

## **Entrepreneurship Scrutiny Review - Cover Report**

### **Introduction**

1. This cover report presents the final report from the Entrepreneurship Scrutiny Review and asks Cabinet to approve the recommendations arising from the review.

### **Background to Review**

2. At its meeting in June 2014 the Learning & Culture Overview & Scrutiny Committee considered a scrutiny topic proposed by Cllr Semlyen on "School based teaching of skills related to self employment / entrepreneurship at secondary ages and at York College. Cllr Semlyen referenced York's very low record of creating new business or graduate start ups - 316<sup>th</sup> out of 326 English districts, drawing attention to there being 28% fewer York business start ups in the first 3 months of 2014, compared to 2013. It was recognised that this was an important topic, however there was much debate at the meeting about how to do justice to the topic.
3. In response officers suggested a review of broader employability skills, including the development of broader enterprising behaviours and an entrepreneurial 'can do' spirit. Officers suggested that a review of this topic could research best practice in other Local Authority areas, in order to use the findings to influence providers of education and training to adapt successful models to the York context.
4. In June, the Learning and Culture Overview and Scrutiny Committee agreed the topic was suitable for review, and agreed to reform their Careers Education, Information, Advice & Guidance (CEIAG) Task Group to carry out the review on their behalf, as it was felt there was a clear overlap between the previous review and the new topic.

5. In July 2014 the Committee received a further report from officers proposing options for the review, and the Committee agreed the following review aim and objectives:

Aim:

To create a culture in York schools where entrepreneurial learning is embedded, through improving entrepreneurship education and opportunities for employability and enterprise-related activities for York pupils

Objectives:

- i. To identify best practice in other Local Authority areas which perform strongly on relevant performance indicators
  - ii. Review current practices in York to identify:
    - a) The commitment of local schools and colleges to develop the relevant skills and enterprising behaviours
    - b) Local good practice
  - iii. To identify appropriate sources of employability and enterprise-related activities for York schools
6. The Committee set up a Task Group made up of the following Members to carry out the review on their behalf:

Cllr David Scott (Chair & Co-opted Member)

Cllr Jenny Brooks

Cllr Fiona Fitzpatrick

Cllr Ann Reid

### **Chair's Introduction**

7. This is the second time that I have had the pleasure of working with the members of this Task Group; the first time was in relation to career guidance in schools. Right at the start I want to place on record my thanks to the members of the Task Group (Cllr Reid, Cllr Fitzpatrick and Cllr Brooks) for the time they have spent, the research they have undertaken and their approach to this Review. They have demonstrated throughout how Scrutiny can work effectively.

8. I would also like to place on record my thanks to John Thompson (CYC's Principal Adviser 14-19 & Skills) for his expert advice and guidance. I would in particular thank Melanie Carr (Scrutiny Officer) for her tireless support and commitment to Scrutiny.
9. My final thanks go to all those who gave up their time to meet with the Task Group or members of it. Without this additional input the Task Group would not have been able to come with its recommendations.
10. The Task Group's remit was to investigate how to create a culture in York schools where entrepreneurial learning is embedded, through improving entrepreneurship education and opportunities for employability and enterprise-related activities for York pupils
11. The work done by the Task Group, the investigations, consultations carried out and conclusions can be found at Appendix 1.
12. The first task that we had to do was to agree a definition of what entrepreneurial activity and entrepreneurial education is. We reviewed various definitions and agreed for the purpose of this review, to use the definition adopted by Lord Young in his 'Enterprise for All Report', the Third Part of the Report of Enterprise and Small Firms – The Relevance of Enterprise in Education. That was:

*“Enterprise for All is about motivating young people to learn and excel in theory education and to see the relevance of theory studies. Enterprise is more than the creation of entrepreneurs, it is about a can-do and positive attitude an equipping people with confidence to develop a career and vocational interests. Enterprise therefore supports the development of a wide range of work and professional skills and capabilities, including resilience, risk taking, creativity and innovation as well as a self-belief that starting a business is a viable career choice and one of the most exciting and challenging things a person will ever do.” (see Page 4 of the Department of Business, Innovation & Skills Report shown as Annex B to Appendix 1)*

13. We recognised that there will be those that will say that entrepreneurs are born and not made. No doubt we would also be pointed to a number of high profile entrepreneurs that have made it to the top with few if any formal qualifications. However there are also a number of entrepreneurs that have done so having gained the highest of qualifications and

support. We would in any event point out that the promotion of entrepreneurial skills in young people increases their employability, even if they are employed or take the entrepreneurial leap even after years of employment.

14. We would also add a note of caution. Being an entrepreneur should not be seen as an option to avoid 'formal' education. Its promotion in schools should not be seen to derogate employment and the concept of working in the public, voluntary and charitable sectors. Each has a worthwhile contribution to make. Nor should the risks taken by entrepreneurs be under-estimated. The rewards can be great and the contribution to the community and the country tremendous, but it can never be considered an easy option. It involves hard work and long hours. It can mean risking your saving and home. It can mean employing others who you will have to pay even in hard times, when you yourself take little or nothing by means of a salary.
15. We would highlight that there is a body of thought that if young people are to succeed in the global job market, there needs to be a stronger focus on entrepreneurial education. The future of Europe depends upon 94 million Europeans aged between 15 and 29 years old. But in April 2013, 5.627 million people in the European Union under the age of 25 were unemployed. As this generation will live in an era of globalisation that demands mobility and soft skills, it is a matter of great importance that these young people have been hit so severely by the economic crisis.
16. High unemployment levels co-exist with increased difficulties in filling vacancies. Young people's employability is threatened by labour market mismatches: inadequate skills, limited geographic mobility and inadequate wages.
17. Our current education system needs support if it's going to adapt to such challenges. Tools, such as entrepreneurship education, show good results because they focus on soft and core skills, including: problem-solving; team-building; transversal competences – such as learning to learn, social and civic competence, initiative-taking, entrepreneurship, and cultural awareness.
18. Therefore entrepreneurship education not only enables young people to start a successful business, but also provides them with the relevant employability skills, and it enables them to become valuable contributors to the economy.

19. We spent a great deal of time gathering information in support of this review, both in terms of documents and some empirical research, and we feel the review final report is timely and pertinent to the challenges that face our young people locally, nationally and globally.
20. We noted with pleasure that there is a great desire in schools to participate in projects that increase the learning and skills of their pupils, and that businesses and other organisation are maintaining their desire to work with young people in a learning setting. (see paragraphs 17-24, 30-32 and 54-80 of Appendix 1)
21. Linking back to the recommendations of this Task Group on careers education in schools we received evidence on new Careers, Education, Guidance & Inspiration Menu. It appears to us that Entrepreneurship opportunities and involvement of businesses/employers ought to be included in that Menu, and we note that some work has already been done in relation to that.
22. We were pleased to note that the CYC has been successful in bidding for £7,000 from the Leeds City Region LEP. This will allow an engagement process to begin with York Secondary Schools before the summer break in relation to establishing an Enterprise Governor.
23. There was clearly great work being done by the Children's University. Whilst not strictly speaking entrepreneurial education, some of the modules offered did promote such entrepreneurial skills. It appeared to us that the Children's University could be a suitable vehicle to offer such modules to schools. We do however note that there could be capacity issues both in terms of increasing the scope or number of modules and the number of schools that can participate with the Children's University.
24. Whilst we could easily have made a recommendation that we follow pilot schemes in some of York schools that emulate the structure and success of Queen's Park Community School in Brent and King James's School in Kirklees, that could have been seen as trite and largely unachievable. However we would refer to Paragraph 40 of Appendix 1 and Annex E and the report to the Task Group of John Thompson's visit to the School. It is possible within a relative short period of time for a school to introduce an entrepreneurial ethos into their school that can be pervasive within the school and have a real impact. Any school wishing to take this step could do worse that to spend time at King James's School. We

understand (and are pleased to do so) that feedback from this visit has already been shared with 14-19 curriculum leaders in York.

25. We have chosen to make recommendations that can work in partnership with the projects that are already underway and would encourage schools to pause and think about how they might promote some form of entrepreneurial activity in their school. We would ask that where it is seen it should be fostered and promoted. That in turn may be the start of an additional avenue of learning within the school.

### **Recommendations**

26. In light of the Task Group's work on this review, the Learning & Culture Overview & Scrutiny Committee agreed to:
  - i. Support the Introduction of an Enterprise Governor at each school (See paragraph 22 above and paragraph 48 of Appendix 1).
27. The also agreed to recommend that:
  - iii. An annual 'Tenner' challenge be introduced, funded by £1500 donation, linked to charitable aim (Lord Mayor's Charity) and facilitated by CYC or through partnership working with a "sponsor". Participation in the challenge to be encouraged through the Enterprise Governors.
  - iii. A Young Entrepreneurs Award be introduced as part of the annual Press Awards - for winners of the 'Tenner' challenge, as part of Business Week.
  - iv. Entrepreneurship opportunities and involvement of businesses/employers be included in new Careers, Education, Guidance & Inspiration Menu. (See paragraph 46 of Appendix 1)
  - v. The Children's University and the advantages of participating in their modules and the long term benefits they can bring, to York schools be promoted. (See paragraph 20 above and paragraphs 50-52 and 54-72 of Appendix 1)
  - vi. The review final report to be sent to York's primary schools to help encourage and promote entrepreneurship.

## **Associated Implications & Risk Management**

27. **Financial** – In regard to Recommendation (i), the ‘Tenner’ challenge will be dependent on a collaborative/partnership model, as under the model proposed for the School Improvement service transformation it will not be possible for CYC to deliver this type of activity. It is hoped that the £1,500 required to start this project can, in the spirit of entrepreneurial activity, be raised from York companies as part of their Corporate Social Responsibility programs, and therefore be at no cost to the Council. For the other recommendations it is expected that any costs would be minimal and could be contained within existing budgets.
28. There are no **Legal**, other **HR** or other implications associated with the draft recommendations listed above.
29. There are no known **Risks** associated with the recommendations arising from this review.

## **Council Plan 2011-15**

30. The review of this topic supports the Council’s priority to ‘Create jobs and grow the economy’.

## **Options**

31. Having considered the review findings at Appendix 1 and its associated annexes, Cabinet may choose to amend and/or approve, or reject the recommendations arising from the review as set out in paragraph 20 above.

## **Recommendations**

32. Having considered the review findings (at Appendix 1) and its annexes, the Cabinet is recommended to approve the recommendations shown in paragraph 20 above.

Reason: To conclude the Scrutiny Review in line with CYC Scrutiny procedures and protocols.

## **Contact Details**

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**Report Approved**  **Date**

18 March 2015

**Wards Affected:**

**All**

For further information please contact the author of the report

**Background Papers:** None

**Annexes:**

**Appendix 1** – Entrepreneurship Scrutiny Review Findings