

BROMSGROVE SCHOOL

VAT ON FEES FROM 1st JANUARY 2025 - QUESTIONS and ANSWERS

FEES

As previously communicated, our core objectives are to maintain the high standards of academic pastoral and co-curricular provision, to deliver value for money and to shield our parents from the full impact of the 20% VAT imposition, without compromising our offer. We have achieved this through increased operational efficiencies, other revenue streams and the ability to recover some VAT on goods and services.

Fees will be discounted by 6.3% from January 2025, meaning an increase of 12.5% after the addition of the 20% VAT.

BROMSGROVE SCHOOL FEES FROM JANUARY 2025

	Current Fee	Discount 6.30%	New Jan-25	VAT @ 20%	Total Cost	Overall Change	% Change
Pre-Preparatory							
Reception	3,350	(211)	3,140	628	3,768	418	12.5%
Years 1 & 2	3,690	(232)	3,460	692	4,151	461	12.5%
Preparatory							
Years 3 - 6							
Day	4,830	(304)	4,525	905	5,430	600	12.4%
Weekly Boarder	7,340	(462)	6,880	1,376	8,255	915	12.5%
Boarder	10,065	(634)	9,430	1,886	11,316	1,251	12.4%
Years 7 & 8							
Day	6,260	(394)	5,865	1,173	7,038	778	12.4%
Weekly Boarder	8,890	(560)	8,330	1,666	9,996	1,106	12.4%
Boarder	12,415	(782)	11,635	2,327	13,962	1,547	12.5%
Senior							
Day	6,925	(436)	6,490	1,298	7,788	863	12.5%
Weekly Boarder	10,265	(647)	9,620	1,924	11,544	1,279	12.5%
Boarder	15,490	(976)	14,515	2,903	17,418	1,928	12.4%

All Nursery and Kindergarten fees remain exempt from VAT and there will be no change to our current prices for this academic year.

We thought parents might find the following Q and As helpful, although you will appreciate that the interpretation of the VAT legislation is evolving all the time.

How does the new legislation impact on extra-curricular activities?

Any additional services where there is an instructor-led session and an additional charge, will be subject to VAT from January.

Music Lessons

All our music teachers are employed by the School. As music lessons are deemed educational, these will now be subject to VAT. However, exam charges, instrument hire, books and sheet music are all closely related and will remain exempt.

The Governing Body has agreed to discount music lessons by 10% before the addition of VAT.

The VAT inclusive price will now be £29.50 for thirty minutes and £39.50 for forty minutes.

LAMDA

There will be no charge for group LAMDA lessons as these will be covered in the school fee.

All individual LAMDA lessons will be subject to VAT but these will be discounted by 10%.

Is Aftercare exempt?

The Government has confirmed that Aftercare remains exempt as it is classified as welfare, so in our Pre-Preparatory Schools there will be no change to our published charges.

What about Holiday clubs?

Holiday clubs will also remain exempt from VAT.

The same is true for Guardian Angels, where we look after boarders in the holidays.

What about revision courses?

These will be subject to VAT as we are delivering education and specialist tuition.

What about transport?

School transport to and from School will be zero-rated for VAT meaning no increase to parents.

Trips to and from the airport will also be zero-rated where the transport is by minibus or coach.

Taxi charges will be passed onto parents at cost, and will therefore not be subject to VAT.

Will there be VAT on School Trips?

There will be no VAT on any school trips that are educational or overseas as they are either exempt or zero-rated. All our other trips will be non-profit-making so there will be no additional VAT.

What about books and stationery?

All books and stationery etc will remain exempt from VAT.

Bursaries, Scholarships and Discounts.

Parents will only need to pay VAT on the amount payable to the School after any remission or discount is applied.

If we cannot afford the impact of VAT on the School fees what should we do?

As previously stated, we have retained our bursarial funds this year for those current families who can no longer afford the fees. The bursary process remains means-tested and we shall prioritise those mid-way through an examination cycle. Further details about bursaries and the means-tested forms, can be requested from the Finance Office. We will do all we can to help, if our means-testing shows that you are eligible, but, as you will understand, bursary funds are finite.

Where do the School's bursary funds come from?

The School will use income from other revenue streams to fund our bursaries, rather than fee income.

Will children with an EHCP be exempt from VAT?

No, VAT will be chargeable regardless of whether a child has an Education Health and Care Plan. However, in the unlikely event that the EHCP names Bromsgrove School as the only place in which that pupil's education can take place and their fees are met by the Local Authority, the Local Authority will be able to claim back the VAT so there is no additional cost to them.