



Landlord Legal Services

Handling Tenant Rent Arrears

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Welcome to the Kirwans guide to 'Handling Tenant Rent Arrears'.

Managing rental property can be an exciting and profitable investment, however disputes can arise with a tenant in the recovery of rent. This can often cause distress and frustration as well as having potentially damaging financial implications.

It is important that the situation is handled with care for the benefit of both the landlord(s) and tenant(s). These situations can often be rectified without the need for court intervention. However, where a dispute escalates it is important to seek legal expertise to provide you with peace of mind that the issues are carefully considered with an effective application of law.



The following guide has been compiled by our Landlord and Dispute Resolution legal experts to provide you with their top tips to help you ensure that you are operating good practice should your tenant fall into rent arrears.

With Kirwans, you have access to a team of leading litigators who can guide you through the legal process in helping to achieve the best possible outcome.

Our Client Commitment

- Access to Landlord and Dispute Resolution legal specialists
- Day to day confidential support and advice
- Concise and honest advice tailored to your needs
- Regular updates ensuring you are fully informed
- Transparent pricing with no hidden costs
- Prompt and thorough response to enquiries

Important Information - Disclaimer

This publication contains general information only. Nothing in this publication constitutes legal advice. You should consult a suitably qualified lawyer on any specific legal problem or matter

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Handling Tenant Rent Arrears: Top Tips



It's good to talk

Don't be afraid to contact the tenant as soon as practicable after non-payment of rent. It is best to adopt an open and co-operative approach from the outset to try to understand the reasons for the payment not being made. For example you may discover that the tenant has fallen ill or lost their job.

Are the tenants entitled to claim any benefits that could assist them? Have the tenants sought advice on their entitlement and made a claim? These are the type of questions and steps that if dealt with early, may reduce losses and stress for both parties.

Whilst you should make contact with the tenants, this should not be interpreted as a licence to contact the tenants several times a week to demand payment of rent. Such conduct may be classed as harassment, so make sure you strike the right balance.



For the record

It's important to keep a record of all contact made with the tenant. This includes visits to the property, telephone calls, emails or texts.

If you are writing to tenants, you should keep a copy of each letter sent.

Remember to address letters to each tenant separately, as the tenants are usually jointly and severally liable for all of the rent. Sometimes one tenant may be trying to conceal the position from the other.



Be reasonable

Always ensure that you provide your tenants with reasonable notice before visiting the property.

Your tenants are entitled to quiet enjoyment of the property even when rent is not being paid. Check the terms of your 'Tenancy Agreement' which should provide guidance on this point. You could be in breach of the agreement if you turn up unannounced.



Understand the financial position of your tenant(s)

As a landlord you are entitled to request details of your tenant's income and expenditure. There are standard forms widely available to assist tenant(s) in submitting this information to you. For example, [Income and Expenditure Form](#).

Allow time for the tenant to gather and provide this information. You can set clear response deadlines; this is often approximately 14 days.

Tenants will often be reluctant to provide this information but it can be a worthwhile attempt in helping you to understand whether non-payment of rent is a longer term problem for the tenant.



Offer solutions

If possible, try to reach an agreement whereby the tenant will pay the ongoing rent, plus an additional amount to cover the missed payments. For example, the tenant may be able to pay an additional £50.00 over the next 10 months to account for a missed payment.



Be transparent

Keep track of payments by putting together a rent statement in an easy to read format. This should include an up-to-date running total of the arrears, taking into account any payments made and missed. This should be provided to the tenants at least once every quarter.

If after having taken the reasonable steps outlined above there is no sign of payment being made, you should consider serving a notice to the tenant, explaining that you require possession of the property pursuant to the Housing Act 1988. The most common forms of notice are under **Section 8** and **Section 21**. The individual circumstances will dictate which type of notice will be best to serve. It is important to seek specialist legal advice to ensure that you are serving the appropriate notice and that the notice is drafted and served correctly.

For all your legal needs contact our team today

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