As a parent of children in an independent school, I am writing to challenge the proposed Non-Domestic Rates (Scotland) Bill, in particular Section 10 on the following areas.

The primary purpose of the SNP Education policy states “We are committed to ensuring that all of Scotland’s children get the best start. By investing in high quality childcare and highly trained staff, we can support children during their vital early years and help them reach their full potential.”

On the grounds of equality and fairness, this proposed policy is flawed as it is targeted at only removing mandatory non-domestic rates relief from independent schools (56 out of c.24,500 Scottish charities that receive automatic relief), nor does it create a level playing field in education on the grounds that if the rates are to be equal between state and private schools, then all concessions should be equal for all of the factors including full VAT exemption, which state schools benefit from, which have been ignored as part of this proposal.

The basic business case on this proposal also seems flawed and does not take into account the high probability and high impact these changes would have which would at best negate any of the perceived financial benefits outlined. These calculations, including the full costs to the state sector on additional provision of educational services (including buildings, teachers, support and resources) do not appear to be factored in to the figures presented in the Financial Memorandum. There is also no acknowledgement or recognition of the intangible benefits and contributions to the local and Scottish economy from pupils, teachers, families and local communities through having independent schools.

- Scottish Government figures indicate that educating a child in a state-maintained school in Scotland costs on average £6,500 (not including some PFI and other costs). Each child removed from an independent school due to increased fees, whether 20% or 100% paid, will be an additional cost to the taxpayer. In addition there will be further pressure on class sizes, school buildings, school catchment areas, and teacher numbers and recruitment.
- Any gain to government in terms of tax raised is likely to be offset by the cost of additional pupils going to the already stretched state sector and potential loss of income to the local and broader Scottish economy.
The loss of 1 in 30 pupils from the independent sector – either to the state sector or boarding pupils locating elsewhere – would cost the Scottish taxpayer more than the entire rates increase proposed by the Bill. There is no reference of this at all in the Financial Memorandum.

There is an implied assumption that independent schools and by default the families can afford to pay for the increases arising from this proposal. The measures proposed are likely to impact the same population who are already bearing the burden of increased taxes under the current Government for Income Tax, Stamp Duty, Council Tax and potentially for Independent Schools Tax. These policies appear at odds with the SNP Government manifesto to “build a more prosperous and equal Scotland”.

The measures outlined also do not take in to account recognition of the impact depending on the size of the schools and the impact this may have on a pupil by pupil basis nor is there any proposed period of transition to phase any such policy as part of any implementation.