

SCHEDULE II  
HOUSING COSTS

**The calculation for loans**

7.—(1) The weekly amount of housing costs to be met under this Schedule in respect of a loan which qualifies under paragraph 11 or 12 shall be calculated by applying the formula—

$A \times B52$

where—

A = the amount of the loan which qualifies under paragraph 11 or 12;

B = the standard rate for the time being specified in respect of that loan under paragraph 9.

(2) For the purposes of sub-paragraph (1) and subject to sub-paragraph (3), the amount of any qualifying loan shall be determined on the date the housing costs are first met and thereafter on the anniversary of that date.

(3) Where the claimant or his partner—

- (a) ceases to be in receipt of or treated as being in receipt of state pension credit; but
- (b) within 12 weeks thereof, one of them subsequently becomes entitled again to the credit; and
- (c) sub-paragraph (4) applies,

the amount of the qualifying loan shall be—

- (i) the amount last determined for the purposes of the earlier entitlement; and
- (ii) recalculated on each subsequent anniversary of the date which, for the purposes of sub-paragraph (2), housing costs were first met.

(4) This sub-paragraph applies if—

- (a) the earlier entitlement included an amount in respect of a qualifying loan; and
- (b) the circumstances affecting the calculation of the qualifying loan remain unchanged since the last calculation of that loan.

(5) Where in the period since the amount applicable under this Schedule was last determined, there has been a change of circumstances, other than an increase or reduction in the amount of the an outstanding loan, which increases or reduces the amount applicable, it shall be recalculated so as to take account of that change.