

Rt Hon Jeremy Hunt MP
HM Treasury
1 Horse Guards Road
London
SW1A 2HQ

Rt Hon Gillian Keegan MP
Department for Education
Sanctuary Buildings
Great Smith Street
London, SW1P 3BT

16th November 2023

Dear Chancellor and Secretary of State,

Increasing access to opportunities for students to translate knowledge into action, through applied learning in school would save the UK economy £22 Billion a year.

Currently, a staggering 79% of teachers¹ believe their young people are less ready for the world of work now than compared to previous years, and this is despite successive updates to the curriculum focused on preparing students for the world of work. There has always been a tension between employers and education in relation to the skills and experience of young people entering the labour market², however this has been exacerbated by the pandemic and fast-paced changes in the nature of work - the World Economic Forum estimating that 6 in 10 workers will need re-skilling by 2027³.

- **Low essential skills are thought to cost the UK economy £22bn in 2022⁴**
- **Disengagement from education costs the Treasury a further £2.1bn a year⁵.**

Engaging young people in education in ways that are relevant and accessible to them would not only save billions of pounds of public money spent addressing the longer-term impact of educational disengagement, it would significantly impact young people's preparedness for the world of work, adding billions of pounds to the economy, which is why an urgent cross-department government approach is needed.

The English national curriculum is tasked with delivering a vast quantity of subject-specific content, often tailored specifically towards the exams students will sit. As a result, it is often not clear to a young person how the knowledge they acquire in class can be applied to help them in the future. This lack of opportunity to put knowledge into action results in a struggle to translate what they have learnt in school into key transferable skills. When young people don't understand how what they learn in school is relevant to their future careers and lives, they can become disengaged from education.

An applied learning approach has been proven to have a **direct correlation** with **increased student motivation, engagement** and **gaining the necessary competencies to secure future employment⁶**. In addition, it is evidenced that **breaking down barriers to learning**

¹ Teach First, (2022) *Rethinking careers education – investing in our country's future*

² CBI, Accenture, Hays (2018) *Half of young people do not feel prepared for world of work*

³ World Economic Forum (2023) *Future of Jobs Report*

⁴ CIPD (2023) *Low essential skills cost UK economy £22bn*

⁵ The Centre for Social Justice (2021) *Levelling Up for Children*

⁶ Pearson (2016) 'The Science Behind Student Engagement'

and employing more practical and creative approaches to learning **achieves an overall increase in student attainment.**⁷

Greater consistency of access to opportunities to apply learning across all schools and colleges provides a sustainable and proven way of more effectively preparing young people for the world of work, without detrimentally impacting the current school curriculum or attainment measures. In the longer term, a substantial increase in young people's preparedness for the world of work could add billions to the economy by increasing relevant skills more fairly across the country and in doing so boosting productivity and tackling a worsening social mobility picture.

To actualise the economic benefits associated with applied learning, providing more consistent access to applied learning approaches should be considered an important priority for both educational and economic policymakers.

Recognising the incredible workload pressures educators are under, together with the highly challenging economic climate, we believe that, in advance of any system review, there are three highly cost-effective, practical measures the Government could support within the current curriculum right now, with the potential to strengthen further as part of future curriculum reforms:

- 1. Fully integrate opportunities for young people to apply learning in real and relevant contexts as good pedagogical practice via teacher CPD training and initial teacher training**
- 2. Increase recognition and promotion of applied learning opportunities by key influencers, such as the Department for Education and Ofsted**
- 3. Invest in further long-term research into the educational, social and economic impact of enabling young people to access increased opportunities to apply their learning in real and relevant contexts**

Yours sincerely,

Sharon Davies

CEO of Young Enterprise



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In collaboration with representatives from the education, youth and employment sectors (overleaf)

⁷ Selznick et al. (2022) 'Implementing applied learning: A system view',



Signatories in full:

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Plus 35 personal signatories, available upon request.