



The Rt Hon Baroness Jacqui Smith

Minister for Skills

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The Baroness Barran MBE
House of Lords
London
SW1A 0PW

18th September 2024

Dear Baroness Barran,

I am writing to you following the debate on Independent Schools: VAT Exemption on Thursday, 5 September 2024. I would like to correct a statement I made with regards to the treatment of further education institutions under the proposed draft legislation.

I made the following statement:

"I can also confirm, in answer to questions from the noble Baroness, Lady Barran, that further education institutions will not be affected by these provisions, and non-maintained special schools are exempt as well." (Hansard, HL Deb. Vol 839 col 1343, 5 September 2024. [Online] Available from: <https://www.parliament.uk/>).

Speaking as I was in the context of specialist schools, this statement was not factually correct as it suggested that all further education colleges and institutions were unaffected by the VAT charge on fees. This is not correct. What I should have said was:

"I can also confirm, in answer to questions from the noble Baroness, Lady Barran, that local authority funded students at specialist further education colleges will not be affected by these provisions, and non-maintained special schools would be exempt under the draft legislation as well."

I would like to apologise for any misunderstandings my original statement may have caused.

I have included the text from the relevant paragraphs of the technical note below for ease:

2.6 As set out in the draft legislation, “private schools” are defined as schools at which full-time education is provided for pupils of compulsory school age or, in Scotland, school age (whether or not such education is also provided for pupils under or over that age), or an institution at which full-time education is provided for persons over compulsory school age but under 19 and which is principally concerned with providing education suitable to the requirements of such persons (for example, a sixth form college), and where fees or other consideration are payable for that provision of full-time education.

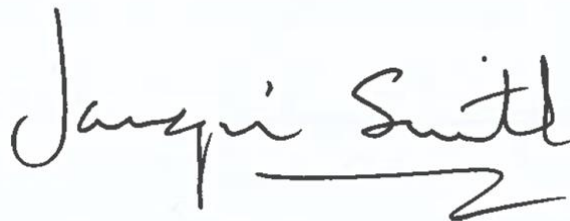
2.7 “Compulsory school age”, “pupil”, “school” and “school age” have the meanings given by the Education Act 1996, the Education (Scotland) Act 1980, and the Education and Libraries (Northern Ireland) Order 1986 in relation to England and Wales, Scotland, and Northern Ireland respectively. Broadly speaking, in each piece of legislation, these terms take their everyday meaning. With regards to “compulsory school age” and “school age” – in England, Wales, and Scotland, this refers to children aged 5 to 16. In Northern Ireland, this refers to children aged 4 to 16.

https://assets.publishing.service.gov.uk/media/66a7a1bdce1fd0da7b592eb6/Technical_Note_-_DIGITAL.pdf

My thanks to Lord Lexden for organising the debate, which allowed the House to raise a number of issues surrounding this policy. I am thankful for all the contributions towards the debate.

Thank you again for raising this matter with me. I hope these further details have been useful and I will place a copy in the House libraries.

Yours sincerely,

A handwritten signature in black ink that reads "Jacqui Smith". The signature is written in a cursive style with a long horizontal flourish at the end.

The Rt Hon Baroness Jacqui Smith