

StepChange response to MHCLG consultation on modernising and improving the administration of council tax

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Summary

StepChange Debt Charity is a specialist not-for-profit provider of debt advice and debt solutions supporting people across the UK. In 2024, over 660,000 people contacted StepChange seeking debt advice or guidance with their problem debt and over 170,000 people completed full debt advice through our online and telephone service.

We warmly welcome the opportunity to respond to this Ministry of Housing, Communities and Local Government (MHCLG) consultation on modernising and improving the administration of council tax in England. Over a third (37%) of StepChange clients in England were in council tax arrears in 2024, at an average amount of £1,962. Those in this position were disproportionately likely to be women, renters, and single parents, compared to both StepChange clients overall and national averages.

Too often, clients facing council tax arrears are exposed to severe and harmful debt collection practices, including rapid escalation of collection and enforcement activity. StepChange has long been calling for interventions to both ensure and safeguard the affordability of council tax, and better protect those who fall behind on this bill through the introduction of greater flexibility and empathy into the debt collection journey.

Most recently, we published the policy report *Looking through the keyhole* in October 2024, which explores our debt advice clients' experiences of council tax collection – from affordability challenges through to interactions with local authorities and bailiff enforcement action.¹ It made recommendations to central and local government, calling for a more compassionate system which would give people more room to repay their arrears.

We are therefore very pleased to see central government consult on reforms, including the extension of the timeline before a local authority can demand the full year's bill and seek a liability order. This would allow local authorities more time to engage constructively with their residents, to understand their circumstances, provide support and facilitate sustainable arrangements which reflect households' often complex situations – for example, those which involve multiple debts and additional vulnerable circumstances.

Importantly, this move needs to be accompanied by concerted, coordinated activity to improve the quality of interactions between local authorities and residents in council tax arrears – including enhanced requirements for councils to offer sustainable repayment plans which reflect households' actual affordability positions.

Here, it is important to highlight that around two in five (42%) StepChange clients with council tax arrears in 2024 had a negative budget – meaning after going through a full debt advice and budgeting session, their monthly income is not enough to cover their basic monthly costs.

¹ StepChange Debt Charity (2024), [Looking through the keyhole: StepChange debt advice clients' experiences of the council tax debt collection journey](#)

These worrying figures make it clear that council tax is becoming increasingly unaffordable to many low-income or otherwise financially vulnerable households, alongside wider pressures on their finances. We expand on the interventions we want to see around council tax affordability below and throughout our response. This includes councils making greater use of existing discretionary powers, such as the option to reduce a part or all of council tax liability where satisfied that the council tax payer would suffer financial hardship if the local authority did not do so.

Other proposals explored in this consultation, including capping liability order charges to reflect 'reasonable' costs incurred, are welcome moves. However, we want to see the government go further than the proposals currently contained in this publication.

In particular, we want to see the government step in to:

1. End the postcode lottery of Council Tax Support, ensuring that 100% reductions can be re-established for those on the lowest incomes.
2. Tackle underclaiming of Council Tax Support by increasing awareness, automation and uptake to make sure those who are eligible, receive it.
3. Develop a statutory protocol for council tax debt collection, which would require councils to take certain steps before charging the annual bill, seeking a liability order or taking enforcement action.
4. Work with local authorities to properly establish that bailiffs should only be used as a last resort, which includes councils being encouraged to completely exempt recipients of Council Tax Support from bailiff enforcement action.
5. Remove the outdated sanction of imprisonment for non-payment of council tax in England, in line with the other UK nations.

We note that the above recommendations, alongside the proposals already being explored by MHCLG in this consultation, compliment concurrent work being undertaken by the Ministry of Justice, to bring about a statutory regulator of the bailiff industry – a long overdue move which StepChange has been pushing for, alongside lots of other advocates, over many years.

For too long, local authorities' debt collection practices have fallen short of responsible practice and lagged behind other sectors, including financial services and utilities. This consultation serves as an important stepping stone on the path to more responsible, compassionate council tax debt collection. These interventions should come together as a coherent package of reforms, focused not only on the important move to amend collection and enforcement timelines, but also to bring about changes which emphasise preventative, early and sustainable engagement, as well as to raise the bar on the quality of interactions and support more widely.

We recognise that local authorities are operating in a challenging environment and council tax funds vital services in their communities. Local authorities should be supported by central government to ensure that they have enough funding and resources to make these changes happen quickly and deliver consistent, good collection practice. Indeed, funding responsible

debt collection is a cost-effective way to improve outcomes for those struggling with council tax debt and enable sustainable collection among those who can afford to repay.

One important change that can facilitate improvement is revising the current council tax performance indicators, which prioritise in-year collection rates over other more constructive metrics such as the number of repayment plans agreed and sustained. Moving to a multi-year measure, which includes debt recovered over more than one annual period, would be a progressive step in the right direction.

Response to consultation questions

Section One: Changes to council tax billing

Question 1: The government intends to change the default bill instalments from 10 months to 12 months. Do you agree with this approach? Why/why not?

We agree, for the reasons already outlined in the consultation documents, that this move could create some positive outcomes for households. In particular, because:

- Council tax costs spread this way would align with most other household payments (such as utility bills or housing costs) which are typically paid over a 12-month cycle, making it easier for a household to budget effectively in many cases. This would also be helpful for clients going through the debt advice process and completing income and expenditure assessments, which often operate in a monthly format. We have heard from clients who have already benefitted from spreading payments over this longer period. One said “[the council was] very helpful. I knew I would fall behind for one month, [and] the advisor helped to spread the cost over the next coming months.”
- It would mean that taxpayers’ council tax costs were spread over a longer period, equating to approximately £38 less each month for an average band D household. Our client insights show that this change could help some people shift closer to, beyond, or further away from, a negative budget borderline – helping them to make ends meet and increasing their ability to deal with existing debt. To put this into context, approaching one in five (16%) clients with council tax arrears in 2024 had a budget range between a -£50 deficit to +£50 surplus, following an income and expenditure assessment – over 6,000 people.

This small saving on monthly expenditure could therefore practically support some households with budgeting and in some cases, help support their financial resilience. However, we do not believe this change would be substantial enough by itself to tackle *deep-rooted* council tax affordability challenges. StepChange research shows that those struggling with council tax arrears are likely to also be having difficulty meeting other essential costs,

including energy and housing.² While a small reduction in a monthly council tax bill would certainly benefit some people, it won't be enough to make council tax bills truly affordable for many low-income households. As one StepChange debt advisor put it in a recent focus group: *"I have spoken to people where they've already said, I'm on 12 months and they're still struggling... It's a nice idea, but in the grand scheme of things, when you've got a whole host of arrears, it doesn't make that much of a difference."*

If this move to default 12-month billing is pursued, central government also needs to ensure it does not inadvertently generate further inflexibilities in the council tax collection system. For example, if someone misses a payment in a 10-month cycle, their council might currently elect to defer or spread the costs within the same financial year. There is a potential risk that a move to a default 12-month billing cycle, in an environment which currently incentivises the highest possible in-year collection rates (which as discussed, we want to see a move away from), might cause some local authorities to be less accommodating around missed payments. We would hope, however, that the government's intention to delay the speed at which annual liability can be pursued after a missed payment would mitigate this risk to some extent.

It is also crucial that this change to a default 12-month billing period be accompanied by carefully designed, multi-channel communications to local authority residents across England notifying them of this change, to allow people to plan their finances accordingly.

Ultimately, we believe the main priority in this particular space should be offering residents flexibility and choice in how they make their council tax payments, with research showing that flexible payment methods can help people on low incomes manage their budgets.³ We expand on this point in response to question 2.

Question 2: If the government were to move to 12-month instalments by default, should taxpayers be able to request to pay in 10-monthly payments?

Yes, we absolutely believe residents should have the ability to opt into a 10-monthly payment cycle, if the government does decide to move to 12-month instalments by default.

We have anecdotally heard that some people value the 10-month council tax payment cycle, using the gaps in expenditure at the end of the tax year to meet other costs with the money they would have otherwise spent on this bill. The retention of this payment option will help households who can keep up with monthly payments, but struggle to deal with lumpy payments or build up financial resilience through savings. As one StepChange debt advisor said: *"It might be something that you use for your yearly bill for your car insurance or something like that. It could be used for an essential."*

² As before.

³ Fair By Design and University of Bristol Personal Finance Research Centre (2024), [Flexible payments: Understanding payment needs in low-income households](#)

We would encourage the government to go further in its proposals around billing approaches and consider additional ways that local authorities could offer flexibility to households in how they approach paying council tax. This could involve, for example, allowing residents to operate on a 10-month payment cycle and *also* choose which months over an annual period they would make payment. This move could help people who experience seasonal fluctuations in income, or heightened spending at different times of year – for reasons such as back-to-school costs over summer. The case for this flexibility is well evidenced:

- Research by the Joseph Rowntree Foundation and Resolution Foundation has highlighted how unpredictable earnings can mean “financial stress, difficulty planning for the future, and increased reliance on credit or social support”, with monthly earnings volatility greatest for the young, the low paid, and those on temporary contracts.⁴
- Charities including The Children’s Society and Action for Children have published reports on the burden of back-to-school shopping on low-income parents, including uniform and learning material costs.⁵

Flexibility in how residents both make payments and repay arrears is fundamental. One StepChange client described a scenario where their council “*offered sympathy to my situation*” and the option to “*spread what I owe over the rest of the months I had left to pay*” – though in this case, the client was concerned that doing so “*just made the monthly payment more*”, demonstrating more entrenched financial difficulties.

In this case, it appears that the local authority had only enabled a payment plan within the existing financial year, meaning the client’s problems paying ultimately remained unresolved. We want to see central government facilitate a move away from this restrictive focus on in-year collection rates, so local authorities are better equipped and encouraged to collect arrears over more than one year where this enables affordable repayments.

Question 3: What impacts, if any, do you think this change will have on local authorities’ cash flow and ability to pay precepting authorities? [Local Authorities and other interested parties]

This question is not applicable to StepChange and so we have not provided an answer.

⁴ Joseph Rowntree Foundation and Resolution Foundation (2025), [Unstable Pay: New estimates of earnings volatility in the UK](#)

⁵ The Children’s Society (2020), [The Wrong Blazer 2020: Time for action on school uniform costs](#) and Action for Children (2025), [Blog: The cost of back to school shopping](#)

Section Two: Making council tax information more transparent

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

This question is not applicable to StepChange and so we have not provided an answer.

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?

Yes, we believe it is sensible for further information on how council tax is spent to be provided to taxpayers within council tax bills and supplementary materials.

Research commissioned by the Welsh Government on public attitudes to council tax, though naturally focused on residents in Wales, provides useful insight into households' perceptions of council tax spending. Around half of respondents (43%) reported knowing a fair amount about council tax, with a similar proportion (44%) reporting that they knew very little.⁶

Meanwhile, around two thirds of respondents (65%) disagreed that they had seen the benefit of council tax invested in their local community, and three in five (61%) agreed that it was not clear to them how council tax is spent. These figures demonstrate a need to increase transparency in council communications, concerning where and how residents' payments are allocated and spent.

While we recognise that local authorities are already required to provide information on any discounts/premiums that may apply to the dwelling, and explanatory notes which include information on how households can claim council tax support (CTS), we believe the effectiveness of current framing should be re-examined. Our research illustrates this need: three in five (58%) clients who responded to a 2024 survey on council tax were in receipt of Universal Credit (UC) when they first fell behind on payments, while just three in ten (28%) were receiving CTS. Given that being in receipt of UC is often part of the qualifying criteria for local authorities' CTS schemes, this indicates a disconnect between eligibility and actual applications – possibly driven by a lack of awareness as well as insufficient automation.

It is good to see that the government recognises concerns that some taxpayers may be unaware that they are eligible for support and therefore have not applied to receive it. This sentiment and need for intervention is reinforced by Policy in Practice research, which found that CTS is a significantly underclaimed benefit, with 2.25 million people missing out.⁷

As one StepChange debt advisor pointed out: *“There's just a general lack of understanding about what benefits are available, especially since the move to Universal Credit. I don't think*

⁶ Welsh Government (2025), [Survey of public attitudes to council tax, 2024: a summary](#)

⁷ Policy in Practice (2024), [Missing out 2024: £23 billion of support is unclaimed each year](#)

it's widely promoted that actually you do have to apply separately for Council Tax Support. So a lot of people just aren't aware that that's a thing as well... It's just not promoted."

We believe that regulations could be amended to increase the amount and types of information that local authorities are required to provide on council tax bills as well as in supplementary materials, including – though not necessarily limited to – in the areas outlined above. This heightened transparency would hopefully lead to more people becoming aware of and engaging with the support available in their local communities, which would alleviate some financial difficulties.

However, increased transparency alone is not sufficient to guarantee the affordability of council tax. Council tax costs have continued to increase year on year while the level of support available to help low-income households tackle this bill has diminished since Council Tax Benefit (CTB) was replaced with localised CTS in 2013.⁸ Worryingly, research suggests that households were more likely to see support with council tax bills cut if they lived in a more deprived area.⁹ Meanwhile, council tax bands have not been updated in England since the early 1990s.¹⁰ Council tax has consequently become, on average, more regressive.¹¹

With council tax arrears continuing to rapidly rack up, it is obvious that more needs to be done to prevent people from falling behind on this bill. We want to see central government reset the funding arrangement so that funding for council tax support matches increases in council tax bills and increases sufficiently to enable all local authorities to once again provide 100% support to households most in need (removing the bar of minimum payments). Research by the benefits entitlement organisation *entitledto* has shown that only a third (33%) of local authorities are offering a maximum council tax reduction of 100% in 2025/2026, meaning the financially worse-off households in the majority of local authority areas will currently still be expected to contribute regardless of their income.¹²

There is precedent for intervening on council tax affordability: local authorities were given £670 million of new funding in 2021-22 “in recognition of the increased costs of providing local council tax support and other help to economically vulnerable households during the [Coronavirus] pandemic.”¹³ The crisis in council tax affordability extends beyond the pandemic, and should be addressed in a long-term way.

⁸ The Institute for Fiscal Studies (2019), [The impacts of localised council tax support schemes](#)

⁹ As before.

¹⁰ The Institute for Fiscal Studies (2024), [Council tax needs urgent reform – not being frozen in time in 1991](#)

¹¹ The Institute for Fiscal Studies (2020), [Revaluation and reform: bringing council tax in England into the 21st century](#)

¹² entitledto (2025), [Review of Council Tax Reduction Schemes 2025/26](#)

¹³ Ministry of Housing, Communities & Local Government (2022), [Guidance: December 2020: COVID-19 funding for local Government in 2021 to 2022 - consultative policy paper](#)

Significantly, around two thirds (67%) of UK adults support reducing council tax rates for people on the lowest incomes, funded by central government, according to nationally representative YouGov polling commissioned by StepChange in May 2025.¹⁴

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?

This question is not applicable to StepChange and so we have not provided an answer.

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

We have touched on this to some extent in our response to question 5, noting that we believe local authorities should be required to share further information in council tax bills/ supplementary materials on possible financial support, entitlements and exemptions that a resident might benefit from. This could include (but not necessarily be limited to): information on the range of financial support available; the circumstances which might make someone eligible; a simple explanation of the route that a potentially eligible resident can take to apply for/access this support; and active encouragement for potentially eligible residents to apply.

While we appreciate that this question specifically focuses on how information on support offered by councils and related claiming processes are framed in communications, we would urge the government to go further and act to increase automation to enhance the take-up of available support. Under CTB, households on means-tested benefits were automatically eligible, meaning two thirds of households were passported onto the full benefit – accounting for 70% of spending on CTB.¹⁵ While the diverging nature of local CTS schemes means individuals cannot be passported in the same way, the UC system does not automatically prompt an eligibility check for CTS or notify local authorities when someone could be in scope. This means that households typically have to apply separately, which increases the likelihood that people might miss out on support. This is worrying, given that three in five (60%) of StepChange clients with council tax arrears in England were in receipt of UC in 2024.

Some local authorities have already taken welcome steps to ensure that low-income households are more readily able to access possible assistance, through using existing data-sharing powers to introduce automation into the application process of CTS applications for new UC claimants.¹⁶ The Welsh Government has also recently acted to take forward proposals to improve the join-up between UC and the national Council Tax Reduction

¹⁴ Figures from YouGov Plc. Total sample size was 2,235 adults. Fieldwork was undertaken between 7th - 8th May 2025. The survey was carried out online. The figures have been weighted and are representative of all UK adults (aged 18+).

¹⁵ The Institute for Fiscal Studies (2019), [The impacts of localised council tax support schemes](#)

¹⁶ Citizens Advice (2024), [Council Tax Support? A benefit determined by postcode not need](#)

Scheme (CTRS) in Wales.¹⁷ It has done this by updating regulations so that a council may treat an ‘intention to claim’ in the Department for Work and Pensions (DWP) UC Data Share as an automatic application for the national CTRS. This will enable an application for the CTRS to align with the award of UC.

This should be the default approach of every local authority, synchronising data from the DWP and using the UC system to prompt check CTS eligibility, so that more eligible households are enrolled onto CTS. Central government should work closely with local authorities to facilitate this and work to clarify or update regulations where needed.

Councils are also not currently able to access the data required to automate the process for CTS claims for pre-existing UC or legacy benefits claimants. This should be rectified through work between the DWP and local authorities to improve data-sharing practices.

Section Three: Modernising council tax disregards

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

We agree with the government’s position that the current name of the ‘severe mental impairment’ disregard is outdated and in need of modernisation. Organisations including MoneySavingExpert and the Money and Mental Health Policy Institute have shown how the term can be stigmatising, putting people off applying as a result, as well as highlighting other practical barriers to uptake including a lack of transparency over eligibility criteria and the application process.¹⁸ We therefore support the principle of reframing this disregard.

We understand that the Welsh Government intends to rename this as the ‘significant cognitive impairment’ disregard, following earlier consultation, and that the same change is now being explored in England. Though we believe it is sensible for the terms used to be consistent across nations, we do not have sufficient expertise to offer a view on the suitability of this name and would encourage the government to consult with specialist organisations on this.

¹⁷ Welsh Government (2024), [Consultation on proposed changes to the Council Tax Reduction Scheme](#) and Welsh Government (2024), [Written Statement: The outcome of the consultation on changes to the Council Tax Reduction Scheme](#)

¹⁸ MoneySavingExpert (2017), [The Disregarded Discount: MoneySavingExpert.com report into the ‘Severely Mentally Impaired’ \(SMI\) Council Tax Discount](#); MoneySavingExpert (2024), [Response to Welsh Government: A Fairer Council Tax – Phase 2, February 2024](#); Money and Mental Health Policy Institute (2024), [In the Public Interest? The psychological toll of local and national government debt collection practices](#)

Question 9: What are your views on whether the proposed definition is consistent with the existing eligibility for the disregard? [Local authorities and other interested parties]

This question is not applicable to StepChange and so we have not provided an answer.

Question 10: Have you, or your family members, experienced any barriers to claiming this support? Please describe.

This question is not applicable to StepChange and so we have not provided an answer.

Question 11: Are you aware of any households facing barriers when accessing this support? Please describe. [Local Authorities and other interested parties]

StepChange does not have extensive comments to share here and so we have not provided an answer.

Question 12: What, if anything, do you think could put someone off applying for this support?

Question 13: What do you think the government could do to improve access and accessibility to this disregard?

Question 14: What are your views on a government provided (but not prescribed) form that councils and taxpayers could use to improve consistency of claiming the disregard in England? How should the government incentivise councils to use such a form?

We combine our answer to questions 12, 13 and 14. Though we do not have extensive comments to provide here, we would draw attention to findings from MoneySavingExpert and Money and Mental Health Policy Institute research referenced in response to question 8, which have highlighted a number of barriers to uptake of this support.¹⁹ We would encourage central government to reflect on this evidence and the recommendations provided, alongside comments provided from other expert organisations, as it moves forward with this work.

¹⁹ As before.

Section Four: Apprentices and carers

Question 15: What are your views on the disregards set out for carers and apprentices?

Question 16: Do you believe the current eligibility criteria for apprentices and/or carers is appropriate?

We answer questions 15 and 16 together. StepChange is not best placed to comment on these areas and so will not go into detail here, but given that earnings and remuneration thresholds for these respective disregards were last updated in 2006, we recognise why now would be a sensible time for their adequacy to be revisited.

Section Five: Other forms of council tax support

Question 17: Are there any other disregards which should be considered in respect of certain cohorts who do not fall within the current disregards?

StepChange does not have extensive comments to add here, other than to reinforce the points raised in response to questions 5 and 7 regarding the financial inadequacy of CTS provision and the need for intervention so that all councils are equipped to once again provide 100% support (removing minimum payments) to households most in need.

Question 18: Do you or anyone in your household fit into one of these cohorts? If so, what would be the impact of any new forms of support on your household?

This question is not applicable to StepChange and so we have not provided an answer.

Section Six: Barriers to improved efficiency

Question 19: What are your views on how information is currently provided by councils.

Question 20: What council tax information do you believe could be communicated digitally?

Question 21: In relation to any suggestions in question 20, how could councils ensure this was accessible to all residents?

We answer questions 19, 20 and 21 together. We believe certain requirements on councils to provide information and communications to their residents – including a requirement to publish a notice of certain council tax decisions or determinations in a local newspaper – could potentially be revisited to see if they are fit for purpose. However, we believe that it is important for councils to retain the option of providing paper copies of bills to residents – whether paper copies remain the default approach, or a digital-first approach is instated.

While we note that the government is seeking general views on how councils can be more efficient in their communications and the barriers to achieving this, we believe there must also be a strong focus on improving the quality of communications from, and interactions between, local authorities and residents in financial difficulty.

Communications from councils to residents behind on council tax bills should constructively alert them to their financial difficulty and help them to take action and seek help. Yet just a quarter (24%) of StepChange clients surveyed said the written communications they had from their council about their arrears helped them understand they had a problem, while only one in ten (9%) said these helped them understand the options available to deal with it.

Meanwhile, two thirds of clients said the communications they received from their council about their arrears respectively made them felt helpless (67%) or overwhelmed (66%). Very few felt more able to take control of their information, informed or reassured by the letters, phone calls or other communications they received.

Clients told us that the tone and presentation of written communications – from the colours through to the language used – felt threatening, and they raised concerns that the way the envelopes were marked might reveal to loved ones or neighbours that they were in debt. Some were going through challenging personal circumstances at the time, such as threats of eviction or job loss, and the communications served to heighten their worries.

This echoes research published by StepChange in 2022, which found that the tone and presentation of communications can trigger pessimistic views on how creditors might respond to requests for support, and legal and regulatory language can act as barriers to seeking help.²⁰ Respondents to this *Mixed Messages* research were presented with a version of a typical default notice which emphasised certain points, with enlarged or bold text and use of colour (red in the example given to participants). These elements provoked a strong negative reaction.

We would encourage central government to consider how its own communications might contribute to this climate of anxiety and pessimism, by reviewing the framing of its own content in relation to council tax arrears, such as the Gov.uk ‘Pay Council Tax arrears’ page.²¹

Feedback from clients with council tax arrears also reveals that interactions can vary not only between local authorities, but between individuals within the same local authority itself. This inconsistency caused some people to retreat from dealing with their situation, while others pointed to experiences which they deemed to be more constructive with creditors elsewhere, with one client saying: *“all other creditors listened to my situation, and I have affordable plans in place... [The council] sent the debt as soon as they were able to a bailiff.”*

²⁰ StepChange Debt Charity (2022), [Mixed Messages: Why communications to people in financial difficulty need to offer a clearer, better route to help](#)

²¹ Gov.uk, [Pay Council Tax arrears](#)

There is a real risk that comes with a lack of reassurance and regard towards personal circumstances. It can leave people feeling isolated, unsupported and ultimately less able to act to deal with their problem debt. One client described the communications from their local authority in the following way: *“Unhelpful with no advice and very worrying legal terms.”*

Going forwards, it should be an expectation that local authorities adopt a test and learn approach to communications including co-design with people who have lived experience of financial difficulty, with the readability and effectiveness of communications evaluated and iterated. This process would likely involve communications about council tax being simplified, with the tone and presentation of text presented in a more approachable, accessible way. This move could be facilitated by the introduction of a statutory protocol for council tax debt collection; we explore this further in response to question 24.

Section Seven: Challenging council tax bands

Question 22: What are your views on the current process for challenging a council tax band? What changes, if any, should the government consider to the council tax band challenge process?

StepChange does not have relevant expertise to share here and so we have not provided an answer.

Section Eight: Enforcement of council tax

Question 23: The government is interested in changing regulations on when councils can request a full bill, or seek liability orders, to a more appropriate and proportionate timeframe.

How long after a reminder notice, should full liability apply: a) after 7 days, as now b) after 14 days c) after 31 days d) after 62 days e) after 90 days f) other.

Please explain your answer.

We strongly agree with the proposal to change the current regulations which allow local authorities to make someone liable for their annual council tax balance if they haven't paid within 7 days. This acceleration of payment liability both deepens people's financial difficulty and adds to the weight of emotional burdens they carry, making it harder to deal with debt problems. There is strong public backing for this move, as nationally representative polling from May 2025 found that over 8 in 10 (84%) UK adults oppose households having to pay their annual council tax bill in full if they miss one month's payment.

We support an intervention whereby full liability could only apply after 90 days. This move would give people more time to engage comprehensively with their council and get back on their feet if their difficulty paying is temporary, or to find additional support and come to an

affordable arrangement if their debt problems run deeper, without the pressure of imminent enforcement action looming over their heads. Importantly, the provision of more time before the full annual payment can be demanded must be accompanied by steps from local authorities to make effective efforts to engage those in arrears, provide support such as referrals to advice and time to make new benefit claims, and agree affordable plans wherever possible.

We note that, while an extension of the timeline before full liability can be sought would bring about immense benefits for many residents struggling with council tax, a period of 90 days will not be enough for *all* residents in financial difficulty to reach a sustainable solution with their local authority. This is particularly true of those in vulnerable circumstances and with additional support needs – with multiple drivers including complex life events and health challenges.

For example, StepChange debt advice data shows that over two in five (44%) new clients with council tax arrears in England presented with a mental health vulnerability in 2024. Research by the Money and Mental Health Policy Institute has shown how those living with mental health problems “can often experience significant fluctuations in their health and capacity over time, which might mean that simple tasks such as opening a bill or remembering to pay a parking charge can be impossible.”²² As the charity puts it, “even a short period of reduced capacity can be catastrophic” when coming up against quick debt collection timescales.

We would therefore like to see MHCLG emphasise in its engagement with local authorities that a *minimum* of 90 days should not always translate into 90 days exactly (if this policy is adopted), and encourage councils to adopt a flexible approach which enables them to extend this timeline in cases where it is clear this would lead to better outcomes – including when the resident is showing signs of engagement but not able to repay in full.

This flexibility is important in order to fully serve the needs of financially vulnerable households. When we prompted StepChange clients to share whether anything in particular led to them falling behind on council tax, their responses revealed a complex web of affordability challenges. Beyond describing how cost of living pressures across the board meant they struggled to meet all their essential costs, clients told us how:

- **Relationship breakdowns or job losses** had negatively affected their personal finances.
- **Experiences of poor mental health**, sometimes triggered or worsened by life events including bereavement, had reduced their capacity to deal with council tax bills.
- **Disabilities, physical health conditions or periods of illness** impacted their ability to access a consistent income.
- **Ineligibility for or inadequacy of financial support**, such as UC or CTS, meant their income was too low to manage all of their bills.

²² The Money and Mental Health Policy Institute (2024), [In the Public Interest? The psychological toll of local and national government debt collection practices](#)

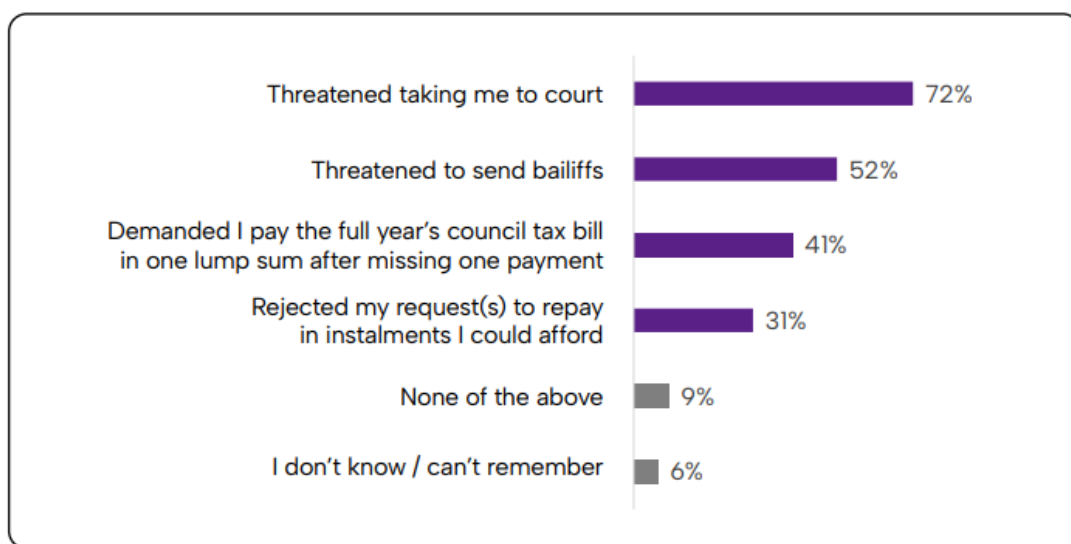
- **Life as a single parent sometimes meant making tough decisions** about where to direct limited income, with council tax deprioritised against food and school uniform for their children.
- **Unexpected one-off costs** ate away at their financial resilience.

Each person's circumstances are unique, and most problems do not exist in isolation. Sadly, many of our clients are facing multiple personal challenges at any one time. One client told us how they experienced an accident at work and endured the death of their son at a similar time, leading to "*significant physical and mental health issues*", all of which contributed to them falling behind on council tax.

Unfortunately, difficult life events and multifaceted experiences of hardship such as this are not rare for our clients. Neither, in many cases, are they quick to resolve. Our research demonstrates just how deep-rooted a lot of our clients' problems are, and how moving rapidly to collect and enforce council tax arrears – including escalating a household's payment liability from a missed payment to owing the full annual balance – can compound these difficult situations and cause significant harm.

Two in five (41%) StepChange debt advice clients who responded to a 2024 survey on council tax debt collection said that their council demanded that they pay the full year's council tax bill in one lump sum after missing one payment.

Figure 1: Actions taken by councils regarding clients' arrears, reported by StepChange survey respondents



Source: All client survey respondents. Total answering this survey question: 307.

Among StepChange survey respondents whose council initially insisted they paid their arrears plus the full year's council tax bill in one lump sum – rather than agreeing to a repayment plan – seven in ten (68%) said their council was still demanding this.

The effects of this move cannot be overstated. Asked what impact this demand had on them, one client told us: *“I cried myself to sleep each night.”* Some had become accustomed to the fear of a knock at the door as a result, feeling that a bailiff visit was inevitable in the face of this large unaffordable demand for payment.

This escalation of the collection timeline is also restrictive when considering the time it takes people to apply for financial support, such as CTS, from their local authority. A StepChange advisor described how councils can sometimes proceed quickly with enforcement action, despite being aware that the resident is in the process of applying for council tax support:

“[For] people who have applied for benefits or reductions to council tax, it takes such a long time for those reductions to be applied... But councils aren't necessarily giving people any discretion. They're still ploughing ahead and taking further action, even if they're being made aware that people are waiting for reductions in the bill. So I don't think that's helpful either. I think there should be more discretion, more accountability for them to maybe just give people a little bit more time because the bills could reduce a lot by the time they get all of the benefits put through, but they're just not cutting them that slack.”

We have shared some of the verbatim responses our clients shared when we asked what impact the demand for the full bill had on them below. The findings are stark – from clients describing deeply concerning mental health outcomes to others highlighting how this practice counterproductively meant they buried their *“head in the sand”*.

It is hard to convincingly argue that demanding the full year's council tax liability after missing one payment makes logical sense when confronted with these experiences. More than that, this approach is fundamentally unfair. It doesn't allow people who are already struggling the time and space to consider their options, seek support and find solutions.

1. *It had a negative impact on my life. I was **terrified of opening the door to bailiffs**, I was **scared I would end up in jail and lose custody** of my child. I felt useless that I couldn't even provide my child with the basics.*
2. *Stressed and anxiety! I feel like I cannot speak to the council because my debts **[are] just too much** and there is no way I can make the payment... so I'm on a stick **your head in the sand kind of thing which is not helping me**.*
3. *They keep constantly sending council tax bills and readjusting the amount I need to pay and reducing the amount of support, none of which makes any sense. It's very confusing and I have no clue how they work it out... I've had about **6-7 different council tax bills since the beginning of April and still have no idea how much I should pay. It's all very depressing**.*

4. ***Of course that is impacting mental health, I do not know what to do.*** From the jobs centre I was asked to apply for reduction and from the council. I got rejection due my salary income, while my husband [is] on PIP and universal credit. I cannot understand if your family is classified to receive benefits, why the council is not able to support.
5. ***I'm really struggling at the moment with the stress of it.*** I've tried to explain my situation to them. They just keep saying "well you still have to pay". Which I know I do but because of my situation I can't.

Case study

One client told us how the experience of their council demanding they pay the full annual bill caused them "a lot of stress, anxiety and depression", making them "bury [their] head in the sand even more due to feeling like nobody will help."

The client is now scared to leave the door unlocked or windows open, even in summer, out of concern that bailiffs will come into their partner's home and take their children's belongings before the client manages to deal with their debts. The client is particularly scared that bailiffs could clamp or take their car, which would cause more financial problems as they need it to get to work.

"They only care about the money, and not how badly things like this can affect people's lives and mental health."

Case study

One client told us how for over five years they have been under a lot of pressure from bailiffs and the "huge amount of debt" they carry just from council tax bills, which they couldn't afford or understand. This experience led to suicide attempts.

"I nearly committed suicide twice because the council was more interested in sending people to empty my home of possessions instead of listening to my pleas for support with understanding my council tax and finding a way forward that could reduce my debt by putting instalments in place."

Indeed, it often seems that this demand itself drives people away from engaging with the council, because they cannot afford to repay this amount and do not believe they have any other options. Concerningly, over four in five (85%) clients responding to StepChange's survey said the communications they received from their council about their arrears made them feel scared, anxious or depressed.

Here, we would again emphasise that a move to extend the timeline before the full payment can be demanded or a liability order sought must be coupled with coordinated efforts to improve the quality of communications from local authorities to residents in council tax arrears. The act of amending the timeline alone will not be sufficient in all cases to prevent

harm, where a local authority is still using communication tactics and framing which counterproductively drive feelings of anxiety and helplessness. As one debt advisor put it:

“It's great if you can extend that time, to give them tools before the missed payment to the liability order. But what needs to happen as well is that during that time the communications that the council actually send out should be engaging with the clients and trying to get something in place. There's no point just extending the date and not doing anything during that time... That's inviting a client to actually engage with them as well, offer the support, offer the action. You know, we have ways of actually helping you with this.”

Communications should give people who cannot currently afford to repay their arrears a clear plan of action. This involves councils taking comprehensive steps to ensure they are facilitating realistic, sustainable repayment plans which reflect what people can actually afford. As touched on in response to earlier questions, communications should be co-designed with people who have lived experience of financial difficulty, with the tone and presentation of text subsequently improved so people feel confident that their local authority can and will help them.

Ultimately, missing council tax payments is a symptom which indicates that empathetic intervention, not punishment, is needed. The interactions that local authorities have with residents about council tax arrears should be viewed more holistically as an important opportunity to engage with struggling households, to understand their personal circumstances and consider options available – such as facilitating access to untapped debt advice or unclaimed financial assistance, including CTS – which might help them on the road to escaping problem debt.

As one client told us, *“I think it is ludicrous to ask somebody to pay for their council tax in full if payments are missed. Obviously a person is struggling, so how do they expect them to pay £1000 plus if they can't afford to pay £100? More compassion and empathy needs to be shown.”*

Question 24: Are there any further steps councils should take before being able to charge for a full-year's bill? For example, offering alternative payment plans, providing further reminder notices or undertaking welfare checks.

We absolutely believe that there are further steps councils should take before being able to charge for a full year's bill, facilitated by central government. While the existing regulations are 'permissive', in practice they shape local authority systems, practice and policies and often result in path dependency, meaning a predetermined route to annual liability and enforcement action.

The expectation that local authorities will charge the annual bill and pursue a liability order once a payment is missed should be replaced by an expectation of responsible steps to

engage households in arrears, provide support and agree sustainable repayment plans before further escalation occurs.

We are therefore advocating for a statutory protocol for council tax debt collection, which would require councils to take certain steps before charging the annual bill, seeking a liability order or taking enforcement action. A move away from the current system of non-enforceable guidance is a crucial step in eliminating issues reported by our clients, including unhelpful communications, challenges engaging with their councils and coming to sustainable repayment plans, and swift escalation to enforcement action. This intervention must be mandatory, as research on the impact of recent council tax interventions in Wales has shown the limitations of a voluntary protocol.²³

This statutory protocol would generate increased levels of due diligence in the debt collection process, allowing households the time and headspace to, among other things, seek free debt advice and negotiate enduring, affordable repayment plans. It is worth highlighting that, to achieve this affordability, many residents in financial difficulty will require timeframes for repayment plans which extend outside of a financial year. These sustainable agreements aren't always forthcoming under the current collection system; any intervention by government should seek to address this problem and enable these longer timeframes.

Notably, 9 in 10 (90%) UK adults support councils being required to try and agree an affordable repayment plan with residents before council tax debts can be passed to bailiffs, according to nationally representative YouGov polling commissioned by StepChange in May 2025.²⁴

The protocol should incorporate, at a top level, the following principles and steps:

Proactive contact

- ***Establish effective pre-arrears and early identification policies and practices, to encourage early intervention.***
- ***Make demonstrable efforts to contact individuals who have fallen behind or are showing signs of financial difficulty through a variety of methods (email, phone, text), accommodating support needs and communication preferences.***
- ***Design communications using simple, non-technical language which gives people a clear understanding of their options and next steps.***

²³ Welsh Government (2023), [Understanding the impact of Council Tax Interventions in Wales: introduction of the Council Tax Protocol for Wales](#)

²⁴ Figures from YouGov Plc. Total sample size was 2,235 adults. Fieldwork was undertaken between 7th - 8th May 2025. The survey was carried out online. The figures have been weighted and are representative of all UK adults (aged 18+).

Affordability and proportionality

- *Engage with households to understand their personal circumstances, including vulnerabilities or life events which might be impacting their ability to repay.*
- *Attempt to set up an affordable repayment plan using the Standard Financial Statement – an agreed approach to assess ability to pay.*
- *Offer repayment plans which extend past the end of the financial year on a case-by-case basis, with the recognition that allowing some people to repay what they owe in this way may be more favourable than continuing to enforce the whole amount.*
- *Provide advice on income maximisation to residents, helping them identify unclaimed benefits – including Council Tax Support – and other sources of income which would help them repay arrears and reduce likelihood of them falling behind again.*
- *Effectively refer residents for free money and debt advice where needed, and work collaboratively with debt advice providers.*

Discretionary write-off

- *Consider writing off parts of people's council tax bills using Section 13a relief powers, or other discretionary hardship funds, where there's no realistic prospect that the individual will be able to repay in full.*

We have provided a top-level summary of proposed principles and next steps above, but we would expect the government to consult further on the contents of any protocol. One way the government could facilitate this is by strengthening existing guidance (published by the MHCLG in 2021) and giving it a statutory basis, meaning councils would have to have regard to this.²⁵ We note that government has already signalled an intention to update this guidance on the collection and enforcement of council tax. This represents a vital opportunity to strengthen and modernise these provisions, by moving away from a voluntary framework to one which local authorities have a formal responsibility to adhere to.

This would help to generate a more consistent approach from councils in engaging and understanding the circumstances of those struggling with council tax, determining households' ability to repay and ensuring those who have fallen behind on council tax can expect a consistent, empathetic experience, no matter where they live.

For example, the existing section in the voluntary guidance on 'engaging with billpayers' could be built on, setting out clear standards on how council communications can best support those in financial difficulty. As discussed elsewhere, a 'test and learn' approach should be

²⁵ Ministry of Housing, Communities and Local Government (2021), [Council tax collection: best practice guidance for local authorities](#)

embedded – as StepChange research has shown that council tax debt communications often counterproductively drive feelings of anxiety and helplessness.

Those responsible for designing and adopting these processes could learn from developments in other sectors, where we have seen statutory regulators with rulemaking powers make good progress on fair debt collection practice. The Financial Conduct Authority's requirements of regulated consumer credit firms to identify and support borrowers in financial difficulty are especially noteworthy. They require firms to:

- proactively identify and engage with customers in difficulty;
- provide prompt, tailored support, including referrals to free debt advice and setting out appropriate forbearance options;
- ensure that repayment proposals are affordable and sustainable; and
- review repayment agreements at appropriate intervals to ensure they remain suitable.²⁶

This heightened requirement for due diligence would also likely better equip local authorities to distinguish between those with little to no ability to repay their arrears, through to those who are in a position to repay some or all of their arrears more quickly – and to respond accordingly, ensuring enforcement action is focused on the small number of residents who might wilfully be choosing not to pay.

Crucially, we would note that an initial lack of engagement should not automatically be taken to mean that a resident behind on their council tax is deliberately choosing to ignore attempts at communication from the local authority about their arrears. Among the small proportion of StepChange clients who didn't directly communicate with their council about difficulty paying their council tax arrears in our recent survey, they were most likely to say this was because they were worried or anxious about contacting the council (81%), or didn't have the money to pay (79%).

While some councils have proactively adopted some of the interventions we've outlined above, we recognise that this will represent a change for others. It's important that central government supports local authorities by equipping them with the funding and resources to facilitate these moves. As touched on in our introductory comment, one intervention that can enable more responsible debt collection practices is central government stepping in to revise the current council tax performance indicators, which prioritise in-year collection rates over other more constructive metrics such as the number of repayment plans agreed and sustained. Moving to a multi-year measure, which includes debt recovered over more than one annual period, would be a welcome, logical act – as it would help local authorities to avoid court enforcement by encouraging them to collect arrears over more than one year.

²⁶ Financial Conduct Authority (2024), [PS24/2: Strengthening protections for borrowers in financial difficulty: Consumer credit and mortgages](#)

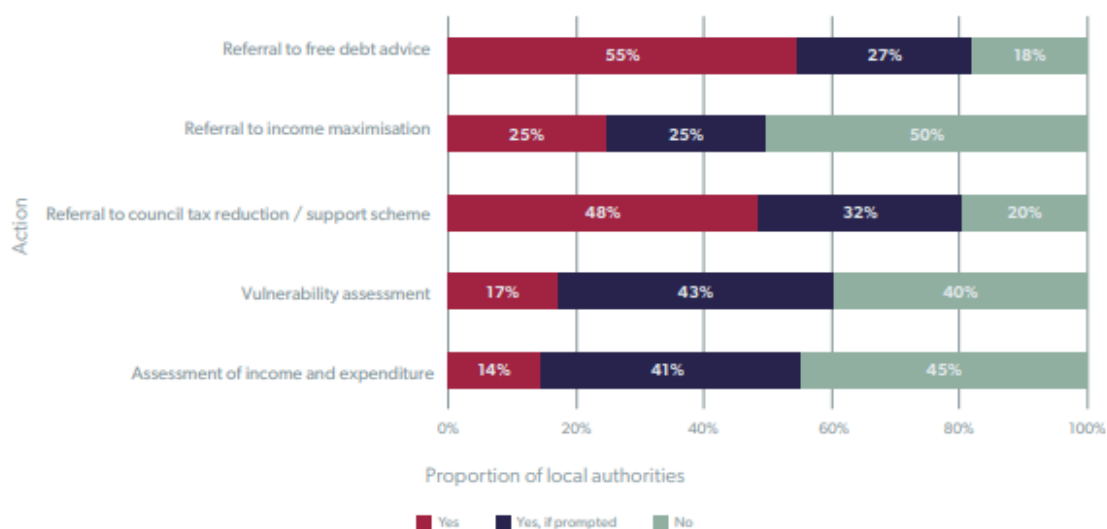
We would also welcome a move to bring debt owed to local authorities into the remit of the Government Debt Fairness Charter, first published in March 2024 – with this type of debt currently a notable omission. While it still requires further work, the Charter sets out welcome expectations of good practice in collecting debts owed to government.²⁷ Bringing local authority debts into scope would send a strong signal that expectations of local authorities must be aligned with best practice elsewhere.

Question 25: Do you believe there are any barriers to councils being able to take the kind of steps set out in Question 24? [Local Authorities and other interested parties]

While we cannot speak from the perspective of a local authority, we would note that many councils have voluntarily adopted a range of progressive measures designed to prevent households' difficulties paying council tax from escalating.

The below table from the Centre for Social Justice's 2024 *Still Collecting Dust* report, published in collaboration with the Money Advice Trust, highlights the proportion of local authorities which take specific actions prior to seeking a liability order for the repayment of council tax arrears and the cumulative percentage of local authorities that provide support actions to households behind on council tax arrears unprompted.²⁸

Figure 2: Centre for Social Justice analysis and Money Advice Trust analysis of actions taken by councils prior to a liability order



²⁷ HM Treasury Government Finance Function (2024), [Debt Fairness Charter](#) and StepChange Debt Charity (2024), [Central Government's new Debt Fairness Charter: inching forward, but still progress](#)

²⁸ Money Advice Trust (2024), [Stop the Knock](#) and Centre for Social Justice (2024), [Still Collecting Dust: Ensuring fairness in council tax collection](#)

While the chart shows that the prevalence of these approaches can be patchy – varying from proactive, unprompted actions through to the absence of policies altogether – it nevertheless also demonstrates that the capacity to implement the steps discussed in question 24 has notable precedent. We believe that the inconsistency of current adoption exemplifies why a statutory council tax collection protocol is needed, to ensure that residents can expect considerate treatment from their council irrespective of where they happen to live.

The below case study is a useful example of local authorities which have proactively adopted policies beyond the scope of expectations/requirements under the existing regulations:²⁹

Local authority case study

Chorley and South Ribble Councils have both adopted a 'Fair Collection Charter' in relation to council tax collection, to "ensure we take a fair and sensitive approach to collecting money due to help us pay for the services we deliver."

This focuses on: early intervention; advice and education; clear and timely communication; easy and flexible payment; then collection and recovery.

While collection rates are influenced by myriad factors, it is noteworthy that Chorley and South Ribble both had above-average collection rates in the 2024/25 tax year of 96.88% and 96.62% respectively (compared to the 95.88% England average).

Question 26: What other ways can councils support individuals when they miss a council tax payment?

We have provided extensive comments on the steps councils should be taking to support individuals when they miss a council tax payment in response to question 24, and so will not repeat them here. But to reiterate, our key message is that the first interaction a resident struggling to pay council tax has with their local authority about their financial difficulty should not be a demand for payment and threat of looming enforcement action.

Building more time – and crucially, compassion – into engagement and providing information in a way that means people are offered realistic options and support to establish a clear plan of action, would mean they are much more likely to feel confident and empowered to resolve their debts and take action.

²⁹ Chorley Council, [Fair Collection Charter](#); South Ribble Council, [Fair Collection Charter](#); and Ministry of Housing, Communities & Local Government (2025), [Accredited official statistics: Collection rates for Council Tax and non-domestic rates in England, 2024 to 2025](#)

Section Nine: Liability orders

Question 27: Do you agree that the government should introduce a cap on the reasonable costs that a court can award for a council's costs for an application for a liability order?

Yes, we agree that the government should introduce such a cap. The fact there is currently no upper limit attached to the costs of a liability order application has ultimately led to a troubling postcode lottery in outcomes for residents behind on council tax. As the consultation documents point out, the amount that is currently charged for a liability order application varies significantly by council – with available public costs from council websites demonstrating a range from £35 to £172. This discrepancy indicates that the “reasonableness” and actual cost of each application might not be accurately reflected in all cases, and/or that councils are cost basing these figures in a number of different ways.

Question 28: What do you think this cap should be set at? Please explain your answer: less than £70; up to £70; between £71 and £100; over £100; other.

We note that the Welsh Government has previously acted to cap the court fees associated with liability orders at a maximum of £70. While this is welcome, we would emphasise that this is still not an insignificant amount to someone already in financial difficulty, often facing debts across multiple creditors.

Given that evidence shows that some councils are already processing each application for half this amount – £35 – we would argue that there is a strong case for the cap to be set at less than £70. What's more, given the financially vulnerable circumstances of many people falling behind on council tax, there is a further argument that a low cap would be justified on fairness and anti-poverty grounds. Here, we would point to recommendations within MHCLG's own best practice guidance:

- *“In making an assessment of the costs, authorities should always bear in mind that the costs will be borne by residents already having difficulties paying their bill, and those costs should be kept as low as possible. Some authorities have chosen not to charge certain groups of residents the fee, for example those in receipt of council tax support. A number of authorities make clear to residents that they are prepared to waive the fee in cases where a repayment agreement is made and kept to.”³⁰*

The government should carry out further analysis to explore the justification presented by some councils pursuing significantly higher costs per application, alongside learnings from those charging on the lower end of the scale, and determine what a truly reasonable cap might look like. MHCLG, while considering any parameters on liability order charges, could

³⁰ Ministry of Housing, Communities and Local Government (2021), [Council tax collection: best practice guidance for local authorities](#)

specify what activities can be included within ‘costs incurred in obtaining that order’ under the regulations, and how an efficient way of carrying out those activities would be reflected in a cost cap.

Question 29: Should the cap apply when seeking a liability order on second or empty homes?

StepChange does not have a position on this question and so we have not provided a response.

Section Ten: Powers to enforce council tax

Question 30: Do you believe the current enforcement is or is not proportionate in the context of council tax collection? Why/why not?

No, we do not believe the current enforcement framework is proportionate in the context of council tax collection. When people are struggling with their situation and most need outreach and support, they instead too often and too quickly face rapid escalation of their debt. This often goes to enforcement agents, with significant fees added and doorstep conduct which can fall worryingly short – as well as threats of imprisonment hanging over their heads. Councils need revenue to fund essential public services, but aggressive debt collection practices are counterproductive. In many cases, they compound personal debt problems and cause damage to people’s health, wellbeing and relationships.

It is good therefore to see government state that it 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.*”

It is important to note that there has been a general movement in recent years towards understanding the benefits of more empathetic and responsible debt collection, and bringing this about. Modelling by the National Audit Office, based on a survey of debt advice clients, has indicated that intimidating debt collection actions and additional charges were 15%–29% more likely to make debts harder to manage and increase levels of anxiety or depression.³¹ Research also shows that some of the negative ‘downstream’ effects of punitive debt collection practices can ultimately increase public costs; whereas evidence demonstrates that good debt collection practice both benefits individuals and can boost collection rates.³²

³¹ National Audit Office (2018), [Tackling Problem Debt](#)

³² House of Commons Library (2020), [Debts to public bodies: are Government debt collection practices outdated?](#) and National Audit Office (2018), [Tackling Problem Debt](#)

Impacts of bailiff enforcement action:

While we appreciate that this consultation will not be considering views on the regulation or conduct of enforcement agents, it is very good to hear that MHCLG is working closely with the Ministry of Justice (MOJ) on these pressing issues – as council tax collection and enforcement action are currently deeply enmeshed.

We are very pleased that the government has recently consulted on introducing a statutory regulator of the bailiff industry. We would like to see the existing voluntary oversight body, the Enforcement Conduct Board, given legal powers, to ensure fair and appropriate treatment of financially vulnerable people facing debt enforcement.³³ More must also be done to tackle local authorities' over-reliance on bailiff enforcement action as a means to recover debt, which includes a more comprehensive assessment of whether this method is or isn't suitable based on an understanding of residents' personal circumstances. It should not take a bailiff arriving on someone's doorstep to establish that someone is in a vulnerable situation or has minimal ability to repay their council tax arrears.

At StepChange, we see enforcement action being threatened and deployed too often in circumstances where clients are in vulnerable situations and unable to repay their council tax debt. To put this into perspective, StepChange debt advice data shows that while one in ten (9%) new clients experienced bailiff enforcement action in 2024, this climbs to three in ten (29%) among those with council tax arrears – indicating a heavy reliance by local authorities on the use of enforcement action compared to other sectors.

Indeed, a stark element of current council tax debt collection practices is how often threats of enforcement action escalate into the actual use of this method. Half (52%) of clients surveyed for StepChange's 2024 *Looking through the keyhole* report said their council threatened to send bailiffs over their arrears; a very similar proportion (49%) later said their council *did* involve bailiffs to collect the money owed.

There are multiple pitfalls in pursuing enforcement action against those who likely won't have the ability to repay, and so StepChange would like to see stronger safeguards to reduce over-dependence on enforcement action by councils. The propensity of some local authorities to quickly pursue this enforcement method – only made possible by the presence of a liability order – is especially worrying given StepChange research shows that bailiffs often fall short when it comes to fair and responsible debt collection practices – from rejection of reasonable repayment offers and misrepresentation of powers through to threatening or intimidating behaviour.

While the nature of bailiff action is innately intrusive, and it's therefore unlikely that those going through this experience will ever be totally positive about it, our research points to systemic issues beyond isolated examples of bad conduct. This includes unwillingness to accept affordable repayment plans and behaviour perceived as "uncaring and hostile."

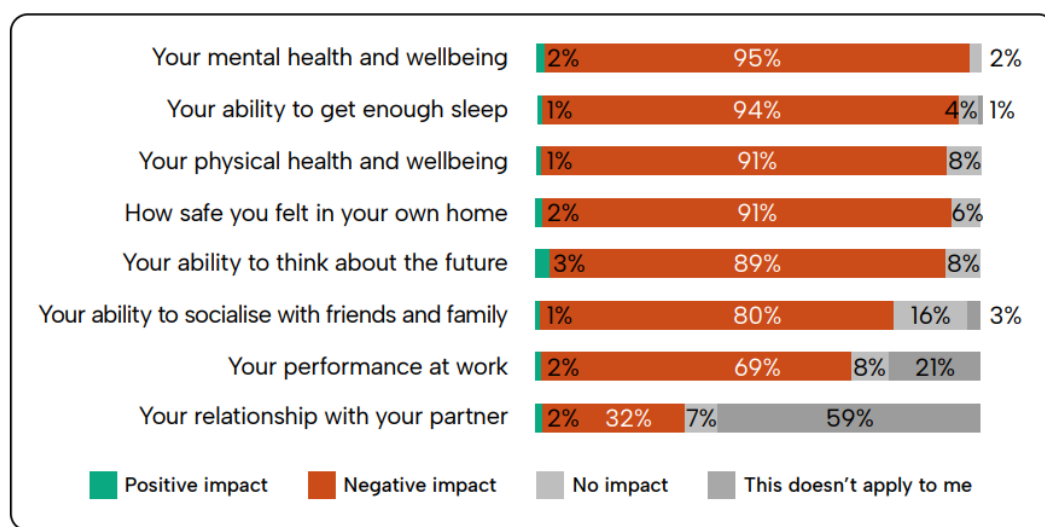
³³ Taking Control coalition (2025), [Response to Ministry of Justice consultation on Enforcement Sector Regulation](#)

The impacts of a bailiff visit can be severe. Clients tell us how the experience of enforcement action incites mental health problems and illness, compromises personal and professional relationships, and harms their wellbeing as well as that of loved ones.

One client described their perception that bailiffs “aren’t interested in reasons why you owe money. You are just another name to them.” They went on to say: “I have anxiety and dystonia, their visits were intimidating and made my symptoms worse. It was soul destroying.” Another said: “their position is recover at all costs. [They showed] unwillingness to listen or look at evidence provided to challenge debts. [They] make you feel despondent and extremely vulnerable. You know they don’t care and it is a very frightening position to be in.”

The vast majority of clients who experienced bailiff action said it negatively impacted both their mental (95%) and physical (91%) health and wellbeing, as well as their ability to get enough sleep (94%) and how safe they felt in their own home (91%). Four in five (80%) said it negatively impacted their ability to socialise with friends and family, while seven in ten (69%) said the same of their performance at work.

Figure 3: Impact of bailiff enforcement action on StepChange survey respondents



Source: All client survey respondents who experienced enforcement action.
Total answering this survey question: 127.

These profound impacts are encapsulated by one client, who – when asked for any final remarks on how bailiff action had impacted them – speaking of their anxiety, concluded: “I have to look through the keyhole if someone knocks the door before opening it.”

We would reiterate that there is additional work MHCLG should do on top of the vital proposal being pursued by MOJ to create a statutory regulator of the bailiff sector, to *properly* establish the principle that bailiffs should only be used as a last resort in council tax collection.

The case for removing the sanction of imprisonment:

Those who struggle to keep up with council tax bills are often amongst the most vulnerable and disadvantaged in society, yet certain elements of the current council tax debt collection and enforcement system are at best outdated and at worst dangerous for those behind on this bill. This is characterised by the continued existence, and use of a threat, of the sanction of imprisonment for council tax non-payment.

The existence of this sanction has a disproportionate impact on certain groups, notably women and single parents, and evidence shows that the threat of this outcome is sometimes deployed irresponsibly and inappropriately to facilitate excessive debt repayments. Rather than sustainably helping an individual to pay council tax, this punitive approach instead drives harmful coping mechanisms and worrying health outcomes – with implications for wider public services – while risking placing an unwarranted administrative and financial burden on an already stretched sentencing system.

England is the only country in the UK where the option to commit people to prison for non-payment of council tax remains possible. In Wales, this sanction was revoked in 2019, with its “outdated and disproportionate” nature recognised by the Welsh Government. Crucially, statistical analysis carried out for the Welsh Government by Policy in Practice, along with findings from previous research, indicates that the removal of the sanction has not affected council tax collection rates in Wales.³⁴ Imprisonment for council tax arrears is an anomaly more generally, as you cannot be sent to prison for the overwhelming majority of common debts. This includes mortgage or rent arrears, utility arrears (including energy, broadband and water), hire purchase debts, credit card debts, overdrafts or loans.

While the number of people actually sent to prison for non-payment of council tax is now very low – with the government recently acknowledging that a High Court judgment issued in 2018 in a case relating to imprisonment for council tax non-payment led to a significant reduction in the number of committals and suspended committals since 2019 – StepChange insights show how the threat of this outcome still looms large over those in debt, with deeply concerning repercussions at times.³⁵ Indeed, a quarter (27%) of clients surveyed said bailiffs threatened them with imprisonment for non-payment of arrears before visiting their home, while one in five (21%) said this happened during a visit.

Below are some comments our clients shared when we asked what impact being threatened with imprisonment for non-payment of council tax arrears had on them. Those who experienced this threat – whether delivered implicitly or explicitly – described a range of distressing emotions and negative outcomes.

Several single parents, and women in particular, specifically described immense stress and pressure stemming directly from this threat as the only adult in their household, fearing what

³⁴ Welsh Government (2023), [Understanding the impact of Council Tax Interventions in Wales: The Removal of the Sanction of Imprisonment for Non-Payment of Council Tax](#)

³⁵ [Council Tax: Non-payment: Question for Ministry of Justice](#), UIN 23550, tabled on 13 January 2025

would happen to their children should this become their reality. For some, this meant agreeing to repayment plans that they simply couldn't afford – and would cause harm elsewhere – as the threat of imprisonment posed too great a risk to their family.

One client said: *"I knew I wouldn't [keep up] but agreed because [I] was scared of going to prison like they said."* Another said: *"I'm a single parent. Although my daughter is an adult, she has ADHD and autism. It scared the hell out of me. I had nobody to turn to. I would have spoken to my mum about it, but she'd passed away, so I literally had nowhere to turn."* We have provided more comments from clients in the Annex on page 39.

Case study

A client who responded to our survey told us how the threat of imprisonment for non-payment of council tax arrears was a "terrifying experience," and "as an autistic adult it can cause sensory overload." They described how "its after-effects are extremely debilitating and can last for months."

"When in these situations I felt that I [was] barely surviving not 'living'. You know that you cannot afford to pay but you agree as you don't want them to take what little your children have... I already feel immense guilt and shame that I cannot provide my kids with holidays and the things their peers have due to not being able to find suitable, sustainable work for my health conditions."

Our research shows that the threat of imprisonment is sometimes being used inappropriately, to encourage those in debt to agree to excessive, often unaffordable debt repayments – even where they demonstrably have minimal ability to repay, and the sanction couldn't realistically apply in their circumstances. As one client who had enforcement agents visit her home put it:

*"[The bailiff's] attitude was more passive aggressive I guess. **Mentioning that I could face prison if I couldn't find all the money within a few days.** They wanted half then and there, which was nearly £500. I tried explaining that I simply didn't have it. **I remember opening my door wide and showing him the state of my carpets and the broken blinds at the windows. I said, do you think I'd be living in this if I had money tucked away.** It didn't make much difference though."*

Feelings of anxiety, stress and helplessness were pervasive among those responding. For some, this manifested in a sense of being simultaneously trapped and afraid in their own homes. Given that this sanction can only legally apply in cases of wilful refusal or culpable neglect, the depth of feeling displayed is an indicator that the reality that this outcome will occur is being worryingly overemphasised in enforcement communications and interactions.

Research has shown that insensitive or aggressive debt collection practices can increase the risk of suicidal ideation among those in serious problem debt.³⁶ Harrowingly, several clients told us that their experiences of enforcement and the threat of imprisonment for non-payment of council tax arrears had contributed to periods of suicidal ideation or suicide attempts.

One client told us how, following threats of imprisonment, they *“had a complete mental breakdown. Even though I had a reduced rate it was still unaffordable. The council were not interested and kept saying they were going to put me in prison if I did not pay.”* Distressingly, this client went on to say: *“I tried to take my own life because they would not leave off about sending me to prison... This has now resulted in myself being sectioned under the Mental Health Act.”*

Tragically, this is not an isolated case, which goes to show intervention is urgently required. These experiences highlight how a lack of empathy and understanding – as well as, in some cases, inappropriate framing around the likelihood of imprisonment – from some local authorities and enforcement agents is driving deeply worrying mental health impacts among those struggling with council tax bills. Furthermore, the approach of threatening imprisonment for non-payment is ineffective in encouraging the constructive engagement which is necessary to facilitate affordable repayment plans.

In a distressing case, one StepChange client told us that her ex-partner had been imprisoned after trying to kill her and her children, and they were moved to be put into hiding. Despite making this known to the enforcement agents who were instructed for her council tax arrears, she said they *“did not care and just wanted the full amount paid.”* That this client could herself be exposed to threats of imprisonment for non-payment of her arrears is hard to comprehend. Indeed, there is a strong argument that enforcement action altogether should never have been pursued by the local authority in cases like this where victim-survivors have recently fled abusive relationships.

StepChange believes that the option to imprison people for – to put it simply – being in debt, belongs in the past. To facilitate this change, the government should revoke Regulation 47 of the Council Tax (Administration and Enforcement) Regulations 1992, to end imprisonment for council tax debt in England.³⁷ There is public backing for this move, as nationally representative polling from May 2025 found that well over half (60%) of UK adults support

³⁶ Money and Mental Health Policy Institute (2018), [A silent killer: Breaking the link between financial difficulty and suicide](#)

³⁷ House of Commons Library (2020), [Debts to public bodies: are Government debt collection practices outdated?](#)

removing prison sentences for non-payment of council tax under all circumstances, rising to three quarters among single parents (75%).

What's more, the proposals for reform contained within the final Independent Sentencing Review report from May 2025 include a recommendation for government to legislate to ensure that short sentences are only used in exceptional circumstances, to encourage women to be diverted from custody to more effective sanction and support. In advocating for this change, the Review aims to reduce the harm that female offenders may experience – citing evidence including how family relationships can be damaged through this move.³⁸

Since this report was published, the government has signalled that it plans to abolish most short prison sentences of less than 12 months in England and Wales.³⁹ With women – many of whom are in vulnerable situations – being one of the groups worst affected by council tax arrears, the government should use the opportunities granted by the upcoming sentencing bill to act definitively to end the sanction of imprisonment for council tax non-payment once and for all.

As one client put it: *“Whilst I understand the local councils deal with a lot, sometimes a little bit of compassion goes a very long way. It seemed to escalate very quickly to ‘you may go to prison’. As a working single mother, a little less aggression would have been nice.”*

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

We believe there are a number of ways that enforcement could better reflect the needs of those in financial or other hardship. There are some meaningful actions that the government, local authorities and enforcement firms and agents can take to better support people in financial difficulty who fall behind on council tax bills. This involves, at a high level, taking a more empathetic, understanding approach to helping people find safe and affordable routes out of debt.

In particular – while we warmly welcome the government's proposal to extend the timeline before a council can apply to a court for a liability order regarding council tax arrears – we would encourage policymakers to go further and consider how councils can be supported to move away from a model which prioritises enforcement action at a much faster pace relative to other sectors involving creditors pursuing debt collection. This involves the introduction of a statutory protocol for council tax collection, as explored in response to question 24.

This includes an emphasis on councils making greater use of powers afforded within the existing regulations, such as discretion to reduce a part or all of council tax liability where it is satisfied that the council tax payer would suffer financial hardship if it did not do so.

³⁸ Independent Sentencing Review (2025), [Independent Sentencing Review: Final report and Proposals for reform](#)

³⁹ The Guardian (2024), [Labour to abolish most short prison sentences in England and Wales](#)

Beyond this, there are further steps that could be taken to better reflect the needs of those in financial difficulty or other hardship. There must be a concerted effort by local authorities to establish policies and good practice on identifying and engaging with residents in vulnerable circumstances, with only half (48%) having such policies in place in 2022/23.⁴⁰ This would enable councils to adopt inclusive approaches such as that taken by the London Borough of Lewisham, where any case flagged as vulnerable automatically has enforcement action prohibited on their account until that indicator is removed.⁴¹

Further to this, where people are showing signs of vulnerability like being in receipt of Council Tax Support, residents should be exempt from bailiff enforcement action. In 2022/23, 31 local authorities across England and Wales had a policy of exempting those in receipt of this type of support from bailiff action.⁴² Notably, over two thirds (67%) of UK support a move to stop councils from using bailiffs for the recovery of council tax debts for low-income households in receipt of council tax support, according to nationally representative YouGov polling commissioned by StepChange in May 2025.⁴³

This heightened due diligence would likely prevent some of the inappropriate referrals to bailiff action that we see at StepChange, and in doing so enable councils to better utilise this action against those who do have the means to repay but are choosing not to engage.

Councils should also respond quickly when it becomes clear that a person has been inappropriately referred to bailiff enforcement action and take the case back from the enforcement firm. We are not confident that this is currently managed in a consistent manner. As one StepChange debt advisor put it: *“I think it is dependent on who the council is because there's a lot now that are less willing to take the debt back from the bailiff and they'd rather let them continue to try and enforce that debt regardless of the client's situation, which is obviously added pressure for the clients as well. They're not really willing to take it back now. They say they don't have the ability to do it when they do.”*

Third-party deductions from Universal Credit (UC):

Council tax arrears may currently be collected through third-party deductions from UC: regulations provide for 5% of the monthly UC standard allowance to be deducted to repay council tax arrears, currently between £16 and £31 depending on the household affected.⁴⁴

The latest figures of which we are aware show that in 2022 around 180,000 people receiving UC had a deduction in place for council tax arrears.⁴⁵ That figure may have since increased as the number of people in council tax arrears has increased in subsequent years.

⁴⁰ Money Advice Trust (2024), [Stop the Knock](#)

⁴¹ As above.

⁴² As above.

⁴³ Figures from YouGov Plc. Total sample size was 2,235 adults. Fieldwork was undertaken between 7th - 8th May 2025. The survey was carried out online. The figures have been weighted and are representative of all UK adults (aged 18+).

⁴⁴ [The Council Tax \(Deductions from Income Support\) Regulations 1993](#)

⁴⁵ [PQ 193658 answered 12 July 2023](#)

Past StepChange research has shown that deductions from benefits to repay debts are unaffordable for most of those who are affected and contribute to hardship, desperation borrowing and debt problems.⁴⁶ A range of research into the impact of deductions by organisations including Trussell and the Joseph Rowntree Foundation reinforces this reality.⁴⁷

Deductions involve automated reductions in means-tested benefits that risk those receiving support being unable to meet essential costs or other priority debt repayments and should not be undertaken lightly. As such, it is important that the government thinks carefully about the role of deductions to repay council tax arrears. The current approach is not proportionate: there are no steps required of councils to demonstrate that they have sought to engage people, provide support or assess affordability before deductions are put in place.

Reform of wider council tax debt collection processes is an opportunity to refresh arrangements for council tax deductions. In doing so, the government should apply the principle that people who receive benefits should not be subject to a different, lower standard of protections than those who do not receive benefits: deductions should not be used as a shortcut to debt collection without the safeguards like affordability assessments that should be applied to other debt collection mechanisms. To achieve this, the government should:

- put in place a series of steps councils should take aligned with a wider statutory council tax collection protocol to ensure that deductions are genuinely used only as a last resort or with the consent of the council tax payer affected, including steps to engage those behind on payments, referrals to advice and time to access support and benefits, and an objective affordability assessment; and
- work with the Department for Work and Pensions to introduce greater flexibility into third party deductions so that deductions up to 5% (rather than a fixed 5% rate) can be made – meaning that, where councils use deductions, they can do so at an affordable rate for the resident.

Concluding comments on enforcement:

We have provided some examples of ways enforcement could better accommodate those struggling with council tax payments here, but this is not an exhaustive list of actions that could be taken. Broadly speaking, we want to see a move away from a system which prioritises the pursuit of enforcement action at speed, towards a more compassionate collection journey which accounts for people's personal circumstances and gives people room to repay their council tax arrears sustainably where they can.

⁴⁶ See StepChange [written evidence](#) to Work and Pensions Committee inquiry into benefit levels in the UK (2023) and StepChange (2017) [Third party deductions briefing](#)

⁴⁷ The Trussell Trust (2022) [Debt and deductions face sheet](#) and Joseph Rowntree Foundation (2023) [Destitution in the UK 2023](#)

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

We understand that local authorities require access to collection routes which enable them to recoup council tax arrears owed by those who can afford to repay, but are choosing not to engage. Councils already have access to an extensive range of measures to pursue unpaid council tax; we therefore do not believe additional measures are necessarily required.

Impacts of recommended removal of imprisonment sanction:

We would emphasise that, should the sanction of imprisonment for non-payment of council tax arrears be removed (as we are advocating), local authorities would still retain access to a wide range of alternative enforcement options. Following the application to court for a liability order, a local authority can already:

1. Involve enforcement agents to take goods.
2. Make deductions from a person's benefits.
3. Get an attachment of earnings order (which allows money to be taken from wages).
4. Apply to make someone bankrupt.
5. Obtain a charging order ('securing' a debt against a property owned by the person in debt).

Crucially, comparison of Welsh council collection rates from 2017 – 2018 to 2021 – 2022 shows that average collection rates in Wales were higher than in England and Scotland, and when compared to English councils matched for socio-economic characteristics – a trend enduring after the Welsh Government acted to remove the sanction of imprisonment for non-payment of council tax arrears.⁴⁸ We therefore believe the imprisonment sanction can be removed without compromising the additional, wide-ranging suite of enforcement routes local authorities can use to target those who have the ability to pay but are not engaging.

Even if efforts are made to frame the risk of imprisonment in the most sensitive and accurate terms – which we know isn't always the case – the existence of this sanction alone is enough to cause long-lasting, damaging consequences for those who fall behind, and their loved ones. As one StepChange debt advisor put it:

"I wish it wasn't even a possibility. I really wish that if we were to change one thing, it would be that because we do have to tell clients that too, it is part of the collections advice. No matter however you cushion it, you know, I'm sure we all probably do the same, which is just that "look in very rare circumstances, it's not likely to happen, but this could happen" – and some people will still just hang on to that."

Given the evidence that Magistrates' Courts have incorrectly imprisoned people who are unable to afford to pay their council tax, and the harms generated by fear of this outcome

⁴⁸ Welsh Government (2023), [Understanding the impact of Council Tax Interventions in Wales: The Removal of the Sanction of Imprisonment for Non-Payment of Council Tax](#)

among vulnerable groups – sometimes driven by a dishonest overemphasis of this likelihood in enforcement interactions – we believe that this sanction has no role in today’s society.

Section Eleven: Broader collection powers

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

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

We gave our views on the current methods available to collect council tax in response to questions 1 and 2 and would direct policymakers to these comments.

Section Twelve: Any other comments and Public Sector Equality Duty

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? If so, please provide them here (250-word limit).

This consultation marks a vital opportunity to shape a coherent, clear vision of what modern and compassionate council tax collection should look like, centred around the prevention of financial and personal harm. We welcome concerted efforts by central and local government to pursue policies which prevent people from falling behind on this bill in the first place – or otherwise prevent debt problems from getting worse – by encouraging early, sustainable engagement and ensuring that any debt collection and enforcement action taken is fair and consistent.

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?

We understand that Ministers and the department must pay “due regard” to the nine “protected characteristics” set out in the Equality Act, namely: race, sex, disability, sexual orientation, religion and belief, age, marriage and civil partnership, gender reassignment, pregnancy and maternity.

StepChange research, along with evidence from many other organisations, has shown how council tax debt collection and enforcement practices have a disproportionate impact on

certain demographic groups, including women, single parents (particularly mothers), those from minoritised ethnic groups, and those living with mental health conditions.⁴⁹

To put this in perspective:

- Seven in ten (70%) of new StepChange clients with council tax arrears in England in 2024 were women; around two in five (38%) were single with children; and around three in five (61%) presented with an additional vulnerability beyond their financial situation, driven in large part by mental health vulnerability (44%).
- Using the UK Household Longitudinal Survey (Understanding Society) and Money and Pension Service Debt Need survey 2023, Debt Justice and the Money and Mental Health Policy Institute respectively found that young people, women, renters and minoritised ethnic groups are more likely to be in council tax arrears.
- Research by the Social Market Foundation found that council tax enforcement has a disproportionate impact on women, including those who “may need to flee their home, and enter a refuge, to escape from domestic abuse,” as women are more likely to have bills in their own names and “even moving to a refuge does not remove the legal obligation to pay council tax on the home left behind.”⁵⁰
- Meanwhile, the Money and Mental Health Policy Institute found that nearly three quarters (73%) of people in council tax arrears who were referred to an enforcement agent have experienced a mental health problem.

These groups face worrying levels of harm under the current council tax collection system, often being subject to rapid escalation of debt collection activity and harsh enforcement practices. This can have devastating consequences for those facing council tax arrears, and we have provided some case studies below.

The gendered implications of aggressive council tax collection and enforcement practices are stark, often affecting single women with children:

Some women who have been through doorstep enforcement action relating to council tax arrears describe troubling scenes: “*big burly men with poor attitudes*” at their door; pushing past children to gain entry to their homes; casually dismissing their concerns and vulnerabilities.

One StepChange client described how EAs stood, “*dead close to my front door*”, noting that it is “*always a male officer standing pretty much over me [with a] wide stance and threatening body language. [It’s] very intimidating and belittling*”. Another said the tone of the bailiff enforcement visit she experienced was “*aggressive*”, that EAs “*told me they were coming*

⁴⁹ StepChange Debt Charity (October 2024), [Looking through the keyhole: StepChange debt advice clients’ experiences](#); Centre for Social Justice (August 2024), [Still Collecting Dust: Ensuring fairness in council tax collection](#); Money and Mental Health Policy Institute (September 2024), [In the public interest? The psychological toll of local and national Government debt collection practices](#); Debt Justice (May 2025), [Ban the bailiffs](#)

⁵⁰ Social Market Foundation (2019), [Unfair, ineffective and unjustifiable: the case for ending imprisonment for Council Tax arrears in England](#)

back with other men to gain entry to my house”, that she had been “easier to locate” than her ex-partner, and it was “extremely upsetting when there are only females in the house, two of which were children.”

A further StepChange client, mother to a newborn baby, said the following when asked what impact her experience of enforcement action had had on her: *“All the basic depression and helplessness which was just amplified by the fact that I couldn't care for my newborn daughter. It forced me back in to work prematurely in a job that I should not have been doing and required me to be on my feet all day. Simply, I was depressed, feeling useless with no relief in sight and forced into constant pain just to make enough payments to cover the unnecessary charges they added.”*

Much more needs to be done to interrogate and tackle the disproportionate impact of council tax enforcement action on women and to ensure there are safeguards in place to mitigate potential harms that those with protected characteristics or in vulnerable circumstances are currently being exposed to through this activity.

Though outside the scope of this consultation, we believe that placing the Enforcement Conduct Board on a statutory footing would alleviate some of the poor practice and damages described above, through strengthened oversight of the enforcement sector and enhanced protections for those in debt. But crucially, we also need to see action from local authorities – with support and oversight from MHCLG – to ensure enforcement action is carefully targeted and truly used as a last resort, with early, empathetic engagement embedded instead.

Those with mental health conditions face extra barriers when facing council tax debt collection and enforcement, and many experience poor outcomes under the current regime:

Those going through enforcement action for council tax arrears describe how their mental health has been deeply harmed by their experiences, including the exacerbation of existing health conditions. This is especially troubling considering three in five respondents (61%) to a recent StepChange survey on council tax arrears said mental health issues like stress, anxiety or depression contributed to them falling behind.⁵¹

Research from the Money and Mental Health Policy Institute shows how cognitive, psychological and behavioural changes associated with mental health problems can make navigating debt collection systems harder – from difficulties understanding and processing information, memory problems, reduced planning and problem skills, social anxiety and communication difficulties to depleted energy and motivation.⁵² We frequently see this play out in relation to debt advice clients who fall behind on council tax bills, compounded by the rapid escalation built into existing regulations.

⁵¹ StepChange Debt Charity (October 2024), [Looking through the keyhole: StepChange debt advice clients' experiences](#)

⁵² Money and Mental Health Policy Institute (September 2024), [In the public interest? The psychological toll of local and national Government debt collection practices](#)

The Government Equalities Office uses the following case study in its summary guide of rights under the Equality Act, which typifies some of the circumstances outlined above:

- *You suffer from depression, so it's very hard for you to make decisions or even to get up in the morning. You're forgetful and you can't plan ahead. Together, these factors make it difficult for you to carry out day-to-day activities. You've had several linked periods of depression over the last two years and the effects of the depression are long-term. So, for the purposes of the Equality Act, you're defined as a 'disabled person'.⁵³*

One StepChange debt advice client described how they were “psychologically tired” because of their experiences of enforcement action. They said: “I am currently undergoing treatment. I take medicine all the time, but sometimes I have very negative thoughts. I'm afraid of people, I stopped laughing.” Another told of how their experiences led to them not sleeping, “becoming depressed and the ultimate breakdown of [their] marriage.”

Deep-seated anxiety around a knock at the door is pervasive for some people going through council tax enforcement action. One client described how they were “constantly living in fear of a knock at the door, wondering if my vehicle is okay outside as I wouldn't be able to get to work or the children to school if this was taken. [I am] anxious, scared, upset.”

Concluding comments:

The current council tax collection and enforcement regime is designed in a way which too often exacerbates, rather than alleviates, people's personal and financial difficulties. We therefore believe that some of the interventions being explored in this consultation – including the potential extension of the timeline before escalation to annual bill liability after a missed payment – will have a positive impact on groups with protected characteristics.

As discussed elsewhere, however, we want to see the government go further with a comprehensive package of reforms to bring about a compassionate system which both prevents people from falling behind, and gives those who do more room to repay.

⁵³ Government Equalities Office and Citizens Advice Bureau (2010), [Equality Act 2010: What Do I Need To Know? A Summary Guide To Your Rights](#)

Annex: Impacts of imprisonment sanction

The following comments were made in direct response to the below question in a 2024 StepChange client survey:

“You said the bailiffs threatened you with imprisonment for non-payment of your arrears either before or during or visit to your home. What impact, if any, did this have on you?”

1. Made me **incredibly stressed and anxious**. I’m a single parent, I felt so pressured to have to find money each month to pay them or **my daughter would suffer and lose her mum**, [and] I would lose her. It’s horrible.
2. [Enforcement agents] kept trying the door handle and **kept shouting through the letter box at me to let them in or face prison** or that they would wait for me to go out and refuse me to pass them to go back in my home without allowing them entry. This **made me feel trapped in my home** and scared even more after everything I’ve already been through.
3. I AM ANGRY STILL. I **felt so embarrassed and worthless**. I have NEVER had problem with debt until I ended up unable to work for 2 years after a significant injury. The people they sent could see my in a leg cast. That isn’t fake. They didn’t care. They said they have targets to meet and collection quotas to get. **I had to make a payment, or they would force their way inside** and seize what little I had.
4. It has **made me scared to answer my front door** or leave my kitchen window open.
5. It absolutely devastated me. I am **now terrified of them coming back when my little girl is home**, because they were extremely threatening.
6. It made me very anxious and scared that [the sanction of imprisonment] could be done. I was **worried for my children** and they **both suffered from anxiety and got upset** when anybody came to the door.
7. I **constantly feel stress, nervous tension, fear**. I’m afraid to leave the house or [go] back the house. As soon as a car pulls into the yard, I [wait] and watch who has arrived.
8. [I felt] stressed and helpless, **worried about leaving the house**.
9. [It was] very frightening and scary and terrifying. **My anxiety went very high**.
10. I was **absolutely distraught**. I have a disabled child as a single mum, and have terminal cancer.
11. I was so scared about what would happen to me, **what would happen to my child if I was imprisoned** and what would happen to my job if and when I was imprisoned.
12. This made my anxiety worse, where **I had to go back on anxiety medication**.
13. [The threat of imprisonment] caused me to have an **anxiety attack**.

