



BARNARD CASTLE SCHOOL

Dear Parents and Guardians

Further to my e-mail to you on 21st November 2024, I am writing with an update on Barnard Castle School's position on school fees for our families in receipt of the Continuity of Education Allowance (CEA) for full boarding children. Thank you for your patience whilst we have considered our position.

Updated CEA Rates

As you are aware, at the end of November the MOD published the revised CEA rates for the remainder of the 2024/25 academic year, as follows:

| | 1st December 2024 | % Increase | 1st July 2024 |
|-----------------------------------|-------------------------------------|-------------------|---------------------------------|
| Prep Boarder | £8,730 | 16.57% | £7,489 |
| Senior Boarder* | £10,211 | 12.46% | £9,080 |
| *Includes BCS Junior Boarding Fee | | | |

This is clearly disappointing for parents and schools as it is significantly different to the increases applied to fees from January by many schools, including Barney, which were closer to 20% VAT.

Fee Structure

Despite the financial challenges facing Barney and our sector from the impact of VAT on school fees, we maintain, that our military boarding community is of the greatest importance to us, and it is our desire to ensure our boarding school is accessible to as many military families as possible. As such, we have reviewed our current fee structure and the financial impact this has on our full boarding families from January.

In my last letter to you, I mentioned that we were exploring an alternative model of CEA +10%, whereby parents pay **10% of the published fee** and the balance of the fee is covered by full CEA.



BARNARD CASTLE SCHOOL

Fees from January 2025

I am pleased to confirm that from January 2025, our fee for full boarders in receipt of CEA will be as follows:

| | Net | VAT | School Lunches | Total |
|---|------------------|------------------|-----------------------|-------------------|
| Prep Boarder | | | | |
| 10% Published Fee – Parent Contribution (£10,938.60) | 882.38 | 176.48 | 35 | 1093.86 |
| CEA 2024/25 (From January 2025) | 6954.17 | 1390.83 | 385 | 8730 |
| Total | 7836.55 | 1567.31 | 420 | 9823.86 |
| Junior Boarder | Net | VAT | School Lunches | Total |
| 10% Published Fee – Parent Contribution (£12,862) | £1036.83 | 207.37 | 42 | £1,286.20 |
| CEA 2024/25 (From January 2025) | £8,194.17 | £1,638.83 | 378 | £10,211 |
| Total | £9231.00 | £1846.20 | £420 | £11497.20 |
| Senior Boarder | Net | VAT | School Lunches | Total |
| 10% Published Fee – Parent Contribution (£13,770.60) | £1,112.55 | £222.51 | £42 | £1,377.06 |
| CEA 2024/25 (From January 2025) | £8,194.17 | £1638.83 | £378 | £10,211 |
| Total | £9,306.72 | £1,861.34 | £420 | £11,588.06 |



BARNARD CASTLE SCHOOL

Rationale for Changes

We recognise that our Prep and Junior Boarder fees were previously largely covered by CEA, and that there is an increase to the parental contribution. It remains, however, a lower contribution than the current contribution due from parents, if we continued with our standard Boarder Fee less Service Allowance model.

Our Senior Boarders should see a slight reduction in their current payment which has been more than 10% in recent years, due to the gap between fees and CEA following higher inflationary increases.

We have worked hard to get our approach right for our military families and we hope that this model gives parents some stability in their financial planning for fees. There will be an immediate reduction in boarding income for Barney in respect of military boarders and there is a risk that our full fee paying UK boarders are unhappy with the differing treatment. Yet, as we have shared in previous communication with you, our military families remain right at the very heart of our full boarding community and school overall, and we hope that the position we have taken will assist parents in keeping their children at Barney and we hope our families will be positive advocates for our school within the military community.

Future Updates and Next Steps

The sector continues to challenge the Government on the fairness of the taxation of boarding fees and we hope that there may be a successful outcome in the future. Until then we have forecast this fee model for a transitional period until August 2026. We will review and update parents in the Lent term 2026 on our position.

As this model directly links to the entitlement to CEA for full boarders, we request that a **copy of your CEA eligibility certificate is provided for our records** (if not provided recently).

Any families who have not submitted in the December window, we will work with to aim for the January payment window and forecast for this accordingly in our expected fee payments in January.

As ever, should you have any questions, please do contact me.

Kind regards