PE1976/L: Backdate council tax discounts for dementia to the date of GP certification

Cabinet Secretary for Finance and Local Government written submission, 5 November 2025

Thank you for your correspondence requesting further information from the Scottish Government in relation to PE1976, I am grateful for the additional opportunity to contribute to the Committee's consideration of this petition.

As advised in the government's previous response, updating the position in relation to severe mental impairment and benefit entitlement would require a change to legislation.

The Scottish Government appreciates the concerns raised by the Committee and agrees in principle with the argument presented by the petitioner.

I can confirm that the Scottish Government is actively exploring legislative options and intends to bring forward proposals in the coming months to address this issue.

This will be subject to the successful completion of the parliamentary process. I will write to the Committee with an update following the conclusion of that process.

As outlined in officials' previous submission, Scottish Ministers have the power under section 113(1) and paragraph 2(1)(c) of schedule 1 of the Local Government Finance Act 1992 to set out by order conditions that must be satisfied, over and above those set out in paragraph 2 of schedule 1, in order that a person be classed as having severe mental impairment.

We therefore have the powers to list the qualifying benefits for those who are classed as severely mentally impaired and have updated the list of qualifying benefits to include the new devolved Scottish disability benefits to ensure those in Scotland do not miss out.

The Scottish Government has considered the interaction between UK benefits and the Council Tax disregard for people who are certified as being severely mentally impaired. As liability for Council Tax falls within devolved competence, we are able to explore our own options and are doing so.

With regard to broader reform to council tax, the Scottish Government and COSLA have jointly published the Future of council tax in Scotland: consultation, which seeks views on approaches to Council Tax reform.

The consultation forms part of a wider joint programme of work aimed at building consensus on changes to the system in the future. The Scottish Government is not advocating for any specific reform at this stage, and none of the models presented reflect the Government's official policy position.

However, the consultation invites responses from individuals, households, communities, and organisations across Scotland on the range of illustrative options set out in the paper.

The consultation was published on 27 October 2025 and will close on 30 January 2026. The work is supported by an analysis report undertaken by the Institute for Fiscal Studies, which provides detailed modelling and evidence to support the public discussion. Members of the public can respond to the consultation via the Scottish Government's Citizen Space platform - Consultation - Citizen Space - The Future of Council Tax in Scotland.

Yours sincerely,

SHONA ROBISON