# Labour Leader Denies Link Between VAT Policy and Private School Closures



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Labour leader Sir Keir Starmer has stated that the recent closures of private schools are unrelated to his party's plan to impose a 20% VAT on private education fees. Addressing concerns at a campaign event in Bury, Starmer highlighted that multiple private school closures have occurred independently of Labour’s proposed tax policy.

The discussion follows the announcement that Downham Preparatory School in Norfolk, which has a significant number of pupils with special needs, will close next month. The school's principal attributed the closure to Labour's tax hike, suggesting the financial burden would be too great for many parents to bear. The Independent Schools Council echoed concerns that smaller institutions could be disproportionately affected by the proposed VAT changes.

Labour has committed to implementing the VAT policy immediately if it wins the election on July 4. Critics, including parents and headteachers, worry that the tax increase could lead to a significant migration of students from private to state schools, potentially costing the taxpayer up to £300 million annually, according to the Institute for Fiscal Studies.

Alongside Downham Prep, Alton School in Hampshire also announced its closure for similar financial reasons. Labour plans to use the estimated £1.7 billion revenue from the VAT to fund state education initiatives, including hiring 6,500 new teachers. However, the actual financial impact depends on the ability of private schools to remain operational under the new tax regime.

Starmer noted that numerous private schools had closed in the past 14 years for various reasons, disassociated from the proposed VAT policy. Wes Streeting, Labour's shadow health secretary, remarked that private schools would need to adjust similarly to state schools amid economic challenges.

As the debate continues, stakeholders are assessing the broader implications of the VAT proposal on the education system, both in private and state sectors.