LOCAL GOVERNMENT AND COMMUNITIES COMMITTEE

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

SUBMISSION FROM CATHERINE REDMOND

In response to the call for evidence regarding the Non-Domestic Rates (Scotland) Bill, with reference to private sector schools who may find themselves paying full rates bills, I would like the following points on additional needs provision and charitable status to be considered:

ADDITIONAL NEEDS PROVISION

As a learning support assistant, working for over 10 years as part of an experienced, qualified and dedicated team within an independent prep school, I have seen first-hand how children from all socio-economic backgrounds are helped to improve their self-confidence and self-belief, and to achieve their full potential, often after a lack of support within the state system in Scotland. This applies to those children who have found it impossible to cope in state schools where class numbers are much higher, and where Additional Needs Auxiliary support has been reduced due to lack of resources. Our class sizes and level of support, both in and out of class lessons, provide children with a much stronger chance of fulfilling their potential. Many of these children are able to attend an independent school because their parents have applied for, and received, means tested bursary provision. If rates are increased, the additional cost will be borne by parents, as independent schools will have to decrease their bursary provision and/or raise fees.

Substantial rates increases can only be funded by an increase in school fees, sales of school assets, a reduction in staff levels, or a reduction of bursary provision. Each child removed from an independent school due to increased fees will be an additional cost to the taxpayer (approximately £6,500 per annum). There will be further pressure on class sizes, school catchment areas, teacher numbers and recruitment. The Bill, rightly, exempts special needs school for the Non-Domestic Rates proposals. However, no consideration is made of the disproportionate contribution that independent schools make to support for learning and other additional needs provision.

I do not think that a state education system, that is struggling to cope with existing numbers and lack of resources, could cope with children who will be forced out of independent education in Scotland if fees are increased or bursary provision reduced – just one in thirty children moving to the state sector would negate the economic benefit of imposing full business rates on independent schools.

CHARITABLE STATUS
The charity test for Scottish independent schools is the strictest in the world. Any alteration to rates relief would make Scottish schools less competitive than their equivalents elsewhere, with serious consequences for the employment of teachers, support staff and third party suppliers, as well as those pupils mentioned above. The independent sector currently employs 5.9% of the teaching workforce in Scotland, making it the sixth largest employer of teachers, and employs more than 3,000 support staff.

Many of the 24,000 charities in Scotland are fee-charging, including professional colleges, further and higher education institutions and private care homes. Many more of those charities, as well as some of those that receive 100% rate relief, may fund and promote causes that do not necessarily garner the support or good will of the majority of the population.

It is entirely possible to provide charitable benefit and assistance through a salaried staff and with funds raised from fees or subscriptions. The key point is whether a charitable purpose is being met. In the case of independent schools in Scotland, the advancement of education is demonstrably being delivered, while they are quite rightly tested for their public benefit provisions.

In conclusion, every child removed from an independent school, if fees rise, will be an additional cost and space for local authorities to deal with, but the Bill makes no mention of any of them, and in addition, I strongly believe that a review of business rates should not be used to single out 0.3% of Scotland’s charities for differential treatment for reasons of personal belief, especially if those run contrary to legal recognition and the promotion of growth in Scotland.