

This Policy sets out Amplius' approach to recovering income to enable on-going provision of services to customers. Key principles of how we will work include a Rent First approach ensuring customers understand rent arrears as a priority debt; acting in a "firm but fair" way communicating clearly expectations on paying rent whilst offering support where needed; and starter tenancies to provide a probationary period where it is essential payment expectations are met.

# Arrears Policy

## Document management

<b>Directorate</b>	Operations
<b>Policy sponsor</b>	Chief Operations Officer
<b>Policy owner</b>	Director of Customer Operations
<b>Policy author</b>	Head of Payment Support

## Review process

<b>Approval route</b>	Customer – Executive Lead – Customer Experience Committee
<b>Approved by</b>	Customer Experience Committee
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## Part 2

# Policy introduction

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## Scope

This policy outlines our approach to income recovery. When a customer fails to pay us on time, our aim will be to collect all of the money owed to us by that customer in a timely and efficient manner. We will also make sure we have done everything we can to support the customer in paying their rent and sustaining their tenancy.

The primary aim of the Arrears Policy is to help customers sustain their tenancies, while also protecting Amplius' income. This is done through a Rent First approach that clearly sets the expectation for rent to be a priority, supported by early intervention and a firm but fair approach to managing arrears.

We will support customers to pay what they owe, offer realistic repayment options, and provide access to financial wellbeing services. The policy details what action is taken where rent or other debts remain unpaid, including legal remedies. We recognise individual circumstances such as vulnerability, economic abuse, or debt relief situations and allows for discretion in exceptional cases.

The term Amplius incorporates all member companies and subsidiaries.

This policy applies to all parts of the Amplius. Lead responsibility lies with the Payment Support Team, but all parts of the organisation have a responsibility to ensure Amplius' income is protected, and customers supported.

Legal responsibility for the Arrears Policy is held jointly by:

- Amplius Chief Executive; and
- Chief Operations Officer

Operational responsibility for the Arrears is held by the Director of Customer Operations.

Procedural responsibility for the Arrears Policy is held by the Head of Payment Support and Payment Support Managers.

This policy will apply to all customers who owe money to Amplius across various tenures and income streams. The primary stakeholders will be the Payment Support Team and relevant colleagues in Financial Wellbeing, Lettings, Housing, and Tenancy Enforcement. As income streams are so important to the efficient and effective running of Amplius, governance colleagues and the wider company have a stake in this policy.

The policy does not form part of any colleague's contract of employment and the policy may be amended at any time.

## Part 3

# Policy details

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### Dealing with arrears

The aim of the Arrears Policy is to sustain tenancies. This will be balanced against the importance of income to Amplius. This is achieved through a Rent First approach and a firm but fair policy that encourages customers to meet their tenancy obligations.

- We will contact any customer who misses a payment as early as possible.
- We will offer a range of support and be clear on the expectation that any arrears must be cleared.
- Where necessary will we agree a repayment plan.
- We will set clear expectations with customers on how they should clear the debt.
- We will enter extended repayment plans following a thorough discussion on reasons for the missed payment, and an assessment of the intent and ability to work with us to manage the debt. Repayment plans will always be accompanied by clear communication of the consequences should the plan fail.
- We will always give every customer in arrears the opportunity to repay in realistic instalments where this is essential, but we will always insist they see rent as the priority debt.
- We will always comply with the court pre-action protocol which requires us to demonstrate we have been fair with anyone we are taking to court.

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### Starter tenancies

This part of the policy should be read in conjunction with the Starter Tenancy Policy.

Starter tenancies provide a probationary period during which customers can demonstrate their ability to sustain a tenancy and comply with its conditions.

In line with allocations policies and pre-tenancy procedures, starter tenants will be expected to make all rent payments on time as required by tenancy agreements. Whatever payment cycle the customer chooses must make sure the account never falls into arrears.

The importance of Rent First and the responsibility to adhere to tenancy conditions will be made clear to starter tenants along with our range of support services, such as Financial Wellbeing, Money Advice, Tenancy or Employment Support, PayPlan or external services, to support the customer in sustaining their tenancy. There will be a zero-tolerance approach to arrears during the probationary period.

If starter tenants fall into arrears, they will not usually be allowed to enter into an extended repayment plan. Instead, by assessing individual circumstances, there will be the following risk-based approach.

- The customer will be expected to clear arrears immediately.
- If a customer's individual circumstances make a short repayment plan impossible, then we will agree an extended plan. The aim is to clear arrears in the shortest possible time, but in any case, before the scheduled end date of the starter tenancy.

A starter tenancy will be reviewed around the 9th month. Where there are rent debts, or other aspects of the tenancy conduct are unsatisfactory, we may consider ending the tenancy.

An alternative is to extend the tenancy to a maximum 18-month term. Extensions should not be seen as an automatic progression to the initial 12 months. This option can only be taken where it is judged that, despite tenancy breaches, there is a realistic chance of breaches being remedied and the starter tenancy being successful.

In considering whether a starter tenancy should convert to a full assured tenancy, the absence of rent debt at the point of conversion is not the sole factor. Please refer to the Starter Tenancy policy for further details.

If there are any arrears at the end of the 12-month starter tenancy period (or 18 months if extended) the tenancy will not convert into a full assured tenancy. In exceptional cases, where there has been rigid adherence to an agreement to a payment plan, yet manageable arrears remain, the Head of Income Services could authorise conversion to a full tenancy.

Ending a starter tenancy, where a tenant has not kept to tenancy conditions, would normally involve serving a notice under Section 21 of the Housing Act 1988. This entitles the landlord to automatic possession. Before seeking possession, the same considerations and approvals will be sought as for any eviction of a full Assured tenant.

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## **Use of Ground Eight**

Ground Eight of Schedule Two of the Housing Act 1988 gives landlords a mandatory right to regain possession of a property if a tenant has built up a certain level of rent arrears. If the legal conditions are met, the court is required to grant possession and does not have discretion to refuse.

Not all tenancy agreements across Amplius allow for the use of the mandatory Ground Eight.

Where tenancy agreements allow for the use of Ground Eight, we will reserve the right to make use of this mandatory ground. The use of Ground Eight will be managed in the following way and only used as a last resort.

- If a customer is deliberately not engaging with us and shows no intention to comply with tenancy conditions, and we wish to prevent further debt.
- Where we believe following the usual discretionary grounds will lead to greater delay or increased arrears.
- Ground Eight will not be used where there is any suggestion a customer may be entitled to benefits that could help clear the debt and has provided relevant authorities with all the evidence to process a claim and/or has paid other sums not covered by benefits.
- The use of Ground Eight must be authorised by the Head of Payment Support Services or Director of Customer Operations before proceedings are commenced. The customer will be advised of the opportunity of a review should they disagree with the use of Ground Eight.

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## **Insolvency**

Insolvency, for this policy, means administration orders, bankruptcy, debt relief orders (DROs) and individual voluntary arrangements (IVAs).

Where there is a court order in place we expect that order to be adhered to. Failure to adhere to the court order could result in Amplius continuing to take possession action to recover the home.

Where a customer proposes to enter an administration order or IVA, we may insist on an arrangement being made outside of these in relation to current rent arrears to prevent the possibility of taking possession action.

In relation to bankruptcy and DROs where no court order is in place, our policy is not to take possession action providing the customer keeps up to date with their rent subsequently.

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### **Pre-Eviction Protocols & Data Sharing**

Pre-eviction protocols are a way for us to work together with other agencies to help customers keep their tenancies. These partnerships, such as the Jigsaw referral process, aim to provide support where there is rent debt.

If a Local Authority wants to set up a pre-eviction protocol, we will take part wherever it is appropriate and possible.

These partnerships usually involve sharing information. We will always consider data protection laws (GDPR) carefully. However, when a customer is at risk of eviction, we generally consider this a serious enough situation to justify sharing information with the local authority to help provide support.

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### **Economic Abuse**

As part of Amplius' response and strategy on Domestic Abuse more generally, the Payment Support Team, and Financial Wellbeing Team will be mindful that rent debt can sometimes be an indicator of economic or financial abuse. Where appropriate, referral would be made to our Safeguarding Team.

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### **Former tenant arrears**

We aim to recover any rent arrears left after a tenancy ends as effectively as possible. Our main focus is on preventing arrears during a tenancy to reduce the chance of debt after a tenancy ends.

When arrears do remain, we will follow clear collection procedures. This may include using tracing agencies and legal action, where it is cost-effective to do so.

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### **Recharges and sundry debts**

Across the range of tenures customers may sometimes accrue debts to Amplius other than rent arrears. Such debts could include a rechargeable repair, court costs, water/heating costs etc. Amplius will always pursue such debts following appropriate procedures and maintain a firm-but-fair approach to income recovery.

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### **Leaseholders and Shared Owners**

Details of how Amplius manages the collection, prevention and recovery of arrears can be found in the Homeownership Income Management policy.

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### **Exceptions within this Policy**

This policy sets out how we manage rent collection. However, we understand that some of our customers and service users may be vulnerable for various reasons. Eviction is a serious step with long-term impacts, and we do not take it lightly.

While we follow clear processes, we also allow for flexibility in exceptional cases. In rare situations, we may adjust our approach to reflect someone's individual circumstances. Any changes to the usual process must be agreed in advance by a senior manager or the Head of Payment Support.

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### **Equality, diversity and inclusion**

Amplius policies are developed in line with our Equality, Diversity and Inclusion approach. We are committed to ensuring that no individual or group is discriminated against or treated unfairly as a direct or indirect result of this policy.

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**Part 4**

## **Compliance and administration**

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### **Legal and regulatory compliance**

This policy fully complies with Amplius' legal and regulatory obligations.

- Housing Act 1988
- Pre-Action Protocol for Possession Cases by Social Landlords
- Governance and Financial Viability Standard
- Value for Money Standard

This list is not exhaustive, and policy authors will undertake thorough research and/or seek professional advice to ensure that Amplius meets its obligations and complies with the current and relevant legislation and regulations.

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### **Evaluation, review and performance monitoring**

This policy will be reviewed on a Triennial basis to ensure that it remains fit for purpose. A policy review may also be required earlier, in response to internal or external changes for example changes in legislation. Prompt and effective action will be taken where improvements are identified.

This policy will be evaluated via performance monitoring of KPIs at management team, ELT, and Board level. Implementation of the policy will be informed by customer feedback through complaints and Customer Influence Framework

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### **Related policies**

- Anti-Fraud, Bribery and Corruption Policy
- Debt Collection Policy
- Lettings and Allocations Policy
- Rent Setting Policy
- Starter Tenancy Policy



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Part 5

# Appendices

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**A. Associated documents – Internal procedural document, colleague use only**

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Part 6

## Changelog

Amended date	Summary of changes	Version №
11/11/2025	'Debt Relief Order' section removed and replaced with 'Insolvency'.	1.1