# Child Poverty (Scotland) Bill [AS INTRODUCED]

# **CONTENTS**

	on

Targets re	lating to	child	poverty
------------	-----------	-------	---------

- 1 Child poverty targets
- 2 Relative poverty
- Absolute poverty 3
- Combined low income and material deprivation 4
- 5 Persistent poverty
- Calculation of net household income 6

# Delivery plans and progress reports

- 7 Delivery plan
- Progress report 8
- 9 Final report

### Local child poverty action report

10 Local child poverty action report

#### General

- 11 Meaning of "child" and "child poverty targets"
- 12 Commencement
- 13 Short title

SP Bill 6 Session 5 (2017)

THE FOLLOWING ACCOMPANYING DOCUMENTS ARE ALSO PUBLISHED: Explanatory Notes (SP Bill 6-EN), a Financial Memorandum (SP Bill 6-FM), a Policy Memorandum (SP Bill 6-PM) and statements on legislative competence (SP Bill 6-LC).

# Child Poverty (Scotland) Bill [AS INTRODUCED]

An Act of the Scottish Parliament to set targets relating to the eradication of child poverty; and to make provision about plans and reports relating to the targets.

Targets relating to child poverty

#### 1 Child poverty targets

- (1) The Scottish Ministers must ensure that the child poverty targets are met in the financial year beginning with 1 April 2030.
- (2) The child poverty targets are that, of children living in households in Scotland—
  - (a) less than 10% fall within section 2 (relative poverty),
  - (b) less than 5% fall within section 3 (absolute poverty),
  - (c) less than 5% fall within section 4 (combined low income and material deprivation),
  - (d) less than 5% fall within section 5 (persistent poverty).

#### 2 Relative poverty

A child falls within this section in a financial year if the child lives in a household whose equivalised net income for the year is less than 60% of median equivalised net household income for the year.

#### 3 Absolute poverty

- (1) A child falls within this section in a financial year if the child lives in a household whose equivalised net income for the year is less than 60% of the amount of median equivalised net household income for the financial year beginning with 1 April 2010, adjusted to take account of changes in the value of money since that financial year.
- (2) The Scottish Ministers may by regulations substitute a different date for the date mentioned for the time being in subsection (1).
- (3) Regulations under subsection (2) are subject to the negative procedure.

SP Bill 6 Session 5 (2017)

10

5

15

20

5

10

15

20

25

30

35

#### 4 Combined low income and material deprivation

A child falls within this section in a financial year if the child—

- (a) lives in a household whose equivalised net income for the year is less than 70% of median equivalised net household income for the year, and
- (b) experiences material deprivation in the year.

#### 5 Persistent poverty

- (1) A child falls within this section in a financial year if the child has lived—
  - (a) in each of the survey years, in a household in Scotland, and
  - (b) in at least 3 of the survey years, in a household whose equivalised net income for the survey year was less than 60% of median equivalised net household income for the survey year.
- (2) The survey years are—
  - (a) the calendar year that ends during the financial year, and
  - (b) the 3 previous calendar years.

#### 6 Calculation of net household income

- (1) For the purposes of this Act, the deductions to be made in calculating net household income include housing costs.
- (2) In this Act—

"equivalised", in relation to household income, means adjusted to take account of variations in household size and composition,

"median equivalised net household income" means the median equivalised net household income for the United Kingdom.

#### Delivery plans and progress reports

#### 7 Delivery plan

- (1) The Scottish Ministers must prepare a plan (a "delivery plan") for each of the following periods—
  - (a) 1 April 2018 to 31 March 2021,
  - (b) 1 April 2021 to 31 March 2026,
  - (c) 1 April 2026 to 31 March 2031.
- (2) A delivery plan must set out the measures that the Scottish Ministers propose to take during the period of the plan for the purpose of meeting the child poverty targets.
- (3) A delivery plan may include such other information about child poverty as the Scottish Ministers consider appropriate.
- (4) As soon as reasonably practicable after preparing a delivery plan, and before the beginning of the period of the plan, the Scottish Ministers must—
  - (a) lay the plan before the Scottish Parliament, and
  - (b) publish the plan.

- (5) In preparing a delivery plan, the Scottish Ministers must consult—
  - (a) such local authorities or associations of local authorities as they consider appropriate,
  - (b) such persons and organisations working with or representing children as they consider appropriate,
  - (c) such persons and organisations working with or representing parents as they consider appropriate, and
  - (d) such other persons as they consider appropriate.

### **8** Progress report

5

10

15

20

25

35

- (1) The Scottish Ministers must, as soon as reasonably practicable after the end of each reporting year, prepare a report (a "progress report") on the progress made during the year—
  - (a) towards meeting the child poverty targets, and
  - (b) in implementing the relevant delivery plan.
- (2) A progress report must, in particular—
  - (a) describe the measures taken by the Scottish Ministers in accordance with that delivery plan, and
  - (b) describe the effect of those measures on progress towards meeting the child poverty targets.
- (3) As soon as reasonably practicable after preparing a progress report, the Scottish Ministers must—
  - (a) lay the report before the Scottish Parliament, and
  - (b) publish the report.
- (4) In this section—

"relevant delivery plan", in relation to a progress report, means the plan prepared under section 7(1) for a period that includes the reporting year for which the progress report is prepared,

"reporting year" means a financial year falling within the period of a plan prepared under section 7(1).

## *y* **9 Final report**

- (1) This section applies to the report prepared under section 8(1) for the financial year beginning with 1 April 2030.
- (2) The report must include a statement of the percentage of children living in households in Scotland that year—
  - (a) who fell within section 2 (relative poverty),
  - (b) who fell within section 3 (absolute poverty),
  - (c) who fell within section 4 (combined low income and material deprivation),
  - (d) who fell within section 5 (persistent poverty).

5

10

15

20

25

30

- (3) Whether the child poverty targets have been met in the financial year beginning with 1 April 2030 is to be determined by reference to the percentages given in the report.
- (4) If any of the child poverty targets has not been met, the report must explain why it has not been met.

#### Local child poverty action report

#### 10 Local child poverty action report

- (1) A local authority and each relevant Health Board must, as soon as reasonably practicable after the end of each reporting year, jointly prepare and publish a report (a "local child poverty action report").
- (2) A local child poverty action report must describe any measures taken in the area of the local authority during the reporting year by—
  - (a) the local authority,
  - (b) each relevant Health Board,

for the purpose of contributing to the meeting of the child poverty targets.

(3) In this section—

"relevant Health Board", in relation to a local authority, means a Health Board constituted under section 2(1)(a) of the National Health Service (Scotland) Act 1978 whose area—

- (a) is the same as the area of the local authority, or
- (b) includes all or part of the area of the local authority,

"reporting year" means a financial year falling within the period of a plan prepared under section 7(1).

#### General

#### 11 Meaning of "child" and "child poverty targets"

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,

"child poverty targets" has the meaning given by section 1(2).

#### 12 Commencement

- (1) This section and sections 11 and 13 come into force on the day after Royal Assent.
- (2) The other provisions of this Act come into force at the end of the period of 2 months beginning with the day of Royal Assent.

#### 35 **Short title**

The short title of this Act is the Child Poverty (Scotland) Act 2017.

# **Child Poverty (Scotland) Bill**

[AS INTRODUCED]

An Act of the Scottish Parliament to set targets relating to the eradication of child poverty; and to make provision about plans and reports relating to the targets.

Introduced by: Angela Constance
On: 9 February 2017
Bill type: Government Bill

© Parliamentary copyright. Scottish Parliamentary Corporate Body

Information on the Scottish Parliament's copyright policy can be found on the website www.parliament.scot

Produced and published in Scotland by the Scottish Parliamentary Corporate Body.

All documents are available on the Scottish Parliament website at: <u>www.parliament.scot/documents</u>

SP Bill 6 Session 5 (2017)