

Universal Credit Rates and Case Study

Element	Claimant circumstances	2018-19 rates (pcm)
Standard Allowance	Single claimant under 25	£251.77
	Single claimant 25 and over	£317.82
	Joint claimants, both under 25	£395.20
	Joint claimants, either/both 25 and over	£498.89
Child Element	1 st child or qualifying young person.	£277.08
	2 nd & subsequent* child or qualifying young person.	£231.67
<p>* For Universal Credit, elements will not be included for the third (or more) child who joins the family on or after 6 April 2017 unless an exception applies. Elements will continue to be included for all children who were part of the family before 6 April 2017.</p>		
Additional amount for disabled child or qualifying young person	Lower rate	£126.11
	Higher rate	£383.86
Limited capability for work & work related activity (= ESA "Support Group")		£328.32
Carer Element		£156.45
Childcare Costs Element (limited to 85% of relevant childcare costs or maximum displayed)	Maximum amount of childcare costs for one child (UC pays up to 85% or maximum whichever is lower).	£646.35
	Maximum amount for 2 or more children (UC pays up to 85% or maximum whichever is lower).	£1108.04
Housing Costs Element	Private rented sector.	Whatever is lower - the LHA rate or the actual cost.
	Social rented sector.	Full rent for property, minus non-dependent deductions and spare bedrooms ("bedroom tax") 14% for 1 Spare Bedroom or 25% for 2 or more.

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Calculating UC

Harold and Maude are aged 24 and 22, and have one child (Tracey) aged 3. They rent a 2-bed social landlord flat, for £350 per month.

Both Harold and Maude meet their Claimant Commitments. They earn £800 total per calendar month between them. They pay £250 per calendar month on childcare for Tracey. The household also receives "unearned income" in Child Benefit, and has £7,125 in savings.

Maximum Allowance (per calendar month)

Element	Amount
Standard Allowance – joint claimants, both under 25	£395.20
Child Element – 1 child	£277.08
Additional amount for disabled child or QYP?	N/A - £0
LCW?	N/A - £0
Carer element?	N/A - £0
Childcare costs element – 85% of costs, up to maximum of £646.35	£212.50
Housing costs element – social property with no spare bedrooms, no non-dependents	£350
Total	£1,234.78

The household's maximum UC is **£1,234.78** per month. From this figure, we take their income and savings deductions.

Deductions

Deduction	Amount
Earned income: 63% of (£800 minus work allowance of £198* see UC rates)	£379.26
Unearned Income : None (Child Benefit is not counted as income)	
Tariff income: £4.35 per month for every £250/part of £250 above £6,000	£21.75
Total	£401.01

The household's deductions for income from their maximum UC is **£401.01**

The household's UC award is therefore **£1,234.78 - £401.01**

= £833.77

* £350 of the UC award is paid directly to the landlord