

SCHEDULES

SCHEDULE 4

Housing costs element for renters

PART 5

Social rented sector other than temporary accommodation

The calculation of the housing costs element under this Part

Under-occupancy deduction

35.—(1) A deduction for under-occupancy is to be made under this paragraph where the number of bedrooms in the accommodation exceeds the number of bedrooms to which the renter is entitled under paragraphs 7 to 11.

(2) Where a deduction is to be made, the amount of the deduction is to be determined by the formula—

$$A \times B$$

where—

“A”—

- (a) in relation to any deduction under paragraph 33, is the amount resulting from step 2 or 3 in that paragraph (as the case may be), or
- (b) in relation to any deduction under paragraph 34(3), is the amount resulting from step 3 in paragraph 34(2);

“B” is the relevant percentage.

(3) The relevant percentage is 14% in the case of one excess bedroom.

(4) The relevant percentage is 25% in the case of 2 or more excess bedrooms.

(5) No deduction for under-occupation is to be made in calculating the amount of the renter’s housing costs element under this Part in any case to which regulation 27(4) to (6) (equity-sharing lease) applies.