

## RENT ARREARS

First things first, always try to manage your tenancy with a clear and open mind as there are many reasons why a tenant may fall into arrears. Good communication is key to managing any possible rent arrears. Tenant's financial circumstances can alter i.e. employment situation or personal problems to housing benefit issues and with more changes afoot to the benefits system, plus the introduction of Universal Tax Credit this situation will only become worse. In most cases, a landlord or agent should be telephoning, texting or visiting the tenant within two or three days of the rent due date if the rent has not been received.

Often a gentle reminder is all that is needed, or it could be something very simple like a bank transfer payment being submitted late.

It may be that the landlord or agent has a good working relationship with the tenant and is able to resolve any arrears issues by helping them through their current financial difficulties and encouraging them to agree a payment plan. What is important is to follow up conversations, messages and letters, as this will provide dates and time of communication, if required at a later date.

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If your tenant is supported by a guarantor, do ensure you copy them into any correspondence, including the rent statements, and keep them apprised of your tenant's situation.

Continued failure to bring the rent up to date will leave a landlord with little option but to consider suing the tenant and/or guarantor if applicable.

Before embarking on this action, though, do consider whether the tenant actually has the financial ability to pay the money if sued. The old adage of "not getting blood out of a stone" might apply. If that is the case, there may be no point in a landlord paying out court fees when there is no prospect of recovering any money.

Be very careful not to pressurise tenants into agreeing to leave, as this could be viewed as harassment or an illegal eviction.

Landlords should also remember that they cannot end a tenancy because of rent arrears without a court order. Only a court can end a tenancy agreement on the basis of non-payment, and even then, the landlord can only regain possession of the property when there have been two months of arrears.

With rent arrears, prevention is key: thorough referencing of prospective tenants is essential and should not be skimped. Ask to see pay slips and bank statements, get a reference from the employer and, importantly, from any existing or previous landlord.

Thorough checking will not, of course, prevent the possibility of a tenant's circumstances changing, but it is every landlord's best chance of avoiding problems later.