

### Annex C – Worked examples of HB/LHA changes

Below are examples of real potential losses to individual customers currently on HB (based on known current LHA rates where applicable).

A: Single people under 35 in the private sector will be expected to share a house.

- (1) Single woman aged 34 currently receives £90 per week HB, will reduce by £27.65 to £62.35;
- (2) Single man, aged 32 currently receives £109.62 per week, will reduce by £47.27 to £62.35.

B: For tenants of Social Landlords HB will only cover the size of property a tenant is judged to need (pensioners protected from this) using the current LHA size criteria. The rent eligible for HB will be reduced by a yet to be determined percentage – lower amount for 1 room and higher amount for more than 1 room. Figures of 10% and 20% have been mentioned but not fixed yet.

- (1) Single woman age 49 with grown up daughter aged 20 both in work. Her full rent is £80.08 and current HB is £27.59. She is deemed to have 1 room too many. If there were a 10% reduction her HB would be reduced by £8.00 per week;
- (2) Couple, aged 23/24. On Income Support and DLA. HB covers the full rent of £66.23. They have 2 rooms too many. If there were a reduction of 20% HB would reduce by £13.25 per week.

C: The general reduction in LHA rates from 50<sup>th</sup> to 30<sup>th</sup> percentile.

- (1) Lone parent aged 44 with child aged 14 on earned income and child benefit will see her HB reduce by £17.31 per week from 2/10/12;
- (2) Single man aged 39 on Income Support will see HB reduce by £17.01 per week from 20/7/12.

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