Government response on Council Tax modernisation

On April 15, MHCLG has published the government response to the consultation on modernising and improving the administration of Council Tax.

The government confirmed changes will be made to the administration of bills and vulnerable people will have more time and support to settle their outstanding council tax bills, under reforms to help make the system fairer.

Under the current system, missing one monthly payment can leave people facing financial ruin as they become liable to pay the entire outstanding sum in a single payment just two weeks later.

This will change from next year with households given 63 days, roughly two months, to settle their bill and a requirement for councils to work with them on a sustainable repayment plan.

Billing for council tax will also be shifted to 12-month payments by default, rather than the current 10 months, and capping the costs which councils can charge when seeking a liability order – how councils recover overdue bills – to £100. Households who continue to wish to pay over 10 months will be able to do so.

Proportionate action will continue to be taken against those who avoid paying council tax, but these reforms will make sure there is more help and support available for people in genuine hardship.

Read more information on the Government's website.