



Glasgow City Council

City Administration Committee

Report by Executive Director of Financial Services

Contact: Robert Emmott Ext: 73837

Item 2

15th January 2026

FUTURE OF COUNCIL TAX IN SCOTLAND: CONSULTATION RESPONSE

Purpose of Report:

To seek approval of a proposed response by the Council to the Scottish Government consultation on the Future of Council Tax in Scotland.

Recommendations:

It is recommended that the Committee:

- (a) agrees to submit the response in the Annex as its contribution to the Consultation; and
- (b) determines whether to add further to the response to reflect any wider views on Council Tax reform.

Ward No(s):

Citywide: ✓

Local member(s) advised: Yes ☐ No ☐ consulted: Yes ☐ No ☐

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1. Introduction

- 1.1 In October 2025 the Scottish Government issued a [consultation](#) seeking views on how Scotland's Council Tax system could be made fairer and more up to date. The consultation explores illustrative models such as revaluing properties, adjusting tax bands and introducing protections to help households manage any changes to their bills. Supporting evidence for the consultation is set in a [report](#) by the Institute for Fiscal Studies.
- 1.2 Council Tax has remained fundamentally unchanged since its introduction in 1993 and is still based on property values in April 1991. However, it has been the subject of ongoing analysis and debate including [The Commission on Local Tax Reform](#) in 2015 (which concluded that the system needed to change and recommended a broadening of the tax base).
- 1.3 Council Tax is a key component of funding for Local Authorities and in Glasgow raises £377m contributing 18% of the Council's funding. It is therefore recommended that the Council engages with this consultation and submits a response by the deadline of 30 January 2026.

2. Proposed Response

- 2.1 The proposed response from the Council is set out in the Annex of this Report has been prepared from an Officer perspective. However, it is recognised that taxation is a political matter and the Committee may have other views on Council Tax and broader taxation that should be submitted as part of the response.
- 2.2 The key messages within the draft response are that:
 - a reform of Council Tax is overdue and needed to address the regressive nature of the system and the outdated valuations;
 - revaluations should be every 6 years;
 - a national banding system should be adopted and a 14-band structure is preferred as the least regressive;
 - transitional relief should be provided to allow taxpayers to adjust to any changes; and
 - the Council Tax reduction scheme should be amended alongside the reform.
- 2.3 However, it should be noted that the consultation asks about a specific set of proposals and whilst it is submitted that a property tax should continue to form a substantive part of local government funding this should be in the context of the wider basket of taxes.
- 2.4 Members of the Committee may wish to add to the response to the Consultation to reflect any wider reform they believe the Scottish Government should progress.

3 Policy and Resource Implications

Resource Implications:

Financial: There are no direct resource implications for the Council arising from this Report.

Legal:

Personnel:

Procurement:

Council Strategic Plan: Specify which Grand Challenge (s) and Mission (s) the proposal supports. Where appropriate the relevant Commitment can also be listed.

A reform of Council Tax would contribute to Grand Challenge 4 Mission 3: Make the case for more local revenue-raising powers, including new environmental levies, and support a progressive replacement for the current system of Council Tax.

A more progressive and fairer tax system would also help contribution to Grand Challenge 1

Equality and Socio-Economic Impacts:

Does the proposal support the Council's Equality Outcomes 2021-25? Please specify.

N/A

What are the potential equality impacts as a result of this report?

(no significant impact, positive impact or negative impact)

Please highlight if the policy/proposal will help address socio-economic disadvantage.

A less regressive Council Tax would contribute positively to addressing socio-economic disadvantage.

Climate Impacts:

Does the proposal support any Climate

N/A

Plan actions? Please specify:

What are the potential climate impacts as a result of this proposal? N/A

Will the proposal contribute to Glasgow's net zero carbon target? N/A

Privacy and Data Protection Impacts:

Are there any potential data protection impacts as a result of this report No

If Yes, please confirm that a Data Protection Impact Assessment (DPIA) has been carried out

4 Recommendations

4.1 It is recommended that the Committee:

- (a) agrees to submit the response in the Annex as its contribution to the Consultation; and
- (b) determines whether to add further to the response to reflect any wider views on Council Tax reform.

Consultation: The Future of Council Tax in Scotland

Respondent Information Form

Please Note this form **must** be completed and returned with your response.

To find out how we handle your personal data, please see our privacy policy - [Privacy - gov.scot](#)

Are you responding as an individual or an organisation?

- ☐ Individual
- ☒ Organisation

Full name or organisation's name

Glasgow City Council

Phone number

Address

City Chambers
Glasgow

Postcode

G2 1DU

Email Address

The Scottish Government would like your permission to publish your consultation response. Please indicate your publishing preference:

- ☒ Publish response with name
- ☐ Publish response only (without name)
- ☐ Do not publish response

Information for organisations:

The option 'Publish response only (without name)' is available for individual respondents only. If this option is selected, the organisation name will still be published.

If you choose the option 'Do not publish response', your organisation name may still be listed as having responded to the consultation in, for example, the analysis report.

We will share your response internally with other Scottish Government policy teams who may be addressing the issues you discuss. They may wish to contact you again in the future, but we require your permission to do so. Are you content for Scottish Government to contact you again in relation to this consultation exercise?

☒ Yes

☐ No

About You Questions

1. About you Question 1

[For individual respondents] Please tell us which local authority area(s) you live in

Local Authority Area(s):

[For organisational respondents] Please tell us which local authority area(s) your organisation operates in

Local Authority Area(s): **Glasgow City Council**

2. About you Question 2

If you pay council tax, please indicate which council tax band(s) apply to the property (or properties) for which you pay council tax:

☐ Band A

☐ Band B

☐ Band C

☐ Band D

☐ Band E

☐ Band F

☐ Band G

☐ Band H

☐ I don't pay council tax

☐ I don't know

Questions for Consultation

1. Do you think the current council tax system in Scotland needs to be reformed?

- ☒ Yes
☐ No
☐ Don't know

It has been recognised for many years that the Council Tax system in Scotland is regressive and based on out-of-date property valuations.

Property taxation should continue to form part of the general system of taxation in Scotland but should be based on current property values and bands should be adjusted to reduce the regressive nature of the tax.

2. Do you think property values used to calculate council tax should be updated to reflect current market values, instead of using 1991 values (i.e. should there be a revaluation of every Property in Scotland)?

- ☒ Yes
☐ No
☐ Don't know

The current approach, based on 1991 property values, is both unfair and difficult to understand, especially in the valuation of houses built since 1991.

There should be a direct correlation between the current market valuation and the Council Tax band.

The advent of electronic records, including those held by Assessors and NRS, as well as technology advances will assist in this process, however, this is still a significant undertaking with new valuations requiring to be robust and transparent.

3. How often do you think property values should be reviewed and updated for council tax purposes?

- ☐ Every 3 years
☐ Every 5 years
☐ Every 7 years
☐ Every 10 years
☒ Other, please specify [50 words maximum]
☐ Don't Know

Property values should be updated every 6 years. This is an appropriate period to recognise material changes in property values and a cycle that avoids overlapping with the periodic Non-Domestic Rates revaluations.

An indicative timeline would be:

2027: Recruit, train and begin surveying operations

2028: Continue surveying and sales analysis, begin banding operations
 2029: Complete surveying and banding operations
 2030: REVALUATION
 2030: Receive and acknowledge council tax proposals (circa 25,000)
 2031: Decide 30% of revaluation proposals
 2032: Decide 40% of proposals and the 2031 proposal decision appeals
 2033: Decide 30% of proposals and the 2032 proposal decision appeals
 2034: Complete 2033 proposal decision appeals and begin Revaluation
 2036: Sales analysis and survey work
 2035: Complete Revaluation
 2036 survey and banding work
 2036: REVALUATION

The revaluation exercise must be appropriately resourced so that it delivers high quality valuations (that will stand scrutiny) in the necessary timescale.

4. Following a revaluation, do you think council tax band property value thresholds should be set at a national level or vary by council area?

- ☒ Thresholds should be set nationally to be the same across all council areas
☐ Thresholds should vary by council area based on local housing markets
☐ Don't know

***Thresholds should be set nationally to be the same across all council areas
 And Council Tax Bands should be set at a national level. This will ensure both fairness and transparency.***

Similar valued houses across Scotland should fall into the same Council Tax Band and pay a broadly equivalent Council Tax with variations in Council Tax between Council areas relating to local decisions.

It would also be difficult for taxpayers to understand why a house in one council area across the street was in a different Band – and consequently paying a different tax.

A localised approach would also be administratively complex to manage and maintain.

5. Which of the following is most important to you in the design of council tax bands?

- ☐ Ensuring tax rises between bands are gradual and predictable (differentiation)
☒ Ensuring households in higher-value homes contribute more (progressivity)
☐ Don't know
☐ Other, please specify [50 words maximum]

A reform of Council Tax must address its regressive nature. The multiplier changes introduced in 2017 went some way to addressing this, but in principle higher tax should be paid on higher value properties.

6. Which of the potential council tax systems do you most support?

- ☐ Revaluation with 8 existing bands

- ☐ Revalued 12-band (differentiated) system
- ☐ Revalued 12-band (progressive) system
- ☒ Revalued 14-band system
- ☐ The current council tax system
- ☐ Don't know

This addresses the out-of-date property valuations and does the most to reduce the regressive nature of Council Tax

7. Which of the potential council tax systems do you least support?

- ☐ Revaluation with 8 existing bands
- ☐ Revalued 12-band (differentiated) system
- ☐ Revalued 12-band (progressive) system
- ☐ Revalued 14-band system
- ☒ The current council tax system
- ☐ Don't know

This option does nothing to address an outdated and regressive taxation system.

8. Do you support the establishment of a transitional relief scheme to limit how much a household's council tax bill can increase each year following reform?

- ☒ Yes
- ☐ No
- ☐ Don't know

A transitional scheme is necessary to allow taxpayers time to adjust to any increase in their Council Tax Liability, particularly because this will be the first revaluation adjustment to Council Tax since it was introduced.

9. Which transitional relief scheme would you prefer?

- ☐ Scheme 1: Cap increases at 10% or £300 per year
- ☒ Scheme 2: Cap increases at 25% or £600 per year
- ☐ Other, please specify [50 words maximum]
- ☐ Don't know

Increases should be implemented over a maximum of a four-year period.

The cost of transitional relief should be funded from the Council Tax base (rather than by a matching tapering of reductions where Council Tax liability is falling).

10. Do you support the establishment of a council tax deferral scheme for homeowners?

- ☒ Yes

- ☐ No
- ☐ Don't know

Whilst the transitional relief scheme and adjustments to the Council Tax Reduction scheme should address most concerns Councils should have the discretion to allow deferral as a means of managing Council Tax Liabilities.

11. In your view, who should be eligible to receive support from a council tax deferral scheme?

[Select as many as you think should apply]

- ☐ Pensioners (over state pension age)
- ☐ Disabled people
- ☐ Households with children
- ☒ Households experiencing financial hardship
- ☐ Other, please specify [50 words maximum]
- ☐ Don't know

Deferral should be a last option available where transitional relief and Council Tax Reduction does not address financial hardship.

12. Should households who defer payment pay interest on the amount deferred?

- ☒ Yes
- ☐ No
- ☐ Don't know

The interest should cover the costs of administering any scheme. An interest free arrangement would come at a cost to Councils and remove any incentive for early payment.

13. Do you think the Council Tax Reduction scheme should be expanded to support more households following any reform?

- ☒ Yes
- ☐ No
- ☐ Don't know

14. Which changes to the Council Tax Reduction scheme would you support? [Select as many as you think should apply]

- ☐ Broaden eligibility criteria for CTRS to include low-income households where the property moves into a higher band due to council tax system changes
- ☒ Change CTR so support is withdrawn more gradually as rising incomes move individuals out of eligibility
- ☐ No changes needed
- ☐ Other, please specify [50 words maximum]
- ☐ Don't know

Households impacted by changes in bands would also receive support from the proposed transitional scheme so band changes should not of themselves be an eligibility criterion.

The more gradual removal of support would support individuals moving into employment.

15. Do you have any information you wish to share that has not already been discussed in the paper on the impact of council tax reform on any of the following:

- Groups who share protected characteristics
- Island Communities
- Businesses or organisations in the public, private or third sector
- Your local area

Please provide details, making reference to the type of impact to which your comments relate. [free text, 300 words maximum]

Changes to Council Tax bands would have implications for water and sewerage costs. Depending on the approach taken by Scottish Water this could increase the impact of reform on some households.

16. Please provide any other comments or views on the consultation themes or council tax reform that you have not been able to share above. [free text, 300 words maximum]

The reform of Council Tax is long overdue, and its objective should be to provide a fair, less regressive and more transparent tax base for Scotland.

This consultation addresses issues around valuation and the progressive nature of Council Tax. Further engagement around discounts and exemptions would be welcomed, especially in relation to mobile student populations.

Reform should not impact on the resources available to any individual Council and the block grant should be adjusted to reflect changes in Council Tax receipts in each Local Authority Area.