



Not for broadcast or publication before 00.01 Hrs Monday 31st March 2008

BOARDING SCHOOL FEES RISE BY NEARLY THREE TIMES INFLATION IN THE LAST TEN YEARS

Halifax Financial Services has examined the changing cost and affordability of boarding schools in Great Britain over the period 1997 to 2007. Data has been sourced from the Independent Schools Council (ISC) census and the ONS. All earnings figures are sourced from the ONS Annual Survey of Hours and Earnings survey and are based on estimated average annual earnings for full-time employees.

- Private school fees for boarding pupils¹ increased by an average of 86% between 1997 and 2007, nearly three times the increase in the Retail Price Index (31%).
- A boarding school education has become less affordable. The average annual boarding school fee in 2007 of £20,970 was equivalent to 73% of annual average gross earnings² (£28,590); in 1997 the comparable ratio was 55%.
- Average annual fees for boarders are highest in London, at £23,250. That is 25% higher than in Wales where the average fee is the lowest (£18,540).
- The number of pupils boarding at ISC member schools³ has declined by 14% over the past decade from 77,876 to 67,335.
- 31% of pupils at ISC independent schools⁴ receive support from the schools worth over £300 million.

Average school fees¹ for boarding pupils have increased by 86%, nearly three times the rate of retail price inflation over the past ten years (31%), according to new research from Halifax Financial Services. In 2007, boarding school fees rose by 5%, more than the increase in retail prices (4%). (**Table 1**)

West Midlands has recorded the biggest rise in average fees

Regionally, average fees for boarders have increased most in percentage terms in West Midlands over the past decade. The average annual fee in the region has risen by 96% from £11,490 to £22,542. The smallest increase has been in East Midlands; 70% from £11,565 to £19,707. (**Table 1**)

Average annual fees for boarders are highest in London

The average annual fee for a boarding pupil is highest in Greater London, at £23,250. This is 25% higher than in Wales where the average fee is the lowest at £18,540. London and Wales also had the highest and lowest average fees respectively in 1997. The second highest fee in 2007 was in the West Midlands (£22,542) followed by the South East (£21,234). (**Table 1**)

For further information contact Halifax Press Office

Richard Janes Tel. 0207 826 9209 or Emma Johnson on Tel. 0207 826 9104

Halifax Press Office Tel. 01422 333829 (Out of Hours Tel: 01422 333256)

Internet Website: <http://www.HBOSplc.com> Email: pressoffice@halifax.co.uk

A boarding school education has become less affordable over the past decade

Average annual fees for boarding pupils equated to 73% of average annual gross earnings² in 2007. This was significantly higher than 55% a decade ago. In 2007, average private school fees for boarding pupils accounted for 25% or less of average annual gross earnings in the case of only one occupation: Directors and chief executives of major organisations. In 1997, boarder fees equated to 25% or less of average gross earnings for seven occupations, including doctors and pilots. Similarly, fees for boarding pupils have become less affordable³ for key public sector workers. For example, average school fees for boarding pupils represented 71% of the average salary of a fire-fighter in 2007 compared to 54% in 1997. **(Tables 2 and 3)**

Increased support from schools to ease affordability difficulties

Schools have sought to ease increasing affordability difficulties by boosting the number of bursaries available. Nearly a third (31%) of pupils at ISC independent schools⁴ receives support from the schools worth over £300 million. The proportion receiving bursaries has increased significantly since 2000 when 20% of pupils received support from the school.

Number of boarding pupils at ISC member schools declining

The number of pupils³ attending ISC member schools who are boarders has declined by 14% (10,541) since 1997 to 67,335. **(Table 4)**

OTHER KEY FINDINGS

Boarder fees are more than double those for day pupils

The average annual cost of boarding (£20,970) is more than double the average for day pupils (£9,627).

Broadly constant ratio between boarder and day fees

In 2007, school fees for boarding were, on average, 2.2 times the school fee for a day pupil. In 1997, school fees for boarding were, on average, 2.3 times the fee for a day pupil. The differential in cost between enrolling a child as a boarder or as a day pupil has changed little over the last ten years in proportional terms.

Total number of private school pupils has risen since 1997

The overall number of pupils attending an ISC member school has risen by 7% (35,277) since 1997 to 669,300 in 2007. A 12% (45,818) increase in the number of day pupils has more than offset the decline in the number of boarders. **(Table 4)**

Martin Ellis, economist at Halifax Financial Services, commented:

"Boarding school fees have risen by significantly more than average earnings over the past five years. Parents need to plan their finances as early as possible if they want to send their children to boarding school."

¹Based on data from the Independent Schools Council (ISC) census.

² All earnings figures are sourced from the ONS Annual Survey of Hours and Earnings survey and are based on estimated average annual earnings for full-time employees.

³Data on the number of pupils is based on data from the ISC which accounts for more than 80% of the total number of pupils in independent schools in the UK.

⁴An ISC independent school is a private school which is associated with the Independent Schools Council or with a schools association which itself is associated with the Independent Schools Council.

Table 1: Annual school fees for boarders - by region

Region	2007	2006	1997	1 Year % Change	10 Year % Change
North	£19,812	£18,567	£10,377	7%	91%
E Midlands	£19,707	£18,957	£11,565	4%	70%
W Midlands	£22,542	£21,246	£11,490	6%	96%
East Anglia	£19,296	£18,384	£10,179	5%	90%
South East	£21,234	£20,472	£11,439	4%	86%
South West	£21,081	£19,851	£11,511	6%	83%
Greater London	£23,250	£21,873	£12,756	6%	82%
Scotland	£20,463	£19,521	£11,304	5%	81%
Wales	£18,540	£17,304	£9,831	7%	89%
Great Britain	£20,970	£19,973	£11,274	5%	86%

Source: ISC

Table 2: Fees for Boarders as % of average earnings for the 20 highest paid occupations in the UK (2007)*

Occupation	Average earnings 2007 (£)	Fees for Boarders as a % of earnings	
		2007	1997
Directors and chief executives of major organisations	127,442	16%	10%
Medical practitioners	70,205	30%	24%
Brokers	68,739	31%	24%
Senior officials in national government	67,028	31%	19%
Aircraft pilots and flight engineers	65,837	32%	18%
Financial managers and chartered secretaries	62,972	33%	22%
Police officers (inspectors and above)	56,841	37%	30%
Air traffic controllers	54,132	39%	31%
Managers in mining and energy	52,530	40%	25%
Legal Professionals	51,334	41%	31%
Marketing and sales managers	48,532	43%	32%
Information and communication technology managers	47,887	44%	31%
Personnel, training and industrial relations managers	47,252	44%	36%
Purchasing managers	47,008	45%	33%
Advertising and public relations managers	46,706	45%	32%
Senior officers in fire, ambulance, prison and related services	46,041	46%	35%
Management consultants, actuaries, economists and statisticians	45,282	46%	32%
Production, works and maintenance managers	43,441	48%	37%
Financial institution managers	43,420	48%	34%
Veterinarians	42,832	49%	45%

Source: ONS ASHE survey/ISC

*Shaded areas indicate where boarding school fees represent 25% or less of gross average annual earnings for someone working in that occupation.

For further information contact Halifax Press Office

Richard Janes Tel. 0207 826 9209 or Emma Johnson on Tel. 0207 826 9104

Halifax Press Office Tel. 01422 333829 (Out of Hours Tel: 01422 333256)

Internet Website: <http://www.HBOSplc.com> Email: pressoffice@halifax.co.uk

Table 3: Fees for Boarders as % of Average Earnings for Key Public Sector Workers (2007)

Occupation	Average earnings 2007 (£)	Fees for Boarders as a % of earnings	
		2007	1997
Nurses	28,075	75%	58%
Police officers (sergeant and below)	36,816	57%	43%
Fire service officers (leading fire officer and below)	29,697	71%	54%
Secondary education teaching professionals	35,604	59%	45%
Primary and nursery education teaching professionals	32,890	64%	48%
Ambulance staff (excluding paramedics)	23,514	89%	62%
Average earnings	28,590	73%	55%

Source: ONS ASHE survey/ISC

Table 4: Number of Pupils at ISC member schools

	2007	2006	1997	1 year	10 year
Boarding pupils	67,335	68,203	77,876	-1%	-14%
Day pupils	441,758	435,594	395,940	1%	12%
Total	509,093	503,797	473,816	1%	7%

Source: ISC

Editors' Notes:

The average private school fee (boarders and day pupils) rose by 89% between 1997 and 2007. Average fees for day pupils increased by 97% over the period.

Data Source for Private School Fees

The data for private schools fees is from the Independent Schools Council's (ISC's) annual census of its independent-school members. The ISC publishes estimates of schools fees for all pupils in ISC associated private schools in the UK.

Annual school fees were calculated as three times the school fees per term. School fees were measured as at January of each year.

Data Source for Number of Pupils

Data for the number of pupils attending independent schools is also based on data from the Independent Schools Councils' (ISC's). It is estimated that pupils in ISC schools account for more than 80% of the total number of pupils in independent schools in the UK.

An independent school is defined as any school providing full time education for five or more pupils of school age, which is not maintained by a local education authority. The term "private school" has the same definition as the term "independent school".

Data Source for Average Earnings and Inflation

Annual average earnings figures quoted were for those in full time employment. This data was sourced from ONS's Annual Survey for Hours & Earnings (ASHE) for years 1997 – 2007.

About Halifax Financial Services

Halifax Financial Services, part of the HBOS group, is the largest bancassurance business in the UK providing a range of equity-based long-term savings and investments products. HBOS has over £96 billion in funds under management. HBOS is the number one provider of new investments in the UK.

For further information contact Halifax Press Office

Richard Janes Tel. 0207 826 9209 or Emma Johnson on Tel. 0207 826 9104

Halifax Press Office Tel. 01422 333829 (Out of Hours Tel: 01422 333256)

Internet Website: <http://www.HBOSplc.com> Email: pressoffice@halifax.co.uk