**Student Case Study: Universal Credit**

**Finn is a lone parent over 25 years of age. He has one child, aged 14.   
He is a full-time student, rents his property, and works 10 hours per week at a rate of £11.50 per hour. This is how his Universal Credit will be calculated.**  
*Maximum Universal Credit (10 months / ‘Assessment Periods’: Sept to June) =*

Standard Allowance = £393.45 +  
1 Child Element (born before April 2017) = £333.33 +  
Rent = £434.52  
Total = **£1161.30 is the maximum Finn could receive**

*The maximum Universal Credit amount is reduced by any income Finn receives. This includes his part-time earnings and his Maintenance Loan, which are taken into account as follows.*

Income from wages (£498 minus Work Allowance of £404) = £94  
£94 x 55% ‘earnings taper’ = £51.70 income from wages

Maintenance Loan (£11,374 - £4,221 disregard) = £7,153 per year  
Divided by 10 Assessment Periods (Sept to June) = £715.30  
Minus £110 per month Student Loan Disregard = £605.30 Student Loan Income

**TOTAL INCOME FOR U.C. THEREFORE IS £51.70 + £605.30 = £657.00**

*The amount of Universal Credit payable is the maximum Universal Credit amount minus the Income amount.*  
Therefore £1161.30 - £657.00 = **£504.30 per month Universal Credit**

This is payable each month for the ten month period Sept to June. For the two months over Summer, Finn’s Universal Credit should increase, as his student loan income will not be taken into account to reduce his UC benefit.

**This information is intended as a guide only. It is not your official DWP entitlement letter. You will need to make a claim for Universal Credit in order to receive an official letter of entitlement from DWP and for them to make payments.**