

# Customer information sheet

## Cost of running a home



This factsheet aims to give you an idea of all the costs associated with running a home.

**You need to make sure that you can afford these costs before you accept any offer Severnside Housing makes you.**

### Rent

Paying your rent is a priority.

The figures below are some average rent figures for different property types in Shrewsbury.

Property type	Average cost per week
1 bedroom property	£84.60
2 bedroom property	£95.33
3 bedroom house	£101.87
4 bedroom house	£108.93
1 bedroom bungalow	£97.60
2 bedroom bungalow	£104.62

If you are on a low income you may be entitled to either Housing Benefit or Universal Credit. When you sign for your tenancy, we can assist you to make a claim for Housing Benefit. If you are claiming Universal Credit you will need to apply online.

### Council tax

Council tax is payable to Shropshire Council.

	Average weekly	Average monthly	Average yearly
Band A	£22.50	£97.52	£1,170.24
Band B	£26.26	£113.77	£1,365.27
Band C	£30	£130.03	£1,560.31

You can find out which band a particular property is in by contacting Shropshire Council on **0345 678 9000**. If you live in the property on your own you are entitled to 25% discount off your Council Tax bill.

Depending on your circumstances you may be entitled to Council Tax Benefit. If eligible, we can help you to complete a Housing and Council Tax form when you sign your tenancy with us.

If you are claiming Universal Credit, you will need to apply directly to the Local Authority to claim Council Tax support. If you are offered a property with Severnside Housing, we can assist you with completion of a Housing and Council Tax form when you sign for your tenancy.

### Furniture and household goods

Home Essentials Shrewsbury Furniture Scheme deal with re-cycling furniture, electrical and household goods for re-use in the community. They are based in Monkmoor and open Monday-Thursday 10am to 4pm and Friday-Saturday 10am to 2pm. Severnside Housing can refer you to the scheme for help with furnishing your property. For further information please call Home Essentials on **01743 246668**.

## Utilities — water rates

Severn Trent's average household bill for water and sewerage in 2019/20 is around £348 per year.

Here are some examples of how much your water rates could be:

	Weekly	Monthly	Yearly
Terraced property/flat	£5.87	£25.41	£304.88
Semi detached property	£6.33	£27.40	£328.80
Detached property	£7.18	£31.12	£373.42

The water supplier for the majority of Severnside Housing's properties is Severn Trent Water. For a full breakdown of charges visit [www.severntrentwater.co.uk](http://www.severntrentwater.co.uk) or telephone **08457 500500**.

The property may have been fitted with a water meter. If this is the case you will be charged for the amount of water you use instead of paying a fixed amount. If a water meter has been fitted you can't have it taken out. If there isn't one fitted and you think that having one could save you money, contact your supplier. A single person may benefit from having a water meter but a family with children would be unlikely to. You will also need to inform Severnside Housing if you are having a meter fitted.

If you are on a low income, or are struggling to pay your water bill, you may be eligible for help through the following schemes:

**Big Difference Scheme** — The Big Difference Scheme (BDS) could offer you up to 90% off your average yearly bill. The scheme is available to Severn Trent customers who may be finding it difficult or struggling to pay their water bill and need a little extra help. Call **0345 602 2777** for more information.

**Severn Trent Trust Fund** — Severn Trent Trust Fund is a registered charity that provides financial help to Severn Trent Water customers who are unable to pay their water charges. Visit [www.sttf.org.uk](http://www.sttf.org.uk) or call **0121 355 7766** for more information.

## Gas and electric

You will need to heat and light your home, cook and use electrical appliances.

Paying by Direct Debit and having the same supplier for your gas and electricity (dual fuel) generally saves you money on your bills. However, please note that not all Severnside properties have a gas supply.

The tables below show average yearly figures for gas, electricity and dual fuel and will vary accordingly to which utility company you choose and how much fuel you use.

Gas	Weekly	Monthly	Yearly
One bedroom house/flat	£7.84	£34	£408
Two bedroom house/flat	£8.53	£37	£444
Three bedroom house	£11.53	£50	£600
Four bedroom house	£13.38	£58	£696
Five+ bedroom house	£15.46	£67	£804

<b>Electric</b>	<b>Weekly</b>	<b>Monthly</b>	<b>Yearly</b>
<b>One bedroom house/flat</b>	£10.15	£44	£528
<b>Two bedroom house/flat</b>	£11.30	£49	£588
<b>Three bedroom house</b>	£15.92	£69	£829
<b>Four bedroom house</b>	£18.23	£79	£948
<b>Five+ bedroom house</b>	£21.23	£92	£1104

<b>Duel fuel</b>	<b>Weekly</b>	<b>Monthly</b>	<b>Yearly</b>
<b>One bedroom house/flat</b>	£15.92	£69	£828
<b>Two bedroom house/flat</b>	£18.23	£79	£948
<b>Three bedroom house</b>	£24	£104	£ 1248
<b>Four bedroom house</b>	£28.38	£124	£1476
<b>Five+ bedroom house</b>	£32.80	£140	£1680

## School meals

If your children have school meals you will need to budget for this. On average, meals for a primary school aged child cost £11.50 per week and a secondary school child £12 per week.

Your child may be able to get free school meals if you get any of the following:

- ◆ Income Support
- ◆ income-based Jobseeker's Allowance
- ◆ income-related Employment and Support Allowance
- ◆ support under Part VI of the Immigration and Asylum Act 1999
- ◆ the guaranteed element of Pension Credit
- ◆ Child Tax Credit (provided you're not also entitled to Working Tax Credit and have an annual gross income of no more than £16,190)
- ◆ Working Tax Credit run-on — paid for 4 weeks after you stop qualifying for Working Tax Credit
- ◆ Universal Credit — if you apply on or after 1 April 2018 your household income must be less than £7,400 a year (after tax and not including any benefits you get).

## Clothing

Allow **£35 – £55** per month per child (particularly young children).

Allow **£35 – £45** per month per adult.

## Food and other household expenses

For food and other household expenses you should allow on average per week:

**£30 – £40** for a single adult

**£15 – £20** for each additional adult

If any member of your household has medical conditions or needs a special diet, you might need to allow more.

## Home contents insurance

### Severnside insures your home, but not your contents.

We strongly recommend that you take out home contents insurance that is sufficient to cover all of the items in your home, such as electrical appliances, furniture, jewellery and other valuables. Otherwise, if there is a fire or a flood, or you get burgled, you could lose everything you own. Could you afford to replace it?

Although Severnside do not offer contents insurance other organisations do. One such company is Thistle Insurance Services Ltd who work with the National Housing Federation to offer the My Home Contents Insurance Scheme which is a home contents insurance scheme designed for tenants in social housing. To find out more please visit [www.thistlemyhome.co.uk](http://www.thistlemyhome.co.uk) or call **0345 450 7288**.

## TV licence

If you have a TV in your home you must buy a TV Licence. If you don't you could find yourself with a large fine. A colour licence cost **£154.50 per year**, and a black and white licence cost **£52 per year**.

You can pay for your TV licence in a number of different ways — yearly, monthly and weekly.

If you move home your TV Licence does not automatically move with you. Therefore you need to tell TV licensing your new address. You can do this by filling in a short form online at [www.tvlicensing.co.uk/details](http://www.tvlicensing.co.uk/details) or by calling **0300 790 6165**.

## Cable/satellite TV

You do not have to do so but many people are now choosing to subscribe to cable or satellite TV. The average cost of a package is between **£20 and £48 per month**. Cable and satellite companies charge varying amounts. Check with individual suppliers for details.

You need permission to install a satellite dish so please contact Severnside Housing before any installation.

## First home

If this is the first time you have thought about setting up your own home there are extra costs you will need to think about in addition to the usual costs described in this fact sheet. You will need to think about the cost of furnishing your home and ensuring that you have all the essential household items that you need. Examples of these might include: bed, settee, table, cooker, fridge, washing machine, carpet etc.

Having your first home can be very exciting but it can also be an expensive time and you need to consider if you are able to afford it.

## Personal budget

The simple personal budget tables below will let you see how much money you have coming in every month and an average of how much you would have to pay out to run your home. When filling in your personal budget make sure that all your income and outgoings are added in as either weekly or monthly amounts.



## Income

Wages	
Universal Credit	
Job Seekers Allowance	
Income support	
Incapacity benefit	
Child benefit	
Child tax credit	
Working tax credit	
Pension	
Pension credit	
Maintenance	
Other	
<b>Total (A)</b>	

## Outgoings

Rent (after housing benefit/Universal Credit)	
Council tax (after council tax benefit)	
Water	
Gas	
Electricity	
School meals	
Clothing	
Food and other household expenses	
Home contents insurance	
TV Licence	
Cable/Satellite TV	
Landline/mobile phone	
Car insurance and tax	
Petrol/Diesel	
Public transport	
Child care costs	
Laundry costs	
Credit card	
Loan repayments	
Store cards	
Other	
<b>Total (B)</b>	

You will need to take **Total (B)** away from **Total (A)** to give you your **disposable income**.

## Disposable income

If this figure is positive you can probably afford the cost of running a home based on your current circumstances.

If this figure is negative you will be paying out more than you get in each week-meaning you are at risk of getting into debt. If this applies to you, and you still want your own home, then we strongly recommend that you have another look at your income and expenditure, then you can reconsider whether you are in a position to set up home at the moment.

If you need advice on debt or money management or you think you may be entitled to additional welfare benefits there are a number of agencies that can offer help, including the Citizen's Advice Bureau. Please ask at Shropshire Council who provides details of local advice agencies.



### Disclaimer

Sevenside Housing has taken all reasonable care to ensure the information provided in this leaflet is accurate. However, all figures given are estimates and by way of illustration only. The figures will vary depending on your own personal circumstances. Sevenside Housing will not be held responsible for any direct or indirect loss, damage or inconvenience caused as a result of any reliance, by any person, on any inaccuracy, error or omission within this document.

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