

Guidance for English UK member centres: negotiating venue contracts in 2025

Background

- Many English UK members contract summer premises from venues such as universities, colleges and private boarding schools.
- Contracts are usually finalised long before the summer peak season and include a particular allocation for classrooms and/or accommodation. These typically include a minimum number of beds that the member centre must pay for.
- Problems occur when there is a mismatch between predicted or allocated numbers and later cancellations from one or more important markets. Centres may have to pay for more beds (or perhaps classrooms) than they need.
- This issue particularly affects seasonal multi-centres but may be of relevance to all members who need to hire additional space at peak times.

The situation in 2025

- A number of members have contacted English UK in Q2 2025 about the developing situation in China, particularly in connection with the ongoing negotiations over US-China trade and tariffs.
- Some are reporting large numbers of Chinese junior group cancellations for their summer programmes. Cancellation rates may be 50% or higher in some cases.
- In addition, other markets are facing difficulties in obtaining visa appointments, especially Russia. This has led to further course cancellations.
- In the current economic climate, venue and accommodation providers are likely to insist on agreed minimum contractual terms, especially bed allocations.

What options are available to centres?

English UK has commissioned Travlaw to provide general advice to centres facing this situation. Travlaw are experienced in all aspects of law as it relates to the travel industry, including commercial law and litigation. We recommend contacting Travlaw if you need specific advice on how to proceed (contact details below) and find them both sympathetic and pragmatic in suggesting solutions.

1. Agreements and force majeure clauses

- Depending on the wording of the agreements, it may be possible to use a force majeure (FM) clause to seek a modification in contractual terms.
- The first thing to check is whether any force majeure clause is drafted in the interests of both parties – we have seen sample clauses where the FM only applies to the supplier and therefore offers no help to the EFL centre attempting to vary the contractual terms.
- If the FM clause does apply to both parties, either party can seek to rely on it should they be unable to carry out their contractual obligations.
- The wording of the clause is the vital part as any claim for variance of contractual terms must relate to one or more definitions of force majeure contained within it – for example, war or the adverse effects of government laws.
- We recommend seeking specialist advice before invoking an FM clause for any specific contract or agreement.

2. Further options

- Does the agreement contain any other wording that could be used in favour of the EFL centre? For example, a commitment to review contractual terms in the event of cancellations or the variance between allocations and arrivals.
- Otherwise, the centre should speak openly with the supplier about the situation they face and suggest solutions. This might be a cost reduction or credit rolled over until next year. English UK has provided a letter template (see below) asking for leniency, although we would still recommend seeking specialist advice.

3. Going forward

- EFL centres may wish to review or renegotiate contracts for future years. For example, if an FM clause does not benefit both parties, can this be changed? Could options such as price reductions or rollover credit be inserted?
- Ensure that payment terms to suppliers are mirrored in those with agents or students. For example, centres may wish to add a non-returnable deposit requirement for allocated places to minimise future shortfalls.

Contact Krystene Bousfield at Travlaw for a quote if you need specialist advice.
krystene@tavalw.co.uk

Appendix: sample supplier letter

Note: This is a generic letter asking suppliers to give due consideration. We recommend you take specialist advice if you wish to invoke force majeure clauses or other contractual terms to seek redress.

Dear supplier

Re: UK ELT summer school arrangements for 2025

The UK English language teaching industry has been heavily impacted by the ongoing tariff-related trade war between the USA and China. This disruption comes at a time when many parents, study abroad agents, and Chinese schools were due to confirm actual arrival numbers based on prior allocations – allocations that usually give an accurate estimate of final student numbers.

Because of the economic uncertainty the tariff war has created, many families are reluctant to pay for summer courses at present, until they have clear evidence that their future livelihoods are secure. Some of our member centres have experienced cancellation rates of 50-70% in the Chinese market. On top of this, a shortage of visa appointments has led to cancellations in other key markets like Russia and Turkey.

We, the national association of accredited UK ELT providers, are therefore asking university, accommodation and school venue partners that provide summer premises and accommodation, for a level of understanding and flexibility regarding contractual and financial commitments with our members. In this uncertain time for the world economy, industry partners must support one another. The assistance of key stakeholders will contribute to the best possible outcomes for key junior ELT source markets in both the short term and beyond. Thank you for your ongoing support.

Yours faithfully,

Jodie

Jodie Gray
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