LOCAL GOVERNMENT AND COMMUNITIES COMMITTEE

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

SUBMISSION FROM EWART BAXTER

Any decision to remove charitable status from independent schools does not stand up to financial scrutiny it would, in the long run only increase the cost of the state sector to the tax payer and reduce facilities overall. Edinburgh, with its high proportion of professionals would be most badly hit, both in a proportionate increase in costs and a lowering of overall opportunity. Independent schools in Scotland do not advance inequality, they increase flexibility and choice. In an ideal world independent schools may not be required but we do not live in an ideal world and parents that do chose to send their children to be educated independently should not be additionally financially punished for doing so.

Independent schools are not businesses designed to make a profit. There are no shareholder profits to reduce, increased costs mean increased fees. If fees were to rise, even nominally, it would be enough to push some families into making the difficult decision to remove their children from independent schools. These would be families who are already stretched, not the wealthy. This financial pressure would disproportionately hit larger families, of 3 or more children, more. We know that state schools are over-subscribed. As we have recently seen in Glasgow, much of the independent sector is struggling already. Can Edinburgh City Council confirm that they would be able to place significant amounts of children coming from the independent sector?

Looking at the figures - it costs local government around £6,500 per annum to educate one pupil. In an independent school which might have to pay an additional £500,000 (say 15 teachers) in non-domestic rates it would only take the 78 pupils to move into the state sector to cancel out any “supposed” financial advantage to local government. That could be as little 30 families moving to the state sector and is not, in anyway, inconceivable if they are facing three or four sets of fee increases.

More children moving into the state sector will, in real terms, cost the local government considerably more than would be generated by removing charitable status. In reality we know that the amount generated will be nowhere near enough to cover the additional costs so standards and facilities will fall for all. In addition any additional payments would effectively serve as an additional tax burden on families who are paying fees out of net income, having already made their tax contribution to the state sector. Overall independent schools would become less rooted in our society and social cohesion would reduce.

If independent schools were to lose their charitable status then they would not be subject to the vigorous oversight that they currently enjoy, this would need to be
replicated at further expense. Facilities available to the local communities, for holiday clubs and sporting excellence would reduce, as would music and academic scholarships, everyone would lose out.

These proposal are a tempting cocktail which would in the long run cost the public purse considerable amounts, whilst damaging a successful and dynamic part of our economy and community.