

A briefing for councillors and candidates

March 2026

Council tax debt is at record levels

4.4 million people are currently behind on their council tax bills. Council tax debt has reached £8.3bn, up 300% since 2014. Around half of Citizens Advice clients have a council tax debt problem, and National Debtline customers in council tax debt owe an average of £2,000.

Council tax is the biggest debt collected by private bailiff firms. Last year, councils in England and Wales passed 1.7m council tax cases to bailiffs, a record high.

Ahead of the 2026 local elections, councillors and candidates must commit to solving this problem.

Why is it a problem?

Council tax debt is a problem caused by poverty. Half of people in council tax debt are in poverty after housing costs; 79% come from the lowest half of earners. People on Universal Credit are five times more likely to be behind; disabled people, three times more likely. The most deprived local authorities have the lowest collection rates, and send the most cases to bailiffs.

This isn't cost neutral. Using National Audit Office data, we conservatively estimate the harm caused costs local government and the wider economy nearly £100m each year. The true figure is likely much higher. These are the costs of people's damaged financial and mental wellbeing, and the additional pressure that puts on support services:

- **Mental health**
Two thirds of people visited by a bailiff report harassment and threats. 95% of StepChange clients contacted by a bailiff reported a negative impact on their mental health. A quarter of people in council tax debt have skipped meals because they can't afford food.
- **Financial wellbeing**
Bailiff fees of up to £420 (plus interest) are added to existing debts. Half of people in council tax debt are behind on rent or mortgage payments; and many report taking on more borrowing to pay council tax debts.

Councils need every pound of revenue they can get. But the vast majority of people in debt are struggling. They need support, not enforcement. Further, bailiffs are ineffective, collecting just 21p for every £1 of debt referred to them.

What can I do?

Many councils have already acted. Hammersmith and Fulham's ethical debt collection policy has focussed on support while reducing bailiff use to zero. Brighton, Manchester and 32 others have stopped using bailiffs to collect from people receiving council tax support, with minimal impact on collection rates. Research by Policy in Practice confirms that fairer collection practices do not reduce income.

Bailiff use by local authorities varies, you can check how many referrals were made in your area here.

We're calling on you to sign our pledge and:

- **Support ending bailiff use for council tax debt** in your ward and nationally. Bailiffs are being used in place of fair, compassionate support. Local authorities have the power to stop this.
- **Advocate for a duty of care**, a fairer debt collection policy centred on the wellbeing of people in debt, replacing tick-box approaches with genuine empathy and support. More detail available here.
- **Raise this issue with my party and my council**, and stand in solidarity with people in debt to make this change happen.



SIGN THE PLEDGE HERE