

*These notes refer to the Child Poverty Act 2010 (c.9)
which received Royal Assent on 25 March 2010*

CHILD POVERTY ACT 2010

EXPLANATORY NOTES

COMMENTARY ON SECTIONS AND SCHEDULES

Part 1 – National Targets, Strategies and Reports (Sections 1 to 18)

Section 2: Duty of Secretary of State to ensure that targets are met

10. *Section 2* places a duty on the Secretary of State to ensure that the targets in sections 3 to 6, relating to relative low income, combined low income and material deprivation, absolute low income and persistent poverty, are met in relation to the target year. The targets apply to the whole of the United Kingdom.
11. *Subsection (2)* defines the target year as the financial year beginning on 1 April 2020.
12. The child poverty targets are defined in the Act in such a way that success can be measured by Government analysis of statistical surveys. Currently, data for the relative low income, combined low income and material deprivation, and absolute poverty targets is taken from the Households Below Average Income dataset that is derived from the Department for Work and Pensions' Family Resources Survey. The Family Resources Survey collects income data from a representative sample of UK households each year. Data relating to the persistent poverty target will be derived from a new survey *Understanding Society* to be undertaken by the University of Essex on behalf of the Economic and Social Research Council. This survey will work on a similar basis to the current survey used to measure persistent poverty, the British Household Panel Survey, which follows the same households over a number of years.
13. *Sections 3 to 6* refer to “qualifying households” and “equivalised income”. “Qualifying household” is likely to be defined in regulations in line with households which are covered by the survey, according to the rules the surveys use to sample households. “Equivalised income” refers to the adjustment of household incomes according to the number of adults, and number and age of children, in each household. This is to take account of the fact that a family of several people requires more income than a single person, in order for both households to enjoy a comparable standard of living. The paragraphs below relating to section 7 explain that the definitions of these and other technical terms underpinning the child poverty targets will be set out in regulations.