



## Managing Your Money

If you've been offered a Melville home but haven't lived on your own before you may be surprised at all the costs involved.

Remember that costs change all the time (they usually increase) so you should consider all costs included here as estimates only. You do need to make sure that you can afford them before you accept any offer of a home from Melville.

### Rent

Paying your rent has to be your top priority. Rent is due on the 1st of every month and must be paid in advance.

Failure to pay your rent may put your tenancy at risk.

Rent money covers all the services we provide and paying your rent on time is very important. There are a range of easy ways to pay:

- By direct debit or standing order
- By phone on 0844 557 8321 (calls are charged at 7p a minute plus your standard call charge)
- At any shop displaying the Paypoint logo
- In person at our office in Dalkeith
- Online at [www.melville.org.uk](http://www.melville.org.uk)
- By text message
- By using the allpay app

We review rents at the start of every year and will always consult tenants on any proposed changes. The final decision on rent levels is made by our Board, which includes tenants. Any changes to rents are made on 1 April.

### Having difficulty paying your rent?

If you do not pay your rent, the money owed is called rent arrears. Rent arrears are 'priority debts', which means the consequences of not dealing with them are serious, including the risk of eviction from your home.

If you can't pay your rent please tell us as soon as possible. There are a number of ways we can help. Your housing officer will discuss these options with you or refer you to one of our advice services.

Please remember that all tenants pay rent including those who receive Universal Credit or Housing Benefit.

If you get help with your housing costs you must tell your local council or the DWP of any changes in your circumstances immediately. You must make sure that you complete any forms or supply information requested. If you don't then you may lose money.

**Council tax**

All households must pay council tax. Councils use this money to pay for the services they provide or which they contribute to such as schools or collecting rubbish. Your council tax also includes a charge for providing mains water to your home.

Remember that if you don't pay your council tax then the council could deduct money from any benefits you receive, or take legal action to recover the debt.

Melville Housing properties are usually in either council tax band A or band B. Typical charges (which include water and waste) are:

	Band	
	A*	B*
Yearly	£1,192.16	£1,390.85
Monthly (paying over 12 months)	£99.35	£115.90
Weekly (paying over 52 weeks)	£22.93	£26.75

\*2019/20 Midlothian Council charges

Contact your local council to find out more as charges will vary from area to area.

If you live in the property on your own you will be entitled to a 25% council tax discount. Others may also be entitled to a discount, such as students or those with a severe mental impairment. These discounts are not automatic. You must apply to your local council for them.

If you are offered a Melville property, before you take on the tenancy we can help you work out whether you may be entitled to a reduction in your council tax. This will depend on your circumstances.

**Gas and electricity**

You will need to heat and light your home, cook and operate 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. Please note that most but not all Melville properties have a gas supply.

Typical gas and electricity prices:

	Gas		Electricity	
	Per year	Per week	Per year	Per week
1 or 2 bedroom flat	£500	£10	£350	£7
2 bedroom house	£620	£12	£420	£8
3 or 4 bedroom house	£860	£17	£500	£10



The amount you spend on gas and electricity depends on the tariff, type of heating, and amount of time spent in the house. Free advice is available from Changeworks by phoning 0800 512012 or by visiting [www.changeworks.org.uk](http://www.changeworks.org.uk). You can also get help from Citrus Energy by phoning 0800 221 8089.

You should compare energy prices regularly (approximately every six months) to get the best price. You can do this via price comparison websites such as:

- [www.energyangels.co.uk](http://www.energyangels.co.uk)
- [www.uSwitch.com](http://www.uSwitch.com)
- [www.energyhelpline.com](http://www.energyhelpline.com)

### **TV, cable/satellite**

If you have a TV in your home you must buy a TV licence. If you don't you could be hit with a large fine.

A TV licence currently costs £154.50, but you can spread the cost by making regular monthly payments.

From age 75 you get a free TV licence. Concessions are also available if you are blind or have severe problems with your vision. When you move home your TV licence does not automatically move with you, 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 0844 800 6790.

In addition, now that the old analogue signal has been switched off, you will need either a digital television or a digital receiver connected to your television, to allow you to watch.

Standard Freeview boxes are available to buy for a one-off cost of approximately £20.

If you want to have a wider range of TV channels then you will need to consider the cost of cable or satellite TV. Packages start from about £7 per month rising to £50 or more if you want sport and films. Cable and satellite companies charge varying amounts, so check with individual suppliers for details. You will need our permission to install a satellite dish, particularly if you live in a flat. Contact us to find out more.

### **Phones and broadband**

It is approximately £14 per month plus the cost of your calls for a BT landline. There is also usually a one-off installation or connection fee of around £120.

Other suppliers' line rental and call costs will vary so check with the individual supplier for details. If you have a mobile phone, don't forget to budget for contract, call charges or top-up costs.

If you have a computer and want to have broadband installed you should allow at least £10 a month depending on speed/package. You can save money by using the same provider for phone, broadband and pay TV.



### **Food and other household expenses**

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

£35 - £40 per adult per week

£30 - £35 per child per week

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

### **School meals**

If your children have school meals you will need to budget for this. School meals for a primary school child cost approximately £2 per day or £10 per week. For a secondary school child it can be £3 per day or £15 per week.

Free school meals are available to children whose parents receive income-based welfare benefits or certain levels of child tax credits.

For further details on school meal costs contact your local council.

### **Travel**

Owning and running a car is an expensive business. You need to take into account:

- Fuel
- Road tax
- Car insurance
- MOT, service and repair costs

Public transport is a cheaper alternative if you can afford to be without a car. Remember to check how close your new home is to bus routes.

### **Decorating**

Decorating is your responsibility but we may give you help with this in the form of a paint pack. New tenants (but not those in new build properties) can choose from a range of 20 colours and have them dropped off to their new home. Clean, used paint tins can also be collected, free of charge.

To help you to remove wallpaper easily and to help protect the wall we can lend you a wallpaper stripper free of charge. You can pick the equipment up at our office after paying a refundable deposit of £5.

### **Decorating new build homes**

Plaster and timber can take up to a year to dry out, which can result in shrinkage and cracks appearing in the plaster or woodwork. You should not wallpaper your new build home during this period. After this initial 12 month period you can decorate.

### Additional first home costs

If this is the first time you have thought about setting up your own home there are extra costs you will need to consider in addition to the running costs we've outlined so far.

You will need to think about what furniture and household items you need. As a starting point this would normally include:

Furniture	Household goods	Other items
Beds	Cooker	Carpets/flooring
Sofa	Fridge/freezer	Curtains/blinds
Kitchen table	Washing machine	
Chairs		

All of these items can cost a lot of money if bought new, however there are cheaper alternatives such as:

- Affordable furniture from community projects such as MARC (based in Dalkeith)
- Internet sites such as [www.gumtree.com](http://www.gumtree.com)
- Charity shops

If you receive income-based benefits or Universal Credit you may be able to claim help for one-off costs such as furnishing a new home through the Social Fund. You can get more information about these grants and loans from your local Jobcentre

