used by all SSCs and, furthermore, we have had very few discussions to agree key messages resulting from the data to be published in Sector Skills Agreements. Over the last few months there have been a significant number of requests for supplementary analysis. The LSC is not in a position to handle all of these requests, and therefore for the foreseeable future SSCs must rely on the supply side data that has been provided. The LSC will however continue to support your queries about the data provided and advise you of our future plans...The LSC recognises that the detail of the data specification may not be sufficient for every SSC. The LSC is committed to carrying out a review of this data with a plan of implementing a new specification and format for the provision of 2005/06 learning data due around April 2007.” (LSC, 2006,p1)

As was seen in Hammond (2008b), the LSC data did not enable some SSCs to make decisions on data for their SSAs, and therefore presumably reduced the quality and impact that the research could have had for their sector. I say presumably, because the author personally found the data provided by the LSC to be perfectly adequate for the purpose for which he used it. The point should not be lost though, it was the LSC (and for that matter, the other funding bodies) who were controlling the flow of data, and deciding or not, whether to develop data to improve the agreement. Also as can be seen, data was ipso facto two years out of date when it came to the SSCs, reducing the potential accuracy, and leaving the ‘door open’ for the LSC to suggest that things had moved on since the data was provided. Finally, again the evolutionary nature of the SSA can be identified, as the data set was agreed as the pilot SSCs and possibly tranche 2 were working on their agreements. To be really successful,
the data supply issues should have been resolved before the SSAs were begun, and may have not led to complaints articulated in Hammond (2008b) that the LSC was being unsupportive. Time limits probably prohibited this, but ultimately it is suggested led to the SSA being less successful than it might otherwise have been.

The Beginning and end of the English Project Board

As discussed in previous work (Hammond, 2008b) and within this paper, the SSDA created an English project board. England unlike the devolved nations is made up of nine devolved RDA regions, and in many ways each English region had to be treated like a devolved nation, which in a sense made a nonsense of the concept of an English project board. The composition of the English project board is interesting though, as it engaged with national Ministries, rather than regional interests. SSDA had six representatives, DTI (as it then was) had one, DfES as it then was two, QCA had one representative, Jobcentre Plus had two members, LSC (National Office) had one, Higher Education had one representative, and the Health Education Authority had one representative; RDAs had two representatives (SSDA, 2006c, p1).

An interesting point from this meeting, given that it took place in April 2006, is that even though tranche 2 was coming to the end of their SSAs and moving towards agreement, there was still confusion about how the final agreement would look, as the minute below emphasises:

“Following discussion, it was agreed that the Tranche 2 sign up in England would involve each SSC reporting into the 15 August Project Board what stage they were at with each solution and whether any further action is required…[X] then led discussion on what stage 5 could look like and presented the template. In the discussions, it was agreed that the stage 5 documents should be simple and use of the template would give a consistent look to the document across the SSCs. [X] confirmed that the template will be included in the overarching guidance document. [An SSC] said that there was a risk of the duplication and a large volume of data so it was agreed that the stage 5 should major on agreements with robust cross reference to existing data with a logical progression and flow to solutions.” (SSDA, 2006c, p3-4)

Another interesting comment from the minutes, that shows how policy decisions taking place during the SSA process (and these will be discussed separately in a further paper) which in some cases helped and in others possibly hindered the SSA process, this particular initiative from the minutes suggests that the policy could be a help to SSCs.

“HEFCE are holding 2 events…with SSCs to explore sign up to solutions. HEFCE intend to respond to all stage 3 consultations in this way. HE now has broader remit to work on employer engagement. UUK have set up a new Skills Task Force. Potential of more HE engagement through ‘Train to Gain’ HE pilots which will be announced in the summer.” (SSDA, 2006c, p4)

The final point of interest from this meeting is that following from the latter from the LSC discussed earlier in this paper, there was still some problems for SSCs in getting their SSAs published due to the attitude of the LSC, and its rigid adherence to its own planning cycle, to which SSCs were required to adapt.

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2 It is assumed that this representative was there as Skills for Health were going through their SSA.
“LSC will respond at the start of business cycle in October to whatever documents are ready at the time. However any specific information involving detailed changes to volumes, types and levels of qualification will go through the detailed regional process where reports back outcomes in March. Policy agreements will be able to be facilitated more quickly. Some SSCs were concerned that this could have an adverse effect on when they could publish their SSA and could result in the timeline being substantially delayed. It was pointed out that the Pathfinders had agreed direction of travel arrangements with the LSC on solutions in their published SSA on volume levels and types of qualifications. Tranche 2 have also followed this approach (SSDA, 2006c, p6).

The effectively last meeting of the England Project Board took place in June 2006, and from a paper submitted to the meeting, it was decided to wind up the board forthwith. The particular note from which this decision emanated is recorded below:

“The English Project Board has served the Pathfinders and Tranche 2 well, both in terms of policy development and coordination of the development phase for each tranche. The role and purpose of the meeting now needs reviewing so that it is fit for purpose for partners and tranche 3 and 4 SSCs and builds on the lessons learned so far.” (SSDA, 2006d, p1)

The justification for this recommendation seems to be that the process was maturing now, and therefore the England project board had no purpose:

“The experience of the Pathfinders and Tranche 2 has been used, along with the SSA process evaluation, to inform detailed guidance for stage 1 to 5 of the SSA process. SSDA now have an account management structure in place which enables the learning from early tranches and each subsequent tranche to be passed down to newer tranches…In addition, partners have developed mechanisms to work with SSCs during the development phases, building on the lessons learned and experience to date working with Pathfinders and Tranche 2. For example, LSC and DfES have an account management approach. HEFCE have coordinated tranche meetings at stage 3 involving staff from across HEFCE. The TUC have also coordinated meetings with each tranche and the relevant TUs.” (SSDA, 2006d,p1)

A further report published by an English Project board Sub-group concluded that there were a number of lessons that had been learnt by SSCs related to England, many of which ‘chime’ with the comments I have made in this paper and other work. First, it was felt that Stage 3 documents would have been more effective with specific detail and clarity re-partner roles within each solution. Secondly, there was a need to clarify how reports can be tailored to better meet partner needs, with thirdly a clear and simple format for Stage 3, consistent across SSCs so that it would be easier for partners to follow. From the perspective of presumably partners, it was felt that it was easier to deal with tranches in a bundle to enable themes to be more effectively dealt with (SSDA, 2006e, p1).

Fifthly, as noted elsewhere, many SSCs relied heavily on reports written by consultants, are harder to interpret, as they do not tell the sector story or bring the sector to life. The paper argued that direct interaction and dialogue with partners had proved more valuable than written responses (some written responses have been more of a sales pitch although some have added value, and there has been a lack of written response from many partners. Partners have at times become confused by the SSA process, and the perceived parallel consultation of SSCs and SSDA, and eighthly, the information from the English Project board is not cascading effectively through to the English regions, which given the lack of RDA
involvement at the meetings already identified in this paper, is perhaps not surprising (SSDA, 2006e, p1).

The Ninth and Tenth points from this paper, appear to justify what has already been written in this paper and other papers I have produced (Hammond, 2008b; Hammond, 2008c) in that it suggests that RDAs and RSPs are not seeing the value of SSAs. The SSA process is seen as a burden, and the writers of the paper felt that the support of the DTI (as it then was) would be helpful here. It was also felt that SSCs have problems finding the right staff in the regions (RDAs and RSPs) . There is a need the paper writers felt for RDA involvement to be at senior level so that the purpose of the SSA is clearly communicated to RDAs and RSPs. Finally, it was felt that regional partners also sometimes did not value the direct input of the SSC regional managers, but it doesn’t help, because the report suggests that these regional managers are not up to speed with the SSA process of their SSCs as the national SSA lead (SSDA, 2006e, p1). Joining the comment in SSDA (2006,d) the sub-group recommended the demise of the English project board:

“To recommend to the English Project Board and alternative approach to partner engagement throughout the process, involving replacing the Project Board and establishing an alternative mechanism to stage 3 consultation.”

(SSDA, 2006e, p1)

The England project board therefore ceased from that point, June 2006.

How the English Regions Managed the SSA Process

In Hammond (2008b) I argued that the English regions had down-grading the SSA to a instrument for obtaining LMI, and ‘picking and choosing’ what went into the policy pot regionally. In Hammond (2008c) I argued that one mechanism guaranteed to decrease SSA influence was the Regional Skills Partnerships (RSPs) in each English region, usually under the control of the Regional Development Agency (RDA) which if the West Midlands region is typical (and it is suggested that it is) then is dominated by supply side organisations.

In the South West of England, the South West Education & Skills Alliance (SWESA) developed a mechanism (which was cited by SSDA (2007a) as a model of good practice) for managing the SSA process within the region. SWESA’s aim was to identify and address key issues arising from the sector focus on skills and to support the regional implementation of SSAs and to identify the added value to be achieved by joint working (SWESA, 2007, p1).

The purpose of the Sectors Operational Group (SOG) is interesting as it appears to be deliberately seeking to integrate SSAs into regional policy. First the purpose of the SOG is to identify how SSCs will impact on skills delivery across key partners, and to develop a protocol for working together. Secondly, to agree a common understanding for the definition and prioritising of sectors amongst partners; and thirdly to provide a co-ordinated approach to addressing SSAs in the region, taking an overview of the breadth of information and gaps identified within the SSAs, supporting bi-lateral relationships and other regional SSA initiatives, and informing the development of the regional skills strategy in the longer term. Note the term informing; if SSAs had the impact that was intended, then the words informing might be changed for the term ‘directing’ for example (SWESA, 2007, p1).

Fourthly, the SSA was meant to assess, communicate and monitor strategic priorities and actions related to the development and implementation of SSAs in the region and to remove barriers and blocks to progress. This sounds great in theory, but given that the core members of SOG contain both the LSC and the Association of Colleges (AOC) who represent the supply side, as well as an HE supply side rep (replicating what was found by Hammond
(2008c) in relation to the West Midlands), then it is suggested that they would be unlikely to sanction a proposal from an SSA, that impacted adversely on the supply side, and this may relate to the point made under the third heading, that this would inform, but not change the regional skills strategy. Fifthly, to establish and manage a structured mechanism, and here suggestions are given, such as regional mapping, action planning, skills balance sheets and SSA champions, which will allow SWESA and its constituent partners to work with the SSCs on the interpretation and implementation of SSAs within the region. Sixthly, to underpin the SWESA Board and Alliance and support both with information and recommendations relating to work with sectors and SSAs in the region, and finally seventhly, the SWESA will feed into the National SSA Project board (this is a strange statement, as there was no such thing, and may be an evolutionary ‘throw-back’ to a concept ditched during the pathfinder phase of the SSA development, or may be a misunderstanding of the English Project Board) which supposedly was managed by the SSDA on an ongoing basis (SWESA, 2006, p1).

If the purpose of the SWESA, hides the likely output from the group in relation to implementation of SSA findings, particularly those that are controversial, then the more downbeat proposed outputs, emphasise this better, and show how the SSA is (if one accepts its initial purpose) has been de-powered by the administrative process, and SWESA has relegated the SSA to being just a feeder document. The outputs identified therefore are: First, an improved dialogue and engagement between key partners to better understand what their issues, priorities and planning processes are in relation to sectors and how they intend to respond to SSAs. Secondly, to agree shared protocols for the definition and selection of partners sector priorities in future. In other words, partners take what they like from the SSA, and work to establish those priorities. Thirdly, the SSA provides opportunities for regular information sharing and knowledge updating for all group members around SSA themes or content, processes, progress and barriers. Fourthly, an output is improved communication throughout the region about sectors skill issues and SSAs, and fifthly the development of a structured process for the SWESA and partners to enable them to respond to SSAs now and in the future. Sixthly the mapping of all regional SSA priorities to SWESA priorities and its bilateral partners plans. Again though the emphasis appears to use the SSA to strengthen current proposals, not to re-define and challenge them, and this links to the eighth point of joint action, planning and prioritising, where again it would seem that the SSA is only a tool in the process, not a definer of need, creating an employer led demand system (SWESA, 2006, p2).

Seventhly, there is the concept of the development, appointment and monitoring of SSA champions, which appears to suggest a raising of expectations, although this is nicely cancelled out by the ninth point, which is the steering of the development and usage of the regional Skills Balance Sheet and ensuring SSA data is fed in appropriately. It is proposed to consider the content of a Skills Balance Sheet (from the West Midlands) later in this paper, however for now it is appropriate that it a regional document created by the LSC, who it is argued are quintessentially a supply side organisation. The inference from this ninth point is that the SSA is subordinate to the Skills Balance Sheet. The tenth output, is the development of an agreed best practice model for engagement with the supply side and dissemination of SSA information, and finally the eleventh outcome is a forum for the SSCs and partners to share best practice, advice and support on SSAs (SWESA, 2006,p2).

In a subsequent paper, I will seek to bring together a number of theoretical contexts around regionalisation, and the ‘New Labour’ development of these policies building on the work of Newman (2001) discussed earlier. As many of things that happened in the development of SSAs appear to at least challenge some of the notions put forward by scholars who argue that regionalisation has yet to find its ‘teeth’ in challenging central government on policy initiatives, although it is not proposed to develop this here, but later.
A further challenge at a sub-regional level to SSAs in England (I will discuss further challenges to SSAs and SSCs per se in the devolved nations in subsequent work) was the development of sub-regional agreements driven often by the local LSCs, called Local Skills Agreements. Because SSCs, particularly the smaller ones, simply do not have the capacity or resource to produce SSAs at sub-regional level, this presents the LSCs with the opportunity to control. In this paper, I am going to consider one agreement for Greater Merseyside, which covers construction. The agreement also took in Building Services Engineering as well, which meant that as a document it covered two areas of SSC authority, being Construction Skills and Summitskills. In the introduction to this ‘draft’ document, the following statements are made, which suggest a certain amount of ambiguity in my mind to what extent this is an SSC driven venture, rather than an LSC one, and also whether SSCs had truly been involved in developing this document, or rather later being asked to comment on it.

“The strategy [21st century skills, white paper] introduced the need, at national level, for Learning and Skills Councils (LSCs) and Sector Skills Councils (SSCs) to develop agreements to identify skills shortages, and develop strategies and funding requirements to meet sectors’ future demands...The Learning and Skills Council for Greater Merseyside (LSCGM) identified the need for local requirements to be articulated to take account of specific sub-regional requirements. Together with those organisations in Greater Merseyside involved in skills and sector development, it was agreed that Local Skills Agreements (LSA) would be the means by which local actions could be implemented” (LSCGM, 2005, p3)

At the time Summitskills did not have a SSA in place, although Construction Skills as one of the pathfinder SSCs did. One would therefore have expected that the agreement would rely heavily on Construction Skills work, but that was not the case at all, the SSCs are placed with other partners who will be consulted on the initiative along with the other groups:
- Construction for Merseyside
- Skills and Productivity Alliance
- Sector Skills Councils
- Learning and Skills Council for Greater Merseyside
- Business Link Greater Merseyside
- Connexions
- Jobcentre+
- Trade Unions
- Federations- FMB Trade Association
- Knowsley Construction Partnership
- Fusion21
- BuildSefton
- St. Helens Chamber
- Colleges and training providers
- Higher Education (LSCGM,p7-10)

This veritable list of local partners suggests that the opportunity to dissipate decision making pluralistically, and mitigate against a focussed decision making process is very likely, with SSCs being relegated to being a mere ‘player’, rather than the ‘play maker’ which is contrary to the White paper, referred to in the introduction to the report (LSCGM, 2005, p3).

The statistical (research) data utilised by the report is also interesting, as given that it is a local agreement, one would expect to have been derived from the ConstructionSkills SSA, but in actuality relies more on the Annual Business Enquiry surveys for 2002 and 2003, the NESS survey on skills needs and skills gaps (originally an LSC sponsored publication, although latterly responsibility for this has gone to the UK commission for skills the
successor to the SSDA). Considerable use is also made of tables derived from a former LSC initiative of the ‘Strategic Area Review’ for Construction in the North West.

In other words what is striking about the data sources underpinning this document is its LSC bias and reference to the Experian produced LMI used by Constructionskills appears to be almost non-existent. It is suggested that despite the rhetoric in the introduction, at sub-regional level, this document is attempting to control the impetus for the initiative at local level. Through the SSA employers were supposed to voice their needs and the agreement between employers and providers i.e. demand and supply was supposed to be created to respond to this, then this Local Skills Agreement cuts right across this, as its function is identical to that of the SSA, as is shown on p31 of the report:

“While the objective of this LSA is to provide a means for employers to collaborate with providers of training and skills so that skills demand can directly shape the nature of supply, the tripartite structure of the LSA also creates opportunities to reduce aspects of the industry’s fragmentation, via, the employers’ forum, the public partners’ forum and the training providers’ forum. In addition to realigning training provision to meet the needs of industry and providing a mechanism for employers to articulate their skills needs, the LSA structure could be used to integrate the range of industry support. At the very least, a series of protocols should be established and agreed between all providers of industry support to avoid confusion and duplication, and offer employers the optimum range of services to enable them to grow, and so be in a position to train and recruit.” (LSCGM, 2005, p31)

All these roles are the ones envisaged in the SSAs, and ipso facto the responsibility of SSCs but the real agenda it is suggested can be discovered by looking at the model of working arrangements. The LSC is the central point, with the Greater Merseyside Construction Sector Partnership, which comprises Senior Director, LSC, North West Development Agency, GO North West, Local Authorities, Job Centre+, BLGM, SSCs, Connexions and the TUC reporting to it, the Construction Sector Employer Network comprising of Employers and Sector Directors, and the Construction Provider Network, consisting of Work Based Learners, Private Sector and FE Providers and the LSC Sector Director (LSCGM, 2005, p36).

Although there is some linkage between the three groups, all these groups have LSC representation, whereas SSCs are only on one group, and all groups feed into the LSC, leaving me to conclude that what is proposed here is an LSC Sector Skills Agreement. (LSCGM, 2005, p36). As the document is only draft, it is not possible to know whether this initiative is actually running, although it is not really relevant if it is, as it clearly shows intention to ‘bypass’ SSCs and the SSA, and continue to manage provision locally, using their own LMI, rather than that provided by SSCs.

A variation on the theme, which is discussed in other regions is the use by the LSC of the ‘Sector Skills Balance Sheet’, which the LSC use to determine funding, and which SSCs are expected to ‘marry’ with their ‘regional SSA. Quintessentially, Skills Balance Sheets (SBS) contain most of the facets of the SSA, in that there is a Sector Profile, a section for Demand Issues (this corresponds with the Sector Needs Analysis section of the SSA), a section for Supply Issues (which corresponds to the Assessment of Current Provision section of the SSA) and Supply and Demand Mismatch Issues (which corresponds to the Stage 3 part of the agreement). Whether the SBS pre-existed the SSA, or whether the LSC created them, or amended them to match the SSA is not currently known by the author; but what is certain however, is that their creation allows the LSC regionally to challenge SSA findings by suggesting that they do not match the findings of their own SBS (LSCWM, 2005).
Taking the Construction example, then the LSCWM (2005) the Skills Balance Sheet for the West Midlands relies on the ONS annual Business Enquiry 2003 for its employment data, rather than the Experian model that Constructionskills use, and although Experian make use of Labour Force Survey Data, other data LSCWM (2005) utilises include the West Midlands Household Survey 2004, as well as the University of Warwick Working Futures model, which Constructionskills have implicitly rejected in favour of the Experian model. The LSCWM (2005) also utilises the NESS survey, which as already stated, was produced primarily by and for the LSC.

Another mechanism that regional bodies have created primarily it may be conceded to inform themselves about policy, is through the development of regional observatories, which are organs of the RDAs. These bodies produce reports containing sector data. WMROC (2005) created for the construction industry is a 125 page document, and concentrates specifically on the West Midlands. Data sources again, are similar to those used elsewhere, the DTI Construction Statistics Annual, 2004, the Labour Force Survey (LFS) Annual 2004, BSRIA report for Summitskills (which is interesting as officially, this was a draft report and was never formally published by Summitskills), Building Magazine, NESS etc. While using some data from the Experian model, it is interesting to note that not a lot of data is used directly from Constructionskills sources, and if only in this, is there the suggestion that the report is distinct from both Constructionskills and Summitskills, who are the main SSCs for the sector.

In the South East SEEDA (RDA for the South East) and the South East LSCs recruited a consultant to produce a ‘South East Sector Prioritisation: Score Card Update and review of sub-sector demand’ (Stepahead, 2006). Interestingly this work uses the same data sources as the majority of the SSCs (I intend to produce a later paper for more of an analysis of this phenomenon, as it impacted on research and academic freedom) and therefore this report could be used to challenge SSA findings, although this is not the intention:

“This project aimed to further develop the framework in order to provide the South East LSCs, SEEDA and provide the South East LSCs, SEEDA and partners with robust data to enable them to respond effectively and consistently to the emerging Sector Skills Agreement; articulate the evidence in a meaningful way to the ‘supply side’ so that provision can respond to identified needs; highlight where SSCs could potentially work together to tackle a common generic or occupational skills need; inform sub-regional sector skills prioritisation and provision planning.” (Stepahead, 2006, p1)

SSCs at the end of this report are given instructions on how to produce a SSC South East Sector Strategy, using a template. It states:

“This template is intended to be a guide for those SSC regional representatives who wish to present their sectoral skills strategy to influence the Regional and Local Skills for Productivity Alliances, Regional Economic Strategy, LSC and Business links as an interim measure in the development of a Sector Skills Agreement” (Stepahead, 2006, p32)

SSCs are requested to produce a one page two-sided summary of key issues, which is designed to cover seven key points. First, the sector context aligned to the SSC footprint, with a description of what the sector covers. Secondly, South East Employment, both current and future by occupation where possible and using numbers (regional position) as well as percentages (against national figures) to describe the whole workforce by sub-sectors. Thirdly, geographical concentration of employers in the South East by sector; fourthly main factors affecting competitiveness/ productivity; fifthly the key demand side issues of employers, with a summary of key skill gaps and employment trends etc, both current and
future. Sixthly, key supply side issues, asking in what ways is the supply side not meeting the needs of employers, such as are provider network programmes fit for purpose; travel to learn issues; short courses v traditional qualifications; retention; learner numbers; employer support (workplace training) and teaching staff experience covering all skill levels; seventhly, key generic skills issues (e.g. literacy & numeracy, languages, use of IT, management and leadership) across your sector footprint (Stepahead, 2006, p32).

This regional strategy to ‘control’ and manage SSCs is here to control presentations and regulate data to make it fit with regional priorities. The presentation of results on one page, is reminiscent of Ministerial briefings in Whitehall, and to fit within the predetermined template, makes it difficult for an SSC to present their arguments coherently, and more importantly use the SSA to challenge existing regional priorities, where these do not suit the employers the SSC represents.

NWDA (2006) in their ‘guidance document’: Sector Skills Agreements in the North West, adopt a partnership approach, where using the North West Skills and Productivity Alliance, the Alliance ‘supports’ the production of regional SSAs through inputting NW data; discussing the development of NW SSAs so that they are ‘relevant’ to the North West. This I interpret to mean, meet pre-existing regional priorities, rather than providing a catalyst to challenge them. Ultimately the NWDA (2006) proposes that the SSAs and the SSPA action plan become one document, i.e. SSAs are subsumed into SSPA action plan, which given the statements above, might be seen more as a ‘take-over’ rather than a partnership (NWDA, 2006, p4).

A further interesting comment from this paper, is the discussion of the role of the RSP, the role of which has already been discussed by me in this paper and subsequent papers. The paper suggests that RDAs think that the RSPs could support and inform SSAs by helping to develop linkages between SSCs and key regional partners; develop a mechanism so that regional and sub-regional sector LMI and analysis is fed into the SSCs via the RSP; using the RSP network and links to providers to help ensure that all providers are in a position to implement the SSAs, and raise awareness of the development and implementation of SSAs across the regions and sub-regions. It is also proposed that as RSPs develop, then they will become the main route for the regional partners to work with SSCs to ensure effective ‘integration’ of regional and sectoral priorities. Finally the paper concludes that HEFCE are key members of each RSP, then this could be a useful link to help address the Higher Education aspects of the SSA, as HEFCE are developing a regional structure (NWDA, 2006, p7-8).

In conclusion therefore this appears to the author to be another method used by a partner to subsume SSAs into a regional context, and thus de-power its effectiveness of representing the employers for which it was created, if it in any way challenges what is happening in the regions. Although diverse and numerous are the ways that regional bodies work to reduce the influence of the SSA, ultimately they all lead to a dilution of the power of the SSA, and the role of the SSCs in creating a ‘demand led’ PCET education and training system.

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