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Enquiries on 01827 709709 or email: enquiries@tamworth.gov.uk

Household Renting Costs 2011 to 2012



Disclaimer

The figures supplied throughout this booklet are average estimates only and must be used purely for guidelines; these figures may vary depending on your own circumstances and household composition.

Tamworth Borough Council has taken reasonable precautions to ensure that any information contained within this booklet is as up to date and accurate as would be reasonably practicable, the figures and comparisons used were obtained in March 2011 and it is assumed that these will change on a regular basis, it is the responsibility of the applicant to ensure that they obtain the most up to date and appropriate figures according to their circumstances and household composition.

In the event of any error, inaccuracy, error or problem associated with this document, then Tamworth Borough Council cannot be held responsible for any loss or damage however caused, this booklet has been compiled as a guide and is for reference only.

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Contents:

Introduction	3
Renting	3
Contents Insurance	4
Council Tax	5
Water Rates	6
Electricity and Gas	7
Other Payments	8
Furniture, Budgeting Loan & Credit Union	9
Notes	10
Personal Budget and Financial Statement	11
Disclaimer	12

Introduction:

Renting your own home can be very expensive and you will need to know the full costs of running your tenancy together with all other priority bills that will need to be paid first.

It is important that you are aware of all the costs associated with running a home before committing yourself to a Local Authority Property.

Only you can decide if you can afford the costs of running your home. You should read this booklet in full, complete the budget sheet on page 11 and return this to discuss with your Housing Officer at the viewing or sign up stage.

Renting:

We want you to be happy and settled in your new home, however, rent is a priority and you should ensure that you can maintain weekly payments or monthly in advance, the following figures are a guide to the likely weekly rent figures (guidance figures for 2011/2012)

Property Type	Weekly	Rent Guide	Monthly
1 Bedroomed Flat/Maisonette	£61.30		£255.39
2 Bedroomed Flat/Maisonette	£68.37		£284.88
1 Bedroomed Bungalow	£67.93		£283.02
2 Bedroomed Bungalow	£71.98		£299.91
2 Bedroomed House	£70.59		£294.12
3 Bedroomed House	£76.53		£318.87
4 Bedroomed House	£83.30		£347.09

Housing Benefit may be paid in certain circumstances and if you are on a low income. Your Housing Officer can assist you to make a claim when you sign up for the tenancy, if you would like to know what Housing Benefit you may be entitled to prior to signing your tenancy you may ask your housing officer or the housing benefit department to complete an estimated benefit calculation based on your circumstances.

You can also log onto www.tamworth.gov.uk and use our online calculator to get an estimate of benefit you may be entitled to and to make an online claim for Housing Benefit and/or Council Tax Benefit.



Contents Insurance

Tamworth Borough Council is responsible for the building element of your property only. It is therefore important that you insure your own furniture and belongings. Tamworth Borough Council have negotiated a scheme with Royal and Sun Alliance plc, one of the UK's leading insurers to provide simple and affordable insurance that makes people's lives easier.

In brief, the policy will cover your household contents and personal belongings in specified circumstances including theft, vandalism, fire, flood and escaping water (but not redecoration costs).

The policy also provides Accidental Damage cover, Freezer contents, Lost or Stolen Keys, Tenants Liability, Liability to third parties, Accidental Death, Bogus Officials, Domestic Animals, Loss of metered Water and Oil, Contents in the open, Student Possessions, Trees and Shrubs, Professional Removals.

More importantly No excess applies and Accidental Damage for certain items is included.

Likely costs of insuring your home can be found in the following table, rates are cheaper if you are able to pay yearly rather than weekly:

Sum Insured	Weekly	Fortnightly	Monthly	Annually
£9,000	£1.38	£2.45	£4.97	£54.32
£14,000	£2.14	£3.81	£7.74	£84.49
£17,000	£2.60	£4.63	£9.39	£102.60
£21,000	£3.21	£5.72	£11.60	£126.74
£27,000	£4.13	£7.35	£14.92	£162.95
£35,000	£5.35	£9.53	£19.34	£211.23
£40,000	£6.11	£10.89	£22.10	£241.41

In addition to the above, if you are over 60 and in receipt of state pension then you will receive a further discount on the tariffs above, the lowest amount we can insure you for is £6,000 at £28.76 per year.

There are a variety of payment methods available which include a weekly, two weekly or monthly payment card, direct debit monthly, annually by cheque, postal order or a debit/credit card.

We would strongly advise you to take out home contents insurance as this will provide you with a financial safety net and will keep any losses you incur to a minimum.

Other rates together with an information leaflet and application form are available from our offices at Marmion House or via the Housing Team on **01827 709 514**, alternatively you may wish to use a website or other insurance provider for comparison.



Council Tax

In addition to rent, you will also be responsible to pay your Council Tax; Council Tax is charged depending on your property banding which is from "A to H". Two thirds of properties within Tamworth are banded as A or B.

The money that Tamworth Borough Council collects through Council Tax helps to pay for services provided by your Borough Council as well as Staffordshire County Council, the Fire and Police Authorities.

If you are the sole adult occupier of a property then you may qualify for a reduction of 25% on the whole bill, discounts or even exemptions may be available if you or a member of your household are disabled, a student or carer as well as under other specific circumstances. Please call the Council Tax Team on 01827 709 530 or see the leaflet that is enclosed with your Council Tax Bill for more information on this. You may also qualify for Council Tax Benefit if you are on a low income.

Your Housing Officer can check your entitlement to both Council Tax Benefit and Housing Benefit at any time either prior or during your tenancy, this may also be offered to you at times when we have to contact you i.e. when your account is in arrears. You can contact the Income Team on 01827 709 506 or the Benefits Team on 01827 709 540 and request a benefit calculation be completed which will give an estimate of benefit that may be awarded.

The following table shows the Council Tax charges for 2011/2012 and assumes no reduction is applied for discounts or benefits, the figures are rounded to the nearest pound and your bill will show the actual amount:

	Monthly (Note 1)	Yearly
Band A	£94.91	£949.07
Band B	£110.73	£1,107.26
Band C	£126.54	£1,265.43
Band D	£142.36	£1,423.61
Band E	£174.00	£1,739.96
Band F	£205.64	£2,056.33
Band G	£237.27	£2,372.68
Band H	£284.72	£2,847.22

Note 1, Council Tax is usually collected from April to January each year so you will need to budget for instalments based over 10 months, and there will be 2 months where no payments are required providing your account is up to date. If you receive a new bill or adjustment partway through the year, you may have to pay higher instalments over fewer months.

If you have any queries regarding your Council Tax including payment difficulties and payment methods available then you can contact the Council Tax Section at Marmion House or direct dial on 01827 709 530.

Water Rates

South Staffs Water are the company responsible for supplying and setting the water charges to domestic supplies within Tamworth, they can be contacted by phone on: 0845 60 70 456 or write to Customer Services, South Staffs Water PLC, Green Lane, Walsall, WS2 7PD. Alternatively, visit their website at www.south-staffswater.co.uk for information.

In Addition South Staffs water collect the sewage and surface water drainage charge on behalf of Severn Trent Water.

Water rates are based on the rateable value (RV) that was set before 1989 by the valuation office of your local council. The council set a separate RV for each property based on how much rent might be charged if it was rented out. If you would like to be billed on how much water you actually use, you can apply for a free meter by contacting South Staffs Water. It is unlikely that a family with children would benefit from a meter but a single person may well do.

South Staffs Water Rateable Value for 2011/2012 for water supply and used water and surface water charges together is £1.66.

The basic calculation is: £ per rateable value X Rateable Value = Yearly Water Rates i.e. if we assume that the £ per rateable value is 0.8598p X Rateable Value of 440 then the yearly rates would be £363.79

Likely examples of water charges are as follows:

	Weekly	Monthly	Yearly
1 Bedroomed Property RV 380	£6.28	£27.22	£326.72
2 Bedroomed Property RV 440	£7.28	£31.53	£378.31
3 Bedroomed Property RV 520	£8.60	£37.26	£447.10
4 Bedroomed Property RV 630	£10.42	£45.14	£541.67

Note. On an unmetered supply water rates are usually collected over 8 payments i.e. April to December, whereas on a metered supply payments can be made monthly based over 12 months, South Staffs Water do offer a variety of other payment frequencies and you should contact them direct for further payment methods.



Electricity and Gas

Your new home will also require electricity and gas (note, some of our properties are all electric).

Your new property will already have an electric and gas supplier, however, you should have a right to change if you so wish, if you have internet access you can do a search for electric and gas comparison sites, if you do not have internet access then this may be available from your local library, alternatively you can ask your Housing Officer for further advice.

In general, if you take a dual fuel and pay by direct debit to the same supplier it usually saves you money.

The following are examples of likely costs for fuel on a monthly basis.

Gas	Standard Rate	Direct debit
1 Bed property	£36.00	£34.86
2 Bed property	£49.50	£47.63
3 Bed Property	£68.04	£63.18

Electricity	Standard Rate	Direct debit
1 Bed Property	£45.00	£43.77
2 Bed Property	£61.33	£59.93
3 Bed Property	£72.50	£71.00

Dual Fuel	On line rate no discount	Dual Fuel discount
1 Bed Property	£70.58	£65.79
2 Bed Property	£93.16	£88.50
3 Bed Property	£109.27	£91.60

**To obtain a weekly figure multiply the figure by 12 and divide by 52:
i.e. £36.00 x 12 = £432.00 / 52 = £8.31 per week**

The above are guides only; actual costs will be dependent on your own usage, i.e. if you work full time then your bills may be lower than someone who is at home throughout the day.

Keep a continual eye on your bills

Wireless Energy Monitor provides continual update of pence per hour being consumed and amount of carbon dioxide per hour you are responsible for. See how much you are spending; See the immediate impact of replacing light bulbs with low energy or switching off appliances on standby. Saving 1p per hour would save £85 in a year. Simple to install with just a clip around output wire from your electricity meter. Position the digital reader anywhere in your home, your energy provider may provide these free of charge.

TV Licence

It is a legal requirement that every home that has a TV set or equipment that can receive television programmes (this includes a computer and mobile phones), must have a TV licence, there is a large fine of up to £1,000 if you do not obtain one. The current cost for a colour TV licence is £145.50. If you are over 75 then you may receive a free TV licence. A 50% reduction may also be obtained if you are registered blind. Figures quoted are correct as at March 2011. TV licensing can be contacted on **0300 790 6131**

Cable/Satellite/Telephone charges

You will need our permission to install a satellite dish; this must be done in writing to the Estate Management Team at our main office. You will also need to bear in mind the cost of taking a cable or satellite service, these range from about £20.00 to about £96.00 per month if you include a telephone line & broadband. Suppliers of these services within Tamworth can be found by completing an online search or a comparison website.

Mobile phone charges are in addition to the above although some service providers do provide these as a package.

Groceries/Household

The average weekly expenses are about £35.54 per adult, £60.46 per couple and £15.70 per child, in addition if any member of your household requires a special diet or medical condition then you may have to allow more.

Clothing

Don't forget you will also need to make an allowance for clothing, as a rough guide you should allow between £3.00 to £5.00 per week, young children and those with medical conditions may require a higher allowance

School/work meals

Allowances should also be made for additional meals; a typical school meal is around £10.00 per week. If you work full time then you may also need to allow for your daily lunch which could be around £15.00 per week.

In brief, if you are in receipt of Income Support, Job Seekers Allowance (Income Based), Child Tax Credits below £16,040 the threshold figure, the guaranteed element of pensions credit or receiving Support under part VI of the Immigration and Asylum Act 1999 then you may qualify for free school meals. You can apply for free school meals via the Benefits Team at Marmion House.

Travel costs

Public transport for Tamworth is mainly provided by Arriva, you can find out more details from www.arriva.co.uk. Remember it may be cheaper to buy a day ticket rather than two separate tickets, you may also find that a weekly or monthly pass would be more beneficial if you travel a lot.

If you own a car then you should also budget for tax, insurance, fuel, maintenance, parking charges and any other reasonable costs.

Furnishings

You may also need to consider additional costs for essential household items such as table, chairs, cooker, utensils, bed & bedding, settee, vacuum, washing machine, curtains or blinds and many other items.

Other Amounts and Emergencies

This should include irregular outgoings like birthdays and Christmas, house repairs and maintenance, and a 'cushion' against emergencies, i.e. replacing a washing machine.

Prescriptions, dental treatment, sight tests or glasses.

If you live in England you may have to pay. Contact your local advice agency, Department for Work and Pensions or contact the Help with Health costs advice line on 0845 850 1166 to see if you qualify for free prescriptions and help with other health costs. If you cannot claim free prescriptions, you may be able to reduce the cost by buying a prepayment certificate.

Health costs.

Make sure you include any extra costs you have because of an illness or disability. This might be due to a special diet, extra clothing, bedding, special equipment, help in the home or extra costs as well as prescriptions.

What do you do if you can't afford new furniture.

Don't be tempted to borrow from a doorstep seller or illegal money lender to buy things. The interest rates charged are very high and this can make it difficult to pay off the loan. Avoid furniture stores that charge high rates of interest. You will pay more than is shown on the price ticket.

There are a number of Charity Stores with good quality second-hand furniture within Tamworth Town Centre, you may also wish to consider the Staffordshire recycle network on www.recycleforstaffordshire.org

Ask if any members of your family or friends have furniture they no longer want or need.

Budgeting Grants and Loans.

If you are receiving Income Support, Income-based Jobseekers Allowance or Pension Credits, you may be able to apply for a grant or budgeting loan to pay for essential furniture. Grants do not have to be repaid and loans are interest free, so you only pay back the amount you borrowed. See your local jobcentre or visit www.jobcentreplus.gov.uk

Credit Union

The Tamworth Credit Union may be able to help you, with a low-cost loan. You may also be able to have your benefits paid into the Credit Union entitling you to borrow at a low rate. They have offices in the Co-op on Colehill, Tamworth, and at 1, King Street, Tamworth telephone **01827 65062** or **01827 768809** or visit their website at www.tcul.org.uk



Personal Budgeting:

The following is a simple budget sheet so that you can see how much money you have coming in and how much you have going out, when completing the form please ensure that all figures are either weekly or monthly do not mix these amounts.

Incomings	£	Outgoings	£
Wages		Rent (net)	
JSA/Income Support		Council tax (net)	
ESA/ICB		Water Rates	
Child Benefit		Gas	
Child Tax Credits		Electricity	
Working Tax Credits		Home Contents Insurance	
Pension		Life Insurance	
Pension credit		TV Licence	
Maintenance/CSA		Cable/Satellite TV	
Other		Groceries	
Other		Household expenses	
		Clothing	
	Total (A)	Telephone	
		Car Insurance/tax	
		Fuel	
		Public Transport/parking charges	
		Child Care costs	
		School Meals	
		Laundry Costs	
		Loan Repayments	
		Credit Cards	
		Other	
		Other	
			Total (B)

Disposable Income is derived from (A) – (B)

If after completing the above you have money available then you can possibly afford all the costs of running your new home based on your current financial circumstances.

On the other hand, if you do not have any income available (a minus amount) then you are already paying out more than what you have coming in and you are already in debt. If this is the case you should seriously consider if you are in a position to set up home at this stage.

If you need help or advice regarding debts or financial inclusion advice, contact the income team on 01827 709506. Alternatively you may wish to seek independent advice from the Citizens Advice Bureau or other agency; we can supply these details upon request.