

Council Tax

Working Together Provides Better Outcomes

Falkirk Council

Background

In 2016, Falkirk Council integrated Community Advice Services, comprising debt advice, welfare benefits and the Scottish Welfare Fund, into Revenues and Benefits. This created an opportunity to strengthen collaboration between advice and collection services and to develop a more prevention-focused approach to council tax arrears.

The approach aligns council tax collection with independent debt advice so that residents experiencing payment difficulties can receive support before their circumstances escalate. Its objectives are to increase timely access to advice and income maximisation, improve referral pathways and communication, support affordable repayment arrangements, reduce progression to enforcement and strengthen outcomes through partnership working. These objectives are underpinned by a commitment to fairness, prevention and dignity within local taxation.

Key activities

1. Earlier identification and referral

Revenues staff identify potential financial difficulty at points such as missed instalments, increasing arrears or broken payment arrangements. Rather than moving immediately towards recovery action, staff can explain the support available and make an early, consent-based referral to debt advice. Temporary arrangements or holding action may be considered while the resident receives appropriate support.

2. Integrated financial support

Residents referred for debt advice receive a wider assessment of their financial circumstances rather than support limited to council tax arrears. This can include income maximisation, benefit entitlement, budgeting, expenditure and other debts. Support may also involve Council Tax Reduction, Discretionary Housing Payments and hardship funds, where appropriate.

3. Shared information and communication

Shared read-only system access gives advisers a clearer view of council tax arrears and payment history. With the resident's consent, information can be passed between services, reducing the need for people to repeat potentially difficult circumstances. Regular contact between teams also supports timely updates, repayment proposals and decisions on holding action.

4. Supportive Customer Contact

Council tax bills, letters and other correspondence promote the availability of advice. Communications have been reviewed to use clearer, more accessible and supportive language, with advice service contact details included to make help easier to access. The intention is to encourage engagement while maintaining a consistent and non-judgemental approach.

5. Knowledge sharing and development

Managers across Revenues and Benefits meet regularly to exchange information, discuss developments and share effective practice. Debt management input at debt advice team meetings helps advisers remain informed about recovery processes and relevant changes. Experience transferred between services has also strengthened understanding of acceptable repayment proposals and the circumstances in which recovery action may be placed on hold.

Benefits and impact

Earlier and more appropriate support

Early referral allows financial difficulties to be explored before they become more serious. This is particularly important for residents experiencing complex circumstances that cannot be resolved through a single appointment. Where holding action is agreed, advisers have time to develop an understanding of the underlying issues, establish trust and identify suitable options. The approach can also help Falkirk Council recognise vulnerable households more quickly and connect them with appropriate support.

More sustainable repayment arrangements

Repayment proposals are informed by a fuller assessment of income, essential expenditure, benefit entitlement and other financial commitments. This helps avoid arrangements that may be affordable only in the short term and instead focuses attention on payments that residents have a realistic prospect of maintaining. The reported experience is that this preparatory work has contributed to fewer failed arrangements and more regular payments towards both current council tax liabilities and arrears.

Improved financial stability

Income maximisation and budgeting support can improve a resident's overall financial position as well as address the immediate council tax issue. Identifying gaps in benefit entitlement or opportunities to reduce avoidable expenditure can create greater stability and support more positive payment habits. Over time, this may help residents to reduce repeated financial difficulties and avoid relying on high-cost borrowing to meet essential commitments.

Reduced escalation and pressure

Resolving cases earlier can reduce the likelihood of progression to summary warrant or other enforcement action, along with the additional costs and pressure that may follow. A softer initial approach does not remove the requirement to collect council tax, but it creates space to determine whether payment difficulty can be addressed through advice and an affordable arrangement. This balances the need for effective collection with consideration of the resident's circumstances.

Better use of resources

Clear points of contact, improved information sharing and a stronger understanding of each service's processes allow decisions and updates to be handled more efficiently. Advisers can submit realistic proposals, while debt management colleagues can respond promptly to requests concerning repayment arrangements or holding action. This has helped Falkirk Council manage increasing demand for debt advice and enabled staff to support more residents. Earlier resolution may also reduce repeat contact and unnecessary recovery activity.

Greater trust and engagement

Residents have indicated that they feel they are being treated more fairly and are consequently more willing to engage. Consistent messages across services, accessible contact routes and a non-judgemental approach can help residents feel more comfortable seeking assistance or reporting a change in circumstances. Building this trust is important because sustainable arrangements depend on continued communication, particularly when an unforeseen expense or emergency affects someone's ability to pay.

Wider collaborative benefits

The experience gained through closer working on council tax debt has supported stronger connections with other parts of Falkirk Council. Advice services now also work closely with housing in relation to rent arrears, including adviser presence within housing teams. This broader collaboration reflects the value of using advice as a link between services that share an interest in preventing debt and supporting residents' financial wellbeing.

Learning and reflections

Prevention must be embedded

Prevention is most effective when advice is integrated into routine collection processes rather than treated as an additional or separate intervention. Clear trigger points, straightforward referrals and shared responsibility make it more likely that support will be offered consistently. This allows early intervention to become part of normal practice and reduces dependence on individual staff recognising an opportunity informally.

Trust depends on consistency

Residents are more likely to engage when they receive clear and supportive messages from every service involved. A helpful initial conversation can be undermined if later communications adopt a substantially different tone or do not recognise the support already under way. Falkirk Council's experience therefore highlights the importance of consistent language, coordinated action and accessible routes through which residents can explain changes affecting their payments.

Consent supports information flow

Proportionate, consent-based information sharing reduces unnecessary repetition and enables advisers to begin with a clearer understanding of the case. This can be especially valuable when residents are dealing with bereavement, poor health or other challenging circumstances. Shared information must remain purposeful, but when used appropriately it can reduce friction, support quicker decisions and provide a more joined-up experience.

Affordability can change

Creating a sustainable arrangement remains challenging when household budgets fluctuate, particularly during periods of increased living costs. An arrangement that is affordable when agreed may become difficult following an emergency or change in income. Residents therefore need to know how to re-engage quickly, while services need sufficient flexibility to reconsider arrangements where circumstances have genuinely changed. Ongoing monitoring and communication are as important as the initial assessment.

Leadership sustains the approach

Continued leadership support, staff commitment and joint performance monitoring are necessary to maintain the model. Regular management discussions provide a mechanism for sharing developments, addressing barriers and adapting services to changing customer needs. Sustaining the approach also requires ongoing knowledge exchange so that prevention, fairness and effective collection remain shared responsibilities across teams.

Falkirk Council's approach shows how council tax collection and debt advice can operate collaboratively while retaining their distinct responsibilities. By embedding early intervention, improving communication and focusing on realistic solutions, Falkirk has developed a positive model that supports residents' financial wellbeing while contributing to effective and sustainable council tax collection.

Contact for enquiries

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