

Spring 2025

Please see the information below from Jason Peck, Director of Finance and Clerk to the Governors at JAGS, and Beverly Sizer, Director of Jasspa and SLYO. This is regarding the decision by the Government to introduce VAT on private school fees from 1 January 2025. The draft legislation and technical notes are linked <u>here.</u>

This paper confirms that VAT must be charged on tuition fees from Reception to Year 13, and all co-curricular activities that involve education. As SLYO (South London Youth Orchestra) is part of JAGS, and is an educational course, it will be affected by this implementation of VAT.

We know this will be unwelcome news for SLYO families and we are reviewing our options carefully.

Impact on SLYO Fees from April 2025

Our aim is to continue to deliver high quality specialist orchestral tuition to as many young people as possible, while continuing to ensure that SLYO continues to operate cost effectively, but as it stands, we have a statutory obligation to add 20% to SLYO fees from April.

SLYO has operated as a community programme at JAGS since 2010. Since this time, we have been recipients of gifts in kind enabling us to set the lowest possible course fees. JAGS gifts to SLYO the venue, (including utilities and use of musical equipment) and provides us with a permanent base (an office for year-round admin and a home for our orchestral library).

SLYO currently runs on a break-even basis and JAGS receives no income from SLYO, so there are no obvious cost savings to implement to reduce the course fee to you, before adding VAT.

We believe our pricing structure has made our courses widely accessible and that an increase of 20% will jeopardise this. We are in touch with local MP's, the Musician's Union, D of E, HMRC and DCMS in search of clarity over whether the Government intended to tax community music, however as it stands, all courses will have VAT added going forwards.

If you have any suggestions or contacts who you think may be able to help us to seek clarity over whether SLYO could be exempt from VAT, please do get in touch by return email. Similarly, if you know of an organisation or benefactor who may be interested in supporting SLYO, please do reply by return.

We will continue to monitor developments in this area closely and will be in touch if we have further updates to share.

With best wishes and our thanks for your ongoing support,

Jason Peck and Beverly Sizer

Director of Finance and Clerk to the Governors at JAGS and Director of JASSPA and SLYO