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THE PRIME MINISTER

28 November 2016

Dear Sir Mark

Thank you and Professor Dame Nancy Rothwell for your letter of 21 October, setting out your recommendations for the strengthening of entrepreneurship education for undergraduates.

The Government is committed to making sure enterprise and entrepreneurship flourish in the UK. As you may already know, we have one of the lowest rates of corporation tax in the G20, and offer support to start-ups and entrepreneurs through mentoring and investment programmes.

I warmly welcome the Council for Science and Technology's interest in this area and your thoughtful recommendations. The Government recognises the need for leadership in this area and the Department for Education will ensure it receives the attention it deserves.

Firstly, we echo your call for universities to consider how to incorporate entrepreneurship education in their core curriculum, particularly for undergraduates of STEM subjects. The innovative nature of STEM subjects makes them a good grounding for entrepreneurs. The Teaching Excellence Framework (TEF) will offer providers the opportunity, through their submissions, to showcase their work in this area.

On your second recommendation, we support the idea that the National Academies should lead work to provide coordinated guidance to universities on entrepreneurship education, which would help achieve the aim of your first recommendation. The Quality Assurance Agency for Higher Education in 2012 published guidance for UK higher education providers on enterprise and entrepreneurship education. This was aimed at providing practical help for those fostering such skills in undergraduates, and was developed by representatives drawn from the enterprise education community. It would be useful to measure the impact of this work, on which updated guidance could build, introducing a greater focus on STEM subjects.

Your third recommendation offers positive steps towards a more integrated approach to entrepreneurship, suggesting building on links between higher education, industry, innovation architecture and local enterprise. Some universities and colleges already invite entrepreneurs in to teach students, and this, I believe, works particularly well when those entrepreneurs are alumni with a clear connection to the provider and its students.

Regarding your fifth and sixth recommendations, there is clear logic in improving the data available about entrepreneurial activity during and after study to better understand the impact of entrepreneurial education and allow Higher Education providers to share best practice. The Higher Education Statistics Agency (HESA) already collects data on graduates who have started their own businesses, but analysis of the types of companies they work in (for example, start-ups) would bolster the evidence base. This contribution to the debate is timely as HESA is currently undertaking a large-scale review of the Destination of Leavers of Higher Education survey. At the same time the Department for Education is developing its Longitudinal Education Outcomes (LEO) data, which will offer a longer-term profile of graduates' employment outcomes.

Finally, we agree that TEF should recognise providers' approaches to enterprise and entrepreneurship. As I indicated in relation to your first recommendation, Year 2 of the TEF providers are to be invited to outline in their submissions the extent of student involvement in enterprise and entrepreneurship, as well as the number, impact and success of graduate start-ups. We will consider further how entrepreneurship should be recognised in future iterations of the TEF, including whether or not this is best captured by a specific metric or by other means.

Thank you again for your work on this important area. I agree it would be beneficial for you to meet with officials from the Department for Education to discuss how to take this work forward, and the new Deputy Director of Higher Education Strategy and Policy will be in touch with you to find a suitable date in due course.

Your sincerely


Professor Sir Mark Walport