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

SUBMISSION FROM ANDREW MUDDIMAN

I am a parent of 3 children who attend a private school in Edinburgh. My wife teaches in the school and accordingly I am aware of some reasons why the committee should rethink the proposal to remove charitable relief from domestic rates from private schools.

The first issue is about consistency and presentation. Independent Schools enjoy charitable status for good reasons, which were reviewed and confirmed in 2005 by the OSCR. The public benefits tests applied then remain relevant today, but many schools have improved their adherence to the stringent tests since then. Mr Barclay has stated his intention of 'removing anomalies' but risks creating new ones by hollowing out the schools' charitable status without a public consultation (this is a business rates review, not a look into charitable status after all). Relief from non-domestic rates is a very substantial part of the overall charitable status benefit to independent schools: its removal within a package of measures to rationalise business rates looks like 'mission creep' to me. Speaking of anomalies, why not give consideration to extending charitable status to state schools? I suspect this question lies outside of the Barclay Review's remit, but would need to be tackled in a review of the issue.

Why do I say that independent schools in Scotland have improved their adherence to charitable tests since 2005?

In my wife's school, the facilities are opened up in the summer recess allowing the school to host a residential camp for children with learning difficulties. The school jointly runs a youth club for local teenagers, which has recently seen a brand new centre built on expensive land and in proximity to north Edinburgh communities. From September 2019, her school will operate a 'Kickstart Initiative' which offers local children the opportunity to attend the school via a full fees bursary with an allowance package for uniforms etc. Parents, pupils and staff are continuously active in charity fundraising with a focus on local Scottish causes.. My family enjoys substantial fee relief provided by my wife's staff bursary. Bursaries of all types, required by the rules on charitable status are now very widely awarded. They are a feature of the fees structure in most independent schools and are of increasing social benefit to the communities around independent schools.

Removal of charitable relief from business rates for independent schools will impact bursary awards by increasing pressure on fees, meaning progressive measures required by the stringent charitable tests are undermined by business rates regulations. This cannot be right and were it to pass into Scottish law by such a means, it would reflect poorly on the workings of the committee.