

Citizen Participation and Public Petitions Committee

2nd Meeting, 2022 (Session 6), Wednesday 2
February 2022

PE1897: Reform certain of the procedures for
the collection of Council Tax

Note by the Clerk

Lodged 27 September 2021

Petitioner Richard Anderson

**Petition
summary** Calling on the Scottish Parliament to urge the Scottish Government
to reform those procedures for the collection of Council Tax which
apply when a person has difficulty in making payment.

Webpage <https://petitions.parliament.scot/petitions/PE1897>

Introduction

1. The Committee last considered this petition at its meeting [on 3 November 2021](#). At that meeting, the Committee agreed to write to COSLA, Citizens Advice Scotland and Social Security Scotland.
2. A summary of past consideration of the petition and responses to information requests are provided for the Committee's consideration.

Background

3. During its consideration of this petition, the Committee received 4 written submissions.
4. The Scottish Government's initial submission stated that around half a million households receive some level of Council Tax Reduction (CTR) and of those households, 80% receive a full reduction and are therefore not liable for council tax. CTR can be backdated by up to 6 months.

COSLA submission

5. The Committee wrote to COSLA following its last consideration of this petition. COSLA's response states that Scottish Councils 'endeavour to administer Council Tax collection in as fair and just a manner as possible and stand ready to engage with Council Tax-payers whenever they may encounter difficulties in maintaining their payments.'
6. The submission notes that the petition relates to difficulties arising when Council Tax notices are not received by an individual, resulting in a referral to Sheriff Officers. In response, COSLA suggests that based on the reliability of postal services and availability of 'e-billing', this circumstance should be 'an exception rather than the norm'.

Citizens Advice Scotland submission

7. The Committee wrote to Citizens Advice Scotland to seek its views on this petition. The response recognises the issue of council tax debt, stating that it is the 'single biggest debt issue that the CAB (Citizens Advice Bureau) network deals with each year.'
8. The submission clarifies some points raised by the petitioner, including outlining that—
 - Council tax debts are not recorded on credit files, this only happens if the debts lead to bankruptcy
 - Sheriff Officers' powers are not 'limitless' as they are 'subject to constraints and thresholds'
 - Protected Trust Deeds (PTD) are the least likely debt solution because it rarely aligns with the client's needs and financial circumstances. In 2020, only 1% of over 86,000 debt issues involved any aspect of a PTD
 - There has not been a 20% jump in PTDs, the figures reflect a 40% drop in actual PTDs registered between 2019/20 and 2020/21
9. Citizens Advice Scotland states that it does not believe the council tax system needs overall reform, but that improvements can be made. The response suggests the following improvements, including –
 - A review of the time between the point someone falls behind and the issuing of a summary warrant as it is currently 'very short'. Could introduce a moratorium period whereby individuals can work with a money adviser before action is taken.
 - A review of whether liability for the whole year's council tax should be applied when falling behind one month's payment. CAS state 'this seems unnecessarily harsh and unfair'.

- An increase in the points of return so that wherever a person is with their council tax arrears, they can always find an easy way back to speaking to someone about a payment solution.
- A review of how CTR is promoted and ensuring that all councils have an automatic entitlement for those on qualifying benefits.
- Increasing awareness that individuals exempt from council tax are still liable for water and sewerage charges.

Social Security Scotland submission

10. The Committee wrote to Social Security Scotland to ask whether, for benefits administered via Social Security Scotland, systems will be designed to automatically notify individuals if they are eligible for a council tax reduction.
11. The response states that the Scottish Government has 'commenced conversations with Local Authorities about opportunities that might exist to make access to entitlements automatic for clients.' One example of this is that Social Security Scotland will explore automatic entitlement to Free School Meals, School Clothing Grants and/or council tax reduction for those eligible for the Scottish Child Payment.
12. It is highlighted that the Child Disability Payment award letters signpost individuals to the social security website, which provides details of benefits they may be eligible for such as council tax reductions.

Action

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

Clerk to the Committee

Annexe

The following submissions are circulated in connection with consideration of the petition at this meeting –

- [PE1897/B: COSLA submission 30 November 2021](#)
- [PE1897/C: Citizens Advice Scotland submission of 6 December 2021](#)
- [PE1897/D: Social Security Scotland 6 December 2021](#)

All written submissions received on the petition can be viewed on the [petition webpage](#).