

STOPPING ARREARS



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USEFUL NUMBERS

- Condominium administrator Tel. _____



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IMPORTANT FOREWORD: It may happen during the 'contractual life of a tenant' that complicated situations have to be faced and that it is difficult to pay the rent for the accommodation assigned. Tenants who find themselves in this situation can turn with confidence to ACER Reggio Emilia to evaluate all possible solutions to manage the difficult moment.

WHAT IS MEANT BY ARREARS

Delinquency is defined as the non-payment of one or more bills relating to the rent of the assigned flat.

At the end of the due date indicated on the invoice, if the payment is not made, ACER Reggio Emilia considers that payment as overdue and it will be counted together with any previously unpaid bills.

Before a tenant is considered delinquent and action is taken to recover the credit, three months must elapse from the expiry date of the unpaid bill or there must be an outstanding amount of one or more bills equal to or greater than €516.46.

It may happen that due to unforeseeable circumstances or force majeure for the tenant it is not possible to pay the rent.

In this case, also to avoid the situation worsening, it is important to promptly notify ACER Reggio Emilia:

- **0522 236902 or erp@acer.re.it** if the rented flat is a Public Residential Housing unit
- **0522 236901 or ers@acer.re.it** if the flat is rented on an agreed rental basis (Agenzia Affitto, Patto per la Casa, Students, accommodation for the elderly, etc.)



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The reasons that can lead to arrears are not all the same, which is why it is important to refer to ACER Reggio Emilia to assess the individual case. Loss of job, illness, high condominium expenses are situations that entail a different management of the debt than insolvency due to negligence.

HOW TO MANAGE ARREARS

In the event that a tenant is unable to pay one or more bills immediately, it is possible to contact ACER Reggio Emilia's operators to agree to pay the debt in instalments.

In fact, payment in instalments makes it possible to pay the new bills issued and to settle the unpaid ones little by little. Immediately communicating one's situation of difficulty makes it possible to manage late payments without the intervention of the judge, avoiding legal expenses that fall on the assignee.

The regulation adopted distinguishes between instalments according to the amount in arrears:

- **Delinquency within € 3.000:** an advance equal to 20% of the amount in arrears can be paid (e.g.: for an arrears of € 1.000 € 200 must be paid immediately) and the remaining part of the debt can be paid monthly in instalments agreed with ACER Reggio Emilia which are, however, not less than € 50 per month.
- **arrears in excess of € 3.000:** an advance equal to 20% of the amount in arrears is due (e.g.: for an arrears of €4.000, € 800 must be paid immediately) and the remainder of the debt may be paid monthly in instalments agreed with ACER Reggio Emilia, but not less than €80 per month.

Unless otherwise agreed, the start of an instalment facility involves a **fixed payment of € 20.00 + IVA**.
The maximum duration of instalments is 5 years.



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AID FOR FAMILIES

In cases where delinquency is not due to negligence but to unavoidable and unforeseeable causes such as loss of employment or serious health problems leading to impoverishment of the household, several solutions can be activated.

Contributions in support of vulnerable households that have accrued arrears in rent or condominium payments and meet the necessary requirements at the time of application include:

- the “**morosità incolpevole**” fund
- **rental subsidies**
- **rent re-negotiation**
- **bonuses for household utilities** (gas, electricity, water and district heating)

These subsidies are not structural, i.e. they can only be applied for at certain times of the year and when specific funding is available. For this reason it is important to check that they are available at the time you intend to apply and that you meet the requirements to obtain them.

ACER Reggio Emilia personnel are available to provide information in this regard.

To check the possibility of benefiting from benefits and subsidies it is useful to periodically check the page of the INPS website in the ‘Sostegni, sussidi e indennità’ session

In more complex and sensitive cases, in addition to contacting the territorially competent **Social Services**, it is possible to request an appointment with the ‘**Servizio di mediazione e progettazione sociale**’ of ACER Reggio Emilia to define a path to prevent and manage delinquency.



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FAMILY BUDGET MANAGEMENT

Managing the family budget is not always easy, especially in times of difficulty, but it is essential to try to plan your expenses in order to better manage your money and enjoy a more peaceful life.

The first step in an effective spending plan is to keep track of income and expenditure divided into macro categories and try to allocate a monthly amount to each.

- **Household expenses:** rent, bills, telephony, internet. Periodically it is useful to compare different service providers to see if there are more advantageous offers.
- **Transport expenses:** fuel, insurance, maintenance, season tickets for public transport. It can be useful to set aside a small amount each month to put towards more demanding annual payments such as road tax and insurance.
- **Food expenses:** taking advantage of supermarket offers can save a lot on groceries. However, do not overstock short-term products to avoid wastage.
- **Medical expenses:** medical centres allow you to pay in instalments for demanding expenses such as dentists. Always check that there are no income-related benefits (Ise-Isee certificate).



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- **Child expenses:** kindergarten, school fees, books. Income-dependent reductions and contributions are also possible for these expenses.
- **Other expenses or non-fundamental expenses:** entertainment, clothing, 'vices'. It is good to tackle these expenses after having managed the fixed outgoings that cannot be postponed. A smoker who consumes one packet of cigarettes per day, for example, spends about EUR 1,800 in a year. Trying to reduce these expenses is beneficial to both one's health and the family budget.

At the end of the reporting period, two situations can arise: either the budgeted expenditure was higher than that actually incurred, or, savings were achieved.

Savings obtained on some items, e.g. transport or medical expenses, can be allocated to unforeseen or underestimated expenses in other categories. The objective is to have, in the overall management of monthly expenses, some small savings to be used for the following months or to meet programmable expenses such as car insurance or payment of rubbish tax.

The table on the next page can be used as a template for making your own spending plan.

Initially, it may be tedious to write down all your expenses, but planning carefully will allow you to cope better in the long run.



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MONTH OF _____

Type of expenses	Estimated cost	Effective cost	Savings	Higher spending
House budget €	• rent € • light € • gas € • water € • district heating € • Internet € • other €	• rent € • light € • gas € • water € • district heating € • Internet € • other €	€	€
Transports budget €	• car instalment € • insurance € • petrol € • vignette € • motorway € • other €	• car instalment € • insurance € • petrol € • vignette € • motorway € • other €	€	€
Food budget €	• supermarket € • fruit € • vegetables € • other €	• supermarket € • fruit € • vegetables € • other €	€	€
Medical costs budget €	• pharmacy • therapies € • specialist visits € • other €	• pharmacy • therapies € • specialist visits € • other €	€	€
Sons budget €	• school fees € • books € • sport € • clothing € • other €	• school fees € • books € • sport € • clothing € • other €	€	€
Various expenses budget €	• entertainment € • aclothing € • sport € • other €	• entertainment € • aclothing € • sport € • other €	€	€
Other costs budget €	• _____ € • _____ €	• _____ € • _____ €	€	€
END OF PERIOD	TOT. €	TOT. €	€	€

EVICION PROCEDURE

If delinquency has become serious and in the absence of any initiative on the part of the tenant to contain the debt, ACER Reggio Emilia initiates the eviction procedure.

In some cases, in fact, arrears result from negligence or bad faith on the part of the tenant who may decide not to pay the rent and condominium expenses for unjustifiable reasons.

In these cases ACER Reggio Emilia's action will be timely.

The eviction measure is in any case always preceded by payment reminders and reminders that have the precise purpose of activating actions to recover the outstanding amount and avoid the execution of the eviction.

For these reasons, it is important that payment reminders are not ignored in order to avoid the eviction procedure, the costs of which are borne by the tenant.

It will always be possible to interrupt an eviction procedure by initiating and respecting a repayment plan and activating, in the event of concrete impediments, the support of the institutions.

ACER Reggio Emilia will always maintain an active channel of dialogue with the tenant subject to eviction in order to assess the individual situation at any time, in agreement with the municipality of reference.

Every eviction action is in fact communicated to the municipality with territorial jurisdiction, and ACER Reggio Emilia will always act in consultation with the municipality and the relevant services.





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