

Current Process;

DEBTORS' PROCESS FOR RENTAL PROPERTIES

1. Invoice sent advising amount of rental and due date for payment – approx. 10th of month in month of Quarter Day (due date);
2. Send statement to each tenant at end of every month

30 DAYS AFTER DUE DATE (DUE DATES MAINLY QUARTER DAY)

3. If full/part payment not received within 30 days of due date, Reminder Letter 1 to be sent signed by the Financial Administrator

21 DAYS LATER i.e. 51 DAYS AFTER DUE DATE

4. If no payment or contact made within the following 21 days, Reminder Letter 2 letter to be sent signed by the Assistant to the Town Clerk.

14 DAYS LATER i.e. 65 DAYS AFTER DUE DATE

5. If no payment or contact made within the following 14 days, Final Notice Reminder Letter to be sent advising that if full payment not received within 7 days legal action will be instigated to recover due debt, plus costs. This letter to be signed by the Town Clerk.

However, Members need to be aware that legal action for the recovery of rent and legal costs cannot be instigated;

- during a period for which an invoice has been issued (i.e. if an invoice has been issued for the June – September quarter, then you cannot take action until the end of that quarter for non-payment of rent), and then only if;
- the following quarter's invoice (September – December) has **not** been issued, nor has any chasing letter been sent in respect of the outstanding quarter's rent;
- if any Councillor or member of staff has discussed the situation with the tenant (or a member of their staff) once a Notice has been issued.

Members therefore need to be aware that there will always be a time lag between rent being due and the opportunity to take legal action for the recovery of rent arrears and costs, if the process above is adopted.