

Child Poverty Bill

EXPLANATORY NOTES

Explanatory notes to the Bill, prepared by the Child Poverty Unit, which is a joint unit of the Department for Children, Schools and Families, the Department for Work and Pensions and Her Majesty's Treasury, are published separately as Bill 112 – EN.

EUROPEAN CONVENTION ON HUMAN RIGHTS

Stephen Timms has made the following statement under section 19(1)(a) of the Human Rights Act 1998:

In my view the provisions of the Child Poverty Bill are compatible with the Convention rights.

Child Poverty Bill

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TO

Set targets relating to the eradication of child poverty, and to make other provision about child poverty.

BE IT ENACTED by the Queen’s most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:—

PART 1

NATIONAL TARGETS, STRATEGIES AND REPORTS

Targets relating to child poverty

1 Duty of Secretary of State to ensure that targets 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 — 5
- (a) the relative low income target in section 2,
 - (b) the combined low income and material deprivation target in section 3,
 - (c) the absolute low income target in section 4, and
 - (d) the persistent poverty target in section 5. 10
- (2) The target year is the financial year beginning with 1 April 2020.

2 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. 15
- (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.

3 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. 5
- (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. 10

4 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. 15
- (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. 20
- (4) In this section –
- “the base amount” means the amount of median equivalised net household income for the base year; 25
 - “the base year” means the financial year beginning with 1 April 2010.

5 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. 30
- (2) The survey years are –
- (a) the calendar year that ends in the relevant financial year, and
 - (b) the 3 previous calendar years. 35
- (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. 40
- (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.

6 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 2 to 5 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

7 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
 - (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***8 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. 5
- (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 1 (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. 10
- (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. 15
- (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, 20
 - (b) the provision of financial support for children and parents,
 - (c) health, education and social services, and
 - (d) housing, the built or natural environment and the promotion of social inclusion. 25
- (6) A UK strategy must –
- (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 2 to 5 are to be met in relation to the United Kingdom in relation to the target year, and 30
 - (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. 35
- (7) 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, 40
 - (b) describe the effect of those measures on progress towards meeting the targets in sections 2 to 5, and
 - (c) describe other effects of those measures that contribute to the achievement of the purpose mentioned in subsection (2)(b). 45

- (8) 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 5
 - (b) in that excepted case, ending with the target year.

9 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. 10
- (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 2 to 5.
- (3) The Secretary of State must have regard to any advice given by the Commission under this section. 15
- (4) In preparing a UK strategy, the Secretary of State –
- (a) must consult such local authorities or 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, 20
 - (c) must consult such children, or organisations working with or representing children, as the Secretary of State thinks fit, and
 - (d) may consult such other persons as the Secretary of State thinks fit.
- (5) In preparing a UK strategy, the Secretary of State must have regard to any Scottish strategy, Welsh strategy or Northern Ireland strategy. 25

Strategies: duties of Scottish Ministers and relevant Northern Ireland department

10 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. 30
- (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 1 (duty to ensure that targets are met), and 35
 - (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. 40
- (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 2 to 5 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 5
 - (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. 10
 - (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 2 to 5, and 15
 - (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) 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 – 20
 - (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 25
 - (b) in that excepted case, ending with the target year.
- 11 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. 30
 - (2) A “Northern Ireland strategy” is a strategy under this section setting out the measures that the relevant Northern Ireland department proposes to take –
 - (a) for the purpose of contributing to the compliance by the Secretary of State with section 1 (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. 35
 - (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. 40
 - (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 relevant Northern Ireland department intends to make in Northern Ireland by the end of the period to which the strategy relates in contributing to the 45

- meeting of the targets in sections 2 to 5 in relation to the target year,
- (ii) describe the other progress that the relevant Northern Ireland department intends to make by the end of the period to which the strategy relates in achieving the purpose mentioned in subsection (2)(b), and 5
 - (b) describe the progress that the relevant Northern Ireland department intends 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. 10
- (5) A Northern Ireland strategy other than the first must also –
- (a) describe the measures taken by the relevant Northern Ireland department in accordance with the previous Northern Ireland strategy,
 - (b) describe the effect of those measures in contributing to the meeting of the targets in sections 2 to 5, and 15
 - (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) 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 – 20
- (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 25
 - (b) in that excepted case, ending with the target year.

12 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. 30
- (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, 35
 - (b) must consult the Secretary of State,
 - (c) must consult such children, or organisations working with or representing children, as the devolved administration thinks fit, and 40
 - (d) may consult such other persons as the devolved administration thinks fit.
- (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. 45

*Reports by Secretary of State***13 Reports by Secretary of State**

- (1) During the period beginning with the day on which a UK strategy is laid before Parliament and ending with the target year, the Secretary of State must, on or before each report date, lay before Parliament a report on the progress made – 5
- (a) towards meeting the targets in sections 2 to 5, and
 - (b) in implementing the current UK strategy.
- (2) The report dates are each anniversary of the day on which the most recent UK strategy was laid before Parliament.
- (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. 10
- (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 most recent UK strategy, 15
 - (b) describe the measures taken by the Scottish Ministers, the Welsh Ministers and the relevant Northern Ireland department 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 8(2)(b). 20
- (5) If the most recent 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. 25
- (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.

14 Statement required in relation to target year

- (1) The report under section 13(3) must include a statement of – 30
- (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 2 (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 3 (the combined low income and material deprivation target) living in households that fell within the relevant income group and experiencing material deprivation; 35
 - (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 4 (the absolute low income target); 40
 - (d) the percentage of children who have lived in qualifying households during the survey years (as defined by section 5(2)) which relate to the target year who have lived in households that fell within the relevant 45

income group for the purposes of section 5 (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. 5
- (3) Whether the targets in sections 2 to 5 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 2 to 5 has not been met, the report under section 13(3) must explain why it has not been met.

Economic and fiscal circumstances 10

15 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. 15
- (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. 20
- (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 them, and
 - (b) the effect of the implementation of the strategy on those resources. 25

Continuing effect of targets after target year

16 Continuing effect of targets after target year

Schedule 2 contains provision about the effect of the targets in sections 2 to 5 in relation to financial years after the target year.

Supplementary 30

17 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 11(2);
 - “parent” means an individual having parental responsibility, as defined by subsection (3), for a child;
 - “the relevant Northern Ireland department” means the Office of the First Minister and deputy First Minister;35

- “Scottish strategy” has the meaning given by section 10(2);
“target year” (except in the expression “renewed target year”) has the meaning given by section 1(2);
“UK strategy” has the meaning given by section 8(2);
“Welsh strategy” means a strategy prepared by the Welsh Ministers under Part 1 of the Children and Families (Wales) Measure 2009. 5
- (2) In this Part “qualifying household” and other terms relating to households are to be read in accordance with section 6.
- (3) In the definition of “parent” in subsection (1), the reference to “parental responsibility” – 10
- (a) in relation to England and Wales, is to be read in accordance with the Children Act 1989,
(b) in relation to Northern Ireland, is to be read in accordance with the Children (Northern Ireland) Order 1995, and
(c) in relation to Scotland, is to be read as a reference to parental responsibilities within the meaning of the Children (Scotland) Act 1995. 15

PART 2

DUTIES OF LOCAL AUTHORITIES AND OTHER BODIES IN ENGLAND

18 Responsible local authorities

- For the purposes of this Part, each of the following is a responsible local authority – 20
- (a) a county council in England;
(b) a district council in England, other than a council for a district in a county for which there is a county council;
(c) a London borough council; 25
(d) the Council of the Isles of Scilly;
(e) the Common Council of the City of London in its capacity as a local authority.

19 Partner authorities

- (1) For the purposes of this Part, each of the following is a partner authority in relation to a responsible local authority – 30
- (a) any person mentioned in subsection (2) who acts or is established for an area which, or any part of which, coincides with or falls within the responsible local authority’s area;
(b) the person mentioned in subsection (3). 35
- (2) The persons referred to in subsection (1)(a) are –
- (a) any district council which is not a responsible local authority;
(b) a police authority;
(c) a chief officer of police;
(d) an Integrated Transport Authority for an integrated transport area in England; 40
(e) Transport for London;
(f) a Strategic Health Authority;

- (g) a Primary Care Trust;
 - (h) a youth offending team established under section 39 of the Crime and Disorder Act 1998.
- (3) The person referred to in subsection (1)(b) is the Secretary of State, but only in relation to – 5
- (a) the Secretary of State’s functions under section 2 of the Employment and Training Act 1973 (arrangements with respect to obtaining etc. employment or employees);
 - (b) the Secretary of State’s functions under sections 2 and 3 of the Offender Management Act 2007 (responsibility for ensuring provision of probation services throughout England and Wales). 10
- (4) The Secretary of State’s functions under this Part as a partner authority of a local authority in relation to the functions referred to in subsection (3)(b) are functions to which section 2(1)(c) of the Offender Management Act 2007 (functions to be performed through arrangements under section 3 of that Act) applies. 15
- (5) In subsection (1)(a), references to the area for which a person acts or is established are references –
- (a) in the case of the Commissioner of Police of the Metropolis, to the metropolitan police district (within the meaning of the Police Act 1996); 20
 - (b) in the case of the Commissioner of the City of London Police, to the City of London police area (within the meaning of that Act);
 - (c) in the case of any other chief officer of police, to the police area listed in Schedule 1 to that Act for which the chief officer’s police force is maintained; 25
 - (d) in the case of Transport for London, Greater London.
- (6) The Secretary of State may by order –
- (a) amend subsection (2) or (3) by – 30
 - (i) adding to it any person who has functions of a public nature;
 - (ii) removing from it any person for the time being mentioned in it; or
 - (iii) adding to subsection (3) any function of the Secretary of State or removing from it any function for the time being mentioned in it; and
 - (b) make such other amendments of this section as appear to the Secretary of State to be necessary or expedient in consequence of provision made under paragraph (a). 35
- (7) Before making an order under subsection (6) the Secretary of State must consult such representatives of local government and such other persons (if any) as the Secretary of State thinks fit. 40

20 Co-operation to reduce child poverty in local area

- (1) Each responsible local authority must make arrangements to promote co-operation between –
- (a) the authority;
 - (b) each of its partner authorities; and 45
 - (c) such other persons or bodies as the authority thinks fit.

- (2) The arrangements are to be made with a view to reducing, and mitigating the effects of, child poverty in the responsible local authority’s area.
- (3) Each partner authority must co-operate with the responsible local authority in the making of arrangements under this section.
- (4) The responsible local authority and each partner authority must, in exercising their functions under this section, have regard to any guidance given to them for the purpose by the Secretary of State. 5
- (5) A responsible local authority and any partner authority may for the purposes of arrangements under this section – 10
 - (a) provide staff, goods, services, accommodation or other resources;
 - (b) establish and maintain a pooled fund.
- (6) A pooled fund is a fund – 15
 - (a) which is made up of contributions by the responsible local authority and the partner authority or authorities concerned, and
 - (b) out of which payments may be made towards expenditure incurred in the discharge of functions of the responsible local authority and functions of the partner authority or authorities.

21 Local child poverty needs assessment

- (1) The arrangements made by a responsible local authority under section 20 must include arrangements to prepare and publish an assessment of the needs of children living in poverty in its area (“a local child poverty needs assessment”). 20
- (2) The Secretary of State may by regulations make provision about local child poverty needs assessments.
- (3) Those regulations may in particular include provision as to – 25
 - (a) matters that must be considered in a local child poverty needs assessment;
 - (b) when and how an assessment must be published;
 - (c) keeping an assessment under review;
 - (d) when and how an assessment must be revised;
 - (e) consultation to be carried out during the preparation or revision of an assessment; 30
 - (f) other steps required or permitted to be taken in connection with the preparation or revision of an assessment.
- (4) The responsible local authority and each partner authority must, in exercising their functions under this section, have regard to any guidance given to them for the purpose by the Secretary of State. 35

22 Joint child poverty strategy for local area

- (1) The arrangements made by a responsible local authority under section 20 must include arrangements to prepare a joint child poverty strategy in relation to its area and to modify it in accordance with this section. 40
- (2) The joint child poverty strategy must set out the measures that the responsible local authority and each partner authority propose to take for the purpose of reducing, and mitigating the effects of, child poverty in the responsible local authority’s area.

- (3) Those measures –
 - (a) must include measures relating to matters identified in a local child poverty needs assessment;
 - (b) may include measures relating to other matters identified by the responsible local authority or a partner authority in connection with child poverty in the responsible local authority’s area. 5
 - (4) The responsible local authority may at any time modify the joint child poverty strategy.
 - (5) When a responsible local authority revises a local child poverty needs assessment it must consider whether any modification of the joint child poverty strategy is required. 10
 - (6) In preparing or modifying the joint child poverty strategy, the responsible local authority –
 - (a) must consult such children, or organisations working with or representing children, as the authority thinks fit; 15
 - (b) may consult such other persons or bodies as the authority thinks fit.
 - (7) The responsible local authority and each partner authority must, in exercising their functions under this section, have regard to any guidance given to them for the purpose by the Secretary of State.
 - (8) The responsible local authority and each partner authority must have regard to the joint child poverty strategy in exercising their functions. 20
 - (9) References in this section to a local child poverty needs assessment are to a local child poverty needs assessment prepared by the responsible local authority under section 21.
- 23 Sustainable community strategy 25**
- In section 4 of the Local Government Act 2000 (strategies for promoting well-being), in subsection (3) –
- (a) omit the word “and” immediately after sub-paragraph (ii) of paragraph (a), and
 - (b) after paragraph (a) insert – 30
 - “(aa) must, if it is a local authority in England, have regard to the following, so far as they relate to the authority’s area –
 - (i) any arrangements made under section 20 of the Child Poverty Act 2009 (co-operation to reduce child poverty in local area); 35
 - (ii) any local child poverty needs assessment prepared under section 21 of that Act (local child poverty needs assessment);
 - (iii) any joint child poverty strategy prepared under section 22 of that Act (joint child poverty strategy for local area), and”. 40

24 Meaning of “child poverty” in Part 2

- (1) This section has effect for the interpretation of this Part.

- (2) A child is to be taken to be living in poverty if the child experiences socio-economic disadvantage, and references to “child poverty” have a corresponding meaning.
- (3) Without limiting subsection (2), a child is to be taken to experience socio-economic disadvantage during any period in which – 5
- (a) the child lives in a household that falls within the relevant income group for the purposes of section 2 (the relative low income target) or section 4 (the absolute low income target), or
- (b) the child lives in a household that falls within the relevant income group for the purposes of subsection (1)(a) of section 3 (combined low income and material deprivation target) and is regarded for the purposes of subsection (1)(b) of that section as experiencing material deprivation. 10
- (4) Expressions used in subsection (3) and in Part 1 of this Act have the same meaning in that subsection as in that Part. 15

PART 3

GENERAL

25 General interpretation

In this Act –

“child” means –

- (a) a person under the age of 16, or
- (b) a person who is a qualifying young person for the purposes of Part 9 of the Social Security Contributions and Benefits Act 1992 or Part 9 of the Social Security Contributions and Benefits (Northern Ireland) Act 1992 (child benefit); 25

“prescribed” means prescribed by regulations;

“regulations” means regulations made by the Secretary of State under this Act.

26 Regulations and orders

- (1) Any power to make regulations or an order under this Act is exercisable by statutory instrument. 30
- (2) Any regulations or order under this Act may –
- (a) make different provision for different cases,
- (b) include supplementary, incidental and consequential provision, and
- (c) make transitional provisions and savings. 35
- (3) A power conferred by any provision of this Act to make regulations or an order includes power to provide for a person to exercise a discretion in dealing with any matter.
- (4) A statutory instrument containing –
- (a) regulations under any provision of this Act, other than regulations made only under section 4(3) or 21(2), or
- (b) an order under section 7(4), 40

may not be made unless a draft of the instrument has been laid before, and approved by a resolution of, each House of Parliament.

- (5) A statutory instrument containing—
- (a) regulations made only under section 4(3) or 21(2), or
 - (b) an order under section 19(6),
- is subject to annulment in pursuance of a resolution of either House of Parliament. 5

27 Financial provisions

There is to be paid out of money provided by Parliament—

- (a) *any expenditure incurred under or by virtue of this Act by a Minister of the Crown, and* 10
- (b) *any increase attributable to this Act in the sums payable under any other Act out of money so provided.*

28 Extent

- (1) Except as provided by subsections (2) to (4), the provisions of this Act extend to England and Wales, Scotland and Northern Ireland. 15
- (2) Section 10 extends to Scotland only.
- (3) Section 11 extends to Northern Ireland only.
- (4) Part 2 extends to England and Wales only.

29 Commencement 20

- (1) This Act, except Part 2, comes into force on the day on which this Act is passed.
- (2) Part 2 comes into force at the end of the period of 2 months beginning with the day on which this Act is passed.

30 Short title

This Act may be cited as the Child Poverty Act 2009. 25

SCHEDULES

SCHEDULE 1

Section 7

THE CHILD POVERTY COMMISSION

Membership, chair and deputy chair

- | | | |
|---|--|----|
| 1 | (1) The members of the Commission are to be – | 5 |
| | (a) a chair appointed by the Secretary of State, | |
| | (b) a member appointed by the Scottish Ministers, | |
| | (c) a member appointed by the Welsh Ministers, | |
| | (d) a member appointed by the relevant Northern Ireland department, | |
| | and | 10 |
| | (e) such number of other members appointed by the Secretary of State as the Secretary of State may determine. | |
| | (2) Before appointing a member under sub-paragraph (1)(e), the Secretary of State must consult – | |
| | (a) the chair, and | 15 |
| | (b) the Scottish Ministers, the Welsh Ministers and the relevant Northern Ireland department. | |
| | (3) The Secretary of State may, after consulting the chair, appoint one of the members as the deputy chair. | |
| | (4) The Secretary of State must have regard to the desirability of securing that the Commission (taken as a whole) has experience in or knowledge of – | 20 |
| | (a) the formulation, implementation and evaluation of policy relating to child poverty; | |
| | (b) research in connection with child poverty; | |
| | (c) work with children and families experiencing poverty. | 25 |

Term of office

- | | | |
|---|---|----|
| 2 | Members are to hold and vacate office in accordance with the terms of their appointment, subject to the following provisions. | |
| 3 | Members must be appointed for a term of not more than 5 years. | |
| 4 | The consent of the Secretary of State is required for the terms of an appointment made under paragraph 1(1)(b) to (d). | 30 |
| 5 | A member may resign by giving notice in writing to the Secretary of State. | |
| 6 | The Secretary of State may remove a member if – | |
| | (a) the person has been absent from 3 or more consecutive meetings of the Commission, without its permission, | 35 |

	(b) the person has become bankrupt or has made an arrangement with creditors,	
	(c) the person’s estate has been sequestrated in Scotland or the person, under Scots law, has made a composition or arrangement with, or granted a trust deed for, creditors, or	5
	(d) the Secretary of State is satisfied that the person is otherwise unable or unfit to perform the duties of the office.	
7	A person ceases to be the chair or the deputy chair if the person –	
	(a) resigns that office by giving notice in writing to the Secretary of State, or	10
	(b) ceases to be a member.	
8	A person who holds or has held office as the chair, or as the deputy chair or other member, may be reappointed, whether or not to the same office.	
<i>Staff and facilities</i>		
9	The Secretary of State may provide the Commission with –	15
	(a) such staff,	
	(b) such accommodation, equipment and other facilities, and	
	(c) such sums,	
	as the Secretary of State may determine are required by the Commission in the exercise of its functions.	20
<i>Payments to members</i>		
10	<i>The Secretary of State may pay to or in respect of the members of the Commission such remuneration, allowances and expenses as the Secretary of State may determine.</i>	
<i>Status</i>		
11	The Commission is not to be regarded –	25
	(a) as the servant or agent of the Crown, or	
	(b) as enjoying any status, privilege or immunity of the Crown.	
<i>Sub-committees</i>		
12	The Commission may establish sub-committees.	30
<i>Validity of proceedings</i>		
13	The Commission may regulate –	
	(a) its own procedure (including quorum), and	
	(b) the procedure of any sub-committee (including quorum).	
14	The validity of anything done by the Commission or any sub-committee is not affected by –	35
	(a) any vacancy in the membership of the Commission or sub-committee, or	
	(b) any defect in the appointment of any member of the Commission or sub-committee.	40

Discharge of functions

- 15 The Commission may authorise a sub-committee or member to exercise any of the Commission’s functions.

Provision of advice by Commission

- 16 (1) The Commission must comply with any request made by the Secretary of State under section 9 or by the Scottish Ministers or the relevant Northern Ireland department under section 12. 5
- (2) Advice given by the Commission under either of those sections must contain the reasons for the advice.
- (3) As soon as reasonably practicable after giving advice under either of those sections, the Commission must publish the advice in such manner as it thinks fit. 10

Public records

- 17 In Schedule 1 to the Public Records Act 1958 (definition of public records) in Part 2 of the Table at the end of paragraph 3 at the appropriate place insert – 15
“The Child Poverty Commission.”

Parliamentary Commissioner

- 18 In Schedule 2 to the Parliamentary Commissioner Act 1967 (departments etc subject to investigation) at the appropriate place insert – 20
“The Child Poverty Commission.”

Disqualification

- 19 (1) In Part 2 of Schedule 1 to the House of Commons Disqualification Act 1975 (bodies of which all members are disqualified) at the appropriate place insert – 25
“The Child Poverty Commission.”
- (2) In Part 2 of Schedule 1 to the Northern Ireland Assembly Disqualification Act 1975 (bodies of which all members are disqualified) at the appropriate place insert –
“The Child Poverty Commission.”

Freedom of information

- 20 In Part 6 of Schedule 1 to the Freedom of Information Act 2000 (other public bodies and offices: general) at the appropriate place insert – 30
“The Child Poverty Commission.”

SCHEDULE 2

Section 16

CONTINUING EFFECT OF TARGETS AFTER TARGET YEAR

Interpretation of Schedule

- 1 In this Schedule –
- “renewed target year” means – 5
 - (a) a financial year in relation to which the Secretary of State is required by paragraph 2 to ensure that the targets are met, or
 - (b) a financial year specified under paragraph 3(a);
 - “the targets” means the targets in sections 2, 3 and 5 and, subject to paragraph 9, the target in section 4; 10
 - “target statement” –
 - (a) in relation to the target year, means the report required by section 13(3), and
 - (b) in relation to a renewed target year, means the statement required by paragraph 8. 15

Duty to maintain targets

- 2 If the target statement relating to the target year or a renewed target year indicates that the targets have been met in relation to that financial year, the Secretary of State must ensure that they are also met in relation to the financial year following that in which that target statement is laid before Parliament. 20

Duty to make regulations requiring targets to be met in specified financial year

- 3 If the target statement relating to the target year or a renewed target year indicates that any of the targets has not been met in relation to that financial year, the Secretary of State must make regulations under this paragraph – 25
 - (a) requiring the Secretary of State to ensure that the targets are met in relation to a later financial year specified in the regulations,
 - (b) requiring the Secretary of State, the Scottish Ministers and the relevant Northern Ireland department to publish strategies,
 - (c) requiring consultation by the Secretary of State, in relation to any strategy prepared by the Secretary of State, with the persons mentioned in section 9(4)(a) to (c) and consultation by the Scottish Ministers and the relevant Northern Ireland department, in relation to strategies prepared by them, with the persons whom they are required to consult under section 12(3)(a) to (c), and 30
 - (d) requiring the Secretary of State to publish annual reports on the implementation of any strategy prepared by the Secretary of State. 35
- 4 Regulations under paragraph 3 must be made as soon as reasonably practicable after the time when the target statement referred to in that paragraph is laid before Parliament. 40
- 5 Regulations under paragraph 3 may confer or impose functions on the Commission.

- 6 The provision that may be made by regulations under paragraph 3 includes provision corresponding to that made (in relation to financial years not later than the target year) by any of the following –
- (a) sections 8 and 9 (UK strategies);
 - (b) sections 10, 11 and 12 (Scottish and Northern Ireland strategies); 5
 - (c) section 13 (reports);
 - (d) paragraph 16 of Schedule 1 (provision of advice by Commission).

Economic and fiscal circumstances

- 7 (1) The matters mentioned in section 15(2) must be taken into account –
- (a) by the Secretary of State in preparing a strategy under regulations under paragraph 3; 10
 - (b) by the Commission in considering any advice to be given under any such regulations.
- (2) In preparing a strategy under regulations under paragraph 3, the Scottish Ministers or the relevant Northern Ireland department must have regard to the matters mentioned in section 15(3)(a) and (b). 15

Statement as to whether targets are met in relation to renewed target year

- 8 (1) The Secretary of State must, as soon as reasonably practicable after the end of each renewed target year, lay before Parliament a statement of –
- (a) the percentage of children living in qualifying households in the United Kingdom in the renewed target year who were living in households that fell within the relevant income group for the purposes of section 2 (the relative low income target); 20
 - (b) the percentage of children living in qualifying households in the United Kingdom in the renewed target year who were for the purposes of section 3 (the combined low income and material deprivation target) living in households that fell within the relevant income group and experiencing material deprivation; 25
 - (c) if the absolute low income target in section 4 applies in relation to the renewed target year, the percentage of children living in qualifying households in the United Kingdom in the renewed target year who were living in households that fell within the relevant income group for the purposes of that section; 30
 - (d) the percentage of children who have lived in qualifying households during the survey years (as defined by section 5(2)) which relate to the renewed target year who have lived in households that fell within the relevant income group for the purposes of section 5 (the persistent poverty target) in at least 3 of the survey years. 35
- (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. 40
- (3) Whether the targets have been met in relation to a renewed target year is to be determined by reference to the percentages given in the statement.
- (4) If any of the targets has not been met, the statement must explain why it has not been met. 45

Power to exclude or modify absolute low income target

- 9 (1) Regulations may –
 - (a) amend the percentage specified in subsection (1) of section 4 (the absolute low income target) or the base year specified in subsection (4) of that section in their application in relation to any financial year later than the target year, or 5
 - (b) repeal section 4, and the reference to that section in section 24(3)(a).
- (2) Regulations made by virtue of sub-paragraph (1)(b) do not affect the application of section 4 in relation to the target year or any other financial year before the regulations are made. 10

Child Poverty Bill

A

B I L L

To set targets relating to the eradication of child poverty, and to make other provision about child poverty.

*Presented by Stephen Timms
supported by
The Prime Minister,
Mr Chancellor of the Exchequer,
Secretary Ed Balls, Secretary Yvette Cooper,
Liam Byrne, Jim Knight,
Dawn Primarolo,
Helen Goodman and Kitty Ussher.*

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