Rent arrears procedure

SOP TEMPLATE

Check this template against your local regulations and your own policies before you use it.

SOP no.		Version		Effective date	
Owner		Approver		Review date	

Purpose

To recover late rent quickly and fairly, within the tenancy law.

Scope

Every managed tenancy with rent overdue.

Responsibilities

Role	Responsibility
Property manager	Follows up arrears and keeps the landlord informed.
Landlord	Decides on formal action.

Procedure

1. **Check arrears every day**

   Run the arrears report every morning.

2. **Contact the tenant early**

   Call or message on the first day late, and ask when they can pay.

3. **Agree a payment plan**

   If they are in hardship, agree a written plan with dates and amounts.

4. **Issue formal notices**

   If rent stays unpaid, issue the notice your tenancy law sets, with the correct dates.

   > **Caution:** Notices with wrong dates or wording may be invalid. Use the official form and periods.

5. **Keep the landlord informed**

   Tell the landlord of the arrears, the plan and any notice, and get instructions.

6. **Record every step**

   Record every call, message, plan and notice in the tenancy file.

Records

- The arrears report and contact notes.
- Payment plans and notices.

Related documents

- Property management procedures manual

Revision history

Version	Date	What changed	Approved by