# Martin Lewis secures government consultation to reform aggressive council tax debt collection



In a deeply emotional update shared on social media, Martin Lewis, founder of MoneySavingExpert, expressed both relief and concern over significant developments in the realm of council tax debt collection. Speaking shortly after his appearance on "Good Morning Britain," Lewis stated, “I’m a bit teary, if I’m honest, in a good way, though, because I just had a win that I wasn’t expecting.” This moment of jubilation stems from the government's willingness to investigate what he describes as “the most vicious and aggressive and damaging form of debt collection” in the UK.

Lewis has been vocal about the catastrophic consequences of aggressive council tax debt collection practices, a campaign he has been pursuing in conjunction with the Money and Mental Health Policy Institute since the previous November. He highlighted a disturbing trend where missing just one monthly payment can trigger demands for a full year's payment within a mere few weeks. If a household fails to meet such an immediate demand, councils can swiftly escalate matters to court, resulting in liability orders that typically add an additional £150 to the original debt. Lewis lamented, “If you miss a monthly payment, within three weeks they will ask you for a year's payment... It's absolutely catastrophic and devastating for people's finances.”

His words resonate with broader concerns reflected in research conducted by the Money and Mental Health Policy Institute, which revealed alarming statistics: an estimated two million individuals living with mental health issues are particularly vulnerable to the rapid escalation of council tax debt collection. Lewis's assertions resonate with those made by various organisations such as Shelter England and StepChange, which have called for reforms to ensure fair treatment for those struggling financially. The absence of a regulated approach to debt collection often leaves vulnerable individuals at the mercy of aggressive tactics employed by local authorities.

Critics, including Lewis himself, equate these practices to those of 'loan sharks.' In his recent comments, he asserted that local authorities are exercising powers akin to predatory lenders, a sentiment echoed in reports that suggest some residents can find themselves owing more than ten times their initial debt within three weeks of missing a payment. Such alarming scenarios only underscore the urgent need for reform.

Rather than passively observing these developments, Lewis is keen to instigate change. He candidly shared the profound impact that encounters with affected individuals have had on him, saying, “I cannot tell you how many desperate people I have met whose lives have been absolutely ruined by this form of debt collection.” His commitment to advocacy has culminated in a recent consultation agreement with government officials, including Pat McFadden, Chancellor of the Duchy of Lancaster. During their discussion, they acknowledged the necessity of reassessing the policies surrounding council tax debt collection to halt the practice of demanding large sums following a single missed payment.

While this consultation marks a promising step forward, it remains a preliminary move rather than a comprehensive solution. Lewis expressed cautious optimism, noting, “It’s only a consultation, but I’m hoping that this is the start of changing things.” The prevailing silence around these issues, he argued, contributes to the stigma and distress experienced by millions, an aspect he is keen to alter through increased public awareness and government action.

As that dialogue begins, Lewis urges individuals facing council tax debt to understand their rights and the regulations governing bailiffs. The risks associated with allowing bailiffs into one's home are significant, including potential seizure of belongings to settle debts. Information campaigns are crucial in equipping those affected with the knowledge they need to navigate these difficult circumstances.

In summary, Martin Lewis's recent advocacy highlights the urgent and often devastating impacts of aggressive council tax debt collection practices while opening avenues for reform. His emotional investment in the issue underscores a call for change that many hope will alleviate the long-standing pressures faced by vulnerable households across the UK.

### Reference Map

1. Paragraph 1: [[1]](https://www.theargus.co.uk/news/national/uk-today/25162900.martin-lewis-gives-teary-update-huge-council-tax-change/?ref=rss)
2. Paragraph 2: [[1]](https://www.theargus.co.uk/news/national/uk-today/25162900.martin-lewis-gives-teary-update-huge-council-tax-change/?ref=rss), [[2]](https://www.moneysavingexpert.com/news/2024/09/martin-lewis-council-tax-debt-collection-warning/)
3. Paragraph 3: [[3]](https://www.theguardian.com/money/article/2024/sep/09/martin-lewis-authorities-handle-unpaid-council-tax-like-worst-loan-sharks), [[7]](https://www.moneyandmentalhealth.org/press-release/council-tax-collection-practices-are-so-aggressive-theyd-make-the-banks-blush-up-to-2m-people-with-mental-health-problems-are-at-risk-of-hideous-harms-warns-marti/)
4. Paragraph 4: [[4]](https://england.shelter.org.uk/professional_resources/news_and_updates/council_tax_debt_collection), [[6]](https://www.localgovernmentlawyer.co.uk/litigation-and-enforcement/400-litigation-news/58487-martin-lewis-accuses-councils-of-acting-like-worst-kind-of-loan-sharks-with-council-tax-collection)
5. Paragraph 5: [[5]](https://www.standard.co.uk/news/politics/council-tax-missed-payment-martin-lewis-b1181017.html), [[6]](https://www.localgovernmentlawyer.co.uk/litigation-and-enforcement/400-litigation-news/58487-martin-lewis-accuses-councils-of-acting-like-worst-kind-of-loan-sharks-with-council-tax-collection)
6. Paragraph 6: [[1]](https://www.theargus.co.uk/news/national/uk-today/25162900.martin-lewis-gives-teary-update-huge-council-tax-change/?ref=rss), [[7]](https://www.moneyandmentalhealth.org/press-release/council-tax-collection-practices-are-so-aggressive-theyd-make-the-banks-blush-up-to-2m-people-with-mental-health-problems-are-at-risk-of-hideous-harms-warns-marti/)
7. Paragraph 7: [[1]](https://www.theargus.co.uk/news/national/uk-today/25162900.martin-lewis-gives-teary-update-huge-council-tax-change/?ref=rss), [[4]](https://england.shelter.org.uk/professional_resources/news_and_updates/council_tax_debt_collection)

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## Bibliography

1. <https://www.theargus.co.uk/news/national/uk-today/25162900.martin-lewis-gives-teary-update-huge-council-tax-change/?ref=rss> - Please view link - unable to able to access data
2. <https://www.moneysavingexpert.com/news/2024/09/martin-lewis-council-tax-debt-collection-warning/> - In September 2024, Martin Lewis, founder of MoneySavingExpert, highlighted aggressive council tax debt collection practices. Research from the Money and Mental Health Policy Institute revealed that missing just one payment could lead to demands for the full annual bill within weeks. Lewis criticized councils for their rapid escalation to court actions and bailiffs, urging for regulatory changes to protect vulnerable individuals from such practices.
3. <https://www.theguardian.com/money/article/2024/sep/09/martin-lewis-authorities-handle-unpaid-council-tax-like-worst-loan-sharks> - Martin Lewis accused local authorities of acting like 'the worst loan sharks' in their pursuit of unpaid council tax. He criticized councils for rapidly escalating debt collection efforts, including court threats and bailiff actions, which disproportionately affect individuals with mental health issues. Lewis called for government intervention to protect low-income households from such aggressive practices.
4. <https://england.shelter.org.uk/professional_resources/news_and_updates/council_tax_debt_collection> - Shelter England discussed the need for reform in council tax debt collection. Reports from StepChange and the Money and Mental Health Policy Institute advocated for a regulated approach to ensure fair treatment for vulnerable individuals. Recommendations included implementing a pre-action protocol, examining court processes for liability orders, and reforming bailiff practices to protect those in debt.
5. <https://www.standard.co.uk/news/politics/council-tax-missed-payment-martin-lewis-b1181017.html> - Martin Lewis accused town halls of acting like 'loan sharks' over missed council tax payments. Research indicated that some residents owed more than ten times their original debt just three weeks after missing a payment. Lewis urged for an end to aggressive council tax collection practices, emphasizing the need for change to protect vulnerable individuals.
6. <https://www.localgovernmentlawyer.co.uk/litigation-and-enforcement/400-litigation-news/58487-martin-lewis-accuses-councils-of-acting-like-worst-kind-of-loan-sharks-with-council-tax-collection> - Martin Lewis accused councils of acting like the 'worst kind of loan sharks' in their council tax collection practices. He criticized the rapid escalation to court actions and bailiffs, which can lead to significant additional costs for individuals. Lewis called for a review of these practices to ensure fair treatment for those in debt.
7. <https://www.moneyandmentalhealth.org/press-release/council-tax-collection-practices-are-so-aggressive-theyd-make-the-banks-blush-up-to-2m-people-with-mental-health-problems-are-at-risk-of-hideous-harms-warns-marti/> - The Money and Mental Health Policy Institute, chaired by Martin Lewis, released research highlighting aggressive council tax collection practices. The study found that up to 2 million people with mental health problems are at risk due to rapid escalation of debt collection efforts, including court actions and bailiffs, following a single missed payment.