LOCAL GOVERNMENT AND COMMUNITIES COMMITTEE

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

SUBMISSION FROM ANONYMOUS

I am concerned by the proposal to remove mandatory non-domestic rates relief from independent schools. It is not clear to me why independent schools have been singled out when all adhere to the guidelines set for having charitable status. The argument made that the rate relief given to independent schools is unfair compared to that of state schools appears untrue, as at present the payment of rates by state schools is a paper exercise as no money is transferred from the school to councils. State school rates valuation is an entirely paper-based exercise. No new money is raised each year and the staffing or operation of schools is not affected by rate changes in any way. State schools are full funded, including their nominal rates valuation, via central and council taxation, both of which are charged universally. State schools receive full VAT exemption as educational bodies, while independent school, exemption is only partial – there has been no debate reflecting this lack of parity.

Every penny paid by independent schools in rates at 20% is new money raised as taxation each year, primarily from parental fee income. This forms part of the very substantial economic contribution of independent schools, with no tax-payer finance of any kind. The discussion of parity does not reflect that parents who pay (in part or full) for their children’s education are adding to the sum of resources available to educate the country’s children, unlike those who can afford to inflate the cost of houses around good state schools who are not only buying access but also depriving others. There also appears to have been no recognition made of the knock-on effect that a fivefold rates rise will have on 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 at the same level as commercial bodies, it will be hard for them to avoid charging out facilities at similar commercial rates. Our local state school (Blackhall PS, where our son attends) football teams use Mary Erskine and Stewart’s Melville playing halls during the Winter for indoor training and the bill will lead to an increase in cost for this club and will undoubtedly have an impact on those pupils able to take part in the football club from the local school.

Overall, this bill appears to unfairly penalise those who choose to send their children to private education, some of whom make great financial sacrifices to enable this. If the bill goes through, there will be many families who will be unable to afford the increased cost. This will lead to an increased burden and cost on local councils as more pupils will require education through local council schools. Councils, which are already under increased financial pressure, will need to find more money, teachers and space in often already overcrowded schools.