

Question 1: Do you agree with changing the default bill instalments from 10 months to 12 months? Why/why not?

Response:

No. While extending instalments to 12 months may appear to offer smoother payments, the current system already allows taxpayers to opt into 12-month instalments if they prefer. The majority of taxpayers are satisfied with the 10-month schedule and value the two-month break in February and March to manage other financial commitments. Changing the default risks disrupting a system that works well for most, for minimal gain.

Question 2: If the government were to move to 12-month instalments by default, do you agree taxpayers should be able to request to pay in 10-monthly payments? Why/why not?

Response:

Yes. If the default were changed, it is essential that taxpayers retain the ability to opt for 10-month instalments. Many residents prefer the current structure and rely on the two-month break for budgeting. Removing this choice would reduce flexibility and could cause unnecessary financial strain for some households.

Question 3: What impacts, if any, do you think this change will have on local authorities' cash flow and ability to pay precepting authorities?

Response:

The impact on cash flow would be significant. Extending instalments to 12 months reduces monthly income, which could affect the authority's ability to meet statutory payment obligations to preceptors. For example, a council collecting £100 million annually would see a monthly reduction of around £1.7 million. This would increase the need for financial diligence to ensure sufficient funds are available to meet statutory obligations. If mandated, this change would constitute a new burden and should be recognised and compensated by central government.

Question 4: Do you feel you have a good understanding of how council tax revenue is used by your local authority?

Response:

Yes.

Question 5: Do you agree further information should be provided on how council tax is spent? Why/Why not? How should this information be presented?

Response:

We believe the information is already available, but accessibility could be improved. A practical enhancement would be to mandate a direct link to the relevant finance or budget webpages on the reverse of the council tax demand notice, rather than in supplementary materials. This would improve visibility without adding complexity or cost.

Question 6: Do you feel you have a good understanding of the support offered by your council and how to claim this? How might this be improved?

Response:

While councils provide information on available support, the process can be complex for some residents. Improvements could include clearer signposting on council websites, simplified application processes, and proactive communication during billing and recovery stages.

Question 7: What further information, if any, do you think would be helpful to see on this support? How should this be presented?

Response:

It would be helpful to include a summary of available support schemes directly on the accompanying information, with clear instructions on how to apply. This should be written in plain language and include contact details for further assistance. Digital accessibility should be balanced with printed materials to ensure inclusion.

Question 8: Do you agree with the proposed new name and definition of the disregard, as set out above? Why/Why not?

Response:

We do not believe the current name of the Severe Mental Impairment (SMI) disregard is a major barrier to uptake. The real challenges lie in the eligibility criteria and the requirement for medical certification, which can be difficult to obtain due to GP availability. Renaming alone will not address these barriers.

Question 9: What are your views on whether the proposed definition is consistent with the existing eligibility for the disregard?

Response:

Any new definition must be carefully considered to ensure it aligns with existing eligibility and does not increase the administrative burden on local authorities. The current criteria already require certification and benefit entitlement, and any changes should aim to simplify access without creating additional complexity.

Question 10: Do you agree with the government's proposal to modernise the criteria for disregards? Why/why not?**Response:**

Yes, we broadly agree that some aspects of the disregard criteria could benefit from modernisation. The current system generally works well, but there are areas where updates are overdue. For example, the **apprentice disregard** is based on an outdated earnings threshold (£195 per week), which excludes most modern apprentices. A more effective approach would be to allow apprentices to access **Council Tax Support**, aligning them with other low-income groups.

Similarly, the **student disregard** should be updated to explicitly include **Open University students**, who were not prevalent when the original legislation was drafted.

Question 11: Are there any specific disregards you think should be reviewed or updated?**Response:**

Yes:

- **Apprentice disregard:** The earnings threshold is outdated and excludes most apprentices. This disregard should either be updated or replaced with access to Council Tax Support.
- **Student disregard:** Should be revised to explicitly include Open University and other distance learning students.

Question 12: Do you agree with the government's proposal to improve efficiency in council tax billing? Why/why not?**Response:**

We agree that efficiency improvements are worth exploring, but caution against defaulting to **e-billing**, which could exclude digitally vulnerable residents and create administrative challenges. Councils already offer e-billing as an option, and uptake can be improved through better promotion.

Question 13: What changes do you think could be made to improve efficiency in council tax billing?

Response:

Practical and low-cost improvements could include:

- **Opt-in e-billing with stronger promotion** via websites, portals, and printed materials.
- **Improved back-end automation** to streamline billing and reduce manual processing. This could be enhanced further with government financial support.

Question 14: Do you agree with the government's proposal to improve the process for challenging council tax bandings? Why/why not?

Response:

Yes, but the proposal does not go far enough. The **core issue** is the use of property valuations from **1 April 1991**, which makes the system opaque and difficult for taxpayers to understand. A **full council tax revaluation** is long overdue and should be considered alongside improvements to the challenge process.

Question 15: What changes do you think could be made to improve the process for challenging council tax bandings?

Response:

- Introduce a **council tax revaluation** to reflect current property values.
- Make **banding criteria publicly accessible online**, without requiring portal logins.
- Allow taxpayers to compare their property with similar ones transparently.
- Introduce a **time limit** for retrospective appeals (e.g. six years) to protect local authority finances.

Question 16: Do you agree with the government's proposal to improve the process for collecting and enforcing council tax? Why/why not?

Response:

No. The proposals risk undermining effective collection and enforcement. Councils already use discretion and flexibility to support struggling taxpayers. Extending the time before a full-year bill is issued or capping liability order costs would **delay**

engagement, increase arrears, and reduce recovery rates. Enforcement agents are used as a last resort and are trained to assess vulnerability.

Question 17: What changes do you think could be made to improve the process for collecting and enforcing council tax?

Response:

- **Fast-track access to HMRC data** to enable quicker attachment of earnings.
- Improve **public understanding** of the recovery process and timelines.
- Support councils with **digital tools** to streamline engagement and payment arrangements.
- Avoid changes that remove flexibility or delay enforcement, as these harm both taxpayers and local authority finances.

Question 18: Do you agree with the government's proposal to increase the time before councils can request a full year's bill? Why/why not?

Response:

No. Increasing the time before councils can request a full-year bill would have a catastrophic impact on collection and enforcement. Council tax is a statutory tax and must be treated as a priority debt. Councils already have discretion to offer extended payment plans where appropriate, and many taxpayers engage with authorities after receiving reminders. Extending the timeline would simply give non-payers more time to avoid payment, not help those genuinely struggling.

Question 19: What impacts, if any, do you think this change will have on local authorities' ability to collect council tax?

Response:

This change would undermine recovery processes, increase arrears, and reduce engagement. Councils know their tax base and already delay reminders by around 14 days, followed by a statutory 7-day period. Many taxpayers only respond at later stages — some not until enforcement agents are involved. Extending the timeline would push people further into debt and reduce the effectiveness of recovery tools.

Question 20: Do you agree with the government's proposal to cap the costs charged on households in seeking liability orders for debts? Why/why not?

Response:

No. Capping costs may appear helpful to taxpayers, but it risks undermining the enforcement process and shifting the financial burden onto councils. Liability order costs are already modest and reflect the administrative effort involved. Councils do not pursue enforcement lightly and use agents only after all other options are exhausted. Enforcement agents are trained to assess vulnerability and return cases where appropriate.

Question 21: What impacts, if any, do you think this change will have on local authorities' ability to enforce council tax debts?**Response:**

Capping costs would reduce the deterrent effect of enforcement and could encourage avoidance. It would also increase the financial burden on councils, who would need to absorb the shortfall. This could lead to reduced resources for supporting vulnerable taxpayers and managing complex cases. The current system already includes safeguards and discretion — further restrictions would be counterproductive.

Question 22: Are there any further steps councils should take before being able to charge a full year's bill?**Response:**

Councils already take extensive steps before issuing a full-year bill. They offer alternative payment plans, recalculate instalments, and engage with taxpayers at multiple stages. The flexibility to do this is partly due to the current 10-month instalment structure. Moving to 12 months would remove this buffer and reduce councils' ability to help struggling taxpayers. Additional steps are unnecessary and risk duplicating existing good practice.

Question 23: Are there any further steps councils should take before being able to seek a liability order?**Response:**

Councils already follow a structured and fair process before seeking liability orders. This includes reminders, opportunities to engage, and offers of payment arrangements. The idea that councils rush to enforcement is misinformed and unfair. Councils use discretion appropriately. Further mandated steps would add bureaucracy without improving outcomes.

Question 24: Are there any further steps councils should take before being able to instruct enforcement agents?

Response:

Enforcement agents are used only as a last resort, after all other recovery methods have been exhausted. Councils already assess vulnerability and return cases where appropriate. The current system works well and includes safeguards. Additional steps would delay recovery and increase arrears, particularly among those who choose not to engage until enforcement begins.

Question 25: Do you agree with the government's proposal to introduce welfare checks before enforcement action is taken? Why/why not?

Response:

We are cautious about this proposal. Councils already carry out informal welfare assessments and use discretion when dealing with vulnerable taxpayers. Enforcement agents are trained to identify vulnerability and return cases to the council where appropriate. The term “welfare checks” is vague and could imply a formalised process that duplicates existing efforts or adds unnecessary administrative burden. Councils know their communities and are already doing what works — any new requirement must be clearly defined and proportionate. Carrying out welfare checks would increase the cost of collection and would require additional government financial support.

Question 26: What should a welfare check involve? Who should carry it out?

Response:

If welfare checks are to be introduced, they should be:

- **Light-touch and proportionate**, not a formalised or resource-intensive process.
- **Conducted by council staff or enforcement agents**, who already have experience in identifying vulnerability.
- **Focused on engagement**, offering payment arrangements or signposting to support services.

It is essential that any new process does not delay enforcement unnecessarily or increase costs for councils.

Question 27: Do you agree with the government's proposal to improve access to debt advice and support for households struggling to pay council tax? Why/why not?

Response:

Yes, improving access to debt advice is a positive step. Councils already work with advice agencies and signpost support, but additional resources and clearer pathways would help. However, this must be done in a way that complements existing local arrangements and does not create duplication or confusion.

Question 28: What changes do you think could be made to improve access to debt advice and support for households struggling to pay council tax?

Response:

- **Clear signposting** on council tax bills and websites.
- **Partnerships with local advice agencies** and voluntary sector organisations.
- **Funding for outreach and engagement**, particularly for digitally excluded or hard-to-reach groups.
- **Integration with Council Tax Support schemes**, so that advice and financial assistance are offered together.

Question 29: Do you agree with the government's proposal to improve data sharing between councils and central government to support council tax collection and enforcement? Why/why not?

Response:

Yes. Improved data sharing — particularly access to **HMRC employment data** — would significantly enhance councils' ability to recover debts through attachment of earnings. This would reduce reliance on enforcement agents and improve outcomes for both councils and taxpayers. However, safeguards must be in place to ensure data is used appropriately and securely.

Question 30: What changes do you think could be made to improve data sharing between councils and central government to support council tax collection and enforcement?

Response:

- **Fast-track access to HMRC data** for attachment of earnings and tracing non-payers.
- **Secure data-sharing protocols** to protect personal information.

Question 31: What are your views on ways enforcement could better reflect the needs of those in financial or other hardship?

Response:

Enforcement already reflects the needs of those in hardship through existing safeguards. Enforcement agents are trained to identify vulnerability and return cases to councils where appropriate. Councils also offer payment arrangements and reassess instalments when taxpayers engage. Rather than introducing new layers of process, the focus should be on **supporting early engagement**, maintaining **flexibility**, and ensuring **discretion remains with local authorities**, who know their communities best.

Question 32: What are your suggestions on alternative or additional measures to ensure council tax is paid?

Response:

- **Improved access to HMRC data** to enable quicker and more effective attachment of earnings.
- **Better public education** on council tax as a priority debt and the consequences of non-payment.
- **Streamlined digital engagement tools** to make it easier for taxpayers to manage their accounts and set up arrangements.
- **Early intervention and outreach**, particularly for those who miss initial payments, to prevent escalation.

Question 33: What are your views on the current methods available to councils to collect council tax?

Response:

The current methods are broadly effective and include a range of tools that allow councils to balance enforcement with support. Councils use reminders, summonses,

liability orders, and enforcement agents — but only after other options have been exhausted. The system is flexible and allows for discretion, which is essential for dealing with diverse taxpayer circumstances. Any changes should enhance, not restrict, these capabilities.

Question 34: How else do you think council tax could be efficiently and fairly collected?

Response:

Efficiency and fairness can be improved through:

- **Better data sharing** between councils and central government.
- **Investment in automation and digital systems** to reduce manual processing.
- **Maintaining flexibility in instalment structures**, such as retaining the 10-month default to allow recalculations.
- **Supporting early engagement** with taxpayers through clear communication and accessible support.

Question 35: Do you have any views on anything else related to council tax administration which has not been covered in this consultation and call for evidence?

Response:

Yes. The most pressing issue not addressed is the need for a **council tax revaluation**. The current system is based on property values from 1991, which is outdated and increasingly difficult to justify. A revaluation would improve transparency, fairness, and public confidence. Additionally, the **banding structure** should be reviewed, including the potential for more bands at the higher end and adjustments to band proportions.

Question 36: Do you have any views on whether any of the proposed changes in the consultation will have any disproportionate impacts on any particular groups with protected characteristics compared to others?

Response:

Yes. Proposals such as default e-billing and extended enforcement timelines could disproportionately affect:

- **Digitally excluded individuals**, including older residents and those with disabilities.

- **Low-income households**, who may fall further into arrears if enforcement is delayed.
- **People with mental health conditions**, who may struggle to engage with complex or delayed processes.

Any changes must be assessed through robust equality impact assessments and include safeguards to protect vulnerable groups.