

Citizen Participation and Public Petitions Committee
Wednesday 10 December 2025
19th Meeting, 2025 (Session 6)

PE2174: Stop council tax debt collection

Introduction

Petitioner Marianne Duncan

Petition summary Calling on the Scottish Parliament to urge the Scottish Government to abolish enforcement of council tax debts.

Webpage <https://petitions.parliament.scot/petitions/PE2174>

1. This is a new petition that was lodged on 10 July 2025.
2. A full summary of this petition and its aims can be found at **Annexe A**.
3. A SPICe briefing has been prepared to inform the Committee's consideration of the petition and can be found at **Annexe B**.
4. Every petition collects signatures while it remains under consideration. At the time of writing, 83 signatures have been received on this petition.
5. The Committee seeks views from the Scottish Government on all new petitions before they are formally considered.
6. The Committee has received submissions from the Scottish Government and the Petitioner which are set out in **Annexe C** of this paper.

Action

7. The Committee is invited to consider what action it wishes to take.

Clerks to the Committee
December 2025

Annexe A: Summary of petition

PE2174: Stop council tax debt collection

Petitioner

Marianne Duncan

Date Lodged

10 July 2025

Petition summary

Calling on the Scottish Parliament to urge the Scottish Government to abolish enforcement of council tax debts.

Background information

We need an amnesty on council tax debt now to protect the people of Scotland.

People are living in fear of sheriff officers enforcing diligences such as wage arrestment, bank arrestment, benefit deductions or if they are a homeowner, sequestration.

People are losing their jobs and homes due to the harsh enforcement regime which is unlike any other debt collection.

Not only is the current system outdated and unfair, the aggressive enforcement destroys lives, exacerbates mental health issues and pushes children and families into poverty.

There have been calls from charities across Scotland to reform council tax as it is unfair, regressive and penalises people already struggling financially by demanding payment of a full year of tax in advance if one month's payment is missed.

The Scottish Government has failed to address issues raised and local authorities are showing a blatant disregard by increasing council tax whilst removing their legal obligation to issue final demands before enforcement procedures commence.

Annexe B: SPICe briefing on PE2174



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."

Greig Liddell
Senior Researcher
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

Every effort is made to ensure that the information contained in petition briefings is correct at the time of publication. Readers should be aware however that these briefings are not necessarily updated or otherwise amended to reflect subsequent changes.

Published by the Scottish Parliament Information Centre (SPICe), an office of the Scottish Parliamentary Corporate Body, The Scottish Parliament, Edinburgh, EH99 1SP

Annexe C: Written submissions

Scottish Government written submission, 4 November 2025

PE2174/A: Stop council tax debt collection

The Scottish Government is grateful for the opportunity to contribute to the Committee's consideration of this petition.

The Scottish Government appreciates the concerns raised about the collection of Council Tax arrears and the impact this can have on individuals and households experiencing financial hardship. Council Tax is a local tax, set and collected by each local authority, and represents an important source of funding for local services. Councils also have powers to write off arrears where appropriate, and this is a decision for them to take locally.

The Scottish Government recognises the seriousness of the concerns raised and remains committed to exploring fair and proportionate approaches to debt recovery. That being said, the Scottish Government continues to believe that decisions on the management of arrears are best made locally, taking into account individual circumstances and the financial position of each council. For this reason, we have committed to promoting a fair and compassionate approach to debt collection.

The Scottish Government continues to work with COSLA through the Joint Working Group on Sources of Local Government Funding and Council Tax Reform to encourage the adoption of best practice in debt collection and advice. We are aware of concerns around the use of enforcement measures and, through ongoing engagement with COSLA, continue to encourage local authorities to adopt proportionate and empathetic approaches, particularly where individuals are experiencing hardship. As part of this work, officials have been liaising with the Cabinet Office and HMRC to strengthen data-sharing arrangements under the UK Digital Economy Act 2017. These new pathways enable Scottish local authorities to share Council Tax debtor data more effectively, helping to identify and support vulnerable debtors and increase uptake of Council Tax Reduction among those who are eligible but not yet receiving it.

The Council Tax Reduction (CTR) scheme ensures that nobody in Scotland should have to meet a Council Tax liability they cannot reasonably be expected to afford. Over 450,000 households currently benefit from this support, with recipients receiving an average reduction of more than £850 per year.

In addition, the Scottish Government has provided an extra £2.2 million in funding for a Citizens Advice Scotland project that supports people with Council Tax debt. This work promotes a dignified and empathetic approach to debt management and is improving the support available to those affected.

We are also aware of concerns regarding local authority practices in issuing final demand notices. While operational decisions rest with councils, the Scottish Government continues to work with COSLA to promote consistency and best practice in debt recovery procedures.

The Scottish Government is open to considering related issues, including the prescription period for Council Tax debt, and has committed to consulting on this matter in due course. This will allow full consideration of the potential impacts of reform, ensuring that any changes are fair, workable, and sustainable.

Scottish Ministers will continue to work closely with COSLA and local authorities to ensure that Council Tax debt recovery is carried out in a fair and proportionate way, and that appropriate support remains available to those in need.

With regard to broader reform, 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 a specific reform and none of the models 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](#).

Council Tax Reduction and Council Tax Directorate

Petitioner written submission, 1 December 2025

PE2174/B: Stop council tax debt collection

At the beginning of 2025 nearly £2 billion of unpaid council tax was disclosed by Scotland's 32 local authorities, accumulated over more than 30 years dating back to the introduction of council tax. The cost of administering this level of debt is unsustainable.

Today, we are in the midst of a cost of living crisis, people have to prioritise how they spend their money. Many have to choose between food or fuel before paying council tax. People simply cannot afford to pay yet the harsh enforcement regime of council tax debt collection can take that much needed money away by means of wage arrestment, bank arrestment or benefit deductions if more than one month's arrears accrue. This is forcing people into a perpetual cycle of debt and poverty.

In February 2015 this Parliament passed the Community Charge Debt (Scotland) Bill. It is a legal framework for local authorities to stop the pursuit and collection of outstanding debts related to the Community Charge, commonly known as the poll tax.

The key provisions and Impact of this Bill were:

- **Debt Extinguishment:** The Act legislated that all remaining community charge liabilities and associated liabilities were extinguished on February 1, 2015.
- **Cessation of Pursuit:** It legally enabled local authorities to cease collection efforts for these historic debts, which dated back to when the poll tax was abolished in Scotland in 1993.
- **Alleviation of Burden:** The primary goal was to relieve individuals of financial burdens from an outdated and unpopular tax system, which had been controversial since its introduction in Scotland in 1989.
- **Enforcement Halted:** Accordingly, any existing summary warrants or decrees related to these specific debts became unenforceable on that date.

This petition is a clarion call for similar emergency legislation to be brought in to extinguish all council tax debt and give the people of Scotland a clean slate to start afresh, living without the fear of sheriff officers using barbaric tactics to enforce debt collection by methods that would constitute a criminal offence if applied to other debts. Council tax debt should be treated as all other debts, not afforded priority or privileges through the Scottish court system.

Administration and enforcement of council tax in Scotland

Whilst the current legislation may read well, it is ineffective in practice as there is no Scottish equivalent to the Ministry of Housing, Communities and Local Government ensuring that the legislation is applied correctly. As council tax is administered locally, the Scottish Government does not have the power to intervene in the actions a local authority has taken.

The lack of impartial scrutiny and monitoring of administration of council tax leads to inconsistencies, inequalities, undetected errors, abuse of authority, abuse of process, fraud and a lack of accountability across Scotland's local authorities.

Court Process

Councils simply present a list of alleged debtors to the local court, without any proof of debt or hearing the sheriff grants summary warrants allowing enforcement to commence. At this point the alleged debt starts to incur legal costs as diligences proceed and, if sequestrated, homeowners can be burdened with associated cost of the trustees who will force the sale of homes to recoup their fees, leaving no funds available to pay off the original council tax debt and placing a burden on the same council to rehouse the now homeless.

Time Limits

In England the time limits for enforcing council tax debt is 6 years. In Scotland it is 20 years, resetting when someone acknowledges or tries to make payment to the debt. This is locking people and their families into a perpetual cycle of debt and poverty, stymying financial growth and motivation.

Conclusion

There are fundamental flaws with the current debt enforcement procedures that need to be addressed by the Scottish Parliament to protect individuals and uphold their human rights.

Everybody should be treated with respect and dignity, not harassed and humiliated by unaccountable councils and sheriff officers.

People should be supported and protected not oppressed, punished and pursued for years or even decades.

The current system is not fit for purpose. End council tax debt collection now.