



18 September 2024

Dear Parent,

Re: Update regarding school fees and the introduction of VAT from January 2025

The Governing Body has been working closely with Senior Management to explore ways to mitigate the impact to parents of the government policy to implement a VAT charge to independent school fees. At the time of writing, this government policy is in its consultation phase, yet it is extremely likely it will be formalised in the Budget in October 2024, with implementation from January 2025 as widely reported.

On this basis we have spent the summer break analysing the financial position of the school and considering a number of options, including exploring the level of VAT we are able to reclaim on general running costs, and the VAT we may be able to reclaim on historical capital projects.

It goes without saying that we carefully consider necessary increases to school fees every year and understand the subsequent impact upon parents and families. Although we have worked hard to ensure the school is in a robust financial position, we are not able to fully cover the cost of the implementation of VAT to all families in Reception and above (please note, the government has initially stated that the VAT charge **will not** be added to Nursery fees.) That said, we recognise the impact of a sudden increase in fees to parents due to VAT and we are writing today to confirm the level of assistance which has been agreed by governors.

When setting our school budget each year we aim to make an appropriate level of surplus to enable us to reinvest in school facilities. This year, given the proposed increase in fees due to VAT, we believe our reserves would be better utilised to support parents. Reserves we have built up in previous years will therefore be used to reduce the net school fee from January 2025, resulting in an increase of 11.6%, including the VAT charge, from January 2025.

Please note, we have used Senior School fees below for illustrative purposes.

2024/25 - pre-VAT

Term	Fee
Autumn	£5,100
Spring	£5,100
Summer	£5,100

2024/25 - with VAT introduction

Term	Fee	VAT	Total
Autumn	£5,100	n/a	£5,100
Spring	£4,743	£948.60	£5,691.60
Summer	£4,743	£948.60	£5,691.60

School fees for the spring and summer terms 2025 have been reduced to reflect the contribution from the school to mitigate the impact of the addition of VAT at 20%, imposed by the government - reducing the increase in cost to families for this period to 11.6%.

For those families who took advantage of our Fees in Advance scheme prior to July 2024, the amounts held as prepayments towards future fees will be utilised as set out in the terms and conditions of the scheme.

Moving forward, we are working hard to mitigate this government policy as best we can for our families.

Work is continuing to review all school outgoings to explore where efficiencies and further savings can be made; our aim is to ensure our fees remain as competitive and affordable as possible without compromising on the quality of education and experience we deliver.

We are also exploring additional income streams above those we already undertake, for example, through increasing out of hours facility lettings.

We recognise the hard work and sacrifice parents make to provide their children with an education at Teesside High and want to reiterate that this is never taken for granted; indeed, we will do everything in our power to assist families through these challenges.

We are in this fortunate position to be able to assist parents through such radical government-imposed change because of the prudent financial management of the school over many years. We are committed to doing everything we can to support parents in managing the transition if VAT is added to school fees, as we expect.

We will of course provide an update as soon as we are able.

Yours sincerely,



Mr R R Tindle, BA (Hons) FCA
Chair of Governors

Teesside High School
The Avenue, Eaglescliffe
Stockton-on-Tees
TS16 9AT

T 01642 782095
E info@teessidehigh.co.uk
W www.teessidehigh.co.uk