

Earnings Thresholds

Administrative Earnings Threshold

Administrative Earnings Threshold (AET) has been introduced to help highlight those claimants with no income, or on a very low income below AET, so they can receive the most intensive support. The AET is set at an individual / household level. This threshold has been set at £338 per month for an individual and £541 for a household.

Unlike the CET, the individual / household AET are static amounts, but may be adjusted, usually in April, when benefits are updated. Whilst both thresholds (CET & AET) are based on gross taxable pay, only employed earnings can contribute to meeting the AET (i.e. Self-employed earnings will not count towards it). For more guidance about the AET see Labour Market conditionality and regimes.

Conditionality Earnings Threshold

The Conditionality Earnings Threshold (CET) ensures that claimants earning above a certain level will not be asked to carry out work-related activity. The CET is calculated on an individual basis, by multiplying the National Minimum Wage (NMW) by the hours a claimant's Expected hours.

The CET for a household is a combination of the individual expected CET of each of the adults (joint claimants or including an ineligible partner of a claimant) in the household and varies between different households. In a couple household, if one of the adults earns above the household CET, both claimants are placed in the working enough regime, regardless of if they are both working or not.

For more guidance about the CET see Labour Market conditionality and regimes