

## **Universal Credit – expected hours of work and Conditionality Earnings Threshold policy**

### **Summary**

This explains the policy for determining the work-related requirements to be placed on claimants and/or partners who are already in work and receiving earnings

### **Content**

#### **Conditionality Earnings Threshold**

The Conditionality Earnings Threshold (CET) has been introduced to determine the requirements placed on individuals who are in work and receive earnings, or are in a household with earnings.

The CET ensures that claimants earning above a certain level won't be asked to carry out work-related activity.

The CET is individually assessed, flexible and reflects a claimant's individual circumstances (for example, health or caring responsibilities). If no restriction applies, the default position is that each claimant's CET is calculated at 35 hours a week multiplied by the hourly rate of the National Minimum Wage.

Claimants earning below this threshold, or in a household with earnings below the household threshold, will normally be placed in either the Intensive Work Search or Light Touch regimes depending on the level of their individual or household earnings.

Where a work coach has agreed that a claimant may restrict the number of hours they will be expected to undertake work search activities each week, this figure will be used to calculate their individual CET.

#### **Administrative Earnings Threshold**

The Administrative Earnings Threshold (AET) has been introduced to ensure that only claimants on no income or very low income will receive intensive support.

The current AET has been set at £338 per month for a single person and £541 for a couple based on gross taxable pay.

Unlike the CET, the individual/household AET are static amounts that are not variable. The AET will need to be increased each April in line with JSA rates (where the JSA rate has been uprated).

Claimants who are part of a couple can be allocated to different regimes and the earnings of one partner can affect the regime allocation of another