LOCAL GOVERNMENT AND COMMUNITIES COMMITTEE

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

SUBMISSION FROM DR PATRICK FORD

My suggestions relate to sections 10 and 11 of the Bill.

I suggest that section 10 be adjusted so that local authorities retain their discretionary power to remit rates in the case of an independent school which is a charity. With the removal of the mandatory 80% charities relief this would mean that local authorities had discretionary power to remit rates for an independent school charity up to 100%. This arrangement would be accompanied by a change to the local government financing system which would allow local authorities to retain rates collected from an independent school for expenditure as part of its education budget. A local authority would then be in the position of deciding whether it should remit the rates (in whole or in part) in return for contributions by the independent school to local education or to collect the rates (in whole or in part) and apply the proceeds directly for the benefit of local state schools. The contributions by the independent school might take a similar form to the commitments already required of independent schools under the charity test as administered by OSCR, i.e., facilitated access for those unable to pay fees or other forms of engagement with local education such as the sharing of sports facilities or provision of tuition in specialist subjects to state school pupils. Local authorities would be in a position to seek additional contributions from schools, over and above those required under the charity test, in return for remission of rates.

The effect would be to empower local authorities to make their own judgements on the value of contributions made by independent schools to local education. Under section 11, however, their discretion could be guided by the Scottish Ministers (with input as appropriate from Education Scotland) to ensure some consistency of approach to discretionary remission across Scotland. It would be inconsistent with the principle of local authority discretion, however, if the guidance were unduly prescriptive.

In relation to section 11 generally, I would highlight the risk that over-prescriptive central guidance on rates remission might disempower local authorities by depriving them of meaningful discretion. It should be made clear that while local authorities must have regard to central guidance they should be free to depart from it in the light of local conditions.

If these comments are of interest to the Committee, I would be willing to provide a fuller justification for them than offered here.