

Monday 15 April 2024

Dear Parents and Guardians,

I hope you and your families are well and are enjoying the Easter school holiday period. As usual at this time of year, I am writing to inform you about fees for the coming academic year and to update you on progress and the issues we face at the Haberdashers' Elstree Schools.

2024/5 School Fees

It is our commitment to keep fee rises to a minimum, given the future plans and stewardship responsibilities we have for the Schools. We appreciate the sacrifices many families make to benefit from the wonderful education we provide at Habs. Nevertheless, we are not immune to exogenous pressures and occasional shocks that the independent sector faces as a whole. This year is no different. As a result of its regular review of Teachers' Pensions, the Government increased the employers' contribution by a further 5% to 28.68%. After an extensive review of market practice, discussions with advisors and a formal consultation with teaching staff, we have concluded that this is a cost we must bear. However, as partial mitigation, teacher salary increases will be below inflation. We have also sought, and will continue to seek, efficiencies in our educational delivery. For example, we have taken the opportunity created by the co-teaching in the Sixth Form to ensure that teaching sets are consistently as efficient as possible, and have therefore been able to avoid replacing a number of teachers who are leaving this year; capital projects have been delayed or had their scope altered significantly; and we have concluded a review of our print strategy, resulting in significant savings. We are also seeking to increase revenues through commercial and letting's activity and by formalising our approach to recruitment via an 'occasional places' scheme to facilitate pupils joining when departures create opportunities outside normal entry points.

In previous years, I have set out our firm belief that the value of education should be the same regardless of gender and have outlined our proposal to harmonise fees between the Schools, ensuring that school fees cover the same items across Schools and age bands. The timetable for harmonisation has differed by age and has sought to limit the size of annual increases; this year, given the inflationary pressures we are all facing, we have again modified the timetable for complete harmonisation to ensure that there are no specific age bands that are unduly impacted by fee increases, whilst continuing to move fees closer together over the longer term.

Over the last four years we have endeavoured to keep fee increases modest and compared to other local independent day schools, our fees remain competitive. However on-going cost pressures, including absorbing the pension cost increase, but mitigated by savings identified for 2024/25, mean that fees will be:

	Habs Boys	Habs Girls
Reception to Year 2	£20,985	£20,985
Year 3 to Year 6	£24,567	£22,950
Lower 4/Year 7 to Upper 5/Year 11	£25,998	£25,041
Sixth Form (Year 12 to Year 13)	£25,998	£25,179

To help manage costs we are dependent upon parents paying their bills promptly and in full. Last year, we transitioned to direct debit as the default mechanism for collecting fees and to minimise costs. If you have yet to set this up, the direct debit mandate is on Firefly (School Portal) under Fees.



Strategy update and the future

The Governing Body and School Executive have been actively reviewing our strategic priorities and long-range financial planning. At the core of the strategy is a recognition that academic excellence is fundamental to Habs and that there can be no reduction in ambition nor outcomes at the Schools. Nevertheless, in a rapidly and constantly evolving world, our responsibility is to develop and prepare 'the whole child' for the future, so they can thrive and have a profound impact on, and in, that future world. This requires us to educate beyond just the formal aspects of A Level grades and the curriculum to develop the digital skills and human attributes that will serve them well and equip them to best serve society in the future.

In this regard, we have made good progress in establishing the first 'Haberdashers' Innovation Centre', a dedicated resource for pedagogical innovation, continuous professional development, teacher training and digital innovation. Claire Jarmy joins us this term as the first Director of Innovation, having previously worked at Bedales School as Assistant Head - Learning & Development. Clare is an accomplished teacher and writer, who has overseen major curriculum innovation at Bedales, as well as authoring evidence for an All-Party Parliamentary Group and the Lord's Select Committee on 11-16 education.

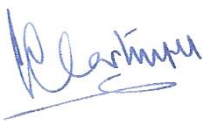
I am sure a more pressing concern for many, however, is the immediate financial outlook. You will recall that the Executive Principal set out in early February some of the issues regarding the potential introduction of VAT on School Fees and the abolition of Business Rates Relief should the Labour Party win the forthcoming election.

Like many other businesses, if a future Government imposes VAT on school fees, Haberdashers' Elstree Schools will be able to reclaim a proportion of the full amount, for example the VAT charged on capital projects and certain other costs. As described above, we are looking at ways to create additional revenue streams and to seek efficiencies in the operating model and staffing levels, without sacrificing quality or outcomes. Of course, the timing of an election, the outcome and the timescale of any legislative changes remain uncertain, as does the definition of what might be imposed. We will keep you informed as we move through this period and want to reassure you that the School will endeavour to minimise the impact on fee increases arising from the measures we eventually face. However, based on public pronouncements, it is clear that we will not be able to absorb the full cost increase implied by the Labour Party's policy and that the likely impact on the Schools would be equivalent to a low to mid double digit fee increase.

In closing, I would like to thank you for your continuing support for the students, staff and leadership teams of the Haberdashers' Elstree Schools during what continue to be challenging times. The past year has again been exceptional in many ways and, as we approach the Summer Term, we should reflect on the past twelve months and be grateful for the environment in which we live and work. I hope you are able to enjoy the benefits of being part of a community such as those associated with these outstanding Schools.

In the meantime, my best wishes for the well-being of your family and friends.

Yours faithfully,



Mr Simon Cartmell, OBE
Chairman, Haberdashers' Elstree Schools Governing Body