LOCAL GOVERNMENT AND COMMUNITIES COMMITTEE

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

SUBMISSION FROM MATTHEW GAMMELL

Having reviewed all the evidence I feel that this proposal to remove eligibility to claim charitable relief from non-domestic rates from mainstream independent schools is a political statement and will in fact lead to a loss in revenue not a gain as is being suggested.

If this relief is removed the net result will be that the costs will be met by the fees being increased and a significant reduction of bursary assistance and places.

This in turn will lead to an expected 1 in 30 pupils returning to the government sector of education. Each child removed from an independent school due to increased fees, whether 20% or 100% paid, will be an additional cost to the taxpayer. This will add further pressure on class sizes, school buildings, school catchment areas, and teacher numbers and recruitment.

The Councils simply do not have the funds, buildings, resources, teachers or infrastructure to accommodate the number of children that as a result of this increase in fees will have to move out of the independent system. In addition to this it will all happen at once thus compounding the councils situation and total inability to be able to provide the services that they are legally obliged to provide.

The net result will be a further cost to the Scottish taxpayer and will be far more than the entire rates relief.

In addition to this there is no parity between the state and independent system thus this is once again another punitive measure to those that chose to educate their children in the independent system. Only these 56 charities from the 24000 have been singled out and reviewed, without any consideration for the others.

State schools rates are simply a paper exercise and the staffing, operation and running of the school is unaffected as this is underpinned and funded by the central council tax.

State schools receive full VAT exception however independent school only receive partial exemption which is another example of lack of parity.

There has also been no consideration made for the results of this 5 fold increase in rates on the other affected elements from each school and the effect it will have on community partners and others that uses school premises, facilities and resources – music teaching and rehearsal space, careers events, sports coaching or facilities, other leisure, social or community activities.

If independent schools are charged non-domestic rates this will lead to pupils falling back into the council school system, the loss of employment within the independent sector, the loss of facilities within the independent sector and thus a loss of facilities to the wider surrounding community.
In short this is an ill-conceived idea which will once again result in a nett loss in revenue to an already overstretched and cash poor council and is simply being considered for political reward to gain votes.