Dear Deborah, Chris, and Bridget,

Thank you for your letter of 5 December, addressed to the Secretary of State, regarding the Teachers’ Pension Scheme (TPS) and Music Hubs. I am replying as the Minister for Schools.

I appreciate the concerns you have raised regarding the increase from 23.6% to 28.6% to employer contributions to the TPS from April 2024. The department will be publishing further details on the increased employer contributions to the TPS from April 2024 in due course, including the approach for centrally employed teachers, and funding rates and allocations. When the department publishes these details, it will include consideration of centrally employed music teachers and the existing Music Hubs programme.

As part of the ongoing Music Hubs investment programme, Arts Council England informed potential bidders on 15 June 2023 that Department for Education funding from September 2024 would be made up of the revenue and capital grants only, and that there would not be additional ring-fenced top-up funding to support teacher pensions from this point on. Indicative allocations for both revenue and capital were also published for the 2024/25 academic year as part of the investment programme information.

The outcome of the programme should see the 43 newly competed Hub Lead Organisations (HLOs) strategically leading the support for music education over larger geographical areas, with most working across a number of delivery partners. I understand that this will be an adjustment for music education organisations that have received top-up funding in the past. This is why we have given both incumbent and potential new HLOs over 12 months’ notice of this intention so that this can be carefully planned for well in advance.
The department’s grant funding to HLOs has also provided, on average, around 40% of a hub’s total income and hubs have been using this to leverage other income streams over the lifespan of the programme. This will also be the case for the new programme from September 2024. As set out in the investment programme application process, we also expect organisations applying to become lead organisations to evidence how at least 50% of a hub’s total income should come from sources other than the revenue grant provided by the department by the end of this funding period.

With regard to future funding, I recognise that that wider inflationary pressures will have had an impact on Music HLOs and their partners. This is also the case for other hub programmes funded by the department. Between 2016 and 2021, the department invested around £380 million of funding in Music Hubs. Furthermore, as part of the National Plan for Music Education 2022, the department announced £79 million of funding per year for the Music Hub programme, up to and including the 2024/25 academic year, to provide assurance and stability in music education. The department is also providing £25 million capital funding for musical instruments and musical equipment as part of the programme.

As such, it is worth noting that Music Hubs remain the highest funded of all the department’s hub programmes, whilst acknowledging that unavoidable cost pressures still need to be met within the existing grant funding and other sources of income. In terms of funding beyond academic year 2024/25, the Arts Council set out in the investment programme guidance that funding agreements may be extended up to the end of August 2028. This will subject to performance as well as the outcome of the next spending review.

Finally, I have asked that departmental officials keep you updated on matters related to TPS. I also wanted to take this opportunity to thank you and your organisations for their ongoing support and promotion of the National Plan for Music Education. Your contributions are vital to ensuring that the sector can successfully deliver the plan’s aims, helping all children and young people to benefit from a high-quality music education.

Thank you for writing on this important matter.

Yours sincerely,

Damian Hinds
Minister for Schools