
Arrears Recovery Procedure

Demands

Are sent by post or email and are accompanied by a copy of the budget a summary of rights and obligations and cover letter and a copy of the budget.

30 days are then allowed for each leaseholder/property owner to receive their invoice and make the necessary arrangements for payment.

First Reminder Notice – Warwick Letter 1

When the period elapses above, all non –payers are issued with the first reminder notice by post or by email. This letter is accompanied by a statement of account and ask for the leaseholder/property owner to submit payment. The letter states that should payment not be received within 14 days; a late payment fee will be applied to their account.

Final Reminder Notice – Warwick Letter 2

Should the recipients of the First Reminder Notices not make payment or contact us within the 14 days allowed within the Warwick Letter 1, first reminder notice, the late payment fee will be applied to the accounts and then the second reminder notices will be issued by post or by email.

The late payment fee applied depends on the level of arrears and different rates of fees are charged for lower arrears to ensure that we are acting in a reasonable manner.

This notice allows a further 14 days for payment. The Warwick Letter 2 states that should payment not be made after the issuance of this letter; the account will be passed to an external debt collection agent and a referral fee will be charged. This fee covers our administrative time which is spent liaising with the debt collection company throughout this process and is inclusive of our costs should any case progress to Court.

This notice allows a further 14 days for payment to be made by the leaseholder/property owner. On the 15th day, the non-payers are referred to an external debt collection agent and they will then commence collection of these monies. At this time, Debt referral fees will be applied to the account.

Debt Collection Agent

Our preferred external debt collection company used is Property Debt Collection Ltd (PDC) however, we also have relationships with Brady Solicitors, JB Leitch and SLC. All firms will use various methods to try and contact the owner and should they not receive a response, contact will be made with the mortgage lender (this applies to both Leasehold and Freehold properties). In some instances, a mortgage lender will settle the balance in full prior to any legal action.

All collected funds are passed to Warwick Estates for allocation to the appropriate client bank account.