

# Council Tax Consultation

Response from Visionary Network, Liberata, Local Authority Civil Enforcement Forum

10 September 2025

*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 do not support the proposal to make 12-month instalments the default. The current default of 10 monthly instalments, followed by two non-payment months, remains appropriate and reflects established principles of council tax collection.

The rationale for the 10-month cycle has not changed since its origins in the domestic rating system. The two non-payment months are typically February and March, although some councils apply them in the summer. These months coincide with rent-free periods for social housing tenants and provide a payment break during times when low-income households face additional financial pressures. This arrangement has consistently supported payment compliance by providing relief at key points in the financial year.

Most council tax payers settle their accounts by direct debit, with many choosing to pay in full at the start of the year. The option to pay over 12 months is already widely available on request, as permitted under the Council Tax (Administration and Enforcement) Regulations 1992. Councils are generally flexible in accommodating requests to extend payments, with some authorities undertaking checks to ensure that longer instalment plans genuinely assist the individual rather than contributing to underlying arrears.

The notion that changing the default position to 12 months would be universally beneficial is misplaced. This idea has been promoted by some commentators without a clear understanding of how council tax systems operate in practice. Experience shows that two non-payment months assist with arrears prevention, particularly for lower income households who rely on that breathing space. Replacing this with a standard 12-month cycle risks increasing arrears, as those who prefer to clear their liability within the financial year could be caught out by small monthly payments continuing year-round, leading to difficulties in household budgeting.

There is also a risk of unnecessary administrative complexity. Moving to 12 months as standard would lead to an increase in requests to switch back to 10-month instalments, potentially creating confusion and an avoidable volume of account adjustments. There is no evidence that existing arrangements prevent access to 12-month payments where appropriate, nor that a change in default would offer practical improvements for most taxpayers. Additionally, in our experience, the majority of residents have never made a request to move to 12 monthly instalments.

While the transition from 10 to 12 monthly instalments may be manageable from an operational standpoint, it is expected to introduce additional pressures and result in increased costs for local authorities.

This change will require adjustments across several core areas, including:

- **Financial Systems and Processing:** Increasing the number of instalments will lead to a higher volume of transactions, requiring updates to payment systems and potentially increasing administrative overhead. The software housing will no doubt take a significant cut of any funding to support this
- **Customer Communication and Support:** More frequent billing may lead to an uptick in customer queries, especially during the initial transition period. This could place added strain on contact centres and support teams.
- **Policy and Compliance Adjustments:** Existing policies and procedures may need to be reviewed and updated to align with the new payment schedule, which could involve legal and regulatory considerations.
- **Impact on Vulnerable Residents:** While smaller, more frequent payments may benefit some residents, others may find the change confusing or difficult to manage, particularly if they are used to budgeting around the previous 10-instalment model.

In conclusion, the current approach balances flexibility, payment compliance, administrative efficiency and allows for residents to move to 12-monthly instalments should they wish to.. Councils already have discretion to offer alternative instalment arrangements where this is suitable, and the continuation of the 10-month default remains the most effective way to support responsible payment practices while minimising arrears and administrative burden.

*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?*

While we do not support a move to 12-month instalments by default, if the government were to proceed, it would be essential to preserve a clear and accessible option for taxpayers to pay over 10 months, which remains the more appropriate default for many households.

The principle of flexibility in payment arrangements is well established in council tax administration. While some taxpayers may prefer to spread payments evenly throughout the year, many value the opportunity to clear their annual liability within the financial year. The two non-payment months provide important flexibility, helping households manage other financial commitments such as rent-free weeks or seasonal expenses.

Removing access to 10-month instalments would unnecessarily restrict payment options and risk disadvantaging those who benefit from the current arrangements. Any change to the default should not come at the expense of choice, particularly when the existing 10-month pattern supports budgeting and arrears prevention for a significant number of households.

It is equally important that any request to pay over 10 months is straightforward, with no administrative barriers. Billing authorities should be able to process such requests simply, without requiring financial assessments or additional checks. Taxpayers should be informed clearly, on every bill, of their right to choose between 10 and 12-month instalments.

In short, if the proposal moves forward, keeping the 10-month payment option is the basic safeguard. The focus should be on improving flexibility and supporting payment compliance, not removing arrangements which have a proven role in helping households manage their council tax responsibly.

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

We consider that moving to a 12-month default would have negative consequences for local authority cash flow and could create risks in the timing of payments to precepting authorities.

The current 10-month instalment pattern ensures that the majority of council tax liability is collected within the financial year, supporting in-year collection rates and providing predictable cash flow for billing authorities. This front-loaded payment structure assists local authorities in meeting monthly cash demands and in fulfilling their duties to pass on precepts in a timely manner.

Extending the default payment period to 12 months would delay the collection of part of the annual liability into the following financial year. This would reduce cash balances during the critical end-of-year period, with the most significant reductions falling in February and March, when most authorities are making final payments to precepting bodies. The change would also increase the risk of short-term borrowing costs and may require revised cash flow management arrangements, particularly for smaller billing authorities with limited reserves.

There is also a risk that lower monthly instalments, paid over a longer period, may make it less obvious to taxpayers when they fall into arrears. This could reduce early intervention opportunities and have a knock-on effect on recovery performance. Councils may experience a rise in late payments and arrears as a result, which would further undermine cash flow predictability.

Any reduction in cash flow could have a direct impact on a billing authority's ability to make timely precept payments, potentially increasing financial pressures on police, fire, and parish authorities which rely on prompt payments. This change would require careful modelling of precept payment schedules, possibly introducing additional complexity and administrative work for finance teams.

The 10-month structure helps maintain local government financial stability. Moving to a 12-month default would disrupt well-established cash flow patterns, create risks for precept payment timeliness, and impose avoidable operational pressures on billing authorities.

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

Yes, we have a strong understanding of how council tax revenue is used by local authorities.

We represent organisations and professional bodies made up of local authority officers, contracted service providers, and advisers who support councils across all aspects of local taxation and welfare administration. This includes expertise in policy development, operational processes, enforcement, welfare support, and financial management.

Through our direct involvement in these areas, we have a detailed understanding of the role council tax plays in funding essential local services, from adult social care and children's services to neighbourhood services, environmental services, and local infrastructure. We are also fully aware of the responsibility placed on

billing authorities to collect and distribute precepts to other public bodies, including police, fire, and parish authorities.

Our members and affiliates are involved in the full cycle of council tax administration, from strategic planning through to collection and recovery, and are acutely aware of the operational, financial, and social importance of council tax within the wider context of local government funding.

*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 agree that providing clear information on how council tax is used is important to improving transparency and public understanding of local services. However, we believe the focus should be on modern, accessible, and interactive communication methods rather than relying on traditional paper-based approaches.

Local authorities already provide financial information through council tax leaflets and billing notices, but these are rarely read in detail by taxpayers. Additional paper communications would be costly to produce and distribute, contribute to environmental waste, and are unlikely to improve engagement meaningfully.

Instead, we encourage the use of modern communication channels, including digital platforms, to make council tax information more visible, accessible, and engaging. This could include:

- Push notifications through council tax account portals or council apps, alerting residents to how their payments are being used throughout the year.
- Use of FAQs and short explainer videos on council websites and social media channels to highlight key points in a straightforward, accessible manner.
- Gamification elements such as interactive tools, calculators, or dashboards allowing residents to explore where funding goes in their local area.
- Infographics and localised examples on webpages, providing tailored, easy-to-read insights into how council tax contributes to services residents use regularly.
- Short-form content for social media, designed to improve understanding among younger audiences and those less likely to engage with formal documentation.

We also recommend retaining the option for paper copies on request, particularly for those who are digitally excluded, but we see no value in increasing or mandating hard-copy distribution as the default approach.

In conclusion, further efforts to clarify council tax expenditure should prioritise dynamic, cost-effective, and resident-oriented digital communication channels. This approach will improve accessibility of information, foster proactive community engagement, and minimise avoidable administrative or printing expenses.

*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?*

See question 4

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

See question 5

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

In principle, we agree with the proposed new name and definition of the disregard, subject to the comments we set out in response to Question 9.

We recognise the need to update language that is considered outdated or potentially stigmatising, and we support efforts to ensure that the terminology used in council tax legislation is respectful and reflective of modern understanding of cognitive conditions. The proposed alignment with the approach in Wales also offers the benefit of consistency between nations, which is helpful for both practitioners and affected individuals.

However, our agreement is conditional on ensuring that the proposed changes do not create unintended administrative burdens or ambiguities in application, particularly with respect to eligibility criteria and certification processes. We expand on these practical considerations in our response to the following question.

*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]*

We would have concerns that the proposed definition may lead to inconsistency unless it is aligned with the terminology used by the Department for Work and Pensions (DWP), particularly in relation to Personal Independence Payment (PIP) and other disability-related benefits.

Council tax disregards are closely linked to entitlement to qualifying benefits. If the wording used in council tax regulations diverges from the descriptors or definitions applied by the DWP, there is a significant risk of confusion for both applicants and local authorities. This could lead to misinterpretation, disputes, and additional administrative effort to clarify eligibility.

From an administrative perspective, clarity and consistency are essential to avoid conflicting decisions and to ensure that individuals who meet the established eligibility for welfare benefits are not inadvertently excluded or subjected to unnecessary reassessment. This is particularly important as many councils rely on DWP benefit entitlement as an objective supporting criterion when processing applications for disregards.

We would therefore recommend that the government engages with the DWP to ensure that the revised definition aligns with broader disability and cognitive impairment terminology used across the welfare system. This will help maintain clarity for applicants, minimise administrative complexity, and avoid generating inconsistencies between welfare assessments and council tax entitlements.

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

No

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

Yes, we are aware of households facing a range of barriers when accessing this support.

Inconsistent administrative processes remain a significant issue, with local practices varying widely. Some councils proactively seek medical certification on behalf of applicants, while others expect applicants or their families to obtain documentation themselves, often at personal cost and with the added stress of navigating healthcare systems.

There is also a persistent issue with the complexity of language used in communications about this support. Many households struggle to interpret

overly technical or legalistic wording, particularly those caring for individuals with cognitive impairments. This is an area where councils could make considerable improvements by adopting a plain language approach, as seen in Visionary Network's Plain Language Council Tax Reduction (CTR) model. Clear, jargon-free language makes entitlement more visible and supports informed decision-making.

We see a valuable opportunity to improve access through the use of modern digital tools. Online calculators, such as those offered by Inbest and Ascendant, provide simple and immediate assessments of entitlement and can guide households through eligibility questions in an accessible way. Building on this, AI-supported chatbots, augmented by access to real-person support, could offer tailored explanations and guide applicants through the process step by step. The use of generative AI has particular potential to present information in a way that adjusts dynamically to the cognitive abilities of applicants, helping to reduce confusion and encourage take-up among those who might otherwise disengage.

In addition, we recommend greater consistency in data standards and data-sharing arrangements across public sector services, including health services, adult social care, and welfare administration. Too often, vulnerable households are asked to provide the same information repeatedly to different departments. A more integrated approach to data-sharing, underpinned by proper governance and privacy protections, would reduce administrative burdens on applicants and support more proactive identification of entitlement through automation. Where appropriate, relevant information already held by social care or health services could help councils apply disregards or prompt eligibility reviews without requiring repeat applications.

Finally, we believe it is important to promote consistency in language and definitions across central and local government. At present, vulnerability and cognitive impairment are not clearly or consistently defined, creating a risk of misinterpretation and inconsistent practice. Rather than relying on varying interpretations, central guidance should encourage alignment of terminology, reflecting the fact that vulnerability is commonly understood through practice rather than formal legislative definition.

We see significant opportunity to remove barriers by modernising language, embracing digital tools, improving data-sharing, and establishing more consistent definitions and processes, all of which would benefit both households and councils.

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

See question 11

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

See question 11

*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 support the principle of improving consistency in the application process for this disregard, but we do not support the introduction of a prescribed standard form. In our view, prescribing a single form risks stifling local innovation and does not take account of the wide variation in council systems, digital maturity, and approaches to customer engagement.

A more effective approach would be for government to define clear data standards and minimum required information, allowing councils to design application processes that suit their local operating models while ensuring consistency in the key information collected. This would enable councils to incorporate plain language principles, accessible design, and digital enhancements—such as online forms, assisted digital channels, and proactive prompts through portals—without being restricted to a single template.

Government could further support consistency by promoting best practice and facilitating the sharing of well-designed resources, such as model forms or digital tools. Councils should be encouraged to adopt these through practical incentives, such as access to centrally developed resources, streamlined approval processes, or targeted digital transformation funding.

We would particularly recommend that any approach enables integration with wider customer contact systems, allowing councils to align disregard applications with other local welfare support schemes, rather than creating another isolated administrative process.

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

We consider that the disregards for both carers and apprentices are in need of urgent review, particularly in relation to the earnings thresholds and qualifying

conditions which have remained static for an extended period despite significant changes in employment patterns and pay structures.

For apprentices, the weekly earnings threshold of £195 has not been updated since 2006, which means it no longer reflects the current employment market. With the introduction of the National Minimum Wage for apprentices—recently updated to £7.55 per hour in April 2025—many apprentices now exceed the disregard threshold despite remaining in low-paid, training-focused employment. This undermines the original policy intent of supporting apprentices on lower incomes. We believe there is a strong case to review and update the earnings threshold, and to consider aligning it with a clear benchmark, such as the National Minimum Wage for apprentices or other recognised income standards, to ensure the disregard continues to serve its intended purpose.

Similarly, for carers, the remuneration threshold of £44 per week for professional care workers (under Part I of the 1992 Regulations) has been unchanged since 2006 and does not reflect modern pay structures, including the minimum wage and statutory wage floors for care roles. This risks excluding many low-paid care workers who would otherwise qualify. Furthermore, the conditions around hours of care and qualifying relationships should also be reviewed to ensure that informal carers—particularly those providing substantial care within the household—are properly recognised within the council tax system.

Overall, we support the principle of these disregards but are concerned that failure to update the thresholds has eroded their effectiveness. A comprehensive review, with appropriate updating and modernisation of definitions, would help ensure these disregards remain fair, relevant, and supportive of those in low-paid or caring roles.

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

We do not consider the current eligibility criteria for apprentices and carers to be fully appropriate in their present form, largely due to outdated earnings thresholds and definitions which no longer reflect the realities of modern employment and caring arrangements.

In relation to apprentices, the earnings threshold has remained unchanged since 2006 despite substantial increases in wage floors, particularly following the introduction of the National Minimum Wage for apprentices. As a result, many apprentices on modest incomes now fall outside the disregard, contrary to the

original policy intent. We would support a review of the earnings criteria to ensure it remains aligned with current wage structures and recognises the financial pressures faced by those in training roles. Consideration should also be given to whether the criteria could be expanded to include apprentices undertaking modern, accredited training schemes that may not have existed when the original regulations were drafted.

With respect to carers, we have similar concerns that the income thresholds for care workers do not reflect prevailing pay rates. In addition, the eligibility criteria do not adequately reflect the wide range of caring responsibilities in modern households, especially for informal carers who do not fit within narrow definitions but who provide substantial unpaid care. There is a strong case for reviewing both the financial and relational eligibility criteria to ensure the disregard appropriately supports those providing significant care, particularly those at risk of financial disadvantage as a result of their caring role.

We consider the current criteria outdated and in need of modernisation to ensure the disregards properly target those in genuine need of support, taking account of current wage levels and the diversity of apprenticeship and caring arrangements.

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

One group that could warrant further consideration is young adults leaving care. Care leavers often face significant financial pressures as they transition to independent living, with limited access to family support and increased risk of rent arrears and financial instability. While some local authorities already provide discretionary relief through Council Tax Reduction schemes, a statutory disregard could offer more consistent national support.

Another group worth reviewing is kinship carers, who provide informal or formal care for children of relatives or friends. Many of these carers experience considerable financial strain, and their circumstances are not always well captured by the existing carer disregards, particularly where they are not providing direct personal care to adults but are fulfilling an essential caring role.

There may also be scope to review the treatment of low-paid self-employed individuals undertaking recognised vocational training or reskilling programmes. At present, apprenticeships are narrowly defined, and there is a risk that other forms of vocational learning—particularly where undertaken part-time while in

low-income work—are excluded from any disregard, despite individuals facing similar financial pressures.

Finally, there may be value in periodically reviewing whether those with significant long-term health conditions, but who do not fall within the existing severe mental impairment disregard, are sufficiently supported. As definitions of disability evolve, particularly in relation to fluctuating or hidden conditions, it is important that council tax policy remains responsive.

## **Other Discounts to be Considered**

### **Proposal**

A council tax exemption for people with a terminal diagnosis of less than 12 months to live has been proposed.

#### **Our View**

We recognise the compassion and public support behind this proposal and understand why the idea has gained traction. Council tax can be a significant financial pressure, especially when a household is dealing with the emotional and practical realities of terminal illness. The alignment with the Assisted Dying (Terminally Ill Adults) Bill further illustrates the growing recognition of the financial and emotional toll faced by people at the end of life.

However, while we respect the aims of the proposal, we have serious reservations about its viability in practice, based on our professional experience.

#### **Evidence and Practical Concerns**

Some of us have actively explored introducing a local scheme modelled on the Manchester exemption. Despite engagement with hospices, the voluntary sector, and legal colleagues, significant barriers emerged:

- **Lack of data:** We had no reliable data on the number of terminally ill residents in our area or on the volume of SR1 forms (supporting benefit eligibility for terminal illness) being issued. Without this, it was impossible to model demand or cost the proposal with any confidence.
  - **Legal constraints under Section 13A(1)(c):** Local schemes must demonstrate that a group is “in general, in financial need”. We could not conclude this was the case. People who are terminally ill come from all income groups and levels of

wealth. In the absence of evidence to the contrary, we were unable to show that the group, as a whole, met this criterion.

- **Equity and existing support:** There is already a substantial system of help for those on low incomes through Council Tax Reduction (CTR), discretionary hardship funds, and exemptions such as the Severe Mental Impairment disregard. While terminal illness is a profoundly difficult experience, it does not automatically equate to financial hardship. Creating a blanket exemption risks diverting limited local resources to some residents who may not need financial support, while others in greater hardship may go without.

### **Risks and Implications**

We are also concerned about the following:

- **Verification and consistency:** There is no clear, standardised approach to confirming eligibility, particularly across medical professionals and administrative systems.
- **Administrative burden:** Introducing a new disregard would require significant policy development, system changes, and staff training at a time when local government capacity is already stretched.
- **Fairness and expectations:** Public sympathy for the idea is understandable, but if expectations are raised without a deliverable framework in place, it may ultimately do more harm than good.

### **Our Recommendation**

We do not support the creation of a separate disregard for terminally ill residents at this stage. We recommend:

- Continued access to individual applications under existing s13A(1)(c) hardship policies, which can take personal circumstances into account.
- National research to understand the scale of need, including data on terminal illness, income profiles, and council tax arrears.
- Assessment of whether improvements to existing exemptions or discretionary systems would better address need without creating inequities or undermining existing CTR principles.

In summary, while the proposal is well-intentioned and may appear simple in principle, the complexities it presents—both in legal and operational terms—are

significant. We believe the better course is to strengthen and clarify existing mechanisms for individual support rather than introduce a new blanket exemption without clear evidence of financial 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?*

N/A

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

We recognise that many councils have made significant progress in improving how they provide information about council tax, but there remains considerable inconsistency and scope for further improvement.

A positive development in recent years has been the steady move by a growing number of councils away from the traditional Council Tax Benefit (CTB)-style schemes towards more modern, discount-based income schemes. While this has introduced greater variation between schemes—meaning no two schemes are exactly alike—it has also driven important improvements in the way information is communicated and understood.

The adoption of income-banded discount schemes, particularly where they have been paired with plain language principles, has made council tax more straightforward to explain to residents. Initiatives such as the Visionary Network's Plain Language Council Tax Reduction (CTR) scheme have demonstrated that even complex local schemes can be presented in a way that is simple to understand, reducing resident confusion and improving accessibility. Councils using these approaches have shown that clarity in design and communication can co-exist with local flexibility.

Digital tools have also played an increasing role. Services such as those provided by Inbest and Visionary Network have made it easier for both councils and residents to understand entitlement thresholds, forecast likely awards, and assess the financial impacts of changes to scheme design. For example, Inbest's online calculators allow residents to model their entitlement in real-time, while their scheme design tools help councils to quickly assess how adjustments to scheme levers—such as taper rates or banding thresholds—affect both residents and overall scheme costs.

Where councils have combined these tools with clear plain-language communications, they have been able to demystify council tax for residents, improve take-up of entitlements, and reduce the volume of queries and

complaints. Importantly, they have also increased the potential for automation in administration, making processes more efficient despite the policy complexity involved in tailoring schemes to local needs.

That said, this progress is not universal. Too many councils continue to rely on outdated forms, overly formal notices, and complex language, which discourages engagement and leaves some of the most vulnerable households confused about their entitlements. A more consistent national emphasis on plain language, supported by modern digital tools, would raise overall standards.

The experience of councils that have embraced income-based schemes, digital calculators, and plain-language communications shows what is possible. Wider adoption of these practices, backed by government-endorsed guidance and accessible resources, could make council tax information clearer, fairer, and easier to administer across the board.

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

We believe there is significant scope to improve the range and quality of council tax information communicated digitally, delivering benefits for both residents and councils through improved transparency, accessibility, and administrative efficiency.

At a minimum, all statutory information—including liability notices, instalment arrangements, discount and disregard entitlements, and Council Tax Reduction (CTR)—should be made available through secure online accounts or mobile apps. CTR in particular remains poorly understood and would benefit from clearer plain language explanations, interactive eligibility tools, and easy-to-navigate online application processes.

Beyond the basics, councils should be encouraged to expand digital communication in the following areas:

- Interactive benefit calculators, such as those developed by Inbest and Ascendant, enabling residents to check CTR entitlement and potential discounts in real time.
- AI chatbots and automated messaging, to guide residents through common queries, supported by real-person assistance where needed.

- Push notifications and personalised alerts for upcoming payments, changes to entitlement, or missed instalments.
- Dynamic explanations of council tax spending, using infographics and brief explainer videos to show where money is allocated across services.
- ‘Fantasy budget’ or interactive budget simulation tools, allowing residents to explore how spending choices affect local tax levels and service delivery, fostering better understanding of local priorities and constraints.

However, we acknowledge that the three principal council tax back office systems in use across England were not designed to support modern, sophisticated digital engagement. While some councils have made creative use of existing systems, others have struggled to integrate newer communication tools effectively due to system limitations.

In our view, the time is now right to consider the longer-term development of a modernised, modular back-office system for council tax and business rates, designed from the outset to support open government principles, seamless digital engagement, and proactive customer communication. Such a platform could enable councils to offer a more personalised and transparent service to residents, align council tax with other welfare entitlements, and build in the flexibility needed to respond to changing policy priorities.

The greater use of digital communication—particularly around CTR, discounts, disregards, and council spending—should be a clear policy ambition. To achieve this consistently across the sector, future system design must put digital access, plain language, and resident engagement at the forefront.

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

To ensure that enhanced digital communications are accessible to all residents, councils should adopt a multi-channel approach, with digital services complementing—not replacing—traditional methods. While digital platforms can greatly improve accessibility for many, councils have a duty to ensure that those who are digitally excluded, or who have additional needs, are not left behind.

In practical terms, councils should ensure that:

- All digital information follows recognised accessibility standards, including full compliance with the Public Sector Bodies (Websites and Mobile Applications) Accessibility Regulations 2018. This includes compatibility with screen readers, appropriate colour contrasts, and simple navigation.
- Plain language principles are applied to all written content, as demonstrated in the Visionary Network’s Plain Language CTR scheme, to reduce barriers for residents with lower literacy levels or cognitive impairments.
- All key information remains available in paper format upon request, with proactive reminders through bills and letters that alternative formats are available.
- In-person and telephone support remains in place, ensuring that vulnerable residents or those unable to engage online can receive personalised assistance.
- Assisted digital support services are expanded, including help with setting up online accounts, guided applications in community settings, and outreach sessions in partnership with voluntary sector organisations.
- Language accessibility is improved, including easy-read formats and the option for translated materials or translation services, reflecting the needs of local populations.

To complement these measures, councils should proactively use data they already hold—particularly through social care, housing, and welfare services—to identify households less likely to engage digitally and offer targeted support to access services in the most appropriate way for them.

Finally, where new systems or digital tools are introduced, councils should co-design these with residents, particularly with those in vulnerable groups, to ensure services are genuinely accessible and meet a wide range of user needs.

Accessible digital communications must be part of a broader inclusive service design, with councils maintaining multiple routes of access and ensuring that improvements in digital provision do not inadvertently create new barriers for those in greatest need.

*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?*

*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:*

- *after 7 days, as now*
- *after 14 days*
- *after 31 days*
- *after 62 days*
- *after 90 days*
- *other*

*Please explain your answer.*

We support reforming the timeframe before councils can request a full bill or seek a liability order, to make the process more proportionate, fair, and effective. The current timeframe—where escalation can begin after just seven days from a missed payment—does not allow sufficient opportunity for early engagement or for households to address temporary financial difficulties.

Best practice from some councils shows that early intervention, including prompt engagement, clear signposting to support, and realistic repayment offers, can improve collection outcomes while reducing hardship. However, these good practices are not applied consistently. We also note recent work by the Resolution Foundation and others highlighting how council tax arrears are concentrated among lower-income households, many of whom fall behind temporarily due to income shocks rather than deliberate non-payment.

We consider it reasonable to extend the minimum timeframe before a liability order can be sought to allow for a structured pre-enforcement period. For example:

- A minimum period of 28 days from the first missed payment before escalating to a full annual bill demand.

- A further 14 days minimum before a liability order application, during which councils must have demonstrably undertaken meaningful engagement and welfare checks.

Such an approach would encourage early resolution, reduce the number of cases progressing to enforcement, and give households time to access advice and support. Councils should also be required to make reasonable efforts to assess eligibility for Council Tax Reduction, discounts, and exemptions within this period.

This more structured timeline would remain compatible with councils' duty to collect council tax efficiently, as early resolution reduces long-term arrears and avoids escalation costs. It would also align council tax collection more closely with modern debt recovery standards seen in regulated sectors, where early engagement and proportionate escalation are the norm.

We would support extending the minimum timeframes, combined with statutory guidance on pre-enforcement engagement, to create a more balanced, supportive approach that benefits both residents and local authorities.

*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.*

See question 23

*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]*

Yes, there are several practical barriers that can make it challenging for councils to consistently take the early engagement and support steps envisaged in Question 24.

The most significant barriers include:

- **Resource pressures:** Many local authority revenues and benefits teams operate with reduced staffing levels following years of budget constraints. Early engagement, welfare checks, and proactive casework are resource-intensive, and councils may struggle to scale these activities without dedicated funding or staffing flexibility.
- **System limitations:** The main council tax administration systems were not designed to support dynamic case management or integrate welfare and debt advice referrals. Councils often rely on outdated IT systems that

cannot easily track interventions, automate prompts for welfare checks, or facilitate integrated support pathways.

- **Data sharing restrictions:** There are data protection and operational barriers to timely information sharing between council departments (for example, between revenues, social care, and housing teams) and with external advice providers. This can delay identification of vulnerability or entitlement to support.
- **Lack of consistent guidance:** While good practice exists, there is no formal requirement or standardised approach to early intervention. This leads to wide variation in practice across the sector, with some councils leading the way and others focused solely on payment enforcement.
- **Inflexibility in court processes:** The legal process for securing liability orders is standardised, but does not always allow space for councils to apply a more supportive approach without risking court backlogs or missed deadlines. Clarification of court expectations could be helpful in reducing this barrier.

We believe these challenges can be mitigated through clearer statutory guidance, investment in digital systems that facilitate early intervention (including integration with welfare systems), and appropriate funding to support effective collection and early resolution activity. Sharing of good practice, alongside the promotion of modern tools such as automated eligibility checks and self-service repayment arrangements, could also help councils overcome these barriers in a sustainable way.

Councils are generally willing to take a more supportive approach but face operational and systemic barriers that should be recognised and addressed as part of any reforms.

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

There are several additional steps councils could take to support individuals when they miss a council tax payment, with a focus on early engagement, proactive support, and prevention of escalation into enforcement. These steps, if properly resourced and integrated into council processes, can lead to better outcomes for both taxpayers and local authorities.

Proactive engagement measures could include:

- Personalised early contact: Using a combination of SMS, email, and outbound calls shortly after a missed payment to open a dialogue with the resident before formal reminders are issued.
- Tailored payment plans: Offering flexible repayment options based on individual circumstances, including weekly or fortnightly instalments, or temporarily reduced payments to allow residents to stabilise their finances.
- Automatic Council Tax Reduction checks: Prompting residents to review their entitlement to CTR, discounts, or exemptions, using online self-assessment tools or data-matching where feasible.
- Warm referrals to independent debt advice: Building formal referral pathways to local debt advice providers, with direct introductions rather than generic signposting.

Preventative and supportive practices could include:

- Temporary 'breathing space' arrangements, aligning with or complementing the statutory Breathing Space scheme, giving residents time to access advice without immediate enforcement pressure.
- Use of plain language communications, simplifying notices and reducing formal legal language to encourage engagement, building on good practice from the Visionary Network's Plain Language Council Tax Reduction scheme.
- Integration with wider support services, including discretionary housing payments, local welfare schemes, and adult social care support, ensuring households in crisis can access joined-up assistance.

Longer-term improvements could involve:

- Investing in modern digital tools, such as interactive online accounts, AI-assisted support chatbots, and in-built calculators like those offered by Inbest, to help residents understand their position and access support without stigma.
- Routine use of data insights, using internal council data to flag potentially vulnerable residents after a missed payment and trigger tailored outreach.
- Local financial education initiatives, particularly during annual billing, helping households understand council tax, payment options, and available support before issues arise.

Councils are well placed to prevent payment issues from escalating if equipped with the right tools, systems, and resources. A preventative, supportive approach focused on early engagement and access to help would protect residents from falling into enforcement while improving in-year collection rates.

*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?*

We agree in principle that the government should introduce a cap on the reasonable costs recoverable when a liability order is sought, in order to improve consistency and fairness in council tax enforcement practices.

The current wide variation in liability order costs—ranging from approximately £35 to £172—creates unjustifiable discrepancies between areas, despite councils broadly following the same administrative process. This inconsistency undermines fairness and can lead to disproportionate costs being imposed on households, particularly where the original arrears are modest.

We support the principle of introducing a good practice cap, similar to the approach adopted by the Welsh Government, which implemented a £70 cap following consultation and sector engagement. This provides a useful precedent and demonstrates that capping costs can deliver fairness without compromising collection rates.

However, it is important that any cap is set following proper engagement with councils and is evidence-based, reflecting the genuine administrative costs incurred. An inappropriately low cap could lead to unrecoverable costs, placing additional strain on council finances. An inappropriately high cap would fail to address the current disparities.

We would also encourage the government to consider:

- Whether a lower capped cost should apply where a taxpayer has engaged early or entered a payment arrangement prior to court proceedings.
- Whether there is justification for differentiated treatment of empty or second homes, particularly in areas applying council tax premiums, recognising the different policy intentions behind these charges.
- Take into account the regional differences in costs the local authority incurs, such as salary and property costs

We support the introduction of a cap to ensure fairness, provided it is properly evidenced, aligned with good practice, and designed to encourage early engagement without penalising councils for legitimate recovery costs.

*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*

See Question 27

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

We believe there is a case for differentiating between main residences and properties such as second homes and long-term empties, particularly where a council tax premium applies. The rationale for capping costs on main residences is to prevent disproportionate penalties on households who may already be in financial difficulty. Second homes and empty properties, by contrast, are subject to different policy objectives, including discouraging underuse of housing and encouraging properties back into occupation.

That said, we must acknowledge some important caveats. Councils are already permitted to recover “reasonable” costs, with these scrutinised and set by the Magistrates’ Court. If the Government introduces a cap, this suggests either (a) a belief that the costs being claimed are not always reasonable, in which case a cap is a blunt corrective, or (b) that any reasonable costs above the cap should be absorbed by councils and thus general taxpayers. Both outcomes create potential distortions in the principle that defaulters should meet the costs of recovery action.

There are also practical concerns about applying different cost levels depending on whether liability relates to an empty or second home. In practice:

- **Comparable costs:** Councils may not actually incur higher administrative costs per case in pursuing non-resident owners compared with resident taxpayers, even if non-payment is more prevalent.

- Definition issues: “Second home” is not a statutory category, but rather shorthand covering a mix of property types (furnished lets between tenancies, student housing between occupancies, estates of deceased taxpayers after exemptions end, etc.). Applying a higher cap across such a broad category could create unfairness.
- Liability changes: Liabilities often span resident and non-resident periods, and retrospective changes to status (e.g. reclassification of an empty property as occupied) would raise questions about whether costs should be adjusted after the fact.

Against this backdrop, we suggest a cautious approach:

- A standard cap, for example in line with the Welsh model (currently £70), applied to main residences, or a regional cap to reflect cost variations.
- A modestly higher cap for long-term empty properties and second homes, potentially £100–£120, but only if supported by clear evidence of additional administrative or enforcement costs.
- Flexibility for councils to recover full demonstrable costs in exceptional cases, where enforcement involves significantly higher administrative or legal effort due to non-engagement or evasive behaviour.

This approach balances protection for vulnerable households while recognising the policy rationale for discouraging long-term empties and under-used housing. However, we stress that differentiation must be applied carefully to avoid unintended consequences, definitional confusion, or undermining the existing principle that reasonable costs should be recoverable from defaulters.

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

We believe that while effective enforcement remains essential to uphold council tax collection, the current framework is not sufficiently proportionate, particularly in distinguishing between those experiencing financial difficulty and those deliberately evading payment.

The existing enforcement system is outdated, with little differentiation between those who fall into short-term arrears due to hardship and those who persistently avoid payment despite having the means to pay. This lack of distinction leads to inconsistent outcomes and risks applying enforcement pressure disproportionately on households in genuine difficulty.

There is significant scope to improve the system by embedding automated financial profiling and credit checks at the pre-enforcement stage. Tools provided by organisations such as Ascendant already allow councils to assess household financial resilience and prioritise cases based on ability to pay. Incorporating these tools would enable councils to distinguish more reliably between ‘can’t pay’ households, who would benefit from payment arrangements and debt advice referrals, and ‘won’t pay’ tax evaders, where firmer enforcement action is appropriate.

This more structured, intelligence-led enforcement strategy would allow councils to intervene earlier with supportive measures where needed, while targeting persistent non-payers and deliberate tax evaders more effectively. Councils should be supported in taking a firmer approach where there is clear evidence of wilful non-payment or attempts to frustrate recovery, protecting public finances from deliberate avoidance.

Additionally, we remain concerned that the continued use of committal proceedings—even if used infrequently—introduces disproportionality and places undue burden on vulnerable residents and the court system. A modern enforcement system should focus on achieving repayment through sustainable arrangements and responsible enforcement, reserving the most severe measures for genuine cases of evasion or culpable neglect.

We recommend a modernised enforcement model that combines early engagement, affordability checks, and use of financial intelligence tools to target enforcement more effectively protecting vulnerable residents while appropriately addressing tax evasion and persistent non-compliance.

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

See question 30

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

We believe there is scope to strengthen council tax collection through a combination of preventative measures, improved early intervention, and modernised enforcement tools, rather than relying solely on traditional enforcement pathways.

Alternative and additional measures we would recommend include:

- **Strengthened early engagement and pre-court checks:** Introducing a statutory requirement for councils to conduct affordability assessments, welfare checks, and signposting to debt advice before escalating to court proceedings. This would help resolve arrears earlier, reduce reliance on enforcement agents, and improve long-term repayment rates.
- **Formalised use of financial profiling tools:** Encouraging or requiring councils to make use of credit reference data and predictive analytics services—such as those provided by Ascendant and similar organisations—to distinguish between financial hardship and deliberate non-payment. This would allow councils to take a proportionate approach, targeting resource-intensive enforcement towards 'won't pay' tax evaders while offering tailored support to 'can't pay' households.
- **Improved integration with Universal Credit and DWP systems:** Facilitating better data-sharing between councils and central government systems to proactively identify residents eligible for Council Tax Reduction or other discounts, reducing arrears driven by unclaimed entitlements.
- **Use of targeted repayment plans prior to court action:** Establishing a formal pre-court repayment arrangement scheme, offering structured, affordable payment options to residents who engage early, with the option to pause enforcement action where repayment plans are maintained.
- **Debt prevention through clearer communication:** Greater use of digital engagement, plain language billing (building on the Visionary Network's Plain Language CTR scheme), and interactive tools (e.g., Inbest calculators) to ensure residents understand their liability, payment options, and available support before falling into arrears.
- **Incentives for early payment:** Some councils have successfully trialled small early payment discounts or reward schemes for on-time payment; these could be promoted more widely to encourage voluntary compliance.
- **Escalating civil penalties for tax evasion:** For deliberate non-payers, the system could include more effective use of civil penalties—short of criminal proceedings—such as charging higher fixed penalties for proven

A more balanced approach combining early intervention, data-driven risk assessment, targeted support, and proportionate enforcement would deliver better outcomes for councils and residents, while strengthening the integrity of council tax collection.

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

We recognise that councils must have effective methods to collect council tax in order to fund essential local services. However, in our view, the current methods available to councils are out of date, overly reliant on court-based enforcement routes, and insufficiently geared towards early intervention or preventative support.

The existing framework, set out in the Council Tax (Administration and Enforcement) Regulations 1992, remains largely unchanged from the early 1990s. It places too much emphasis on court escalation—particularly liability orders and enforcement agent referrals—without embedding structured early engagement or affordability checks. This risks inefficient collection processes, with disproportionate pressure placed on low-income households and inadequate tools to address deliberate non-payment.

Many councils are already working to modernise their approach, for example by offering flexible payment arrangements and promoting early contact. However, the absence of formal duties around welfare checks, payment reviews, or pre-court engagement leads to significant inconsistency in practice.

We believe councils would benefit from a more modernised enforcement framework with:

- Stronger emphasis on early engagement and payment arrangements before court action is pursued;
- Better access to financial profiling tools to assess ability to pay and target enforcement appropriately;
- Improved options to integrate support referrals, for example to debt advice or discretionary support schemes;
- Civil recovery alternatives to court action, particularly for smaller arrears, such as administrative orders or pre-action protocols similar to those used in the housing sector.

In short, the current methods are functional but outdated. Councils should be supported through legislative reform and digital modernisation to develop a more balanced collection approach—combining effective enforcement against deliberate non-payers with structured support for those in financial difficulty.

This would improve outcomes both for council finances and household financial stability.

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

See previous questions

*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).*

One issue not covered in this consultation is the Valuation List. Council tax has operated for over thirty years without a revaluation, and the existence of a single national Valuation List has become a key factor in undermining the credibility of the system. It is increasingly hard to justify that a Band D household in Burnley pays around £2,450 per year, while a Band D household in Kensington & Chelsea pays only about £1,570 — despite the latter's property values being many times higher. Likewise, a Band H household in Hartlepool pays roughly four times more than a Band H household in Westminster, even though Westminster properties can be worth one hundred times as much.

The original arguments against revaluation – complexity, administrative burden, and the scope for appeals – are far less compelling today. With the compulsory registration of property sales through the Land Registry, and the ready availability of transaction and estimated values on estate agency websites, the tools now exist to make revaluation both more accurate and more efficient.

Government should use the opportunity of local government reorganisation and devolution to address this issue. Moving from a single national list to regional lists, with property bands calibrated to reflect equal proportions of properties in each band, would help equalise tax bases across the country. Linking banding to more recent values would also reduce scope for appeals, since sale prices would provide a transparent benchmark.

The Burnley versus Kensington and Hartlepool versus Westminster comparisons are already widely cited in political debate and underline why reform is essential if council tax is to maintain legitimacy.

*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 recognise the importance of assessing the impact of any proposed changes on groups with protected characteristics, in line with the Public Sector Equality Duty.

Overall, we consider that many of the proposed changes—particularly those focused on improving early engagement, offering clearer information, and reducing reliance on enforcement—have the potential to reduce disproportionate impacts on vulnerable groups. In particular, groups with disabilities, long-term health conditions, or cognitive impairments could benefit from a system that offers clearer pathways to support, earlier signposting to Council Tax Reduction, and less reliance on enforcement agents or court escalation.

However, we would urge the government to pay close attention to the risk of digital exclusion, particularly among older residents, disabled people, and those with limited English proficiency. Where reforms involve a shift towards digital communications, online forms, or automated processes, it is essential that councils retain alternative, accessible routes for residents who may face barriers engaging digitally.

We would also highlight that certain protected groups—particularly disabled people and carers—are more likely to be financially vulnerable. Care should be taken to ensure that any changes to enforcement timelines or cost recovery do not inadvertently impact these groups through missed communications or rigid application of payment schedules without flexibility.

Many of the proposed reforms are likely to have positive impacts on protected groups if implemented with appropriate safeguards. This includes maintaining flexible contact methods, ensuring accessibility of information, and embedding welfare assessments prior to enforcement action. We recommend the government undertakes a thorough equality impact assessment before implementation, particularly where changes intersect with digital access or financial vulnerability.

## **Visionary Network**

Visionary Network is a not-for-profit consultancy specialising in local government finance, welfare reform, and local taxation. We work with councils, partners, and technology providers to design fairer systems, simplify administration, and strengthen resident support.

Our focus is on practical innovation — from plain-language CTR schemes and data-driven modelling tools to AI and automation that improve service delivery. We believe collaboration is key, and we bring together councils, suppliers, and welfare

organisations through initiatives like the Independent Revenues & Benefits Discussion Group, held every Monday. This forum is recognised as the voice of public and private sector collaboration, sharing knowledge and ideas to deliver the best services for residents.

As a trusted voice in policy and practice, Visionary Network contributes to government consultations, supports local authorities in managing change, and champions the role of smaller suppliers in the market. Our work is guided by one principle: helping public services work better for people, not profit.

## **Liberata**

Liberata is one of the UK's leading providers of outsourced local government services, with particular strength in running council revenues and benefits operations. The company delivers end-to-end revenues services for a wide range of local authorities, managing council tax and business rates collection, housing benefit and council tax support, and specialist activities such as business rates reviews, single person discount audits, and empty and second home investigations.

With more than five decades of experience and a national footprint, Liberata supports hundreds of public sector organisations and millions of households across the UK. Its scale and expertise allow councils to maintain strong collection performance while providing responsive support to residents.

At the heart of Liberata's approach is a commitment to serving the citizen: creating shorter, simpler, and more effective service journeys that improve outcomes for residents while reducing administrative burden for councils. By combining proven operational delivery with innovation in data, technology, and automation, Liberata helps councils safeguard vital income and sustain essential local services.

## **Local Authority Civil Enforcement Forum (LACEF)**

LACEF is the UK's leading practitioner-led network for council enforcement professionals. Founded in 1997, it now connects more than 800 members from nearly every local authority in England and Wales, with increasing representation from Scotland. Its membership spans frontline officers, managers, and senior leaders working in revenues, benefits, and wider debt recovery.

LACEF exists to share knowledge, experience, and solutions across local government. Run voluntarily by serving officers, it provides a trusted and collaborative space for members to exchange advice on the recovery of council tax, business rates, parking fines, and other local debts. Through its secure Knowledge Hub, practitioners can pose operational questions and often receive answers within hours—turning shared expertise into tangible savings for councils and residents alike.

Beyond its daily peer-to-peer support, LACEF plays a central role in sector development. Its annual conference is recognised as one of the most important gatherings for revenues and enforcement specialists, drawing together local authorities, policy makers, regulators, and suppliers to discuss challenges, explore innovations, and promote good practice.

By enabling collaboration at scale, LACEF helps councils strengthen their approaches to enforcement while keeping fairness, proportionality, and service to the public at the forefront. It has become an indispensable community of practice—supporting officers, shaping sector standards, and ultimately improving outcomes for local residents.

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