



The Rt Hon Baroness Jacqui Smith

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My Lords,

I am writing following the debate on Independent Schools on Thursday 5 September. I thought that I might to write to further address some concerns raised that I did not have time to cover in my speech. Thank you for participating in the debate, the range of issues raised by the House better support the consultation surrounding this policy, which I am grateful for.

In the course of debate, comparisons were made between the proposals to apply VAT to private school fees in the UK and previous actions by the government of Greece. The private schools' landscape in the UK is distinctly different and it is important not to draw false parallels between the UK and other countries. Structural differences in countries' education systems and relatively high fees in the UK mean that private school participation in the UK is particularly concentrated in the wealthiest families relative to countries such as Germany, France or the US. The government is aware of how VAT on private school fees was imposed in Greece. It's not entirely comparable because private school fees in that region are much lower, giving parents less financial flexibility to absorb any increases.

I understand the apprehensions surrounding the impact of this policy and want to reassure you that across government we are working to carefully consider the impact of charging VAT on private schools' fees. The debate is very much part of the consideration for the technical consultation.

Thank you again for taking the time to engage on these matters. I hope these further details have been useful and I will place a copy in the House libraries.

Yours sincerely,

The Rt Hon Baroness Jacqui Smith