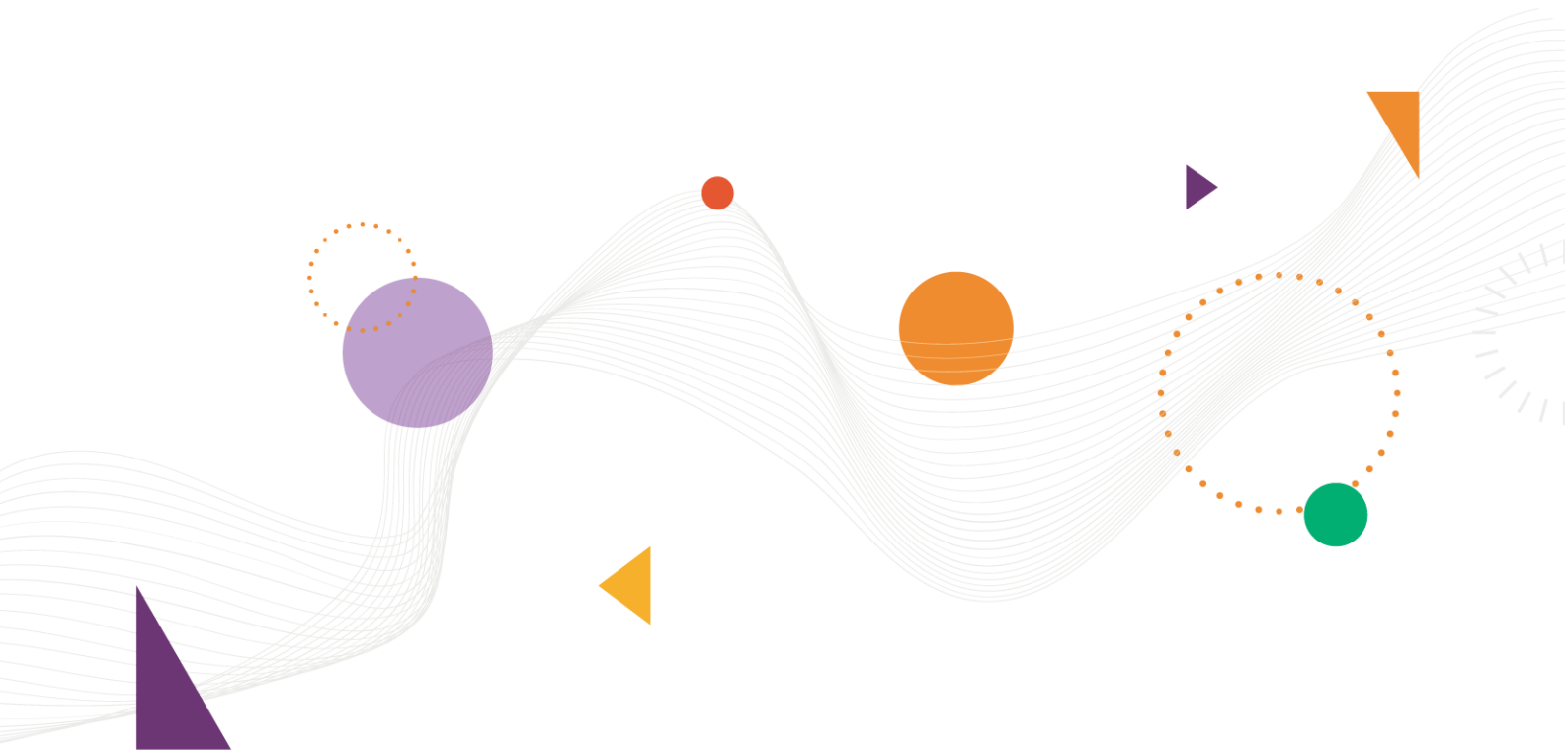


StepChange submission for Independent Sentencing Review 2024 to 2025: Call for Evidence

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Summary

StepChange Debt Charity is a specialist not-for-profit provider of debt advice and debt solutions supporting people across the UK. In 2024, over 660,000 people contacted StepChange seeking debt advice or guidance with their problem debt and over 170,000 people completed full debt advice through our online and telephone service.

We warmly welcome the opportunity to feed into this call for evidence as part of the Independent Sentencing Review 2024 to 2025. Our response is primarily framed around the urgent case for removing the sanction of imprisonment for non-payment of council tax in England, to alleviate pressures on the sentencing system and improve outcomes for those living with problem debt.

Regulation 47 of the Local Government Finance Act 1992 allows local councils to apply to the Magistrates' Court for a warrant committing someone with council tax debt to prison for up to 90 days, if they find that a person's non-payment was due to "wilful refusal or culpable neglect"; though there have been notable miscarriages of justice in this area, where the High Court has declared that the Magistrates' decision to commit certain people to prison was unlawful.¹ The period of imprisonment does not result in a criminal record, and does not clear the debt.

This sanction has a disproportionate, concerning impact on certain groups, notably women and single parents, and evidence shows that the threat of this action is sometimes deployed irresponsibly and inappropriately through harmful debt collection practices.² Rather than sustainably helping an individual to repay, this punitive approach instead drives concerning coping mechanisms and worrying health outcomes – with implications for wider public services – while placing an unwarranted administrative and financial burden on an already stretched sentencing system.

The power to imprison people for council tax arrears has resulted in a small number of people entering the prison population simply because they are in debt. Figures indicate that around 80 people may have been jailed for this over the five years up to December 2022 across England and Wales, before the latter nation removed this provision, and a further 2,100 given deferred jail terms.³

Data from the HM Prison & Probation Service shows that the average annual cost per prison place was £51,724 in 2022-23.⁴ Meanwhile, the average amount of council tax arrears faced by StepChange clients behind on this bill was £1,726 in 2023. It is therefore evident that the sanction of imprisonment

¹ Criminal Law and Justice Weekly, Vol. 181 (4 February 2017), [Imprisonment for Debt: Rona Epstein considers committals for council tax](#)

² StepChange Debt Charity (2024), [Looking through the keyhole: StepChange debt advice clients' experiences of the council tax debt collection journey](#)

³ The New Statesman (2023), [Hundreds faced jail over unpaid council tax since 2010](#)

⁴ Ministry of Justice (2024), [Costs per place and costs per prisoner by individual prison HM Prison & Probation Service Annual Report and Accounts 2022-23 Management Information Addendum](#)

for non-payment of council tax places an illogical burden on the public purse, while this action does nothing to address the root causes of people's debt problems or reduce the amount they owe.

It is our view that those who fall behind on council tax bills should not subsequently be at risk of becoming part of the prison population, and that the Government should repeal Regulation 47 of the Local Government Finance Act 1992 to end imprisonment for council tax debt in England – the only country in the UK, and likely in Europe, where this move remains an option.⁵ The continued existence of this sanction in England is therefore an anomaly in the 21st century.

In Wales, the option to send people to prison for non-payment of council tax was removed from April 2019, with the “outdated and disproportionate” nature of the sanction recognised by the Welsh Government in consultation documents.⁶ Statistical analysis undertaken for the Welsh Government by Policy in Practice, together with findings from previous research, suggests that the removal of the sanction of imprisonment for non-payment has not affected council tax collection rates in Wales.⁷

Not only is revoking this sanction a relatively uncomplicated move, but it directly correlates with two of this Sentencing Review's three core principles:

- **Firstly, to “make sure prison sentences punish serious offenders and protect the public, and there is always the space in prison for the most dangerous offenders.”** Those who fall behind on their council tax bills have not committed a crime, they do not present a danger to the public, nor can the sentence be lawfully issued as “punishment”.⁸ The continued existence of this sanction acts in direct contradiction to this ambition, and removing it would send a strong signal around commitment to reform.
- **Secondly, to “look at what more can be done to encourage offenders to turn their backs on a life of crime, and keep the public safe by reducing reoffending.”** As one StepChange client put it, poverty is not a crime, and imprisonment should not be an answer for debt. Those who fall behind on council tax should be offered constructive support on the road to escaping problem debt, rather than have their liberty threatened.

What's more, there is research which suggests that some of the negative ‘downstream’ effects of punitive debt collection practices can ultimately increase public costs; whereas evidence shows that good debt collection practice both benefits individuals and boosts collection rates.⁹ Therefore, not only is this sanction disproportionate and harsh, but evidence also indicates it is not an effective use of taxpayers' money.

⁵ House of Commons Library (2020), [Debts to public bodies: are Government debt collection practices outdated?](#)

⁶ Welsh Government (2023), [Understanding the impact of Council Tax Interventions in Wales: The Removal of the Sanction of Imprisonment for Non-Payment of Council Tax](#)

⁷ As above.

⁸ Criminal Law and Justice Weekly, Vol. 181 (4 February 2017), [Imprisonment for Debt: Rona Epstein considers committals for council tax](#)

⁹ House of Commons Library (2020), [Debts to public bodies: are Government debt collection practices outdated?](#) and National Audit Office (2018), [Tackling Problem Debt](#)

Responses to questions

Question: How might we reform structures and processes to better meet the purposes of sentencing whilst ensuring a sustainable system?

We believe that this Sentencing Review serves as an eminently sensible opportunity to remove a sanction which does not reflect the purposes of the current sentencing system or belong in modern society. We will be using the question outlined above to broadly guide our response.

As noted in the call for evidence, there are five statutory purposes of sentencing:

1. the punishment of offenders;
2. the reduction of crime (including its reduction by deterrence);
3. the reform and rehabilitation of offenders;
4. the protection of the public; and
5. the making of reparation by offender to persons affected by their offence.

We would strongly argue that this framework has little application when it comes to non-payment of council tax bills – which is so often a marker of wider problem debt. StepChange research shows that those struggling with council tax arrears are likely to also be having difficulty meeting other essential costs, including energy and housing, and those with council tax arrears had an average of five unsecured debts in 2023.¹⁰

Many in this position are forced to make bleak choices between feeding their family or falling behind on other household bills, between guaranteeing a roof over their heads or missing another priority payment. One client told us that having to choose between which essentials to cover meant they “had to go without food” and “had been walking around in broken shoes for over four months.”

We understand that this Review will explore what punishment and rehabilitation should look like in the 21st century. It is our view that the option to imprison people for – to put it simply – being in debt, is an action that harks back to a bygone era. We firmly believe that prison sentences should not be a potential repercussion for council tax arrears.

We would therefore urge the Government to use the opportunities granted by this Sentencing Review to end the sanction of imprisonment for non-payment of council tax once and for all, by revoking Regulation 47 of the Local Government Finance Act 1992.

¹⁰ StepChange Debt Charity (2024), [Looking through the keyhole: StepChange debt advice clients' experiences of the council tax debt collection journey](#)

Background on the council tax arrears crisis

Council tax costs and arrears have both grown significantly in recent years, coinciding with the coronavirus pandemic and the subsequent cost of living crisis.

Figures published in June 2024 showed that outstanding council tax arrears in England reached £6 billion as of 31 March 2024. This represents a 9% year-on-year rise and a notable 67% increase since before the pandemic – as the total outstanding arrears stood at £3.6 billion in 2019-2020.¹¹

Meanwhile, the average amount of council tax arrears per StepChange client has risen by over 50% from £1,146 in 2019 to £1,726 in 2023.¹²

This all indicates an escalating affordability crisis, which requires urgent, empathetic intervention. Yet StepChange's new report, [Looking through the keyhole](#), reveals how unaffordable council tax bills, inadequate support, harmful collection tactics and disproportionately punitive consequences for those who fall behind on this payment all contribute to concerning outcomes.¹³

The disproportionate impact of council tax arrears on disadvantaged groups

Among more than 120,000 new StepChange debt advice clients who were responsible for paying council tax in 2023, a third (33%) were in council tax arrears. Those in this position were disproportionately likely to be women, single parents, and to have an additional vulnerability beyond their financial situation, compared to national averages and StepChange's overall client base.

To put this into context, among those with council tax arrears in 2023:

- **71% were women**, compared to 63% of clients overall.
- **64% had an additional vulnerability beyond their financial situation**, compared to 55% of clients overall. These include mental, physical and neurological health vulnerabilities, as well as difficult life events including domestic violence or a recent bereavement.
- **37% were single parents**, compared to 27% of clients overall. Data from the Office for National Statistics indicates that single parent households make up 11% of UK households overall – so they are significantly overrepresented among StepChange clients, and even more so among those with council tax arrears.¹⁴

Those who struggle to keep up with council tax bills are often amongst the most vulnerable and disadvantaged in society, yet our evidence shows that certain elements of the current council tax debt collection system are at best outdated and at worst dangerous for those behind on this bill.

¹¹ Department for Levelling Up, Housing and Communities (2024), [Accredited official statistics: Collection rates for Council Tax and non-domestic rates in England, 2023 to 2024](#) and Ministry of Housing, Communities & Local Government (2020), [Collection rates and receipts of council tax and nondomestic rates in England 2019-20 \(updated\)](#)

¹² StepChange Debt Charity (2024), [Looking through the keyhole: StepChange debt advice clients' experiences of the council tax debt collection journey](#)

¹³ As above.

¹⁴ Office for National Statistics (2023), [Families and households in the UK: 2023](#)

Research by the Social Market Foundation found that council tax enforcement has a disproportionate impact on women, including those who “may need to flee their home, and enter a refuge, to escape from domestic abuse,” as women are more likely to have bills in their own names and “even moving to a refuge does not remove the legal obligation to pay council tax on the home left behind.”¹⁵

We understand that the Sentencing Review will involve considerations around whether the sentencing framework should be amended to take into account the specific needs or vulnerabilities of specific cohorts, such as young adult offenders, older offenders, and women. We would urge the Government to be cognisant of the demographic makeup of those facing council tax arrears, and the wider structural issues and vulnerabilities they face, as it moves forwards with this Review.

StepChange clients’ experiences of the threat of imprisonment

In Summer 2024, we surveyed our debt advice clients to understand their experiences of council tax debt collection and enforcement. The survey was sent to a random sample of 10,956 clients who first received debt advice between 1 May 2023 and 30 April 2024 and had council tax arrears. 420 clients responded to the survey and provided an answer to at least one survey question.¹⁶

A quarter (27%) of clients we surveyed who experienced enforcement action said that enforcement agents threatened them with imprisonment for non-payment of arrears before visiting their home, while one in five (21%) said this happened during a visit. Those who experienced this described a range of distressing emotions and negative outcomes.

Several single mothers specifically described immense stress and pressure stemming directly from this threat as the only adult in their household, fearing what would happen to their children should this become their reality.

For some, this meant agreeing to repayment plans that they simply couldn’t afford – and would cause harm elsewhere – as the threat of imprisonment posed too great a risk to their family.

- One client, a single parent in her 20s, said the threat of imprisonment made her feel **“incredibly stressed and anxious,”** and **“so pressured to have to find money each month to pay them or my daughter would suffer and lose her mum, I would lose her.”**
- Another client in her 50s said: **“I’m a single parent. Although my daughter is an adult, she has ADHD and autism. It scared the hell out of me. I had nobody to turn to. I would have spoken to my mum about it but she’d passed away, so I literally had nowhere to turn.”**
- A client, a single parent in her 30s, said: **“I was so scared about what would happen to me, what would happen to my child if I was imprisoned and what would happen to my job if and when I was imprisoned.”**

¹⁵ The Social Market Foundation (2019), [Unfair, ineffective and unjustifiable: the case for ending imprisonment for Council Tax arrears in England](#)

¹⁶ StepChange Debt Charity (2024), [Looking through the keyhole: StepChange debt advice clients’ experiences of the council tax debt collection journey](#)

The dangers of this potential outcome feel all too real for these clients. Yet our research suggests that the threat of imprisonment is in some cases being used inappropriately, to encourage those in debt to agree to excessive, often unaffordable debt repayments – even where they demonstrably have minimal ability to repay, and the sanction of imprisonment couldn't realistically apply in their circumstances. As one client who had enforcement agents visit her home put it:

- “[The enforcement agent’s] attitude was more passive aggressive I guess. **Mentioning that I could face prison if I couldn’t find all the money within a few days.** They wanted half then and there, which was nearly £500. I tried explaining that I simply didn’t have it. **I remember opening my door wide and showing him the state of my carpets and the broken blinds at the windows.** I said, “Do you think I’d be living in this if I had money tucked away?” It didn’t make much difference though.”

Another StepChange client, a single parent in her 40s, told us how the threat of imprisonment for non-payment of council tax arrears was a “terrifying experience,” and “as an autistic adult it can cause sensory overload.” She described how “its after-effects are extremely debilitating and can last for months.” She went on to say:

- **“When in these situations I felt that I [was] barely surviving not ‘living’. You know that you cannot afford to pay but you agree as you don’t want them to take what little your children have...** I already feel immense guilt and shame that I cannot provide my kids with holidays and the things their peers have due to not being able to find suitable, sustainable work for my health conditions.”

It is abundantly clear that aggressive collection tactics seep into the fabric of people’s lives, affecting not only those in debt but those around them. StepChange clients with council tax arrears are disproportionately likely to be single parents and women; many are both. The experiences described by clients in this position paint a troubling picture, and articulate the significant harms generated by the threat of imprisonment.

Modelling by the National Audit Office, based on a survey of debt advice clients, has previously indicated that intimidating debt collection actions and additional charges were 15%–29% more likely to make debts harder to manage and increase levels of anxiety or depression.¹⁷

With the knowledge that two thirds (64%) of StepChange clients with council tax arrears have an additional vulnerability beyond their financial situation and approaching half (45%) have a negative budget – meaning after going through a full debt advice and budgeting session, their monthly income is not enough to cover their basic monthly costs – it is doubtful that this threat could ever be deployed effectively or responsibly among this group.

¹⁷ National Audit Office (2018), [Tackling Problem Debt](#)

A “postcode lottery” of potential imprisonment

There is also an issue concerning the potential variance in local practice when faced with the option to commit those with council tax arrears to prison. Of the 279 councils that responded to the Institute of Money Advisers and PayPlan’s research questions for their 2017 report “I Can’t Believe We Still Do That”, 99 started proceedings to imprison people for debt, and only 17 of them succeeded in imprisoning any of their residents.¹⁸ 62 people were imprisoned, but there was no information on how many days they served, because that was not recorded by every council.

This variation is reinforced by research from the New Statesman, which shows notable discrepancy in how different regions handle the sanction of imprisonment. The West Midlands was the region with the most enforcement action between January 2017 and December 2022, with 21 defendants jailed and 807 given deferred jail terms, whereas the North East had the least action, with fifty-five defendants given suspended committal orders and nobody jailed.¹⁹

Since the existing council tax regulations enable a significant element of localisation, including around the choice to pursue the sanction of imprisonment, there is the risk of substantial inconsistency in how this is deployed across England. It is deeply inequitable and unjust that individuals with the exact same circumstances may or may not face imprisonment for council tax arrears based on the luck of location alone.

A concerning lack of legal protections

Those committed to prison for council tax arrears (a civil debt, not an offence) are disadvantaged in several ways compared to those who have committed criminal offences, who are afforded enhanced protections. The lawyer Rona Epstein has pointed out a number of troubling discrepancies, including the below:²⁰

- There is no appeal against a decision to commit a person with council tax arrears to prison. The only form of challenge available is to apply to the High Court for judicial review. This procedure is not widely known, and Epstein puts forward that most people sent to prison “have no idea that they can challenge the Magistrates’ decision by judicial review.”
- A person committed to prison for council tax arrears serves every day of the term imposed on them unless the debt is paid, whereas the usual practice in criminal cases is for people to receive a reduction in the time they serve for “good behaviour”.
- The “public interest” factors which must be considered before a criminal case is brought before the court (alleged offenders are less likely to be prosecuted if elderly or suffering from significant mental or physical ill health) do not apply in imprisonment for debt.
- There is no requirement for the court to obtain a pre-sentence report and consequently, family problems and caring responsibilities for people threatened with imprisonment for debt are rarely investigated or brought to the attention of the court.

¹⁸ Institute of Money Advisers and PayPlan (2017), [“I Can’t Believe We Still Do That”: the case for ending imprisonment for council tax debt in England and Wales](#)

¹⁹ The New Statesman (2023), [Hundreds faced jail over unpaid council tax since 2010](#)

²⁰ Criminal Law and Justice Weekly, Vol. 181 (4 February 2017), [Imprisonment for Debt: Rona Epstein considers committals for council tax](#)

- In sentencing for criminal cases, the court must explain to the offender in open court and in ordinary language why it is imposing a custodial sentence. No such requirement applies when people with civil council tax debts are committed to prison.

We have already highlighted that the five statutory purposes of sentencing have little application when it comes to the sanction of imprisonment for non-payment of council tax. That the protections afforded to those who find themselves in this position are weaker than those convicted of criminal offences is testament to the outdated nature of this sanction.

Miscarriages of justice

Imprisonment for council tax debt is a coercive measure, designed to pressure the person behind on their bills into paying. StepChange evidence highlights how the threat of this outcome looms large over our clients, even where their circumstances mean they couldn't feasibly face the sanction of imprisonment under its sentencing parameters of "wilful refusal" or "culpable neglect".

The fear faced by some of our clients is unfortunately not entirely unfounded: there have been high-profile miscarriages of justice relating to imprisonment for council tax debt in recent years.

Case study: Amanda Aldous²¹

In January 2011, Dartford Magistrates committed Amanda Aldous – a mother of five who had experienced domestic violence – to prison for 90 days for failure to pay council tax arrears amounting to approximately £7,000 and accrued between 2003-2009. She served 74 days of her sentence, having been given no advice on applying for bail or challenging the decision to commit her to prison. In March 2011 a High Court application led to the granting of bail, before the case was heard in the High Court in July 2011, where the decision by the Magistrates to commit her to prison was declared unlawful on five grounds and was quashed.

Aldous' youngest child was aged 15 at the time and had been diagnosed with autism and other associated conditions. Rona Epstein, whose intervention led to Aldous's bail and release from prison, said: "[Aldous] had not been in custody before, and this was the first time she had been separated from her autistic son. The effects on her son were serious and long-lasting; the entire family found the experience traumatic".

In early 2017, a High Court review of a case from South Wales found failings in the way the case was dealt with in the Magistrates' Court. In this case, it was clear that the problem was that the person in prison simply could not afford to pay. The High Court found that Melanie Woolcock, who had served 40 days of the ordered 81 days in prison in July 2016, had been unlawfully imprisoned.²² Melanie's

²¹ Criminal Law and Justice Weekly, Vol. 181 (4 February 2017), [Imprisonment for Debt: Rona Epstein considers committals for council tax](#); and Coventry Law Journal (December 2012), [Mothers in prison: the sentencing of mothers and the rights of the child](#)

²² Institute of Money Advisers, PayPlan and StepChange Debt Charity (2018), [Written evidence](#)

case contributed to the Welsh government's decision to abolish the power to imprison people for non-payment of council tax.²³

In January 2018 the High Court in Cardiff found that between 9.5% and 18% of jailings for debt in a 16-month period could be unlawful.²⁴ The Institute of Money Advisers and PayPlan have also reported other cases where it appears people who could not afford to pay have been sent to prison.²⁵

The Social Market Foundation highlighted a further case, where a woman in her 40s from Kent was committed to a closed women's prison for 90 days for a council tax debt of £2,684.28. She said: "They kept moving me from cell to cell, from one house block to another. I was scared every night in case I got stabbed." "I'm still suffering to this day ... It makes you always look over your shoulder."²⁶

The harms faced by women in or exposed to prison

A report published by the Public Health Department of the University of Oxford on the health of 500 women prisoners reported that women in custody are "five times more likely to have a mental health concern than women in the general population".²⁷ Research has also shown that the children of imprisoned parents can face "complex health, social and welfare disadvantages".²⁸

Many women in prison have been victims of serious offences themselves. Over half (57%) the women in prison report having suffered domestic violence, while 53% of women reporting having experienced emotional, physical or sexual abuse as a child, according to research by the Prison Reform Trust.²⁹

In a particularly harrowing case, one StepChange client told us that her ex-partner had been imprisoned after trying to kill her and her children, and they were moved to be put into hiding. Despite making this known to the enforcement agents who were instructed for her council tax arrears, she said they "did not care and just wanted the full amount paid". This Review intends to consider whether current sentencing for crimes committed against women and girls fits the severity of the act. That this client could herself be exposed to threats of imprisonment for non-payment of her council tax arrears is hard to comprehend.

Once again, we would urge the Government to reflect on how the sentencing framework could and should be amended to take into account the specific needs or vulnerabilities of specific cohorts, including women who have experienced domestic abuse.

²³ Criminal Law and Justice Weekly, Vol. 181 (4 February 2017), [Imprisonment for Debt: Rona Epstein considers committals for council tax](#) and The Social Market Foundation (2019), [Unfair, ineffective and unjustifiable: the case for ending imprisonment for Council Tax arrears in England](#)

²⁴ BBC News (2018), ['Up to 18% of council tax jailings could be unlawful'](#)

²⁵ Institute of Money Advisers and PayPlan (2017), ["I Can't Believe We Still Do That": the case for ending imprisonment for council tax debt in England and Wales](#)

²⁶ The Social Market Foundation (2019), [Unfair, ineffective and unjustifiable: the case for ending imprisonment for Council Tax arrears in England](#)

²⁷ Coventry Law Journal (December 2012), [Mothers in prison: the sentencing of mothers and the rights of the child](#)

²⁸ As above.

²⁹ Prison Reform Trust (2017), ["There's a reason we're in trouble" Domestic abuse as a driver to women's offending](#)

Concluding remarks

The evidence presented throughout this response has demonstrated how the sanction of imprisonment for non-payment of council tax is unduly harsh and disproportionately impacts vulnerable groups.

The threat of imprisonment alone is enough to cause long lasting consequences. Describing the impact that this threat had on her and her family, a single mother in her 50s said: “It made me very anxious and scared that this could be done. I was worried for my children and they both suffered from anxiety and got upset when anybody came to the door.”


What’s more, given the cost of prison places, pressure on the sentencing system, evidence that Magistrates’ Courts have incorrectly imprisoned people who are unable to afford to pay their council tax, and the harms generated by fear of this outcome, it is hard to convincingly argue that the sanction of imprisonment has a role in today’s society.

The Government should use the opportunities presented by this Sentencing Review to revoke Regulation 47 of the Local Government Finance Act 1992 to end imprisonment for council tax debt in England, the last outlier in the UK and likely Europe persisting with this tactic.

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