

Rent Guarantee Can You Afford Not to Have It?

From 1st May 2026, the Renters' Rights Act abolished Section 21 notices and increased the mandatory threshold for eviction from 2 to 3 months' rent arrears. The notice period landlords need to give to tenants has also increased from 2 weeks to 4 weeks.

What this means in practice, is that a tenant would be in 4 months' rent arrears before any action to gain possession under the mandatory rent arrears ground can begin.

Landlords need to consider their exposure and risk strategy as the legislation has now become a reality. As evictions become more complex and costly, the risk of prolonged rental arrears and legal expenses rises.

How much is Rent Guarantee worth?

If you don't have Rent Guarantee you will need to cover the legal costs if a tenant stops paying rent and refuses to leave.

Below, we outline the average costs of each element of the legal action process. With a Rent Guarantee service in place via your insurance policy, these expenses would be covered subject to terms. The average cost of this is less expensive than serving a notice.

The other benefit of our Rent Guarantee service is that you don't have to worry about serving notices, handling complex legal documentation, or hitting strict deadlines or court requirements.



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Serving notice

Activity	Charges
Section 8 Notice (Rent Arrears)	£300.00
Section 8 Notice (other grounds)	£384.00
Guarantor Letter of Claim	£240.00



Legal Proceedings

If you have served the required notice on your tenants and they have failed to vacate the property, or settle the outstanding balance, then you may need to issue possession proceedings against them. The type of proceedings you issue, depends on the notice you are relying on and whether you wish to obtain a money judgment with your possession order.

Activity	Charges
Possession proceedings – Accelerated	£1,100.00
Possession proceedings (Section 21 & Rent arrears)	£1,628.00
Possession proceedings (Section 8 & Rent Arrears only)	£1,228.00
These prices include attendance at a first hearing, which in some cases is enough to obtain a possession order. If further hearings are required, or the proceedings become defended or more complex, there would be additional fees to pay.	



Enforcement

If your tenants have failed to vacate the property in accordance with a possession order, you may need to arrange for them to be evicted.

Activity	Charges
Country Court Bailiff	£328.00
Transfer to High Court	£279.00*
Postponement of Eviction	£396.00

All above pricing based on Legal for Lettings website May 2026 (<https://www.legalforlettings.co.uk/>)

AVERAGE COURT DELAYS ACROSS THE UK



Many letting agents and landlords across the private rental sector have concerns that the Renters’ Rights Act will worsen court delays. However, the government remained clear that the legislation is being implemented without pause for court reforms.

As well as courts backlogs, and the wait to get to a hearing, a national bailiff shortage is also impacting the scheduling of evictions.

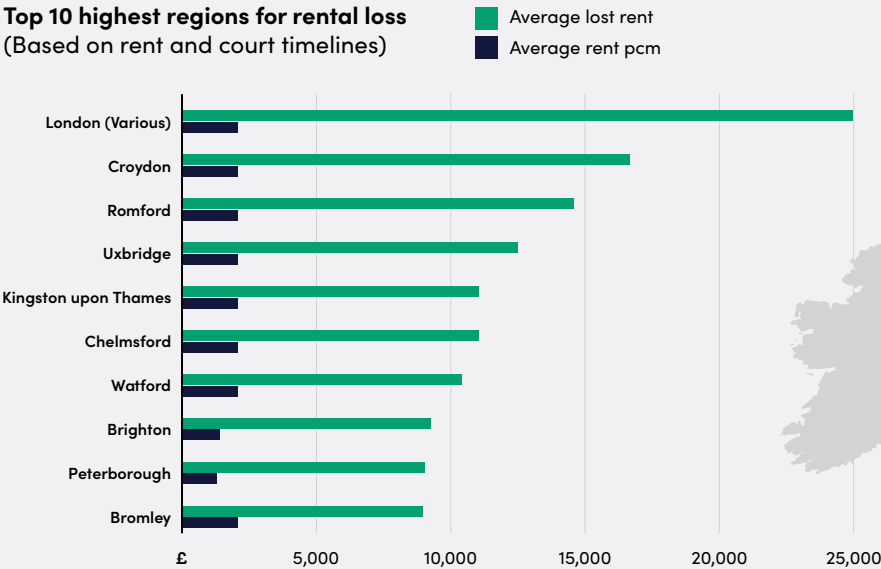
This bottleneck isn’t just a paperwork issue; it’s a direct result of a shortage of county court bailiffs, with just 300 available across England and Wales. Meanwhile, the abolition of Section 21 “no-fault” evictions is expected to add even more pressure to an already overburdened system.

Source: <https://www.nrla.org.uk/news/2024-tested-landlords-limits-will-2025-offer-a-smoother-path>

The combined process delays can drive up the costs to landlords as arrears continue to grow. HomeLet and Let Alliance’s latest Quarterly CourtWatch statistics demonstrate the real impacts at a regional level:

Average Lost Rent £ per possession case

Top 10 highest regions for rental loss
(Based on rent and court timelines)



AVERAGE LOSS
PER CLAIM

£8,684

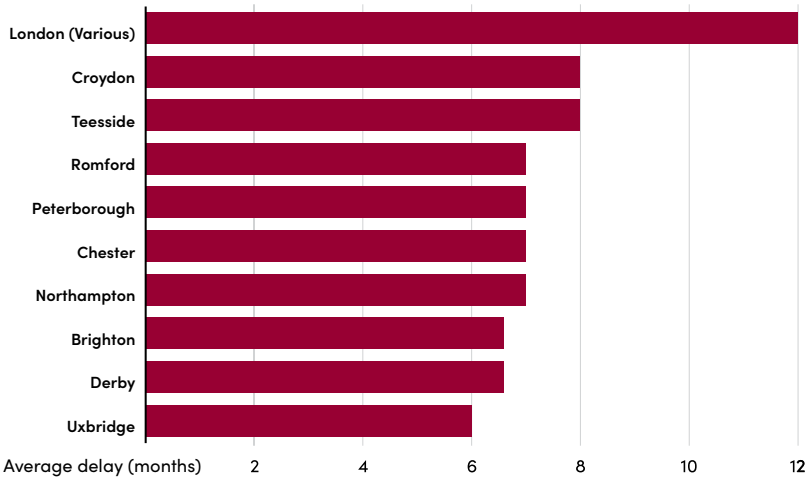
Highest
£27,436

Middle
(median)
£7,725

Lowest
£4,312

Longest court delays (top 10 courts)

In the last quarter, **23 courts** are showing an increase in average delay. Notably, **Peterborough** has seen an additional 3 month increase in their average delays, bringing their current court wait time to an average of 7 months. **Derby, Medway, Norwich** and **Chelmsford** are all also showing a quarterly average increase of an additional month or more.



The ten worst-hit areas for rental loss are mostly in London and the South East. In these courts, landlords can see losses per case run into the tens of thousands, far higher than in many other parts of the country.

**AVERAGE COST TO
EVICT A TENANT WHO
STOPS PAYING RENT**

**£2,000–
£3,000 in
Legal Costs**

**Ask your
letting
agent how
much Rent
Guarantee
costs today**

Is the risk worth it?

Rent Guarantee can ensure you receive rent even if tenants' default. It also covers the professional legal costs and streamlines the repossession process.

In an evolving legislative landscape, this type of protection isn't just an added service, it's a critical safeguard that strengthens your position as a landlord and futureproofs your let property portfolio.

We work with HomeLet and Let Alliance, leading providers of tenant referencing and rent guarantee services. We arrange rent guarantee through HomeLet and Let Alliance on a policy held in our name as your letting agent. That means we are the policyholder and handle the administration, but you have an "interest" in the policy because it is designed to protect your rental income.

If a valid claim is made (for example, for rent arrears), the benefit of the policy is for your property and your rental income.

To discuss Rent Guarantee services and your options further speak to us today.

Full terms apply. You will be sent an "Acknowledgement of Interest" in our insurance policy. Please read to ensure the service meets your needs.

HomeLet

www.homelet.co.uk

LetAlliance

www.letalliance.co.uk