

Appendix 7 - Affordability Analysis

AFFORDABILITY RATES FOR PROPOSED INCREASES AGAINST CURRENT AFFORDABILITY

Household make-up	Bedrooms	Full UC			Working Full time (40hrs)			Working Part Time (20hrs)		
		Current Affordability	With 1.7% Increase	With 2.7% Increase	Current Affordability	With 1.7% Increase	With 2.7% Increase	Current Affordability	With 1.7% Increase	With 2.7% Increase
Single Under 21	1	£6.65	£6.65	£6.65	£791.02	£784.87	£781.27	£318.65	£318.65	£318.65
Single Under 25	1	£6.65	£6.65	£6.65	£1,066.83	£1,060.67	£1,057.08	£397.24	£397.25	£397.24
Single Over 25	1	£88.42	£88.42	£88.42	£1,066.83	£1,060.67	£1,057.08	£479.01	£479.02	£479.01
Single Parent under 25 + Child	2	£366.02	£366.02	£366.02	£1,321.67	£1,321.67	£1,321.67	£978.82	£978.81	£978.81
	3	£306.49	£305.48	£304.89	£1,262.14	£1,261.13	£1,260.54	£919.29	£918.27	£917.68
Single Parent over 25 + Child	2	£447.79	£447.79	£447.79	£1,403.44	£1,403.44	£1,403.44	£1,060.59	£1,060.58	£1,060.58
	3	£388.26	£387.25	£386.66	£1,343.91	£1,342.90	£1,342.31	£1,001.06	£1,000.04	£999.45
Couple Under 25 + Child	2	£399.49	£399.49	£399.49	£2,705.22	£2,698.54	£2,694.60	£1,459.07	£1,459.07	£1,459.06
	3	£339.96	£338.95	£338.36	£2,673.76	£2,666.52	£2,662.27	£1,399.54	£1,398.52	£1,397.94
Couple Over 25 + Child	2	£527.86	£527.86	£527.86	£2,705.22	£2,698.54	£2,694.60	£1,587.44	£1,587.44	£1,587.43
	3	£468.33	£467.32	£466.73	£2,673.76	£2,666.52	£2,662.27	£1,527.91	£1,526.89	£1,526.31
Amount of household disposable income after Rent, Council Tax, TV Licence, Utilities including Gas, Electricity and water ONLY, Food, Mobile Phone and public transport costs deducted. Average costs used are provided by Policy in Practice are taken from the ONS family spending workbook. Last updated in April 2024, with Energy costs adjusted with the implementation of the energy price cap.								Living Wage updated for April 2025 Over 21 £12.21/hr; 18-20 £10.00/hr; under 18 £7.55/hr.		

Assumptions

- Where the adult of the family is under 25 and working that they are over 21 and getting the highest rate of National Living Wage as at April 2024.
- The age of the child for the purposes of statistics is aged under 14 years old as the average living costs increase from this age upwards according to policy in practice.
- All those entitled to UC uplifts and Child related benefits are claiming their full entitlement.
- Where the example contains a couple, that both are working the benchmarked hours and each receive the National Living Wage