

## Briefing for the Citizen Participation and Public Petitions Committee on PE2174 - Calling on the Scottish Parliament to urge the Scottish Government to abolish enforcement of council tax debts

### Background

Local authorities are constrained by legislation in relation to how they collect council tax, with the [Council Tax \(Administration and Enforcement\) \(Scotland\) Regulations 1992](#) setting the legal requirements:

- Regulation 17 requires that demand notices are sent out at the beginning of the financial year (where possible) setting out the amount of council tax due.
- Regulation 18 states that no payment need be made until a demand notice is sent.
- It is possible, indeed common, for council tax to be paid in 10 monthly instalments over the course of a year.
- Where more than two payments are missed, or missed payments are not made up within seven days of a reminder notice, this right is lost.

The enforcement of council tax debt is included in regulation 22 of the [Council Tax \(Administration and Enforcement\) \(Scotland\) Regulations 1992](#). Council websites explain the process (see, for example, [Glasgow](#), [Highland](#) and [Fife](#)).

The Child Poverty Action Group's definitive guide to council tax, the Council Tax Handbook (hardcopy available in SPICe), summarises the enforcement process:

"If an instalment under the statutory instalment scheme or any special agreement has not been paid by the due date, the local authority must serve a reminder notice on the liable person. The reminder notice requires payment to be made within seven days (see [Reg 22](#)). It must include a:

- Note of the instalment(s) required to be paid and the remainder to be paid for the year;
- Statement that if no, or insufficient, payment is made to cover any instalments that are, or will become, due within seven days of the issue of the reminder, the right to pay by instalments is lost and the remaining balance for the year becomes payable after a further seven days.

If two reminders have been issued during the financial year, even if you pay what you owe, you become liable for the whole of the outstanding amount following a third failure to pay, without the need for another reminder. On the second reminder notice, you should be informed of the consequences of a third failure to pay (also [Reg 22](#))."

Citizens Advice Scotland provides the following [information on its website](#):

"When you have not paid an instalment of Council Tax within 14 days of the date it is due, the local council might apply to the sheriff court for a summary warrant to show you're liable to pay the arrears. If you cannot reach an agreement with the council to pay off the arrears, or you can't keep to the payments under a time to pay order, the council can enforce the summary warrant by:

- making deductions from your benefits, like Income Support, Jobseeker's Allowance, Employment and Support Allowance, or Universal Credit
- making deductions from your wages
- having sheriff officers seize your goods to the value of the amount owed. Many of your possessions will be exempt from seizure."

## **The scale and impact of council tax debt**

[Scottish Government figures](#) show that of the £3.1bn billed to council tax payers in 2024-25, local authorities managed to collect £2.9 billion. The highest percentages of unpaid council tax were seen in the Western Isles and Glasgow.

In 2022 [the Robertson Trust published a report](#) showing that:

"Over one in ten (12%) of the lowest-income households are behind on council tax bills, compared to one in a hundred for the highest income."

And:

"More than half of households (51%) who are behind on council tax are having to cut back on food to save money."

In December 2024, the Scottish Government published [a review of emerging evidence](#) on the effects of the cost-of-living crisis on debt in Scotland. There is a section on council tax debt:

"Analysis of the latest Joseph Rowntree Foundation (JRF) cost of living survey of low income households (2024), shows that 17% of these low income households (197,729) are in arrears with council tax in Scotland."

The SG report also quotes figures compiled by StepChange Scotland. The [most recent report \(for 2024\)](#) concludes:

“Council tax has been a problem debt for StepChange Scotland clients for several years, and 2024 saw a massive 24% increase in average arrears to £2,538 – significantly exceeding the average cost of a year’s bill. This increase exceeds the 19% jump in 2020, while Scotland was in the grip of the Covid-19 pandemic, and reverses the declines from the intervening years.”

The report (see especially page 22) includes details of groups most likely to be impacted by council tax debt. StepChange go on to say:

“Rising council tax arrears are of particular concern due to the notoriously robust collection practices of Local Authorities, as detailed in our 2024 report ‘Looking Through the Keyhole’, including the rapid deployment of diligence measures and financial penalties. StepChange Scotland has called for reform of council tax debt collection practices to ensure that people are treated fairly and have access to debt advice.”

The [Looking Through the Keyhole](#) report goes into these issues in more detail, finding that:

“Poor council tax debt collection practices aggravate financial difficulties and lead to worrying health outcomes. This is driven by rapid escalation, with insufficient steps taken to identify and engage those in financial difficulty, a perceived lack of empathy and understanding, and challenges agreeing to sustainable repayment agreements.”

And:

“Enforcement action is threatened and deployed too often where clients are in vulnerable situations and unable to repay council tax debt. Clients report that bailiffs sometimes break the rules, and fees charged considerably worsen their situations – with damaging consequences for some.”

When asked about council tax debt at a [recent Local Government, Housing and Planning Committee session](#), the Cabinet Secretary for Finance and Local Government told Members:

“I have often spoken to constituents who are in a difficult situation and they, rightly or wrongly, sometimes perceive the council tax as a debt that is not going to be immediately pursued, so they prioritise preventing power from being shut off and putting food on the table. People will make a judgment, which I suspect comes down to where council tax debt sits in a list of debts with which they are wrestling. That is my first point.

What we do about that is an issue, and the Scottish Government has been supporting a number of debt services. Local government is doing a lot of very good debt work in order to support people and make sure that they know about some of the discounts and what they are entitled to, because they sometimes do not know about council tax reduction support. It is important that people get support and that arrangements are made to enable them to repay in a sustainable way. I know that local authorities have been very proactive in doing that.”

Representatives from COSLA added:

“It is fair to say that local councils work with individuals. It is not the case that, if someone gets in arrears, they are referred straight to a third party for collection. Support is in place, and councils have a responsibility to signpost struggling individuals.”

## **Scottish Government and COSLA Joint Working Group**

Local taxation is a devolved area.

A Joint Working Group on Sources of Local Government Funding and Council Tax Reform (JWG), co-chaired by Scottish Ministers and COSLA has existed for more than two years. The purpose of the JWG is two-fold:

- to consider proposals for meaningful changes to be introduced in the short-term to council tax, reflecting the current circumstances created by the cost crisis
- to consider approaches to longer term reform, including the development of engagement on sources of local government funding, which includes council tax

The most recent update on the JWG is included in [a letter from the Scottish Government to the LGHP Committee](#) sent on 23 June.

## **Previous petition (PE1897)**

A [similar petition to PE2174 was lodged in 2021](#), with the petitioner concerned about procedures for enforcing payment of council tax. In June 2022, the Citizen Participation and Public Petitions Committee agreed to close the petition under Rule 15.7 of Standing Orders on the basis that the Scottish Government stated it had no plans to review the processes set out in the Council Tax (Administration and Enforcement) (Scotland) Regulations 1992 (see [consideration of petition PE1897](#)).

[Citizens Advice Scotland’s submission](#) to the Committee included areas where improvements could be made. For example, they would like to see:

- A review of the time between the point someone falls behind and the issuing of a summary warrant. At present this is very short and more time would allow more opportunity for people to engage and discuss repayment options before the stringent recovery methods are applied. This could involve introducing a moratorium period whereby a person in council tax debt can work with a money adviser to find a solution before any diligence action is taken.
- A review of whether liability for the whole year should be applied when falling behind with just one month's council tax payment. This seems unnecessarily harsh and unfair.
- An increase in the points of return so that wherever a person is with their council tax arrears, they can always find an easy way back to speaking to someone about a payment solution.
- A review of how savings on council tax are promoted so as to widen access to those who need it such as Council Tax Reduction (CTR) and in particular ensuring that all councils have a system of automatic entitlement to CTR for those on qualifying benefits.
- An enhanced promotion of lesser-known savings on council tax such as Severe Mental Impairment.

The Scottish Government's position was set out in [its response to the Committee](#):

"...our priority is to prevent people falling into arrears with their council tax and the Council Tax Reduction (CTR) scheme is key in that regard. At the same time, and because it is fundamentally unfair on the vast majority of people who do pay their taxes for some to avoid paying their way, the Scottish Government also recognises the importance of ensuring that local authorities have the means to protect their revenues."

## **UK Government consultation**

[StepChange UK noted in May 2025](#) that the UK Government had committed to consult on council tax debt collection practices. The [consultation, launched in June](#), relates to England only, with its scope focussing being on:

"the administration of council tax... it sets out the government's proposals to make changes to council tax billing, modernising council tax disregards, reviewing the process for collecting council tax and the fees involved in this. The consultation also includes a call for evidence, which seeks views on taxpayers' experiences of the wider administration of council tax and potential longer-term changes."

The [section relating to collection and enforcement](#) of council tax is worth reading in its entirety. However, it is useful to note the UK Government's position on enforcement:

“The [UK] government believes that the current enforcement practices are, in some cases, heavy handed and disproportionate, and does not believe it is right for vulnerable people to be threatened with disproportionate enforcement action. Subject to the responses to this consultation and evidence gathered, the government intends to update guidance on the collection and enforcement of council tax.”

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**7 July 2025**

The purpose of this briefing is to provide a brief overview of issues raised by the petition. SPICe research specialists are not able to discuss the content of petition briefings with petitioners or other members of the public. However, if you have any comments on any petition briefing you can email us at [spice@parliament.scot](mailto:spice@parliament.scot)

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