



REPORT:
**The State of Public Opinion
About VAT on Private Schools**

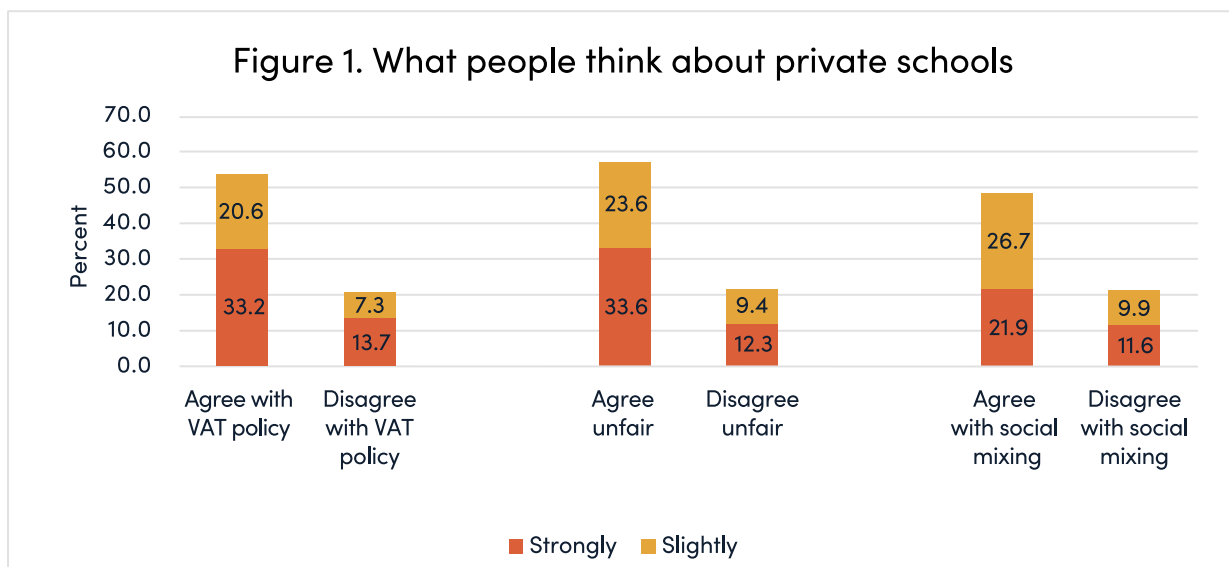
The Background

As of January 1st, 2025, Value Added Tax has become payable on private school fees in the UK. This innovation meets a manifesto commitment by the Labour party in the 2024 general election, motivated in part by the objective of contributing funds to put towards the costs of state education. Since well before the election and the change of government, however, the prospect of VAT on school fees has generated continual heated, often ill-informed debate in the media. Much of that debate has been inspired by those associated with private schools and has been opposed to the policy. In this briefing we report on the broad state of public opinion about private schools as the policy comes into effect. To assess what people think of the VAT policy and about the fairness or unfairness of the private school system in this country, PEPF commissioned new opinion questions on the eve of the new policy. The survey, which used a nationally representative sample of 2,068 adults aged 18 and above, also examined whether there may be an appetite for other reforms of the private school system. The survey was carried out by Yonder Consulting.

The Balance of Opinion

Regarding the introduction of VAT, respondents were asked: “From January 2025, private schools in Britain will no longer be exempt from paying VAT on school fees, with exceptions made for pupils with special needs. To what extent, if at all, do you agree or disagree with this change in policy?” They could answer on the scale (presented in a random order): strongly agree/ slightly agree/ neither agree nor disagree/ slightly disagree/ strongly disagree. The left-hand pair of bars shows the findings.

PEPF is both a think tank (undertaking independent research, fact-finding and analysis, communicating the results, and shaping the policy agenda) and a forum (for drawing all parties into the debate about ways forward). We were launched in September 2019 as Private School Policy Reform and renamed in April 2021 to reflect our broader remit and commitment to ‘forum’ discussion with all stakeholders and parties.



Those who either strongly or slightly agree with the change in policy lead those who strongly or slightly disagree by 33 percentage points – a very substantial margin. Perhaps unsurprisingly, given the incoherent public debate and the fact that many never encounter private schools directly, some one in four people are either uncommitted or don't know. Interestingly, the proportion who agreed with the VAT policy (54 percent) is a little above the proportion who were in favour of such a policy (48 percent) according to an earlier poll in 2018 (though that earlier poll did not mention the exception for special schools). There is no evidence here of any major impact from media opposition to the policy over the intervening years.

If the VAT is, therefore, reasonably popular, what do people think about the fairness or unfairness of the private school system? How might they feel about possible reforms beyond charging VAT on school fees? For the next two questions, respondents were asked: "To what extent do you agree or disagree with the below statements about fee-paying private schools in Britain?"

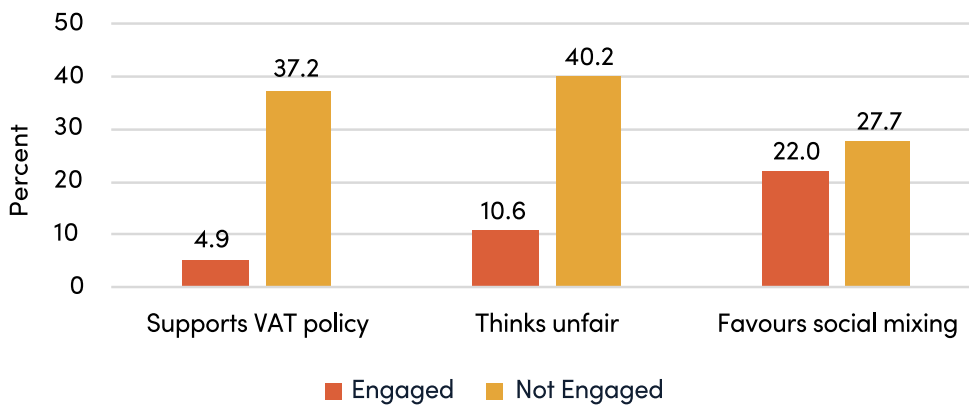
- 'It is unfair that some people with a lot of money get a better education and life chances for their children by paying for a private school.'
- 'To promote social mixing, the government should require private schools to offer a quarter of their places for free to local children, with the government reimbursing what it costs to educate a child in a state school.'

Attitudes to fairness are shown in the central pair of bars in Figure 1. Those who agree that education rationed by the power of money through private schools is unfair are far more numerous than those who disagree, by a margin of 36 percentage points. These responses are only a little changed from those polled with the same question in 2018, among whom 18 percent of the sample disagreed that it is unfair, as compared with 21 percent in 2024.

Attitudes to promoting social mixing are shown in the right-hand pair of bars. Those agreeing – half of the population – lead those who disagree (22 percent) by a large margin. While proposals for such a strategy have yet to be formulated, it seems that there already exists something of an appetite among the public for serious reform.

One reason for people to hold back from agreeing or disagreeing with policies about private schools is, simply, that that they do not encounter or engage with them. Only about 6 percent of pupils are, at any one time, at private school. Most parents cannot begin to afford the fees. Nevertheless, a minority do engage with private schools. Some attend a private school at some point in their school career, while others later send their own children to private school. Altogether, some 18 percent of the adult population are or have been engaged with private schools in one of these ways, and these might be expected to have different attitudes from the remainder of the population. Figure 2 shows how the net balance of opinion (the gap between those who agree and those who disagree) varies with such engagement.

Figure 2. The net balance of opinion varies with engagement



Regarding the VAT policy and the question of fairness, there is a large positive difference, with those not engaged much more likely both to agree that education through private schooling is unfair and to support the VAT policy. Nevertheless, even among those who have engaged with private schools, there is a small positive lead (5 percentage points) in favour of the policy and a larger lead (11 percentage points) agreeing unfairness.

As regards moving beyond VAT to bring about further reform through increased social mixing, it is striking that the net balance of opinion in favour of such a move is nearly as strong among those who have engaged with private schooling as among those who have not. Unsurprisingly, however, a considerable proportion (30 percent) remain undecided.

Conclusion

We conclude, from this evidence, that the large volume of public relations emanating from private school advocates and representatives does not appear to have turned public opinion significantly towards a defence of the status quo. Soon, the current batch of reforms to the private school system will be done, if as anticipated the Non-Domestic Rating (Multipliers and Private Schools) Bill comes into effect promptly, removing (except from special schools) the relief from local taxes hitherto afforded to private schools with charitable status. Private schools are expected to remain resilient in the face of the VAT policy and this lesser change, as they have done to other challenges many times in the past. After the dust has settled, PEPF believes the best response from private school leaders will not be to double down in opposition to the policy reality, given the state of public opinion. Instead, they could enter constructively into the debate as to how private schools, large and small, might in time be transformed, so as to begin to open up their doors to a wider social mix of the population.