LOCAL GOVERNMENT AND COMMUNITIES COMMITTEE

CALL FOR VIEWS ON THE NON-DOMESTIC RATES (SCOTLAND) BILL

SUBMISSION FROM CLAIRE McDONNELL

1. While our business model necessitates high fees, Fettes continues to be a not for profit organisation and has passed the test set by OSCR (the Scottish charity regulator) to validate its charitable status. The review, consultation and the subsequent draft legislation made no reference to the public benefit test that independent schools, uniquely as a group both in Scotland and beyond, had undertaken. There has been a three-fold increase in means-tested fee assistance, unlike elsewhere in the UK, as a result. That assistance – to widen access - was calculated on school budgets which have now been substantially impacted by a sudden rates increase.

2. There is an implicit assumption that all our families would be able to afford increased fees. However, the proposed removal of business rates relief (which adds significantly to our costs) will not improve access to high quality education within Edinburgh as it will force us to increase fees and reduce our ability to provide bursaries.

3. Any gain to government in terms of tax raised is likely to be offset by the cost of additional pupils going to the state sector and potential loss of income to the Edinburgh economy from overseas pupils:

Substantial rates increases can only be funded by an increase in school fees, sale of school assets and/or a reduction of bursary and facility provision. Scottish Government figures indicate that educating a child in a state-maintained school in Scotland costs on average £6,500 (not including some PFI and other costs). Each child removed from an independent school due to increased fees, whether 20% or 100% paid, will be an additional cost to the taxpayer. In addition there will be further pressure on class sizes, school buildings, school catchment areas, and teacher numbers and recruitment.

The loss of 1 in 30 pupils from the independent sector – either to the state sector or boarding pupils locating elsewhere – would cost the Scottish taxpayer more than the entire rates increase proposed by the Bill. There is no reference of this at all in the Financial Memorandum, which one Call for Evidence seeks views on.

4. The Bill’s policy memorandum, in reference to rating of sports clubs, mentions the Scottish Government’s policy to continue to support and encourage local authorities to support, affordable community based facilities that give people the chance to take part in sporting activities thus contributing to (amongst other aims around an active Scotland) the Scottish Government aim to cut physical inactivity
in adults and teenagers by 15% by 2030. Despite this policy priority, no consideration has been made of the impact on independent school sports facilities and their access by the wider community.