

Entrepreneurship in York Schools Scrutiny Task Group 4 August 2014

Report of the Assistant Director, Governance & ICT

Report on Entrepreneurship in York Schools

Summary

1. This report provides additional information in support of the agreed review on Entrepreneurship in York Schools, and asks the Task Group to identify and agree a workplan for 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 - 316th 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.
3. In response officers suggested that the focus could rather be on broader employability skills, including the development of broader enterprising behaviours and an entrepreneurial “can do” spirit. Those skills were identified by the Leeds City Region LEP at three levels:
 - **basic work attributes:** e.g. time-keeping, appropriate personal appearance, general professionalism, language for work, understanding of role and responsibilities as a first jobber
 - **attitudinal and personal life-skills:** e.g. work ambition, confidence, self-esteem, resilience
 - **generic “softer” skills:** e.g. communication, working with others, entrepreneurial thinking (drive and initiative), personal learning and thinking skills.

4. Officers suggested that a review of this topic could research practices in areas where performance on a limited range of relevant performance indicators, not solely around business start-ups and self employment, is better than in York and to use findings to influence providers of education and training to adapt successful models to the York context.
5. In June, the Learning and Culture Overview and Scrutiny Committee agreed the topic as proposed by Cllr Semlyen was suitable for review, and agreed to reform their CEIAG Task Group to carry out the review on their behalf.
6. In July 2014 the Learning and Culture Overview and Scrutiny 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
7. Officers have subsequently provided information on a number of appropriate performance indicators, as referenced in the York Skills Strategy 2013-16 – see **Annex A**:
 - Below national average levels of productivity (GVA per worker at 85% of average) in existing businesses which are projected to continue to fall behind that of the region and the UK, particularly within Tourism

(Accommodation, Food and Recreation), Construction, Retail and Wholesale, and the Public Sector.

- 40% of employers in York reporting gaps in basic and higher level technical and softer skills including a general lack of “can do” attitude (see page 3, Annex A)
 - York ranks 32 of 64 UK cities for business starts achieving sustainability as measured by VAT registration(see page 4, Annex A)
8. They have also highlighted a number of indicators on business start ups and productivity etc identified in the in-house ‘Create Jobs & Grow the Economy’ scorecard – see **Annex B**.

Background to Entrepreneurship Education

9. It is recognised 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.
10. 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.
11. 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. All of which build on a pupils employability skills as well.
12. Entrepreneurs also play a key role in the competitiveness of the European economy. According to the European Commission, more than 99% of all European businesses are SMEs. They provide two thirds of the private sector jobs and are primarily responsible for economic growth in Europe.
13. Entrepreneurship education not only enables young people to start a successful business, but also provides them with relevant employability skills, thereby enabling them to become valuable contributors to the

economy . However, even in the most advanced education systems, entrepreneurship education lies in the hands of secondary school teachers who've been properly trained. To ensure more entrepreneurship in the future, we need to create a culture in York schools where entrepreneurial learning is embedded.

14. The Confederation of British Industry (one of the UK's leading independent employers' organisations) stressed seven key 'competencies' should be delivered through entrepreneurship education, namely:
 - Numeracy;
 - Communication & Literacy;
 - IT skills;
 - Self-management;
 - Team working;
 - Problem solving;
 - Business and customer awareness
15. Unfortunately, vocational education training appears not to have been given the attention it deserves. To address this, greater awareness of the benefits of entrepreneurship education needs generating, and educators need help to engage with it. The European Commission says that 90% of teachers need more training in entrepreneurial learning tools and methods – for further information on preparing teachers for the challenge of entrepreneurship education see European Commission report at **Annex C**.
16. Enterprise for all: The relevance of enterprise in education
The Department of Business, Innovation & Skills published a report in June 2014 focusing on entrepreneurial spirit in education. The report covers the full breadth of education and is aimed at education leaders, teachers and all those involved in policy and delivery of teaching and learning – see **Annex D**.
17. It is the latest in a series of moves from the government to make sure that young people leave education ready to work, with the skills and experience employers are after. The report looks at fostering an enterprising attitude in both formal and informal education, including the desire to become an entrepreneur, and encouraging more to enter self employment or start their own company.
18. Lord Young's recommendations also mean that students will be able to rank university courses by their employment rates and earning potential.

19. Other proposals in the report include:

- The introduction of a new Enterprise Passport – a digital record of all extra-curricular and enterprise-related activities that students take part in throughout their education
- A new national volunteer network of Enterprise Advisers co-ordinated by LEPs, working closely with school heads

20. Other Schemes

Lord Young also supports the expansion of a Government pilot called the **Fiver Challenge**. Supported by Virgin Money, the Fiver Challenge is a free, fun and engaging initiative that provides young people aged 5 – 11 years, across the UK with a pledge of £5 for every student taking part. The young people are challenged to set up mini businesses to create products or services they can then sell/deliver at a profit and engage with their local community.

21. The Fiver Challenge introduces young people to the world of enterprise and helps build important employability skills, such as risk taking, team working, problem solving, communication and financial literacy, which they can continue to develop in later life. The scheme is under way at 500 primary schools across the UK, with 20,000 children running their own businesses. In 2011 the Local Authority ran the Fiver Challenge in York but only two schools and York College chose to participate. For further information on the Fiver Challenge see:

<http://www.fiverchallenge.org.uk/>

22. Another national scheme called '**Founders 4 Schools**' offers a free service for teachers in secondary schools across the UK which enables them to arrange for founders of successful, growing businesses to visit their schools and inspire their students.

23. At high-impact events, business founders speak about what they studied when they were in secondary school, what motivated them to set up their businesses and why they recommend entrepreneurship as a leading career choice for any person keen to have a positive impact on the world. Students also hear about real-life applications from Science, Technology, Engineering and Maths (STEM) subjects, making a critical link to how learning those subjects directly relates to growing and scaling successful enterprises. For further information see:

<https://www.founders4schools.org.uk/>

24. In addition, at the last meeting of Learning & Culture Overview & Scrutiny Committee Members received information on two other schemes – ‘Business in a Box’ and ‘Not Just a Trading Company’ – see **Annex E**.
25. Across Europe, **Junior Achievement Young Enterprise Europe (JA-YE)** aims to inspire and prepare young people to succeed in a global economy. JA-YE Europe is Europe’s largest provider of entrepreneurship education programmes, reaching 3.2 million students in 39 countries in 2013.
26. Funded by businesses, institutions, foundations and individuals, JA-YE brings the public and private sectors together to provide young people in primary and secondary schools and early university with experiences that promote the skills, understanding and perspective that they will need to succeed in a global economy.
27. The JA-YE Company Programme is recognised by the European Commission Enterprise Directorate General as a ‘Best Practice in Entrepreneurship Education’. For further information see: <http://ja-ye.org/>
28. How well are UK schools doing and how do they fit enterprise education into an already crowded curriculum?
In November 2005 Ofsted reported the danger that schools might view enterprise education as yet another initiative, especially as they were judged on GCSE results, and league table positions, and enterprise education would not improve those. Ofsted also found that about one third of schools did not have a clear understanding, or indeed a definition, of what enterprise education was meant to involve.
29. In 2011, Ofsted produced a report which evaluated the effectiveness of economics, business and enterprise education in 28 primary and 100 secondary schools across England, five of which were special schools, in a range of geographical contexts from April 2007 to March 2010 – see **Annex F**.
30. Over 250 lessons in formally assessed economics and business education courses, and approximately 120 lessons relating to enterprise education, were observed in secondary schools during the period of the survey. The report also drew on evidence from 33 institutional college inspections between September 2009 and August 2010 to evaluate the quality of business, administration and law (sector subject area 15) education and training for 16–18-year-olds in colleges.

Review Objectives - Information Gathered to date

31. Objective (i) - To identify best practice in other Local Authority areas
Ofsted has produced a number of good practice guides on developing students' employability and enterprise skills throughout the curriculum through:
- Innovative projects developed with employers
 - Strong work-related and enterprise skills
 - Good personal financial awareness
 - Basic economic and business understanding
32. A number of their good practice examples are shown at **Annex G**.

Progressing the Review

33. Objective (ii) – Review Current Practices in York to identify good practice
Officers have suggested the Task Group consult with North Yorkshire Business Education Partnership (NYBEP) who has previously been commissioned by some York schools to provide and deliver work related activities which seek to develop enterprise and employability skills.
34. Working with its employer partners and sponsors, NYBEP can provide a range of enterprise and business related events and challenges. Some of these align with York Business Week (November each year) when the 14-19 & Skills Team seeks to ensure that linked events take place in York schools. Others are part of other business and enterprise events such as Venturefest.
35. The Task Group may also choose to look at the post 16+ vocational learning at Archbishop Holgate's Secondary School which is recognised as one of the top performing schools in the country for this type of learning.
36. In addition, CYC's School Improvement Services team will also be able to contribute to the work on the review.

Council Plan 2011-15

37. A review of this topic would support the Council's priority to '**Create jobs and grow the economy**'.

Implications

38. There are no known Financial, Human Resources, Equalities, Legal, ITT or other implications associated with the recommendation made in this report.

Risk Management

39. In compliance with the Council's risk management strategy, there are no known risks associated with this report.

Recommendations

40. The Task Group are asked to:
- i. Note the additional information provided in paragraphs 7-32 of this report and the associated annexes.
 - i. Agree a methodology for progressing the work on this review, based on the suggestions shown in paragraph 33-35 above.
 - ii. Agree a number of future meeting dates.

Reason: To carry out the review in line with agreed scrutiny procedures and protocols.

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Report Approved



Date

23 July 2014

Wards Affected:

All



For further information please contact the author of the report

Background Papers: None

Annexes:

Annex A – York Skills Strategy 2013-16

Annex B – CYC 'Create Jobs & Grow the Economy' Scorecard

Annex C – European Commission Report on preparing teachers for the challenge of entrepreneurship education

Annex D – Department of Business, Innovation & Skills Report June 2014

Annex E – Ofsted Inspection Report June 2011

Annex F – Information on Other National Schemes

Annex G – Examples of National Good Practice

Report Abbreviations:

CEIAG - Careers, Education, Information, Advice & Guidance

LEP – Local Enterprise Partnership

NYBEP – North Yorkshire Business Education Partnership

OFSTED - Office for Standards in Education

SME – Small & Medium Enterprises

STEM - Science, Technology, Engineering and Maths