LOCAL GOVERNMENT AND COMMUNITIES COMMITTEE

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

SUBMISSION FROM IAIN MacDONALD

I fully understand that many issues have been discussed and debated regarding the Non-Domestic Rates (Scotland) Bill. In Section 10 there would appear to be a doctrinal mission for short term political points without proper consideration of the overall input such establishments bring to the country as a whole.

- “Increase fairness and ensure a level playing field amongst ratepayers by reforming rate reliefs and tackling known avoidance measures.”

At the present time, those considering the Bill must look at their statutory obligations regarding their requirement to provide education for every child in Scotland. At present there is discrimination by the funders of education since they fail to provide funds and facilities to educate local children. For many children educated in Scotland, no funding is provided to the educator and no funds are made available to provide facilities where the children can be educated.

If all children currently educated in the independent schools were to arrive at the local authority school tomorrow (which is their right) there would be no spaces or facilities or teachers. Under the present regime the state are knowingly creating an “avoidance measure”.

If government were really interested in driving up educational standards they would ensure that the full funding was made available and facilities were in place for them to educate every single child in Scotland. This would be a first step to create “fairness and ensure a level playing field”. If people then chose to educate their child in the independent sector that would be their choice but the consequence would be smaller class sizes and lower density of pupils in the local authority schools. This benefits those in the local authority schools.

Until this is achieved (and the funding clearly in the education budget to meet this obligation through both capital and operational spending) then the local authority should provide equivalent funding to each facility providing teaching and educational facilities to Scottish children. If rates are reformed then the payment of an amount equal to the capital and operational spend per child should be paid to the school. This should be until the government has the facilities and staff available to provide the statutory education for every child in Scotland.
As a local employer, the school provides work for teaching, maintenance, catering and ancillary staff. Often jobs are of a nature that assist working parents to return to the workplace since the times and holidays meet childcare needs.

The salaries put money into local economy and support other local businesses.

The facilities and equipment (purchased by the school) is used to support youth groups. This may be by giving the use of the facilities to enable groups to meet or assist with sport. Further links have assisted in key council development areas to enable children to participate in experiences arranged by youth groups. The school meets costs thereby ensuring all children in that group can participate in the activity, no matter their financial background, since the school has assisted to create the “level playing field”.

Bursary funds to facilitate support for children with extra needs to enable them to gain from the school environment and small class sizes.

Many independent schools have land and grounds that are maintained. Those outside the conurbations are also protecting the environment and fulfilling the obligations concerning open spaces and rights to access the areas. At present, no support is provided to assist in the upkeep of such areas and if the school were not in operation much of this land would become housing. This would be a loss of valuable amenity to the local community and the loss of wildlife habitat.

As someone who is connected to a boarding school, I was interested to look at a financial impact assessment in our area. Whilst the majority of our pupils are day pupils, we have a significant number of boarding pupils from other parts of Scotland and a few from south of the border. When there are school events then parents, grandparents and other siblings visit the area. Furthermore we also have a number of children from abroad. Their parents too come to the school for the key events as well as times to drop off and collect their children. Each visit to the school involves food and accommodation in the immediate area. When we have a school production or concert it is almost impossible to get a restaurant booking in the town. In addition I know that a number of the families from abroad use the half term weeks to tour round Scotland with their families. Added together, this brings about £120,000 (one hundred and twenty thousand pounds) to the tourist economy. If you set this against the £65,000 for the entire rates bill then it is a good return on investment considering this is only part of the dividend from the rates relief.

I am fully in support of fairness and creating a level playing field. However, the actions planned do not assist the Scottish Government with this aim. Like any project in government, (and having worked at national level I am speaking from experience) to achieve a given aim then it is government who first need to ensure
facilities are in place. In old terminology this was called “pump priming”. Before reviewing the rate payments for independent schools, the government needs to ensure that it has full provision to meet its statutory obligations. It may well be that the cost of statutory provision is excessive. This being the case then government needs to ensure that not only do the rates have a “level playing field” but their provision of educational facilities and teaching is also a level playing field for all Scottish tax payers (including those whose children are in the independent sector).

The Bill, as it stands, is discriminatory and breaches the right of all Scottish children to be educated by the Scottish Government. The rate relief is a mini contribution by the Scottish tax payer towards the education of many Scottish children. If this bill goes through then it will deliberately highlight the avoidance of the state to provide education for the population.