



Child Poverty Act 2010

2010 CHAPTER 9

PART 1

NATIONAL TARGETS, STRATEGIES AND REPORTS

Targets relating to child poverty

1 The 2010 target

- (1) The Secretary of State must, as soon as reasonably practicable after the end of the 2010 target year and in any event not later than 30 June 2012, lay before Parliament a report on whether the 2010 target has been met.
- (2) The 2010 target is that in the financial year beginning with 1 April 2010, 1.7 million children or fewer live in qualifying households in the United Kingdom that fell within the relevant income group for the purposes of section 3 (the relative low income target).
- (3) The report must be based on statistics that the Statistics Board has designated under section 12 of the Statistics and Registration Service Act 2007 (assessment) as National Statistics.
- (4) Whether the target has been met in relation to the 2010 target year is to be determined by reference to the statistics.
- (5) If the target has not been met, the report must explain why it has not been met.
- (6) The 2010 target year is the financial year beginning with 1 April 2010.

2 Duty of Secretary of State to ensure that targets in sections 3 to 6 are met

- (1) It is the duty of the Secretary of State to ensure that the following targets are met in relation to the United Kingdom in relation to the target year—
 - (a) the relative low income target in section 3,
 - (b) the combined low income and material deprivation target in section 4,

Status: Point in time view as at 25/05/2010.

Changes to legislation: There are currently no known outstanding effects for the Child Poverty Act 2010, Part 1. (See end of Document for details)

- (c) the absolute low income target in section 5, and
- (d) the persistent poverty target in section 6.

(2) The target year is the financial year beginning with 1 April 2020.

3 The relative low income target

- (1) The relative low income target is that less than 10% of children who live in qualifying households live in households that fall within the relevant income group.
- (2) For the purposes of this section, a household falls within the relevant income group, in relation to a financial year, if its equivalised net income for the financial year is less than 60% of median equivalised net household income for the financial year.

4 The combined low income and material deprivation target

- (1) The combined low income and material deprivation target is that less than 5% of children who live in qualifying households—
 - (a) live in households that fall within the relevant income group, and
 - (b) experience material deprivation.
- (2) For the purposes of subsection (1)(a), a household falls within the relevant income group, in relation to a financial year, if its equivalised net income for the financial year is less than 70% of median equivalised net household income for the financial year.
- (3) Regulations must specify the circumstances in which a child is to be regarded for the purposes of subsection (1)(b) as experiencing material deprivation in a financial year.

5 The absolute low income target

- (1) The absolute low income target is that less than 5% of children who live in qualifying households live in households falling within the relevant income group.
- (2) For the purposes of this section, a household falls within the relevant income group, in relation to a financial year, if its equivalised net income for the financial year is less than 60% of the adjusted base amount.
- (3) “The adjusted base amount”, in relation to a financial year, is the base amount adjusted in a prescribed manner to take account of changes in the value of money since the base year.
- (4) In this section—
 - “the base amount” means the amount of median equivalised net household income for the base year;
 - “the base year” means the financial year beginning with 1 April 2010.

6 The persistent poverty target

- (1) In relation to a financial year (“the relevant financial year”), the persistent poverty target is that less than the target percentage of children who have lived in qualifying households during each of the survey years have lived in households that have been within the relevant income group in at least 3 of the survey years.
- (2) The survey years are—

Status: Point in time view as at 25/05/2010.

Changes to legislation: There are currently no known outstanding effects for the Child Poverty Act 2010, Part 1. (See end of Document for details)

- (a) the calendar year that ends in the relevant financial year, and
 - (b) the 3 previous calendar years.
- (3) For the purposes of this section, the target percentage is a percentage to be prescribed by regulations made before 2015.
- (4) For the purposes of this section, a household falls within the relevant income group, in relation to a calendar year, if its equivalised net income for the year is less than 60% of median equivalised net household income for the year.
- (5) Instead of exercising the power conferred by subsection (3), the Secretary of State may by regulations amend this section so as to substitute a different persistent poverty target for that set out in subsections (1) to (4).
- (6) Regulations under subsection (5) may only be made—
- (a) before 2015, and
 - (b) with the consent of the Commission.

7 Interpretation of terms used in relation to targets

- (1) Regulations may for the purposes of this Part make provision about the following—
- (a) what is a qualifying household;
 - (b) the circumstances in which a child is or is not to be regarded as living in a qualifying household;
 - (c) what is to be regarded as the income of a household for a financial year;
 - (d) what deductions are to be made in calculating the net income of a household;
 - (e) how net household income is to be equivalised.
- (2) The deductions prescribed under subsection (1)(d) are not to include housing costs, but regulations under that provision may provide that specified expenses are not to be treated as housing costs.
- (3) In this Part “equivalised”, in relation to household income, means adjusted to take account of variations in household size and composition.
- (4) In making regulations under subsection (1)(a), the Secretary of State must have regard to the desirability of ensuring that the targets in sections 3 to 6 have as wide an application as is reasonably practicable, having regard to the statistical surveys that are being or can reasonably be expected to be undertaken.

The Child Poverty Commission

8 The Child Poverty Commission

- (1) There is to be a body called the Child Poverty Commission (in this Act referred to as “the Commission”).
- (2) The Commission's functions are those conferred on it by or under this Act.
- (3) Schedule 1 contains further provisions about the Commission.
- (4) The Secretary of State may by order provide for the Commission to cease to exist on a day—
- (a) specified in or determined in accordance with the order, and

Status: Point in time view as at 25/05/2010.

Changes to legislation: There are currently no known outstanding effects for the Child Poverty Act 2010, Part 1. (See end of Document for details)

- (b) falling after the target year.
- (5) An order under subsection (4) may contain such transitional or consequential provision as the Secretary of State considers necessary or expedient in connection with the abolition of the Commission.
- (6) That provision may include provision amending, repealing or revoking—
 - (a) the provisions of this Act so far as relating to the Commission;
 - (b) any provision of any other Act (whenever passed);
 - (c) any provision of any instrument made under an Act (whenever made).

Strategies: duties of Secretary of State

9 UK strategies

- (1) The Secretary of State must, before the end of the period of 12 months beginning with the day on which this Act is passed, publish and lay before Parliament the first UK strategy.
- (2) A “UK strategy” is a strategy under this section setting out the measures that the Secretary of State proposes to take—
 - (a) for the purpose of complying with section 2 (duty to ensure that targets are met), and
 - (b) for the purpose of ensuring as far as possible that children in the United Kingdom do not experience socio-economic disadvantage.
- (3) A UK strategy may also refer to proposals of the Scottish Ministers, the Welsh Ministers or the relevant Northern Ireland department.
- (4) Before the end of the period to which a UK strategy relates, the Secretary of State must review the strategy and publish and lay before Parliament a revised UK strategy, but this subsection does not apply after the beginning of the target year.
- (5) In preparing a UK strategy, the Secretary of State must consider what (if any) measures ought to be taken in each of the following areas—
 - (a) the promotion and facilitation of the employment of parents or of the development of the skills of parents,
 - (b) the provision of financial support for children and parents,
 - (c) the provision of information, advice and assistance to parents and the promotion of parenting skills,
 - (d) physical and mental health, education, childcare and social services, and
 - (e) housing, the built or natural environment and the promotion of social inclusion.
- (6) When considering for the purpose of a UK strategy what measures ought to be taken in relation to each of those areas, the Secretary of State—
 - (a) must consider which groups of children in the United Kingdom appear to be disproportionately affected by socio-economic disadvantage, and
 - (b) must consider the likely impact of each measure on children within each of those groups.
- (7) A UK strategy must—

Status: Point in time view as at 25/05/2010.

Changes to legislation: There are currently no known outstanding effects for the Child Poverty Act 2010, Part 1. (See end of Document for details)

- (a) where it relates to a period ending before the end of the target year—
 - (i) describe the progress that the Secretary of State considers needs to be made by the end of the period to which the strategy relates if the targets in sections 3 to 6 are to be met in relation to the United Kingdom in relation to the target year, and
 - (ii) describe the other progress that the Secretary of State intends to make by the end of the period to which the strategy relates in achieving the purpose mentioned in subsection (2)(b), and
 - (b) describe the progress that the Secretary of State intends to make by the end of the target year in achieving the purpose mentioned in subsection (2)(b), otherwise than by ensuring that the targets are met.
- (8) A UK strategy other than the first must also—
- (a) describe the measures taken in accordance with the previous UK strategy and the measures taken in accordance with a Scottish strategy, a Welsh strategy or a Northern Ireland strategy,
 - (b) describe the effect of those measures on progress towards meeting the targets in sections 3 to 6, and
 - (c) describe other effects of those measures that contribute to the achievement of the purpose mentioned in subsection (2)(b).
- (9) References in this section to the period to which a UK strategy relates are references to the period beginning with the date on which the UK strategy is laid before Parliament and—
- (a) except in the case of a UK strategy laid before Parliament less than 3 years before the beginning of the target year, ending 3 years later, and
 - (b) in that excepted case, ending with the target year.

10 Provision of advice by Commission and consultation with others

- (1) In preparing a UK strategy, the Secretary of State must request the advice of the Commission, and specify in the request the date by which the advice is to be given.
- (2) The Secretary of State may at any time request the Commission to give advice, by a specified date, on any matter connected with—
 - (a) a UK strategy, or
 - (b) the targets in sections 3 to 6.
- (3) The Secretary of State must have regard to any advice given by the Commission under this section.
- (4) In preparing a UK strategy, the Secretary of State—
 - (a) must consult such local authorities and associations of local authorities in England as the Secretary of State thinks fit,
 - (b) must consult the Scottish Ministers, the Welsh Ministers and the relevant Northern Ireland department,
 - (c) must consult such children, and organisations working with or representing children, as the Secretary of State thinks fit,
 - (d) must consult such parents, and organisations working with or representing parents, as the Secretary of State thinks fit, and
 - (e) may consult such other persons as the Secretary of State thinks fit.

Status: Point in time view as at 25/05/2010.

Changes to legislation: There are currently no known outstanding effects for the Child Poverty Act 2010, Part 1. (See end of Document for details)

- (5) In preparing a UK strategy, the Secretary of State must have regard to any Scottish strategy, Welsh strategy or Northern Ireland strategy.

Strategies: duties of Scottish Ministers and relevant Northern Ireland department

11 Scottish strategies

- (1) The Scottish Ministers must, before the end of the period of 12 months beginning with the day on which this Act is passed, publish and lay before the Scottish Parliament the first Scottish strategy.
- (2) A “Scottish strategy” is a strategy under this section setting out the measures that the Scottish Ministers propose to take—
- (a) for the purpose of contributing to the compliance by the Secretary of State with section 2 (duty to ensure that targets are met), and
 - (b) for the purpose of ensuring as far as possible that children in Scotland do not experience socio-economic disadvantage.
- (3) Before the end of the period to which a Scottish strategy relates, the Scottish Ministers must review the strategy and publish and lay before the Scottish Parliament a revised Scottish strategy, but this subsection does not apply after the beginning of the target year.
- (4) A Scottish strategy must—
- (a) where it relates to a period ending before the end of the target year—
 - (i) describe the progress that the Scottish Ministers intend to make in Scotland by the end of the period to which the strategy relates in contributing to the meeting of the targets in sections 3 to 6 in relation to the target year,
 - (ii) describe the other progress that the Scottish Ministers intend to make by the end of the period to which the strategy relates in achieving the purpose mentioned in subsection (2)(b), and
 - (b) describe the progress that the Scottish Ministers intend to make by the end of the target year in achieving the purpose mentioned in subsection (2)(b), otherwise than by contributing to the meeting of the targets.
- (5) A Scottish strategy other than the first must also—
- (a) describe the measures taken by the Scottish Ministers in accordance with the previous Scottish strategy,
 - (b) describe the effect of those measures in contributing to the meeting of the targets in sections 3 to 6, and
 - (c) describe other effects of those measures that contribute to the achievement of the purpose mentioned in subsection (2)(b).
- (6) A Scottish strategy may not include proposals that relate to reserved matters, within the meaning of the Scotland Act 1998.
- (7) The Scottish Ministers must, on or before each report date relating to a Scottish strategy, lay before the Scottish Parliament a report which—
- (a) describes the measures taken by the Scottish Ministers in accordance with the Scottish strategy,

Status: Point in time view as at 25/05/2010.

Changes to legislation: There are currently no known outstanding effects for the Child Poverty Act 2010, Part 1. (See end of Document for details)

- (b) describes the effect of those measures in contributing to the meeting of the targets in sections 3 to 6, and
 - (c) describes other effects of those measures that contribute to the achievement of the purpose mentioned in subsection (2)(b).
- (8) The report dates relating to a Scottish strategy are each anniversary of the day on which it was laid before the Scottish Parliament, other than an anniversary which falls—
- (a) on or after the date on which a subsequent Scottish strategy is so laid, or
 - (b) after the end of the target year.
- (9) References in this section to the period to which a Scottish strategy relates are references to the period beginning with the date on which the Scottish strategy is laid before the Scottish Parliament and—
- (a) except in the case of a Scottish strategy laid before that Parliament less than 3 years before the beginning of the target year, ending 3 years later, and
 - (b) in that excepted case, ending with the target year.

12 Northern Ireland strategies

- (1) The relevant Northern Ireland department must, before the end of the period of 12 months beginning with the day on which this Act is passed, publish and lay before the Northern Ireland Assembly the first Northern Ireland strategy.
- (2) A “Northern Ireland strategy” is a strategy under this section setting out the measures that the Northern Ireland departments propose to take—
- (a) for the purpose of contributing to the compliance by the Secretary of State with section 2 (duty to ensure that targets are met), and
 - (b) for the purpose of ensuring as far as possible that children in Northern Ireland do not experience socio-economic disadvantage.
- (3) Before the end of the period to which a Northern Ireland strategy relates, the relevant Northern Ireland department must review the strategy and publish and lay before the Northern Ireland Assembly a revised Northern Ireland strategy, but this subsection does not apply after the beginning of the target year.
- (4) A Northern Ireland strategy must—
- (a) where it relates to a period ending before the end of the target year—
 - (i) describe the progress that the Northern Ireland departments intend to make in Northern Ireland by the end of the period to which the strategy relates in contributing to the meeting of the targets in sections 3 to 6 in relation to the target year,
 - (ii) describe the other progress that the Northern Ireland departments intend to make by the end of the period to which the strategy relates in achieving the purpose mentioned in subsection (2)(b), and
 - (b) describe the progress that the Northern Ireland departments intend to make by the end of the target year in achieving the purpose mentioned in subsection (2)(b), otherwise than by contributing to the meeting of the targets.
- (5) A Northern Ireland strategy other than the first must also—
- (a) describe the measures taken by the Northern Ireland departments in accordance with the previous Northern Ireland strategy,

Status: Point in time view as at 25/05/2010.

Changes to legislation: There are currently no known outstanding effects for the Child Poverty Act 2010, Part 1. (See end of Document for details)

- (b) describe the effect of those measures in contributing to the meeting of the targets in sections 3 to 6, and
 - (c) describe other effects of those measures that contribute to the achievement of the purpose mentioned in subsection (2)(b).
- (6) A Northern Ireland strategy may not include proposals that relate to excepted or reserved matters, within the meaning of the Northern Ireland Act 1998.
- (7) The relevant Northern Ireland department must, on or before each report date relating to a Northern Ireland strategy, lay before the Northern Ireland Assembly a report which—
- (a) describes the measures taken by the Northern Ireland departments in accordance with the Northern Ireland strategy,
 - (b) describes the effect of those measures in contributing to the meeting of the targets in sections 3 to 6, and
 - (c) describes other effects of those measures that contribute to the achievement of the purpose mentioned in subsection (2)(b).
- (8) The report dates relating to a Northern Ireland strategy are each anniversary of the day on which it was laid before the Northern Ireland Assembly, other than an anniversary which falls—
- (a) on or after the date on which a subsequent Northern Ireland strategy is so laid, or
 - (b) after the end of the target year.
- (9) References in this section to the period to which a Northern Ireland strategy relates are references to the period beginning with the date on which the Northern Ireland strategy is laid before the Northern Ireland Assembly and—
- (a) except in the case of a Northern Ireland strategy laid before the Assembly less than 3 years before the beginning of the target year, ending 3 years later, and
 - (b) in that excepted case, ending with the target year.

13 Advice and consultation: Scotland and Northern Ireland

- (1) In preparing a Scottish strategy or a Northern Ireland strategy, the devolved administration must request the advice of the Commission, and specify in the request the date by which the advice is to be given.
- (2) The devolved administration must have regard to any advice given by the Commission under this section.
- (3) In preparing a Scottish strategy or a Northern Ireland strategy, the devolved administration—
- (a) in the case of a Scottish strategy, must consult such local authorities or associations of local authorities in Scotland as the devolved administration thinks fit,
 - (b) must consult the Secretary of State,
 - (c) must consult such children, and organisations working with or representing children, as the devolved administration thinks fit,
 - (d) must consult such parents, and organisations working with or representing parents, as the devolved administration thinks fit, and
 - (e) may consult such other persons as the devolved administration thinks fit.

Status: Point in time view as at 25/05/2010.

Changes to legislation: There are currently no known outstanding effects for the Child Poverty Act 2010, Part 1. (See end of Document for details)

- (4) In this section “the devolved administration” means—
- (a) in relation to a Scottish strategy, the Scottish Ministers, and
 - (b) in relation to a Northern Ireland strategy, the relevant Northern Ireland department.

Reports by Secretary of State

14 Reports by Secretary of State

- (1) The Secretary of State must, on or before each report date relating to a UK strategy, lay before Parliament a report on the progress made—
 - (a) towards meeting the targets in sections 3 to 6, and
 - (b) in implementing the UK strategy.
- (2) The report dates relating to a UK strategy are each anniversary of the day on which it was laid before Parliament, other than an anniversary which falls—
 - (a) on or after the date on which a subsequent UK strategy is so laid, or
 - (b) after the end of the target year.
- (3) The Secretary of State must, as soon as reasonably practicable after the end of the target year, lay before Parliament a report on the progress made in implementing the most recent UK strategy.
- (4) A report under subsection (1) or (3) must in particular—
 - (a) describe the measures taken by the Secretary of State in accordance with the UK strategy,
 - (b) describe the measures taken by the Scottish Ministers, the Welsh Ministers and the Northern Ireland departments in accordance with a Scottish strategy, a Welsh strategy or a Northern Ireland strategy,
 - (c) in the case of a report under subsection (1), describe the effect of all those measures on progress towards the targets and on progress in achieving the purpose mentioned in section 9(2)(b).
- (5) If the UK strategy has not been implemented in full, the report must describe the respects in which it has not been implemented and the reasons for this.
- (6) Before preparing a report under subsection (1) or (3), the Secretary of State must consult the Scottish Ministers, the Welsh Ministers and the relevant Northern Ireland department.

15 Statement required in relation to target year

- (1) The report under section 14(3) must include a statement of—
 - (a) the percentage of children living in qualifying households in the United Kingdom in the target year who were living in households that fell within the relevant income group for the purposes of section 3 (the relative low income target);
 - (b) the percentage of children living in qualifying households in the United Kingdom in the target year who were for the purposes of section 4 (the combined low income and material deprivation target) living in households

Status: Point in time view as at 25/05/2010.

Changes to legislation: There are currently no known outstanding effects for the Child Poverty Act 2010, Part 1. (See end of Document for details)

- that fell within the relevant income group and experiencing material deprivation;
- (c) the percentage of children living in qualifying households in the United Kingdom in the target year who were living in households that fell within the relevant income group for the purposes of section 5 (the absolute low income target);
 - (d) the percentage of children who have lived in qualifying households during the survey years (as defined by section 6(2)) which relate to the target year who have lived in households that fell within the relevant income group for the purposes of section 6 (the persistent poverty target) in at least 3 of the survey years.
- (2) The statement must be based on statistics that the Statistics Board has designated under section 12 of the Statistics and Registration Service Act 2007 (assessment) as National Statistics.
 - (3) Whether the targets in sections 3 to 6 have been met in relation to the target year is to be determined by reference to the percentages given in the statement.
 - (4) If any of the targets in sections 3 to 6 has not been met, the report under section 14(3) must explain why it has not been met.

Economic and fiscal circumstances

16 Economic and fiscal circumstances

- (1) The matters mentioned in subsection (2) must be taken into account—
 - (a) by the Secretary of State in preparing a UK strategy;
 - (b) by the Commission in considering any advice to be given to the Secretary of State, the Scottish Ministers or the relevant Northern Ireland department.
- (2) Those matters are—
 - (a) economic circumstances and in particular the likely impact of any measure on the economy;
 - (b) fiscal circumstances and in particular the likely impact of any measure on taxation, public spending and public borrowing.
- (3) In preparing a Scottish strategy or a Northern Ireland strategy, the Scottish Ministers or the relevant Northern Ireland department must have regard to—
 - (a) the resources that are or may be available to the Scottish Ministers or, as the case may be, to the Northern Ireland departments, and
 - (b) the effect of the implementation of the strategy on those resources.

Continuing effect of targets after target year

17 Continuing effect of targets after target year

Schedule 2 contains provision about the effect of the targets in sections 3 to 6 in relation to financial years after the target year.

Status: Point in time view as at 25/05/2010.

Changes to legislation: There are currently no known outstanding effects for the Child Poverty Act 2010, Part 1. (See end of Document for details)

Supplementary

18 Interpretation of Part 1

(1) In this Part—

“the Commission” means the Child Poverty Commission;

“financial year” means the 12 months ending with 31 March;

“Northern Ireland strategy” has the meaning given by section 12(2);

“the relevant Northern Ireland department” means the Office of the First Minister and deputy First Minister;

“Scottish strategy” has the meaning given by section 11(2);

“target year” (except in the expression “renewed target year”) has the meaning given by section 2(2);

“UK strategy” has the meaning given by section 9(2);

“Welsh strategy” means a strategy prepared by the Welsh Ministers under Part 1 of the Children and Families (Wales) Measure 2010.

(2) In this Part “qualifying household” and other terms relating to households are to be read in accordance with section 7.

Status:

Point in time view as at 25/05/2010.

Changes to legislation:

There are currently no known outstanding effects for the Child Poverty Act 2010, Part 1.