



Enterprise education in schools

Standard Note: SN/SP/6176
Last updated: 13 February 2012
Author: Christine Gillie
Section: Social Policy Section

This note provides background on some of the main policy developments and current arrangements relating to enterprise education in schools.

Enterprise education is part of the economic well-being strand of Personal, Social, Health and Economic Education (PSHE). PSHE does not have a statutory basis and is not part of the National Curriculum. There are however non-statutory programmes of study for primary and secondary pupils, which cover personal well-being and economic well-being and financial capability.

Currently PSHE is being reviewed, alongside a separate and wide-ranging review of the whole of the National Curriculum. There have been calls for enterprise education to be placed within the statutory curriculum.

Following a review of enterprise education in 2002, the then Labour government introduced initiatives to promote links between schools and business, enterprise experience for pupils and work experience for 15 and 16 year olds that provided more business experience.

The current Government has recently announced a new strategy for engaging schools, further education and universities in enterprise activities, which includes support for schools to run their own businesses through the Enterprise Champions' Programme.

This note relates only to enterprise education in schools; it is not intended to cover further and higher education, apprenticeships, nor business and enterprise in the economy more generally. The Library's subject specialist directory gives contact details of colleagues who cover those subjects.

This information is provided to Members of Parliament in support of their parliamentary duties and is not intended to address the specific circumstances of any particular individual. It should not be relied upon as being up to date; the law or policies may have changed since it was last updated; and it should not be relied upon as legal or professional advice or as a substitute for it. A suitably qualified professional should be consulted if specific advice or information is required.

This information is provided subject to [our general terms and conditions](#) which are available online or may be provided on request in hard copy. Authors are available to discuss the content of this briefing with Members and their staff, but not with the general public.

Contents

1	Current position of enterprise education in the school curriculum	2
2	Some key developments under the Labour Government	3
2.1	An evaluation of enterprise education	7
3	The present Government's policies	8
3.1	Introduction	8
3.2	Enterprise Champions' programme and related measures	8
3.3	Curriculum reviews	11
3.4	Additional background	12
	Vocational education and work-related learning	12
3.5	Studio Schools and University Technical Colleges (UTCs)	13
4	International experience of promoting enterprise education	16

1 Current position of enterprise education in the school curriculum

Enterprise education is defined on the [DFE website](#) as follows:

Enterprise education consists of enterprise capability, supported by financial capability and economic and business understanding.

Enterprise capability is the ability to handle uncertainty and respond positively to change, to create and implement new ideas and new ways of doing things, and to make reasonable risk/reward assessments and act on them in one's own personal and working life. It can also be described as innovation, creativity, risk management, having a 'can-do' approach and the drive to make ideas happen.

Financial capability is the ability to manage one's own finances and to become questioning and informed consumers of financial services.

Economic and business understanding is the ability to understand the business context and make informed choices between alternative uses of scarce resources.

Enterprise education is part of the economic well-being strand of Personal, Social, Health and Economic Education (PSHE). PSHE does not have a statutory basis and is not part of the National Curriculum. There are however non-statutory programmes of study¹ for primary and secondary pupils. For primary pupils there is a framework for PSHE and citizenship; and for secondary pupils the non-statutory programmes of study for PSHE cover personal well-being (which includes the requirements for education about sex and relationships and about drugs) and economic well-being and financial capability.

Further details of the key concepts covered in enterprise education are provided on the DFE website at:

¹ Schools are not required to follow the non-statutory programmes of study

<http://www.education.gov.uk/schools/teachingandlearning/curriculum/secondary/b00198880/pshee/ks3/economic/programme/concepts>

and:

<http://www.education.gov.uk/schools/teachingandlearning/curriculum/primary/b00199209/pshe>

In July 2010, Ofsted published a report on *Personal, Social, Health and Economic (PSHE) education in schools* based on evidence from inspections of 165 maintained schools in England between September 2006 and July 2009. Inspectors considered economic understanding and financial capability in both primary and secondary schools.

The whole of the National Curriculum is currently being reviewed, and PSHE is being reviewed separately (see below).

Ofsted has published several reports specifically on enterprise education and financial education:

Developing enterprising young people (Ofsted, 2005). This evaluated enterprise learning in schools at Key Stage 4², drawing on the research of two surveys performed in 2003/04 and 2004/05. The surveys covered a range of schools providing Key Stage 4 enterprise education. The report highlighted some progress but found that many shortcomings identified in the earlier survey were still present.

Developing financially capable young people (Ofsted, 2008). The report found that providing personal finance education in schools could have a significant and lasting impact on pupils' future prosperity. However, the report noted that pressures on curriculum time, teachers' lack of subject knowledge and expertise in the area led to wide variation in provision.

Developing young people's economic and business understanding (Ofsted, 2008). The report evaluated the strengths and weaknesses in business education for 14 to 19-year-olds in schools and colleges, and in the provision of initial training of teachers to teach business education in schools.

Economics, business and enterprise education (Ofsted, 2011). The report evaluated the strengths and weaknesses in economics, business and enterprise education in primary schools, secondary schools and colleges. It covered both formally assessed economics and business courses taken by students aged 14 to 18 in secondary schools and colleges, and whole-school enterprise education.

Library Standard Note ([SN/SP/6165](#)) provides additional background on the provision of financial education in schools.

2 Some key developments under the Labour Government

In June 2001 the then Chancellor of the Exchequer, Secretary of State for Education and Skills and the Secretary of State for Trade and Industry commissioned an independent review chaired by Sir Howard Davies, then chairman of the Financial Services Authority, to conduct a review of enterprise and the economy in education, covering the age range 5 to 19

² i.e. key Stage 4 covers pupils aged 14 to 16

years. Its terms of reference were to consider how to promote better understanding of business, the economy and enterprise throughout the school and further education systems.

The *Review of Enterprise and the Economy in Education* was published in February 2002. The review found that some schools were successfully offering their students a variety of enterprise learning opportunities through a range of activities and courses within the curriculum, without compromising the quality of teaching and learning across other subjects, but that such good practice was not widespread.³ It examined in some detail not only what was being done in England to promote enterprise education but also the experiences of other countries.

The review identified various ways to strengthen the links between the education system and business, as an important step in building a more enterprising society across the country. It noted that

The time is right for a step change both in enterprise activities, and in the promotion of economic and financial literacy. The reorganisation of the 14-19 curriculum offers an opening to revisit the place of enterprise learning in schools. In addition, changes including the recent establishment of the Learning and Skills Council, the addition of Citizenship to the curriculum this year and the Financial Services Authority's new duty to promote public awareness of the financial system present a series of opportunities for greater integration of enterprise learning into young people's education.

But it will not happen unless the Government articulates and secures commitment to a clear strategy for enterprise learning, provides the resources to deliver it and ensures that the performance of schools and colleges is monitored and reported. That strategy should begin with a clear statement of aims. The ultimate objective is a more dynamic economy, with a more rapid rate of job and business creation. That in turn requires a more enterprising workforce, with the skills and attitudes necessary to manage more flexible careers and to understand and manage risk. Enterprise learning in schools can develop those skills and attitudes.

If the Government accepts the case for a significant expansion of enterprise activities, it will be important to ensure that the programmes and activities involved are delivering a high quality experience to participants, one which genuinely adds to their understanding of enterprise, and to their self-confidence. Greater support from business will be needed. While we have found considerable anecdotal evidence to support the effectiveness of programmes like Young Enterprise, and activities run by individual schools, there is a dearth of hard-edged evaluation of the outcomes. That is true both of the ultimate aim – more job and wealth creation – and the intermediate outcomes, such as attitudes to business, or understanding of risk-taking.

We therefore recommend a phased approach, and one which aims to build on the successful partnerships which already exist between Government, schools, business and brokers. The Government should commit to providing resources so that all young people have the opportunity to experience enterprise activity at some time during their school career, with the attached funding sufficient to support an average of five days per pupil. (Clearly that 'Enterprise Experience' is likely to be spread across a longer period of time).⁴

³ p 48

⁴ pp 7 and 8

The review acknowledged that some schools and colleges were already delivering that level of activity from within existing resources but that additional resources were needed to bring the majority up to this level, and to raise the quality and effectiveness of existing activities.

The review recommended that

The Government should make a clear statement of policy setting out a national agenda for building enterprise capability, economic and business understanding, and financial literacy in all young people. Such a statement should be signed by the Chancellor, the Secretary of State for Education and Skills, and the Secretary of State for Trade and Industry. It should include a clear definition of the outcomes that the Government wants to see, and how young people can be encouraged to be enterprising and to understand and respond successfully to the challenges and opportunities driven by changes in the economy.

The DfES should prepare guidance which explains for teachers and other professionals what is meant by 'enterprise capability' as an aspect of learning across attributes which are associated with the concept, and examples of how and where they could be introduced within the National Curriculum and other subjects.

The Government should establish and monitor a clear benchmark of young people's enterprise capability. This could be achieved by a nationally representative survey conducted on a regular basis.⁵

The April 2002 Budget Report stated that the Government welcomed the Davies report and agreed with its central conclusion that building a deeper and wider entrepreneurial culture must start in schools and colleges.⁶ The Chancellor announced that additional resources rising to £60 million a year by 2005-06 would be allocated 'to give every child the chance to spend, on average, five days over their school career engaging in quality enterprise activities.'⁷

The Labour Government's policy document, *14 to 19 Opportunity and Excellence* also proposed changes to allow greater flexibility in the curriculum for 14 to 16 year olds, and a new statutory requirement that all young people should undertake some work-related learning, including enterprise.⁸ [Annex 2](#) to the report noted:

Work-related learning

7 Consultation supported our view that a broad and balanced education should include some work-related learning, so that young people are fully prepared for an adult life in which they will contribute to the country's economic well-being. This applies as much to young people who will progress through to higher education as to those who intend to start work – perhaps in a Modern Apprenticeship – at an earlier stage.

8 Employers have been critical about how prepared young people are for the world of work, both in their ability to apply their learning in a work context, and in their understanding of the skills, attitudes and behaviours that are required in the workplace. Making work-related learning part of all young people's learning post-14 will help to address these concerns. Young people's engagement in this area as well as in other

⁵ p 10

⁶ HC 592, April 2002, para 3.51

⁷ [2002 Spending Review, Cm 5570, July 2002](#), paragraph 6.14

⁸ [14 to 19 Opportunity and Excellence, DfES, January 2003](#), p 20; HC Deb 3 February 2003 c 91W

activities, often out of school, will develop and help provide evidence of the wider key skills important to employers.

9 We do not expect that this new requirement will need additional curriculum space, as it should be delivered across the curriculum rather than as a discrete subject. We intend to make work-related learning a requirement at Key Stage 4 to ensure that all young people receive suitable and quality provision. This can include the period of work experience that most young people undertake during Key Stage 4.

10 Young people should develop some understanding of the day-to-day expectation of employees, their working practices and environments and their rights and responsibilities. They should also have opportunities to develop their enterprise capabilities, addressed by Howard Davies in his report: *Enterprise and the Economy in Education*, including the ability to handle uncertainty and respond positively to change, to create and implement new ideas and ways of doing things, to make reasonable risk/reward assessments and to act upon them in their personal and working lives. The development of this enterprise capability will be a clearly articulated outcome of the work-related learning strand at Key Stage 4. Alongside careers education – on which new non-statutory guidance will be issued in time for schools to review their existing careers education programmes for September 2003 young people will develop a knowledge of the range of progression and career opportunities available to them.

11 Given that work-related learning is already well established in many schools as an option at Key Stage 4, we will be asking the QCA to consider what further guidance and support in sharing good practice including integrating work-related learning across the curriculum, might be needed.⁹

Statutory work-related learning for Key Stage 4 pupils (aged 14 to 16 years) was introduced from September 2004, and from 2005 key Stage 4 pupils were offered the equivalent of five days' enterprise activity to help develop enterprise capability.

Work-related learning was also a key element of a new diploma entitlement, which was introduced under the Labour government.

In March 2008, the Government launched a national enterprise strategy in the white paper: *Enterprise: Unlocking the UK Talent*. Amongst other things, this called for a culture of enterprise and developing the knowledge and skills of enterprise education in schools, colleges, universities and the workplace. In relation to schools, the white paper stated:

The Government will develop seamless enterprise education. A further £30million will extend enterprise education from secondary schools into primary and tertiary education. In addition, entrepreneur Peter Jones is working with the Government to launch a National Enterprise Academy (NEA) as a first in a network of enterprise academies.

A National Skills Strategy was also launched, which sought to encourage increased participation in apprenticeships, higher education and the development of University Technical Colleges, offering new opportunities for 14-19 year olds to undertake vocational and applied study.

A new secondary curriculum was introduced from September 2008. As part of this, non-statutory PSHE education was set out in two interrelated programmes of study for personal well-being and for economic well-being and financial capability.

⁹ Annex 2, pp 5 and 6

There were also changes aimed at improving careers information and guidance for young people.

In 2009 the Department for Children, Schools and Families published a *Work-related learning guide* (second edition). The guide noted the benefits of work-related learning and the wide range of activities it comprised including enterprise education and work experience placements. It also set out the role of Education Business Partnership Organisations (EBPOs) in this context.

Enterprise Learning Partnerships based in local authority areas brought together schools and businesses to promote enterprise education.

A good practice guide on how enterprise education could be embedded in schools was published in March 2010: *A guide to Enterprise Education - For Enterprise Coordinators, teachers and leaders at schools*.

2.1 An evaluation of enterprise education

A Government commissioned evaluation of enterprise education was published in July 2010: *Evaluation of Enterprise Education in England*.¹⁰ The report, which was commissioned and written before the present Government took office, described the range of enterprise education provision and sought to highlight the outputs and outcomes from the funding then available, and the extent to which it demonstrated value for money. The report noted that

Enterprise Education is intended to “help young people be creative and innovative, to take risks and manage them, and do this with determination and drive.” The Department has divided Enterprise Education into three areas:

Enterprise capability – enterprise skills and a can-do attitude

Financial capability – understanding and managing basic finances

Economic & business understanding – understanding the business context

The research was commissioned in the light of the Department for Children, Schools and Families (DCSF’s) significant spend on Enterprise Education over the past four years and its likely continuation until at least 2011. £55 million has been made available every year since 2005 and is now available as part of the School Development Grant.

While it is widely claimed that Enterprise Education has substantial positive impacts on participants, teachers and schools, these claims are generally anecdotal and based on experience, rather than robust data. Despite extensive investment in Enterprise Education by many governments around the world, the evidence base is somewhat patchy, with only a few scientifically grounded studies of impact.

This evaluation is an important step in understanding the impact of the Department’s funding for Enterprise Education. It is crucial that the Department understands the range of activities provided and their effectiveness, especially in terms of the value added by these funds. Here, the results from the research present a national picture of provision including use of funds and the impact for pupils as well as potential longer-term benefits for the economy.¹¹

¹⁰ Research Report DFE-RR015

¹¹ p12

As noted in section 1 above, Ofsted has published several reports on enterprise education and financial education in schools and colleges. The most recent, *Economics, business and enterprise education*, was published in June 2011.

3 The present Government's policies

3.1 Introduction

The following written answer to a recent PQ summarises the Government's approach towards enterprise education:

Mr Umunna: To ask the Secretary of State for Business, Innovation and Skills what steps his Department has taken to implement the recommendations of the Howard Davies Review of Enterprise and the Economy in Education. [61102]

Mr Prisk: The Review of Enterprise and the Economy in Education was published in 2002. It recommended that every pupil spends five days gaining experience of enterprise, that work experience undertaken by 15 and 16-year-olds provides more enterprise and business experience, and that every school links up with local businesses.

The top-down and directive way in which these recommendations were implemented has not been effective. That is why I have already announced a new strategy for engaging young people in school, further education and university in real enterprise activities. The strategy will support:

expansion of the Tenner Tycoon scheme;

development of resources to enable teachers to create and extend school businesses;

access for schools to local enterprise champions; and

creation of student enterprise societies in every university and the majority of further education colleges.¹²

3.2 Enterprise Champions' programme and related measures

On 28 March 2011, the Government announced a package of measures by the Department for Business, Innovation and Skills (BIS) to promote business in the UK. The measures include support for schools to run their own businesses through the Enterprise Champions' programme:

The Government has today announced that it will support every school to develop and run its own business through the Enterprise Champions Programme.

This is part of a package of four new announcements to help inspire, support and grow new businesses in the UK. These announcements come alongside the launch of Start-Up Britain, the ground-breaking response from the private sector to the Government's call for an 'enterprise-led' recovery.

The Government is today announcing:

- support for every school to run its own business through the Enterprise Champions Programme;

¹² HC Deb 28 June 2011 c725W

- a major roll-out of Tenner Tycoon, the successful competition owned and run by the Peter Jones Foundation which gives young people the opportunity to take forward their business ideas;
- the creation of enterprise societies in every University and most Further Education Colleges to develop students with the ambition and skills for enterprise; and
- a new online tool, the Innovation Launch Pad, enabling small businesses to pitch their ideas on how they could deliver better value for money for Government;
- the launch of Brighton Fuse, a joint initiative by the Arts and Humanities Research Council (AHRC) and the Council for Industry and Higher Education (CIHE) to expand the creative, digital and IT sector in Brighton and Hove and provide business opportunities for graduates.

Business Secretary Vince Cable said:

"We want to transform the ambition and aspiration of young people through real business experience. To rebuild our economy and create new jobs, we need to inspire the next generation to seriously think about starting their own company.

"Through Tenner Tycoon, the Enterprise Champions Programme and enterprise societies, we will be giving young people insight into enterprise at an early age, showing them how rewarding it can be to transform your own ideas into a real business."

Business and Enterprise Minister Mark Prisk said:

"We need to inspire young people to strike out on their own, and also give them the practical tools to help. It is vital that everyone has the opportunity to develop their ideas and learn the skills needed to succeed in business.

"Enterprise societies will be run as businesses, engaging with entrepreneurs and delivering the knowledge, networks and skills that students need to start and manage a business. We need more growing companies in this country and the Government is doing everything it can to harness the great enterprising spirit of our nation."

Peter Jones CBE, founder and Chairman of the Peter Jones Foundation said:

"I welcome the Government's commitment to increase its focus on enterprise in schools. Through my Foundation and Enterprise Academy, I want to help rewire the entrepreneurial potential of our country. The strength of business-led initiatives like Tenner Tycoon is that it gives thousands of children across the nation an opportunity to learn about entrepreneurship in a very practical way. Over the course of a month, by seeing what they can do to grow a ten pound note, young people learn essential business skills.

"My Foundation has ambitious plans to grow Tenner Tycoon tenfold from 25,000 in 2011 and this will help create a winning enterprise culture in our schools. We will work with government, business, education and political audiences who can help realise the superb potential of the scheme and the ambitions of our young people."

The Enterprise Champions Programme will enable schools across the country to set up and manage a business. Schools will be given access to online resource materials and tools which will give practical advice for teachers. The Government will help schools engage local enterprise champions to support school businesses and extend learning into the commercial environment. The Department for Business, Innovation

and Skills (BIS) will be working with the Education and Employers Taskforce to have all elements of the programme up and running by the end this year.

Tenner Tycoon provides young people with a ten pound loan, with the challenge to make as much profit and social impact as possible through enterprising activities over one month. The Government will work with the Peter Jones Foundation to make Tenner Tycoon realise the ambition to reach at least 250,000 young people by 2014.

Enterprise societies in universities and colleges will provide students with the skills and support to develop and manage a business. The Government will aim to deliver enterprise societies into all 89 universities in England and at least 160 Further Education Colleges.

BIS will work with the National Consortium of University Entrepreneurs (NACUE) and the National Council for Graduate Entrepreneurs (NCGE) to provide recommendations by the end of June, with the aspiration to showcase the first new enterprise societies by November this year.

The Innovation Launch Pad will be launched on 28th March 2011 and will enable small and medium-sized enterprises (SMEs) to pitch their ideas on how they could deliver better value for money in the delivery of Government's business. The best ideas will be handpicked by a community of civil servants and, after intensive mentoring from some of Britain's foremost entrepreneurs, those that demonstrate the highest impact will be invited to present their ideas at a Product Surgery in the summer. In addition, Downing Street will host a reception for those with the best ideas. This will stimulate new open competitions in Government markets in which these suppliers will be able to participate.

Today also sees the launch of Brighton Fuse, a £1 million government funded initiative led by the Arts and Humanities Research Council (AHRC) and the Council for Industry and Higher Education (CIHE).

A unique consortium has come together to fuel the creative, digital and IT economy in Brighton. The project unites Brighton and Sussex Universities and Wired Sussex, which represents 2000 creative businesses. It aims to help the Brighton cluster create more entrepreneurial opportunities for new graduates and help graduate-rich SMEs gain access to the best university research to help build their businesses.

Today's announcements continue to build upon the significant changes for small businesses that the Government has introduced since May 2010, and upon the further commitments announced in last week's Budget. These include:

- a further 1 per cent cut in corporation tax from April 2011 to 26 per cent, falling to 23 per cent by 2014;
- 11 Enterprise Zones across England, with simplified planning rules, superfast broadband and tax breaks for businesses, with local areas to bid for a further 10;
- an increase to the rate of SME R&D tax relief to 200 per cent in 2011 and 225 per cent in 2012;
- an increase to the rate of Enterprise Investment Scheme tax relief to 30 per cent from April 2011;
- doubling the lifetime limit on capital gains qualifying for Entrepreneurs' Relief;
- continuing the Enterprise Finance Guarantee until 2014, providing up to £2 billion in lending;

- introducing the new £37.5 million Enterprise Capital Fund to support small business with highest growth potential; and

a moratorium exempting micro (fewer than ten employees) and start-up businesses from new domestic regulation for three years from 1 April 2011.

Highlights for the year ahead include working with the Peter Jones Foundation on Global Entrepreneurship Week 2011.¹³

3.3 Curriculum reviews

The whole of the National Curriculum is currently being reviewed, and PSHE is being reviewed separately. The non-statutory programmes of study are under review as part of the National Curriculum and PSHE reviews. Further details of both reviews are given on the DFE website.

On 19 December 2011 the DFE published several documents setting out the evidence gathered to date by the National Curriculum review. The documents comprise:

- the report of the review's Expert Panel - setting out their recommendations in relation to the framework for the new National Curriculum and recommending that these are debated further before decisions are made;
- a summary of the evidence gathered about curricula for English, mathematics and science in high-performing 'jurisdictions' (i.e. other countries or region within countries).
- a research report looking at subject breadth in the curricula used in other education 'jurisdictions' (i.e. other countries or region within countries); and
- a summary report of the responses to the review's call for evidence.

All these documents are available on the DFE's [National Curriculum Review Update website](#).¹⁴ The intention is that changes in the National Curriculum will commence from September 2014.

The key purpose of the review is to slim down the statutory curriculum requirements on schools. The Expert Panel's report, *The Framework for the National Curriculum*, is very wide-ranging and complex. Amongst other things, it proposes that all existing National Curriculum subjects should remain statutory, but that schools should be able to decide the appropriate subject content for certain subjects – citizenship, design and technology and ICT – and that there should be scope for curricular provision to be determined at school or community level. The report notes that in high performing countries the practical and functional contributions that education makes to national development is made explicit with pupils being expected to contribute to their own future well-being and that of the nation or region. PSHE is outside of the remit of the Expert Panel and it has contributed separately to the Department's internal review of PSHE. The Expert Panel report does not specifically comment on enterprise education; however, it highlights the aim of providing a broad and balanced curriculum and affirmed the significance of PSHE.

Information on the PSHE review is available on the [DFE website](#).¹⁵ After the review is completed the Government will publish proposals for consultation.

¹³ [BIS Press notice 28 March 2011](#)

There have been calls for enterprise education to be placed within the statutory curriculum.¹⁶

In May 2011, the business and enterprise charity, [Young Enterprise](#),¹⁷ produced a [Young Enterprise Charter](#) calling on the Government to prioritise and support enterprise education in schools, colleges and universities, and for business, employability and entrepreneurship education to be placed within the statutory curriculum.

The 'Are you ready?' campaign has launched an HM Government [e-petition](#) urging the Government 'to make enterprise and entrepreneurship a key part of every young person's education, part of teacher training and development and part of the Ofsted inspection framework for schools and colleges.'

3.4 Additional background

Vocational education and work-related learning

An independent report on vocational education, commissioned by the Secretary of State and conducted by Professor Alison Wolf of King's College London ([The Wolf Report](#)) was published on 3 March 2011.¹⁸ On work-related learning, the report said:

Providing 16-18 year olds with work opportunities is the top priority. Of course, helping younger pupils to understand and experience the workplace is valuable: but value-for money and setting priorities are always important, and especially at a time of financial stringency. Fewer and fewer employers are willing to accommodate young people under 16 on their premises; and the paperwork associated with placements has increased exponentially.

For that reason the blanket requirement to give all KS4 pupils 'work experience' – or, as it has officially become, 'work-related learning' – has served its time. It is very expensive: typically, for a school, the equivalent of at least half a full-time senior teacher's salary a year plus substantial administrative support (footnote 199) Too often, now, this does not even involve being in a workplace, as schools admit defeat and arrange something 'work-related' (and largely pointless) on school premises.

Recommendation 21: DfE should evaluate models for supplying genuine work experience to 16-18 year olds who are enrolled as full-time students, not apprentices, and for reimbursing local employers in a flexible way, using core funds. Schools and colleges should be encouraged to prioritise longer internships for older students, reflecting the fact that almost no young people move into full-time employment at 16; and government should correspondingly remove their statutory duty to provide every young person at KS4 with a standard amount of 'work-related learning'.

(Footnote 199: Information from a selection of head teachers).

The Education Secretary's [Written Ministerial Statement on the Wolf Review of vocational education](#) announced, amongst other things, that the duty on colleges and schools to provide

¹⁴ <http://www.education.gov.uk/schools/teachingandlearning/curriculum/nationalcurriculum/a0075667/national-curriculum-review-update>

¹⁵ <http://www.education.gov.uk/inthenews/inthenews/a00192561/review-of-pshe-education>

¹⁶ 'Employers call for 'enterprise curriculum', *Daily Telegraph*, 26 July 2011; 'Enterprise schools set to grow', *Daily Telegraph*, 12 April 2011; 'Poll backs classroom lessons in entrepreneurial skills', *Financial Times*, 23 July 2011

¹⁷ <http://www.young-enterprise.org.uk/>

¹⁸ Alison Wolf, *Review of Vocational Education – The Wolf Report*, March 2011

every 14 to 16-year-old with work-related learning would be scrapped, and that longer internships for older students should be prioritised instead.¹⁹

3.5 Studio Schools and University Technical Colleges (UTCs)

The Government's November 2010 White Paper, *The Importance of Teaching*, said:

5.26 We know from countries with the best technical education systems that a more innovative approach to vocational education has a positive impact on standards and the overall quality of provision. One of the most exciting ways in which Free Schools will drive innovation here in England will be through University Technology Colleges (UTCs) and Studio Schools. [...]

5.27 New Studio Schools will also drive innovation in vocational education as Free Schools. They are 14–19 institutions with an entrepreneurial and vocational focus, catering for students of all abilities who are disengaged by an entirely academic curriculum. Each Studio School will have several business partners connected to one sector of industry. Students will spend part of their week working in these businesses, with older students receiving payment, getting them ready for the world of work while gaining credible qualifications. The first Studio Schools opened in September 2010 in Luton and Kirklees and we expect that many more will open.²⁰

Studio Schools

The DFE website states that Studio Schools are “all-ability and mixed gender state funded schools, independent of local authorities”²¹ that will deliver “mainstream qualifications through project based learning”,²² and adds that:

In each school around 300 pupils, usually aged 14 to 19, will have the opportunity to study a broad and balanced curriculum designed to give them the skills they will need in work, or to take up further or higher education. The core academic curriculum is enhanced with a programme of meaningful work experience – a significant portion of their week is spent working with local employers (with over 16s paid a real wage). All students have a personal coach to tailor the curriculum to their individual needs and help them manage their work independently and value the skills they are acquiring. Based on a working day model Studio Schools will open 9am–5pm all year round with no set terms – instead pupils will apply for leave.²³

The Studio Schools Trust's brochure on Studio Schools explains:

Studio Schools are a new state school model for 14 to 19 year olds of all abilities. They seek to address the growing gap between what young people require to succeed in life and the skills and experiences that the current education system provides. In a country in which most lessons are taught in a traditional way, Studio Schools provide a radical alternative that will make a real difference to the lives of young people up and down the country.

Studio Schools will pioneer a bold new practical approach to learning involving enterprise themed projects and real work. This will root students' learning in the real

¹⁹ HC Deb 3 Mar 2011 c34WS

²⁰ Department for Education, *The Importance of Teaching*, Cm 7980, November 2010, pp59–60

²¹ Department for Education, *Positive for Youth – A new approach to cross-government policy for young people aged 13 to 19*, 2011, p25, para 4.32

²² Department for Education, *About Studio Schools*, website, last updated 22 August 2011

²³ Department for Education, *Positive for Youth – A new approach to cross-government policy for young people aged 13 to 19*, 2011, pp25–26, para 4.32

world and will allow young people to develop the key employability skills they need to succeed in the working world.

But employability is only part of what Studio Schools are about. More widely they seek to better engage young people in their learning and help them to understand how what happens at school relates to local community life. That is as much about citizenship as it is about employment. By rooting student's learning in the real world, Studio Schools will not only foster that understanding, they will also better engage young people in their education. That will lead to higher grades and better outcomes.²⁴

The brochure notes that the essential elements of Studio Schools are:

Employability and enterprise skills

Key qualifications

Personalised curriculum

Practical learning

Real work

Small schools

Students of all abilities

These essential elements will provide a framework for all Studio Schools and will be built upon by individual schools who will tailor the model to meet the needs of their local community and local labour market.²⁵

The first two Studio Schools opened in September 2010 in Luton and Huddersfield with a further four opening in September 2011 in Leicestershire, Durham, Manchester and Maidstone. On 14 December, The Education Secretary announced that a further 12 Studio Schools would open in 2012.²⁶

University Technical Colleges (UTCs)

The Government is committed to setting up at least 24 UTCs. The [Department for Education](#) website describes them as follows.

Technical Academies

The Coalition Agreement confirmed the Government's intention to improve the quality of vocational education, including increased flexibility for 14-19 year olds and create new Technical Academies as part of plans to diversify schools provision. These will be established across England to develop vocational and technical education that engages young people and meets the needs of modern business.

University Technical Colleges are the best-known model, and specialise in subjects that need modern, technical, industry-standard equipment, such as engineering and construction, and teach these disciplines alongside business skills and the use of ICT. Pupils integrate academic study with practical learning, studying core GCSEs alongside technical qualifications. The ethos and curriculum are designed with local

²⁴ Studio Schools trust, [Studio Schools Brochure](#), (Introduction to the model), p5

²⁵ *Ibid.*

²⁶ [HC Deb 14 December 2011 cc99WS-100WS](#)

and national employers who also provide support and work experience for students. As announced in the budget, at least 24 UTCs are planned by 2014.

UTCs are sponsored by a university, local employers, and in some cases, also by an FE College with strengths in the UTC's specialist subject areas. The first UTC, the JCB Academy in Staffordshire, opened in 2010. The next, the Black Country UTC in Walsall, is scheduled to open in September 2011. Funding has been allocated to UTCs in Aston and Greenwich.

The Secretary of State, Rt Hon. Michael Gove MP, wishes to consider applications from groups proposing to establish provision which offers a full-time technically-orientated course of study, with clear progression routes into higher education or further learning in work, including apprenticeships, through a UTC or other model of Technical Academy.

The DFE website notes the key characteristics of UTCs. All UTCs:

are sponsored by a local university and employers. It is also usual for FE colleges and other educational institutions – like established academy trusts - to work in partnership with them;

specialise in two curriculum areas (e.g. engineering and science);

teach core GCSEs alongside technical qualifications, and we expect them to offer young people the opportunity to achieve the English Baccalaureate;

focus on disciplines that require highly specialised equipment, for example, engineering, manufacturing and construction;

teach these disciplines alongside developing young people's business, ICT and design skills to prepare students for a range of careers and continuing education at 19; and

have 500 to 800 students.²⁷

Further information about how UTCs can be established is provided on the DFE website. All applications for UTCs must be submitted to, and approved by, the Department for Education. The applications for the first round of UTCs closed on 1 June 2011. The DFE website gives details of UTC application and progress towards opening the Government's target of 24 UTCs:

On 10 October, 13 new UTCs were approved to enter the pre-opening stage. They are spread across England and specialise in demanding technical subjects including engineering, advanced manufacturing, science and health technologies. More than 130 major national and local employers have been involved in developing these successful projects. Working in partnership with universities and employers, these UTCs will provide a new generation of school leavers with the technical knowledge and skills that industry demands.

Three further UTC projects are already in the pre-opening phase – Hackney and Aston UTCs are planned to open in September 2012, and Greenwich UTC is due to open in September 2013.

The Government is well on trajectory to delivering the 24 committed to in the Budget 2011 and creating opportunities for more than 10 000 young people to train as the engineers, scientists and technicians of the future.²⁸

²⁷ [DFE - What are UTCs?](#) (10 October 2011)

A list of open UTCs and approved UTC applications is available on the [DFE website](#).²⁹

4 International experience of promoting enterprise education

The evaluation of enterprise education that was published in July 2010, *Evaluation of Enterprise Education in England*, summarised other countries' approaches to enterprise education. The following is an extract from the report.

2.1.2 The international picture

The UK is unusual in its approach to Enterprise Education, encompassing a broad range of skills and attributes that make an individual enterprising.

Most countries focus on entrepreneurship education, driven by a perceived need for more business start-ups and a more entrepreneurial economy. Consequently much of the research evidence concentrates on indicators of entrepreneurial intent and capability (a subset of enterprise in the UK context), with the development of broader enterprise skills seen as a collateral benefit rather than an aim in itself.

USA

Unlike Europe, the USA has a long tradition of entrepreneurship education. For example, Junior Achievement was founded in 1911. There is little concern or policy push to embed enterprise in the curriculum, and provision is largely private sector driven through a vast range of products and programmes offered by competing providers. Most provision has educational objectives, which are delivered using business and business start-up, including not-for-profit and social enterprises, as the context. Many providers are explicit in their aim of educating young people on the value of free enterprise and encouraging entrepreneurship.

Europe

Whilst a systematic review of European practice is not available, the European Commission did sponsor work on Education for Entrepreneurship which attempts to present a pan-European picture. The main points emerging from this work are:

- there is growing, but fairly recent, policy interest in almost all countries
- policy is generally driven by the need to increase entrepreneurship
- the wider benefits for employability, for employers via enterprising employees, for personal and social development and for life in general, are recognised and have (at least in some countries), influenced what is taught
- in most countries Enterprise Education remains an extra-curricular activity
- a few countries have introduced enterprise into their national curricula and several others are moving in that direction; this is mainly at the secondary level
- a common attitude is that the national curricula is broad and enables schools to introduce Enterprise Education if they so wish
- there have been few policy developments focusing on the primary sector – Scotland's Determined to Succeed is an oft-quoted exception

²⁸ [University Technical Colleges opening in 2012 and beyond, DFE](#) last updated 28 November 2011

²⁹ <http://media.education.gov.uk/assets/files/pdf/list%20of%20approved%20and%20open%20utcs.pdf>

The work identified a gap between the emerging policies to promote Enterprise Education and their implementation. Policy statements appear numerous, systematic action and implementation less so. The initial driving force for Enterprise Education has usually been economic development. However, different countries' approaches have led to divergence in focus, as illustrated below:

(N.B. the illustration does not copy into word so please see the report.)

UK

Responsibility for education is a devolved power, with the four UK administrations taking different approaches to education and enterprise. Below, we summarise the current approaches in Scotland, Wales and Northern Ireland.

Scotland

Determined to Succeed, Scotland's national approach to Enterprise Education, is widely quoted and often cited as good practice. It involves a complex inter-relationship between government, schools and business:

- students have an entitlement to enterprise activities every year from key stage (KS) 1 through to KS5
- KS5 students have an additional entitlement to case study activity based on local or Scottish businesses
- all local authorities must have a communication strategy for raising awareness and commitment of parents and carers to Enterprise Education
- business organisations (such as the Federation of Small Businesses, the Confederation of British Industry, Scottish Chambers of Commerce) must each identify a champion for Enterprise Education and work with the Ministerial Strategic Forum to improve business involvement

The literature suggests that Scotland is moving towards the Finland end of the spectrum shown above, with a strong focus on employability and a very limited focus on entrepreneurship.

Wales

Wales on the other hand has a predominantly entrepreneurship focus, driven by its Youth Enterprise and Entrepreneurship Strategy (YES) – a joint initiative between education and economic development, targeting 5 to 25 year olds. 20 characteristics of entrepreneurs have been identified and turned into a model for understanding and teaching entrepreneurship according to four themes: Attitudes, creativity, relationships and organisation (ACRO). To deliver the strategy:

- curriculum materials have been developed for 5 to 19 years
- one teacher per key stage per school has been trained in entrepreneurship teaching
- 300 'dynamo' role models (local entrepreneurs) have been recruited to work with schools
- enterprise is included in the inspection framework every college and university has an entrepreneurship champion in place

The strategy is currently being refreshed. The updated version is likely to include changes to the 14-19 curriculum to incorporate 30 hours compulsory enterprise learning at the intermediate level. The YES strategy was highlighted in the European Charter for Small Enterprises good practice selection 2008.

Northern Ireland

A new curriculum was introduced in Northern Ireland two years ago, which included a new statutory subject area of Learning for Life and Work. Enterprise Education, or „business education“ as it is described in Northern Ireland, is embedded in this strand of the curriculum, with a major focus on employability rather than entrepreneurship. As business education is a curriculum topic, much of the onus is on teachers to deliver.

The recently launched Careers education, information, advice and guidance strategy and supporting action plan – Preparing for Success – sets out a framework of learning opportunities for developing employability skills across all key stages.

Small amounts of central funding are provided to a number of local business education partnerships (BEPs) to deliver activities such as careers conventions and to facilitate employer involvement with schools at key stages 3 and 4. In addition, central funding is provided to Young Enterprise Northern Ireland, Sentinus – an organisation promoting science, technology, engineering and maths (STEM) – and Business in the Community, to run activities in schools.

A note about scale

It is important to note the differences in scale between England and the other countries in the UK. Where Scotland has around 380 secondary schools in total, in England there are 3500, including 290 Business and Enterprise Colleges and 60 specialist enterprise Academies. This inevitably has implications for policy implementation, as smaller countries of the UK have more manageable numbers of schools in which to test and roll-out enterprise initiatives, and with which to maintain relatively close working relationships.

Australia

Australia uses a similar definition of Enterprise Education to England:

“Enterprise Education is learning directed towards developing in young people those skills, competencies, understandings and attributes which equip them to be innovative, and to identify, create, initiate, and successfully manage personal, community, business and work opportunities, including working for themselves.”

Enterprise Education is treated as a priority area within National Goals for Schooling in the Twenty-First Century, and is highlighted as a powerful tool for enhancing the education of boys, young people from indigenous communities and those from rural and remote communities.

A recently completed four year project – Enterprising Learning for the 21st Century (EL21) – funded 47 projects to support young people in developing their enterprise capabilities. Funding of AUS\$10m (approx £5.6m) supported these projects, which ranged from whole-community enterprise projects to the development of enterprise as an approach for re-engaging disengaged students.

Prior to EL21, the Department for Education, Science and Training funded a two-year action research programme into Enterprise Education in 200 schools. This revealed a

move towards a more holistic, curriculum-wide view of enterprise, away from extra-curricular and „business studies only“ activities.

New Zealand

New Zealand shares the same definition of Enterprise Education with Australia, and makes an explicit link between enterprise and the „Kiwi identity“. Activity has focused on developing resources, including extensive enterprise-related curriculum materials for all subjects, for all key stages. These are made available through the Ministry for Education website.³⁰

³⁰ Research Report DFE-RR015