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Special issue: *Colleges as anchor institutions in their local community: Promoting inclusive economic, social and educational growth*

Research article

# Unpacking the tensions between local and national skills policy: employers, colleges and Local Enterprise Partnerships as collaborative anchors

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## Abstract

Inherent tensions exist in skills policies that aim to combine national economic growth and productivity with localised implementation for education and training. This is particularly apparent in the over-emphasis on employer engagement in national education and training policy, where the localisation of skills formation is particularly envisioned through employer engagement. Yet further education colleges have acted as anchors within local skills ecosystems working successfully with employers, often through Local Enterprise

Partnerships (LEPs), providing the key bridging mechanism between national skills policy and localised enactment. We unpack the tensions between national and local skills policy by presenting a case study of a local skills ecosystem. Through interviews with key stakeholders – representatives from the local college, the LEP, and employers – we deploy Stephen J. Ball's approach to policy enactment to map the complex processes and tensions involved in the translation of national skills policy into local skills systems. Our findings highlight the critical role of colleges as anchor institutions in local skills ecosystems, with employers and LEPs working as 'collaborative anchors' in the policy cycle. We present the concept of 'local collaborative anchors' as a heuristic device for understanding tensions within local skills ecosystems and national skills policy enactment.

**Keywords** further education; anchor institutions; skills economy; skills ecosystems; tertiary education

## Introduction

Higher education institutions have been seen as the main vehicle for skilled employment (Davies and Ercolani, 2021). Indeed, higher education has been the main focus of supply-side education and training policy for a long time. Particularly in recent decades, especially since the massification of higher education, a policy focus in the UK has been on the knowledge economy (Brown et al., 2008). Government policies have been strongly influenced by the idea that higher education leads to better jobs and greater social cohesion, and improves students' knowledge and skills levels, which then improve productivity and economic performance (Keep, 2020). While higher education institutions are clearly playing an important role in the knowledge economy, generating intellectual property, this focus entirely alienates understanding and recognition of the skills underpinning the knowledge developed – in what we call the skills economy (James Relly et al., 2021).

A case in point has been the vaccine development for the Covid-19 pandemic that started in 2019. Many great minds have been involved in the long-term development of vaccine protocols that have led to the current supply of vaccines, such as Oxford–Astra Zeneca, which are resulting in decreased death, illness and hospitalisations. The development of the vaccines has been underpinned by finely honed, high-quality skills from many technicians helping to develop, test, produce and deliver them globally. In a symbiotic way, knowledge and skills have come together to provide an answer to a global health and economic crisis. Many of these skills are taught and developed through further education and the technical and vocational education and training (TVET) route, and they are clearly imperative for economic productivity and growth (OECD, 2017).

A focus on the skills economy in the UK is important for several reasons. First, skills are developed across the tertiary education sector and workplaces. Unlike a focus solely on the knowledge economy, incorporating the skills economy allows for this broadened understanding of where skills are developed. Second, it showcases the development of skills excellence, highlighting the extraordinary work already occurring in providing high-level skills and the quality that the UK's skills system can deliver. Third, it places skills at the heart of the economy, where they make an impact on international trade, development and investment, especially in growth sectors providing job opportunities. Fourth, it places employers at the forefront of training and development to work with the UK's high-calibre further education and higher education institutions.

Interestingly, and despite Brexit, the UK is aligning skills policy to the ones found in Europe, as outlined in the *Skills for Jobs* White Paper for England (DfE, 2021). A clear message is that employers, education and training providers, and policymakers must work together in any endeavour to improve the quality and prestige in TVET, making it an attractive pathway (James Relly, 2021). This requires a long-term strategic approach – an approach that incorporates and places importance on the skills economy as much as on the knowledge economy. As Bentley-Gockmann (2021: n.p.) explains, a skills economy features 'a world in which governments, employers, parents and young people recognise being highly

skilled as a valuable currency for success. It's about understanding the economic value of the skills people have – and how they can be applied productively at work.'

The skills economy focuses on understanding and recognising the high-quality skills developed through further education, with jobs created that are valued by all members of society (James Relly et al., 2021). Excellence in further education and TVET has existed in skills systems around the world for many decades; economic prosperity has depended on it. Even so, the predominance of the knowledge economy rhetoric, particularly in government policy, has driven the way we think about the education and training system. A primary focus on knowledge creation has been at the expense of thinking about the positive contribution of skills and skill development to the economy.

Moreover, tertiary skills ecosystems comprise a complex range of stakeholder organisations actively involved in policy enactment at a local level. This is a contested space, with, in England, employers, Local Enterprise Partnerships (LEPs) and education and training providers navigating the demands of national skills policies alongside the needs of local economies, networks, and education and training structures. This article examines these contested local spaces, and the intersections and tensions between national skills policy and the needs of localised systems. Through an in-depth case study of a city-based local tertiary skills ecosystem, it maps the ways in which key organisations work together in the interpretative and translational aspects of the policy cycle in collaborative and mutually constitutive ways. Using the lens of anchor institutions as a heuristic device for understanding this policy process, we find that further education (FE) colleges overtly function as anchor institutions within localised tertiary systems, bringing together key organisations into a holistic functioning structure built around the needs of both the local economy and the local community. However, our findings also highlight that those traditional boundaries between organisations and institutions within tertiary skills ecosystems are becoming increasingly blurred, with, for example, members of FE college senior leadership teams sitting on the LEP, and LEP members sitting on the college board. In our case study, the processes of policy interpretation and policy translation often took place in these collaborative hybridised spaces, highlighting that much of the key work in the policy cycle resides in formalised collaborative relationships between policy actors – FE colleges and LEPs. We present the concept of 'local collaborative anchors' to describe these hybrid spaces as a useful analytical framing for understanding the ways in which productive institutional and organisational overlaps can lead to creative interpretative spaces for the processes of skills policy enactment in tertiary ecosystems, navigating tensions between national policy, local economic demands and local community needs.

## Background

The notion of anchor institutions stems from the USA, primarily with regard to the relationships between institutions (profit and non-profit), cities and economic development (Harris and Holley, 2016). Indeed, Birch et al. (2013: 8) state:

Good examples of such place-based anchor institutions are universities, hospitals ('eds and meds' as the University of Pennsylvania's Ira Harkavy calls them in AITF, 2009), community foundations, local governments, and key infrastructure services. All these and more have the potential to be exemplars of such urban anchor institutions—at once 'fluid' and dynamic *and*, at the same time, rooted in place. Hank Webber and Michael Karlström (2009) suggest that such institutions and the conditions they exhibit are key to the geography of place and thereby 'anchor' the community in real and palpable ways, saying that 'anchor institutions are those non-profit or corporate entities that, by reason of mission, invested capital, or relationships to customers or employees, are geographically tied to a certain location'. (p. 4)

The Work Foundation (2010: 3) shows how their scale and local links mean that anchor institutions play a key role in local development, providing the 'sticky capital' around which economic growth strategies can be built and innovation fostered at a local level. Non-profit anchor institutions have become increasingly prominent in local UK skills and innovation ecosystems, surpassing the dominance of manufacturing organisations in local economies. In this vein, skills ecosystems, and specifically the institutions within them, can be considered anchor institutions, and a growing body of research increasingly highlights higher education institutions, particularly research-intensive universities, as playing the anchoring role within local and regional skills ecosystems (Goddard, 2013; Markusen, 1996; Perry et al., 2009; Power and Malmberg, 2008). In this article, we follow Buchanan et al.'s (2017: 444) definition of skill ecosystems:

Skill ecosystems are defined as regional or sectoral social formations in which human capability is developed and deployed for productive purposes (Finegold, 1999). Their basic elements are business settings and associated business models, institutional/policy frameworks, modes of engaging labour, the structure of jobs, as well as the level of skills and systems for their formation (Buchanan et al., 2001).

These authors, alongside others (for example, Anderson and Warhurst, 2012) have argued that, while the term can be helpful conceptually, it is not unproblematic. Its close ties to human capital theory (Becker, 1964) render its focus squarely on the supply side, ignoring both the context in which human development occurs and demand side needs. This is not a straightforward equation: skill, knowledge and innovation occur in a myriad of ways for different reasons and purposes. In addition, the complexity and churn of education and training policy mean that skills ecosystems can be fraught.

Yet, as skills ecosystems are increasingly structured as tertiary systems in both policy and practical matters, combining further education and higher education, FE colleges can be seen as having a critical anchoring role. Sladek (2019: 3) has argued that while the size and place of education institutions is a factor, the important element is the kind of impact these anchor institutions have, and on what terms: 'It is one thing to be an anchor institution. It is another to consciously and intentionally adopt an anchor mission, leveraging all available institutional and operational resources for community benefit.' In this way, although FE colleges are not viewed in the literature in the same way as universities in terms of being anchor institutions, they do fulfil an anchoring role due to their community-oriented goals. The mission of further education is broad – much broader than that of schools and universities – and so FE colleges are at the forefront of leveraging available institutional and operational resources for community benefit. Indeed, the role and expectation of further education to address a range of national social and economic priorities has remained high on the policy agenda (Orr, 2020). This is despite decreased funding and resourcing and a constant stream of policy churn (James Relly, 2020).

## Policy enactment in tertiary skills ecosystems

Since 2010, UK governments have aimed at 'empowering' local communities to drive growth, reforming the infrastructure for sub-national economic development and localising elements of skills policy as part of a devolution agenda for England (Payne, 2018; Pike et al., 2015). This, combined with local education and training systems, increasingly framed in holistic tertiary terms, has inevitably complexified local skills ecosystems. These now overtly meld a range of FE colleges and vocational education and training providers, higher education institutions, employers and LEPs (Buchanan et al., 2017). Complex tertiary skills ecosystems are sites of policy tensions and ongoing negotiations, as each organisation, institution or individual policy actor brings a set of assumptions and agendas to collaborations – what Braun et al. (2011: 581) have described as 'policy soup'. Therefore, as skills policy increasingly focuses on the importance of cities and regions within a wider framework of devolution, the role that anchor institutions play in facilitating negotiations between different actors in the local ecosystem and mediating national skills, education and training policies in local contexts is crucial (Keep, 2016).

Policy enactment (Bowe et al., 1992) and the policy cycle (Ball et al., 2011) highlight the ways in which different organisational and institutional policy actors engage in the policy process, interpreting and translating national policy into localised contexts. Bowe et al. (1992), Ball (1993) and Ball et al. (2011) have illustrated how linear conceptualisations of policy formation and implementation rarely capture these kinds of messy realities: the ways in which national policy intersects with local contexts and the agency that different policy actors apply to national policy in their local contexts. As such, enactment theory frames policy as a process of translation and interpretation (rather than implementation) and emphasises the importance of context and individual policy actors (Ball et al., 2011). Policy can be seen as both text and discourse (Ball, 1993, 2015) capturing both policy as an artefact and text-based intervention into practice, as well as the constitutive power of policy as a structuring force within social settings.

In this article, we adopt this approach to the policy process and apply a conceptual framework that combines policy enactment theory with the concept of anchor institutions. This framing allows us to capture the messiness of policy processes across a tertiary landscape, infused with necessary disjunctions, competing demands and nuances. Individual institutions are shaped not only by policy, but also by how they react to it within a landscape of other education and training providers. It is within this framing that we can see the interplay and highlight the primacy of an anchor institution in a localised

tertiary landscape. It also allows us to move away from the idea that ‘policy is merely implemented’ (Randhawa, 2020: 86) in educational institutions; it is a complex process involving contextualisation leading to a particular enactment of that policy. In the words of Braun et al. (2011: 549), policy enactment encompasses the ‘creative processes of interpretation and translation’ across many stakeholders and education and training institutions. In following this approach, we aim to examine both the ways in which skills ecosystems are structured, and the mechanisms of intersection between national policy and local contexts. As such, this article is structured around two key research questions:

1. How are national skills and education and training policies enacted in local tertiary skills ecosystems?
2. How do relationships between key policy actors in local tertiary skills ecosystems shape the policy enactment process?

## Methodology

These aims and research questions are addressed through an in-depth case study of a city-based tertiary skills ecosystem. The case study examined the key stakeholder organisations that comprised the skills ecosystem (FE colleges and associated TVET providers, higher education providers, the LEP, and employers relevant to the local economy and active in the skills ecosystem). The unit of analysis of the case study was the way in which organisations conceptualised, engaged with and enacted national skills-related policies in their local settings.

The ecosystem based in South East England was selected as being broadly representative of growing city-based tertiary skills ecosystems that include one or more research-intensive universities, alongside a range of further education providers, and networks of employers, partially coordinated through an LEP. Effort was made to select a case that provided insight into relatively diverse local economies and relatively diverse communities. As such, the selected tertiary skills ecosystem combines traditional industries with growth in key innovation areas (linked with university-related spinouts and spillovers), alongside extensive service-related demands. This was set within a relatively divided social context with high levels of inequality across the city, enabling us to examine the dynamic relationship between the skills ecosystem, economic demands and community needs.

There are about three hundred and fifty publicly funded training providers operating in this region, from large FE colleges to small, very specific niche training providers; approximately six of these providers deliver about 97 per cent of the teaching and learning. However, while the case enables us to make some generalisations in relation to similar kinds of local systems, our primary focus was on examining mechanisms and dynamics of policy enactment to gain greater insight into the intersection between national and local policy. The goal of the study was to deepen our theoretical understanding of dynamic tertiary skills ecosystems, rather than generalise about the country. Consequently, a qualitative research design was adopted involving two data collection techniques to try to understand the way policy enactment, interpretation and translation occurred in this skills ecosystem.

Data were gathered in two main ways: through desk-based analysis of key documents related to the shape of the skills ecosystem and policy enactment, focusing on key structures, networks and approaches to, and publicity around, recent skills-based policy announcements; and semi-structured interviews with representatives of key organisations and institutions within the skills ecosystem. We drew on twenty-first-century academic literature and key policy documents. Participants were selected purposively from key education and training organisations, and specific individuals within them that were overtly active in this skills ecosystem. This was combined with a snowball approach, where participants were asked to link us up with other key stakeholders that they felt were important in the ecosystem. Overall, six individuals participated in the study, representing the LEP (two), FE colleges (two) and key employer (two).

Interviews took place during the Covid-19 pandemic, and so were undertaken online and were audio recorded and transcribed. Transcriptions were analysed thematically, combining deductive codes developed through our knowledge of the literature on tertiary skills ecosystems with inductive codes developed through in-depth interrogation of the data. Transcripts were analysed separately by the authors, then our coding frames were brought together, iteratively negotiated and combined to produce a credible, collaboratively developed frame (Braun and Clark, 2013; Miles et al., 2014).

The study has been conducted in accordance with BERA's (2018) ethical guidelines, and it received ethical approval from our institution. Our primary focus has been on avoiding any personal or professional harm to our participants, who engaged in very open and often frank discussions. We have therefore attempted to fully anonymise the skills ecosystem we selected and all the organisations included within it, as well as individual participant identities. Consequently, some quotations have been deliberately paraphrased to preserve the original meaning while removing key information that might indicate the site of the study or the identities of the participants.

## Findings

### Policy enactment in a complex skills ecosystem

When discussing the relationship between national skills policy initiatives and the local contexts, all the participants emphasised the complexity of the local skills ecosystem, with the number of different stakeholders within it being particularly highlighted. The principle of the one FE college described this complexity clearly, illustrating the wide range of different training providers with the potential to be active policy actors:

This region is overcrowded and complex ... FE is wider than just FE colleges. There's the whole mix of private training providers, universities offering lower level qualification than would be traditionally offered ... it's a complex mix and actually more employers are now offering training themselves as well, whether that's always qualifications or just in-house training.

This kind of overcrowding within the tertiary landscape often meant that these different organisations and institutions were positioned in competition with each other, competing for students, financial resources and even physical space. The second FE college principal described this education and training 'marketplace' as being characterised by 'wasteful competition', and argued that the combination of limited central funding, lack of clear information on future skills requirements for the local economy and only sporadic coordination between numerous education and training providers often led to intense competition at certain levels, and under-provision at others:

The belief that competition gives you higher quality cheaper products is not true in an education context. If you are not careful, you get lots of providers aiming for the low-hanging fruit ... focusing on lower level qualification ... but where it is more highly skilled, there is not the same level of competition because it costs more.

Across the interviews, several participants, particularly those involved in further education, argued that national policy changes always had the potential to cause tensions within the local ecosystem, as a lack of resources within the local system as a whole often meant different organisations actively competing for funds. Participants described how national initiatives often focused on reshaping local systems to meet projected national skills shortages, leading to funding specifically allocated to shortage areas. Engineering is a key example. The college principals and employer described how different organisations then interpret the policies in different ways to position themselves to take advantage of those available funds in ways that minimise impact on normal practice. For example, one college principal described this process clearly:

On the one hand, if the local plan says you must do underwater knitting, we will be doing underwater knitting ... but you also get the perverse behaviour like what [the university] did a few years ago, where they paid highly for things like science and very low for business studies. So [the university] very creatively would do business studies with chemistry. So it increased their funding, and they were sort of doing what government wanted, but actually they weren't.

As such, across the board, participants suggested that the site of policy interpretation, as national policies were translated into local skills ecosystems, was also the point of inter-organisational competition. The ways in which organisations and institutions interpreted, and were able to interpret, national policies had the potential to give them a positional advantage in accessing much-needed funding. Consequently, within the quasi-market of the English education system, the process of localised policy enactment could be seen as a mechanism of market forces, with organisational agency exerted in policy interpretation fostering localised competition between policy actors.

## Further education colleges as anchors at the heart of the policy process

However, participants also described ways in which organisations within the local skills ecosystem came together in collaboration, subverting the dominant forces of competition and creating a localised pocket of systems-based working. This saw the emphasis on horizontal diversity within the system, where different organisations were seen as genuinely offering different pathways and different choices to those seeking education and training. All the participants emphasised FE colleges as being of critical importance to this horizontal diversity, as one member of the LEP put it:

So much [policy] focus is on the higher level skills. It's very easy to forget that there's a sort of continuum about how to get there. But really also, sometimes, it's absolutely fine for someone to have level two and level three skills. That's all they're going to need for a fantastic career, a fantastic life. We need people that work at that level, as well as people who progress on to level six and seven doing that higher level work.

The LEP participants suggested that, with strong leaders in the local FE colleges deliberately and overtly emphasising the importance of a wide range of education and training pathways, the FE colleges themselves drove local horizontal diversity within the skills ecosystem in the face of the market logic embedded in national policy, which tends to drive vertical stratification within systems. As such, with FE colleges at the heart of the local tertiary skills ecosystem, it was possible to see national policy enactment creating localised pockets of collaborative working with FE colleges as anchor institutions in this policy process.

## Community mission of further education colleges

FE colleges are often the mainstay of their local community. One FE college principal argued that this was fundamentally linked to the fact that 'the mission of FE colleges is community oriented'. The other college principal illustrated this point powerfully in a critique of policy and public rhetoric that has often singled out hairdressing as a 'useless' and oversubscribed course:

In some areas, they [national policymakers] say 'so let's not do hairdressing'. There are only ten hairdressing places, let's cut them. But actually, the training of the hairdresser for some young women, particularly say young women in care, it gives them huge ability to do customer service ... And often they will use those skills and then go and become managers in a local retail store. Government will go, 'Well, what a waste that was.' Well, it wasn't! They would not have done a retail course. They certainly wouldn't have done engineering. But the fact they've done hairdressing has given them confidence skills after two years, and they can float in and out when they have kids. Many become mobile hairdressers. It's lower money, but it's great. Then, when they finish, they go and get a management job. But that isn't taken into consideration. We care about what happens to those young women.

As such, all participants emphasised the way in which FE colleges were embedded in their local community and focused on catering to a diverse range of community needs. However, this community role was often described as being rendered invisible at the national level, and as sitting in tension with the way in which the sector is usually framed in national policy discourse, as solely focused on supplying skills required by employers. This was clearly described by one FE college principal when discussing the Department for Education's (2021) *Skills for Jobs* White Paper:

Actually, the White Paper is a really interesting case in point, because a lot of what's in there is really useful, and a lot of things that we've been talking about for a very long time. But actually, the first prompt is in the title, because we don't all want skills for jobs, and to imply that further education is only about skills for jobs, I think that's a bit of a challenge. Because it's not true. We're working with students who want skills for independent living, people who want to develop skills for fun, and to improve their lives and work with their communities. I think we are in danger at the moment of narrowing the purpose and being all about providing skills for work. And whilst that's really important, you could make the case that actually employers should be investing in that more. The education policy should be about that; that wider purpose, the social benefit of education, if you like, and actually, we've been driven away from education for

education's sake, and the wider benefit that that means to society, really into providing only skills training, which is a really important part of what we do, but isn't only what we do.

Thus, the community-oriented mission of further education was seen as underpinning the role colleges played as anchor institutions within the local skills ecosystem. However, this role intersected with national skills policy enactment in complex and often paradoxical ways. Participants felt that the community-oriented mission of FE colleges is frequently rendered invisible in national policy, but that mission is what drives diversity within local systems and enables colleges to act as anchor institutions and contribute in a meaningful way to the process of policy interpretation and enactment.

### Understanding local skills needs

Beyond this, the important way in which FE colleges, as anchor institutions, provide meaningful insight into local skills demands was discussed. This critical role was described as an essential part of the policy cycle, both in terms of interpreting national skills policy to fit in with local economic needs, and in terms of feeding local skills demands back up into national level analyses in order to provide a detailed skills profile of the locality. Participants highlighted that all too often, policy rhetoric emphasised the importance of 'placing employers at the heart of the system' in order to understand the local economy and needs of the labour market. However, the employer and LEP participants argued that employers often struggled to recognise their own needs, particularly in the longer term, and were not always best placed to link these with education and training structures. This usually requires FE colleges to play a mediating role, clearly described by one FE college leader:

Well, I think there's a misconception in the government that employers want to be involved. They do, of course, but they absolutely don't want to be the leaders. So the White Paper's [DfE, 2021] premise of employers being at the heart; they don't want to do that because it isn't their *raison d'être*. That isn't what they've got time for. So I think employers are really important, but it's the work we do with employers that's important ... as an organisation, and particularly because of our size and scope, we have specialists who are working with our key employers, who in our experience are fantastic. So when we opened last week, a stunning array of employers turned up. Why? Are they highly charitable, caring individuals? Well, I'm sure they are, but ... what employers know is they need to work with us colleges ... it's that [collaboration] that creates the supply of workforce for them.

The employer in our study emphasised this positioning:

We don't feel like we are remotely in the driving seat. We don't feel we lead; we are told this is how it works. It is a process we do but not a process we lead. We need more discussion and engagement before policies are announced. We know that civil servants are told the announcement is next week but the policy is not in place.

This employer's voice echoes findings whereby employers wanted to work with further education providers to ensure local skills needs were met (James Relly and Laczik, 2021). Moreover, all our participants felt that policy is just noise. Policy is developed at certain times in a policy cycle, but the core business of further education continued despite policy interventions.

### Policy enactment through local 'collaborative anchors'

Our findings clearly showed FE colleges acting as anchor institutions and, in this role, interpreting, translating and mediating national policy within the local skills ecosystem. However, in this case we found that this policy process sat at the intersection of colleges and the LEP, with the LEP also providing a facilitating role in enacting national policy, or at least making it more decipherable and palatable at the interpretation and enactment stage. This was especially the case in this city-region, where the LEP has been conditioned to respond to national policy, as argued by one LEP representative: 'we see skills policy as sitting at the heart of our remit'.

However, we found that the boundaries between FE colleges and the LEP were porous, with college principles sitting on the LEP, and LEP representatives sitting on college boards. Meaning making around national policy, and the process of policy interpretation, appeared to take place at the point

of intersection, in shared, hybrid spaces rooted in collaboration between employers (in the form of the LEP) and FE colleges; as one participant put it, 'the management structures of the organisations overlap enormously'.

The different organisations could be seen playing different roles in these collaborative policy spaces. Further education provided deep understanding of local community needs, and practical knowledge of teaching and learning. LEP representatives brought a perspective around national skills policy intention and employer interests, while also providing a mechanism of feeding local needs back up into national policy through LEP networks: 'we come together through the network nationally and seek to influence policy developments, political delivery of policy development'.

In this way, the hybrid or 'third spaces' created through meaningful collaborations between FE colleges and the LEP were a critical part of the policy cycle: the space in which national policy was interpreted and translated for the local context, and one mechanism whereby local needs could feed back into wider policy discourse. As such, these collaborative spaces could also be seen as playing an anchoring role within the local skills ecosystem. We therefore refer to these collaborations as 'collaborative anchors'. As illustrated by this case study, the blurring of boundaries in these spaces can be critical to the policy process, particularly in policy enactment.

## Discussion and conclusions

Insofar as some research shows that some employers value the opportunity to engage with and shape skills policy, employers are a heterogeneous group, and it is far from clear that they all want more control and to be placed at the centre of further education and apprenticeship provision in the way recent reforms have suggested. The DfE's (2021) *Skills for Jobs* White Paper continued this agenda, and has attempted to place employers in the driving seat, suggesting ways in which the government plans to achieve this, for example, through close collaboration with Chambers of Commerce and through establishing new College Business Centres and Local Skills Improvement Plans (LSIPs) to drive innovation and collaboration with local employers. However, while the White Paper offers, for many, a 'great platform to build on', it was also suggested that it was not 'revolutionary' or even new (Association of Colleges, 2021).

Perhaps most importantly, this approach does not reflect the messy realities of local tertiary skills ecosystems and the ways in which nationally driven skills policy must always go through a process of translation and interpretation if it is to have meaningful impact at the local level. In this study, we found that FE colleges are in the driving seat in this process. By acting as anchor institutions within their local skills ecosystems, through their provision across all levels of the Regulated Qualifications Framework, and through a carefully crafted mission in their local communities, FE colleges work at the heart of the policy cycle and the translational process of integrating national policy with local, community-oriented needs – the process of making sense of the 'policy soup', as described by Braun et al. (2011: 581). In this city-region case study, this was complemented by 'collaborative anchors', existing in collaborative spaces with blurred boundaries between colleges and LEPs. The combination of FE colleges as anchor institutions and 'collaborative anchors' was a critical part of the policy cycle, providing space for interpretation of national policy into local contexts, and a mechanism for feeding local needs back into national discourse.

At the same time, it was possible to see the ways in which the anchoring process subverted national tendencies of education systems in quasi-markets to shifts from horizontal diversity to increased vertical stratification as they grow (Cantwell et al., 2018). While Orr (2020: 509) argues that competition can play an 'important role' in 'creating choice for students', he also points out that the DfE (2019: 8) made the case that tertiary education 'cannot be left entirely to market forces' if it is to 'deliver a full spectrum of social, economic and cultural benefits'. This is rooted in the isomorphic tendencies of institutions in quasi-markets to model each other and ultimately compete in the same space for students and funding (Robson et al., 2021). However, in this case study, we found that FE colleges working as anchor institutions and catering to localised community needs led to pockets of systems-based thinking that drove diversity of pathways and meaningful horizontal diversity within a localised tertiary ecosystem.

It is through FE colleges' ability, not least because of the historicity of dealing in policy churn and processes, that they can interpret and enact policy for the wider ecosystem. While policymakers' short-term policy memory is evident (see, for example, Keep, 2009, 2018; Payne and Keep, 2011),

the consistent and constant policy cycles have, perversely, made FE college senior leadership teams champions in translating policy in such a way as to make it possible for local skills ecosystems to survive despite numerous, sometimes conflicting, policy initiatives. Our findings suggest that through FE colleges acting as anchor institutions, combined with local collaborative anchors centrally positioned in the policy cycle, FE colleges can in fact drive localised pockets of systems-led collaborative approaches to tertiary education and training. Through the anchoring process, colleges and collaborations can subvert market logic inherent in national education and training policy, translating it into a local context that takes into account local needs, and bringing all parts of the tertiary sector (further education, higher education, the economy, the community) together in systems-led partnership, rather than in competition. As such, successful anchor collaborations and colleges acting as anchor institutions can diminish tertiary systems' tendencies towards vertical stratification, and instead create localised pockets of horizontal diversity.

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## Declarations and conflicts of interest

### Research ethics statement

The authors declare that research ethics approval for this article was provided by the University of Oxford CUREC ethics board. The authors conducted the research reported in this article in accordance with BERA standards.

### Consent for publication statement

The authors declare that research participants' informed consent to publication of findings – including photos, videos and any personal or identifiable information – was secured prior to publication.

### Conflicts of interest statement

The authors declare no conflict of interest with this work. All efforts to sufficiently anonymise the authors during peer review of this article have been made. The authors declare no further conflicts with this article.

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