

CHILD POVERTY (SCOTLAND) ACT 2017

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Section 3 – Relative poverty

10. **Section 3** provides that a child falls within the section (relative poverty) in a financial year if the child lives in a household whose equivalised net income for the year is less than 60% of the median equivalised net household income for the United Kingdom for the year (see section 7(2) which defines “median equivalised net household income” as the median equivalised net household income for the United Kingdom).
11. The relative poverty target is a recognition that individual and household needs are relative to societal standards of living. Children are considered to be in relative poverty if they are living in households whose combined income is below 60% of the median UK household income, calculated in the same year. Note that the poverty threshold for all four child poverty targets is adjusted (equivalised) to take household size and composition into account.