LOCAL GOVERNMENT AND COMMUNITIES COMMITTEE
CALL FOR VIEWS ON THE NON-DOMESTIC RATES (SCOTLAND) BILL

SUBMISSION FROM BRIDGET FROST

I welcome the examination of the charitable status of independent schools but don’t agree with the conclusion that a fairer and more beneficial system will be achieved through ending the entitlement of independent schools to charitable rate relief.

My understanding from reading the literature is that the increased cost to the schools concerned would be passed on through fees to parents. It then follows that these schools – many of which offer excellent opportunities to children across a wide range of abilities and interests – would become even more expensive for parents and therefore less accessible to the majority of families. Is this the Government’s intention? And if so, what benefits to the ‘wider public’ would such a move bring?

I have noted that with the removal of charitable status from these schools would come the removal of an obligation on the schools to offer grants, bursaries and supported places. Does the government think that this will help lower-income families? If so, how?

It is not sufficient, nor helpful, in my view, to demonise independent schools on the basis that they serve only a minority of pupils. While some excellent independent schools exist in our country, and there is no consensus as to how to move towards a single system of education, is not the visionary and more egalitarian thing to do, to try to find ways to bring the two sectors closer together? Might we not increase knowledge and facility sharing across the sectors, broaden access, widen social inclusion?

I have other questions which I have not found adequately answered in the material available:

If charitable status is removed, why should independent schools become anything other than commercial operations? They may wish, in principle, to continue charitable and philanthropic work but how will they square this with a need to find new income streams to cover the rates charges. Universities (also charities) are adept at using their facilities to bring in income as conference facilities – so why not schools too? (I note that the Scottish Government does not intend to remove rates relief from universities). But if these schools too begin to charge for sports centres, accommodation, etc, will not the wider public lose out?

A central question remains for me: what lies behind the Scottish Government’s desire to remove charitable rates status from these schools? Is it a need for greater finance for state schools? Clarity on this point is essential. Following the infamous
NHS bus slogan surely it is incumbent on the Government to explain how the new funds would be spent so that no incorrect assumptions are made.

If the goal of removing charitable rates status is not to find new finance for state schools, what is it? If the move is motivated by equity and parity with state school does the Scottish Government intend to create parity in VAT treatment too, extending VAT exemptions that are only partial for independent schools to full exemption as with state schools? If so, this would give independent schools a saving to offset against the new rates. Clarity is surely needed on this point too.