I am writing to voice my grave concerns regarding this bill and its likely consequences, in my capacity as the parent of two children who attend a private school. I believe that the bill has the potential to increase net costs to the taxpayer rather than confer savings, and would create disparities rather than provide equity. I will elaborate on the reasoning behind these statements.

1. Financial aspects: increasing net costs to the taxpayer
   a. As a result of rates increases, schools would need to raise more income. One way for them to do this would be to increase fees. This would increase the costs to parents to the extent that private school education would be unaffordable for some, and children would move to the state sector, incurring an additional cost to the taxpayer which would more than offset the gains from the rates increase.
   b. Another way that schools could raise income following a rates increase would be to sell assets and cut costs in areas such as maintenance. This would lead to a reduction in income from businesses that rely on private schools for their income, such as tradesmen and catering companies.

2. Parity aspects: creating disparities
   a. Rates increases would reduce the capacity for schools to provide fee assistance and bursaries, therefore reducing access to private school education.
   b. The sale of school assets is likely to include sports facilities which may be used by the wider community, who would then lose out on the access to these facilities. This would be contrary to the Scottish Government’s stated intention to encourage an increase in physical activity.
   c. State schools receive full VAT exemption, unlike private schools. However, despite the apparent aim of encouraging parity, there have been no plans made to either provide VAT exemption for private schools, or remove the VAT exemption for state schools.
   d. There is no consideration in the Bill for the effect that parents can have on inflating house prices near state schools. This serves to restrict access to those state schools by the lack of affordable housing, and those parents are therefore indirectly buying education for their children. However, they would
not be penalised by the Bill in the same way that parents of private school children would.

e. The impact of the Bill would vary depending on the size of the private school. Schools on compact sites would be affected less than schools on large sites.

f. Amongst all of the organisations who have charitable status, it appears that the Bill singles out private schools for differential treatment, thereby causing inequity across the sector.

In conclusion, I believe that this bill cannot be justified by referring to arguments based on saving money for the taxpayer or providing parity. There is a significant risk of this bill having adverse consequences and I would urge the committee to act to prevent these.