



# ***Child Poverty Bill: Committee Stage*** **Report**

**Bill No 10 of 2009-10**

**RESEARCH PAPER 09/89** 3 December 2009

This is a report on the Committee Stage of the *Child Poverty Bill*. It complements Research Paper 09/62 prepared for the Commons Second Reading.

The Bill was introduced in the House of Commons on 11 June 2009 and had its Second Reading on 20 July, when a carry-over motion to the 2009-10 Session was also agreed. The Bill completed its Committee Stage on 3 November and was reintroduced on 19 November, with the First and Second Reading stages being taken without debate.

The Bill fulfils the Government's commitment made in September 2008 to enshrine the 2020 child poverty target in legislation. It establishes four separate child poverty targets to be met by 2020/21, requires the UK Government to publish a regular UK child poverty strategy, requires the Scottish and Northern Irish Ministers to publish child poverty strategies, establishes a Child Poverty Commission to provide advice, requires the UK Government to publish annual progress reports, and places new duties on local authorities and other "delivery partners" in England to work together to tackle child poverty.

There was no division at Second Reading. Amendments tabled at the request of the Scottish and Northern Ireland Governments to clarify the responsibilities of the respective administrations were agreed in Committee. No further Government amendments were tabled. No opposition or backbench amendments were agreed, although Ministers gave undertakings to consider further some issues raised by Members in Committee.

In its report on the Bill published on 26 November, the Joint Committee on Human Rights recommended further amendments to the Bill to address human rights issues.

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## Research Paper 09/89

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## Summary

The *Child Poverty Bill* was presented on 11 June 2009 and had completed its Committee Stage by the end of the 2008-09 Session. A carry-over motion to the current Session was agreed on 20 July, and the Bill is now awaiting Report Stage and Third Reading.

The Bill's stated purpose is to "define success in eradicating child poverty and create a framework to monitor progress at a national and local level." It:

- Establishes **four child poverty targets** to be met by 2020/21, based on a relative low income measure, a low income measure fixed in real terms, a combined low income and material deprivation measure, and a "persistent poverty" measure
- Requires the UK Government to **publish a UK child poverty strategy**, which must be revised every three years, setting out policies to meet the targets
- Requires **Scottish and Northern Irish ministers** to publish **child poverty strategies**
- Establishes a **Child Poverty Commission** to provide advice on strategies
- Requires the UK Government to publish **annual progress reports**
- Places **duties on local authorities and other "delivery partners" in England** to work together to tackle child poverty, conduct a local needs assessment, produce a child poverty strategy and take child poverty into account in the production and revision of their Sustainable Communities Strategies

Full details can be found in [Research Paper 09/62](#) prepared for Second Reading. The Library's [Bill Gateway](#) pages give links to further material and to the proceedings on the Bill.

The Bill received Second Reading on 20 July 2009 without a vote. Opposition parties indicated their support for ending child poverty but criticised elements of the Bill. The Conservatives argued that the Bill's real purpose was more about distracting attention from the expected failure of the Government to meet its 2010 child poverty target, and that merely legislating to end child poverty, without tackling its "root causes", would not achieve the aim of eradicating child poverty by 2020. They were also concerned that the Bill would place further bureaucratic burdens on local authorities, without giving them the freedom to innovate. The Liberal Democrats strongly welcomed the commitment in the Bill to tackle child poverty, but raised a number of issues, including the usefulness of having an income poverty target fixed in real terms, the need for the Child Poverty Commission to have sufficient "teeth and resources", and the adequacy of benefits. There was also considerable scepticism about the prospects for meeting the 2020 targets, given progress on child poverty to date and the uncertain economic and fiscal outlook.

In Committee, Government amendments to clauses 10, 11, 13 and 15 were agreed. The amendments – tabled at the request of the Scottish and Northern Ireland Governments – require the Scottish Ministers and the offices of the First Minister and Deputy First Minister in Northern Ireland to report annually to the Scottish Parliament and the Northern Ireland Assembly respectively on implementation of their child poverty strategies and how measures taken have contributed to meeting the UK-wide targets, and make associated technical changes. No further Government amendments were tabled. No opposition or backbench amendments were agreed, although Ministers gave undertakings to consider further some issues raised by Members in Committee.

In its report published on 26 November, the Joint Committee on Human Rights welcomed the Bill as a "significant human rights enhancing measure" but recommended that amendments be made to impose a duty on the Secretary of State to implement a child poverty strategy, to include in the Bill targets relating to children not in "qualifying households", and to make it a duty to consult both children and the Children's Commissioners in the preparation of child poverty strategies.

## 1 Introduction

The *Child Poverty Bill* was introduced in the House of Commons on 11 June 2009 and had its Second Reading on 20 July.<sup>1</sup> The Bill was committed to a Public Bill Committee, with proceedings to be concluded no later than 3 November. There were ten sittings of the Committee between 20 October and 3 November, with oral evidence being taken at the first four sittings.

A carry-over motion to the 2009-10 Session was agreed by the House of Commons on 20 July 2009. The Bill was re-presented to Parliament on 19 November 2009 and the First and Second Reading stages were taken without debate. The Bill is now awaiting Report Stage and Third Reading.

Detailed information on the provisions in the Bill and the background to them can be found in Library [Research Paper 09/62](#) prepared for Second Reading. Further material and links to the proceedings on the Bill can be found on the Library's [Bill Gateway](#) pages.

On 19 October, the Government provided Members of the Public Bill Committee with a document, *Draft Regulations and Policy Statement for the Child Poverty Bill*. This included:

- A draft of the *Child Poverty (Targets) Regulations*, together with an explanatory memorandum
- Policy Statement for the *Material Deprivation Regulations*
- A draft of the *Local Child Poverty Needs Assessment Regulations*, together with an explanatory memorandum

On 26 November, the Joint Committee on Human Rights published its report on the Bill, which includes observations regarding the purposes and effects of the Bill and recommends amendments to certain provisions in light of consideration of human rights issues.<sup>2</sup> Further details are given in Part 4 of this paper.

## 2 Second Reading

Opening for the Government in the Second Reading debate, the Secretary of State for Work and Pensions, **Yvette Cooper**, said:

I hope that the Bill will have support from all parts of the House. I believe it is one of the most radical Bills we have debated in this Parliament. It sets out a vision of a fairer society that is bold and ambitious—a vision of equality and opportunity for our children that goes further than any other European country currently achieves. It entrenches that vision in our legislation for the long term.

We know that no law alone can end child poverty, but the Bill will help to hold the Government's feet to the flames in pursuit of a fairer Britain. It will demand of Governments, now and in the future, determined action to cut child poverty and to stop children being left behind. Those are bold ambitions, but they are the right ambitions.

The Bill does more than simply set out targets; it embeds a set of values in our primary legislation. For a start, it is the chance for Parliament to make it clear that children in the 21st century should not grow up suffering deprivation, and that they should not grow up lacking the necessities that most of us take for granted, and which allow them to participate fully in society—things such as keeping the house warm, being able to go

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<sup>1</sup> HC Deb 20 July 2009 cc603-680

<sup>2</sup> [Legislative Scrutiny: Child Poverty Bill](#), HL Paper 183; HC 1114 1008-09

on a week's holiday or being able to afford a bike to get out and about with friends. We are setting a clear target to cut the number of children growing up in low-income and material deprivation.<sup>3</sup>

The Secretary of State said that there was a "serious vision of equality embedded in the Bill", adding:

Labour's child poverty targets have never just been about poverty; they have always been about narrowing the unfair inequalities that can haunt children throughout their lives.<sup>4</sup>

Ms Cooper argued that the main child poverty target had always been a relative poverty target, and should remain so:

It means that as society becomes more prosperous, all our children must share in that prosperity. As the incomes of better-off families grow, the poorest families must not get left further behind, because if they do their children will fall further behind—and not just today, but potentially for decades to come.<sup>5</sup>

The Secretary of State said that measures already announced, including increases in Child Tax Credit, were expected to reduce the number of children in relative poverty by 500,000, but acknowledged that efforts to tackle child poverty needed to be "even more ambitious" in the future:

Everyone knows that it will be difficult to meet our target of halving child poverty by next year, but we believe that it is right to keep working towards it and to make as much progress as we can, even in more difficult times.<sup>6</sup>

She said that tackling child poverty required "acting across the board" to ensure that children do not get left behind and that the Bill required the Government to work with the devolved administrations, local authorities and others to this end, adding:

It will force Governments to come back to Parliament time and again to demonstrate the progress being made. It ultimately means that the Government will be at risk of action in the courts if they fail.<sup>7</sup>

The Shadow Secretary of State for Work and Pensions, **Theresa May**, said that eradicating child poverty was an "ambitious but important aspiration for any Government of this country."<sup>8</sup> With regard to the Government's commitment to eradicate child poverty by 2020, she said:

We can disagree about the approach that has been taken and the lack of progress that has been made, but we should all recognise the importance of setting out that ambition.

I reiterate the Conservative party's support for ending child poverty, and I remind hon. Members of the words of my right hon. Friend the Leader of the Opposition. He stated last year:

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<sup>3</sup> HC Deb 20 July 2009 c603

<sup>4</sup> HC Deb 20 July 2009 c604

<sup>5</sup> HC Deb 20 July 2009 c605

<sup>6</sup> HC Deb 20 July 2009 c606

<sup>7</sup> HC Deb 20 July 2009 c611

<sup>8</sup> HC Deb 20 July 2009 c611

"I want...the government I aspire to lead to be judged on how we tackle poverty in office. Because poverty is not acceptable in our country today."<sup>9</sup>

Mrs May said that the Government would miss its 2010 child poverty target and that, across a range of indicators, income inequality was rising. She continued:

The Bill ties a future Government to the targets that the current Government have failed to achieve. The Secretary of State may believe that that is clever party politics, but I say to her that such cynical positioning is undignified and belittles the important issues that the Bill should raise. It also sets this whole debate in the realm of the unrealistic; we are all aware of the tremendous pressures on the public finances, yet Ministers seem to have given only a perfunctory nod to such considerations when drafting the Bill.

It is important to remember that poverty is not only about economics. In too many parts of our country, we see not just poverty of income, but poverty of opportunity, aspiration and environment. A child who grows up without the opportunities of good education, health care or housing is also a child growing up in poverty.<sup>10</sup>

She argued that tackling family poverty required a "co-ordinated approach that understands the complex roots of deprivation."<sup>11</sup>

Mrs May said that there were aspects of the Bill that the Conservatives supported. She welcomed the emphasis on "local issues and action", although her party would seek to ensure that the Bill did not "simply place more bureaucratic burdens on local authorities without giving them the freedom to innovate and act in accordance with local needs."<sup>12</sup> The Conservatives would also have liked to have seen recognition in the Bill of the role of charities and other community groups.

However, Mrs May had "significant concerns" about certain aspects of the Bill. The creation of a Child Poverty Commission could be a useful step towards holding governments to account, but it should not be allowed to become an "ineffective quango" and needed "clear transparency of purpose."<sup>13</sup>

Her main criticism was however that "simply legislating to end child poverty" would not make it happen and that what was needed was action to address the "root causes" of poverty, including "family breakdown, worklessness, educational failure and others."<sup>14</sup> Mrs May noted that Britain had one of the highest rates of family breakdown in Europe, and said there was widespread evidence of its negative impact on children's life chances. She continued:

We will never get to the heart of the problems we face—from crime to debt, from drug addiction to entrenched poverty—if we fail to support the best institution our society has, namely the family. It is central to ensuring the well-being of children; there is no more important way to strengthen our society than to strengthen our families, so we must recognise that family breakdown is a route into poverty for many children.<sup>15</sup>

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<sup>9</sup> HC Deb 20 July 2009 c611

<sup>10</sup> HC Deb 20 July 2009 cc612-613

<sup>11</sup> HC Deb 20 July 2009 c613

<sup>12</sup> HC Deb 20 July 2009 c614

<sup>13</sup> HC Deb 20 July 2009 cc614-615

<sup>14</sup> HC Deb 20 July 2009 cc615

<sup>15</sup> HC Deb 20 July 2009 c616



Mrs May urged the Government to support her party's proposal to end the "couple penalty" in the Working Tax Credit.<sup>16</sup>

She also expressed disappointment that the Bill did not give greater attention to the importance of business, economic regeneration, tackling worklessness, and improving the life chances of the poorest children through the education system.<sup>17</sup>

Mrs May concluded:

The Bill must mark a second phase in our nation's progress towards ending child poverty. The first phase was simply not good enough. It was a one-dimensional approach that focused solely on tax credits and, tragically but predictably, resulted in an increase in child poverty at the very time when it should be decreasing. The same mistake must not be made again. Poverty is a complex and stubborn blight on our nation, and we will not eliminate it until we recognise its causes and tackle them head on. That means supporting the family as the most important institution in our society. It means tackling generational worklessness and welfare dependency. It means ending the failures of our education system, which result in so much wasted talent. It means working with local government, businesses and the voluntary sector in all parts of the country.

The Government's intention in presenting the Bill now is to bind the next Conservative Government. I assure the Minister and the House that the next Conservative Government will not adopt a one-dimensional approach to child and family poverty. We will recognise, and seek to tackle, the complex web of issues that lead to it, as part of our aim to improve the well-being and life chances of all those living in the United Kingdom.<sup>18</sup>

For the Liberal Democrats, **Steve Webb** welcomed "unreservedly" the fact that the Bill contained a commitment to tackle child poverty, but said that achieving a target of having fewer than 10 per cent of children in poverty would not amount to "abolition" as the public understood it.<sup>19</sup>

With regard to the Child Poverty Commission, he noted:

There has been a spurious suggestion that there will be a vast, sprawling quango that will rob the public purse of money. In fact, the estimated cost of this new body is £20,000 for a dozen people to come together four times a year to discuss the issue, with two civil servants working on it. In the context of one of the biggest social problems of our age, that is a tiny amount of money.<sup>20</sup>

He argued that the Commission should have "more teeth and more resources".<sup>21</sup>

Mr Webb welcomed the fact that the Bill measured poverty in different ways. He continued:

My hunch is that the Government have made a rod for their own back with this Bill. They have set four targets. The absolute poverty target is a waste of time. It will just enable the Government to pat themselves on the back—if they cannot reach the

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<sup>16</sup> HC Deb 20 July 2009 c616 For further background see Library Standard Note SN/BT/4392, [Tax, marriage & transferable allowances](#), 19 October 2009

<sup>17</sup> HC Deb 20 July 2009 cc617-618

<sup>18</sup> HC Deb 20 July 2009 c619

<sup>19</sup> HC Deb 20 July 2009 c624

<sup>20</sup> HC Deb 20 July 2009 c625

<sup>21</sup> HC Deb 20 July 2009 c630

poverty target for 10 years ago, we are really in trouble and might as well all go home. The target on persistent poverty, however, will be a nightmare, as will the one on material deprivation. Therefore, it is entirely laudable that the Government have included those targets in the Bill, and I welcome that.<sup>22</sup>

Mr Webb said the issue of how minimum benefit levels are set was central to the debate on child poverty:

If there is a goal to abolish child poverty in a meaningful sense, and benefit levels are below 60 per cent. of median [income], some families will always be in child poverty. Even with the most benign economic environment, significant numbers of families will probably always be on benefit. Ministers will have more accurate figures, but I suspect that the benefit level for an unemployed family with two children is not far off the 60 per cent. line. It is not implausible to think that people on basic benefit levels are just out of income poverty. The assumption that people would be in income poverty by being on benefit troubles me, and it should relate to the definition of the adequacy of benefits. I hope that the Minister will be able to give a more precise answer to that question than I can.<sup>23</sup>

He was also concerned about the prospects for reducing child poverty significantly by 2020, given that relatively little progress had been made since 1997, despite the largely favourable economic climate during that period.<sup>24</sup>

Mr Webb said that clause 15 (requiring the Secretary of State and the Commission to have regard to 'economic and fiscal circumstances') appeared to be a "get-out clause" and should be removed from the Bill:

The idea that the Government might say, "Well, child poverty is terrible, but we are broke," really would cause fundamental doubt about the whole Bill.

...We know the state of the public finances, so we risk doing a disservice to our electors if we sign up to a Bill and then all quietly go off saying, "Of course, none of us thinks it will ever be implemented because we're broke." If that is how we view the Bill, we should come clean.<sup>25</sup>

Mr Webb also questioned whether the current approach to measuring child poverty underestimated the extent of poverty in disabled households, and whether certain groups were accurately represented in the data sources, such as children from minority ethnic groups.<sup>26</sup>

Winding up for the Opposition, the Treasury Spokesman **David Gauke** reiterated that the Conservatives "strongly share the aspiration to eradicate child poverty by 2020." He welcomed what appeared to be an emerging consensus that money alone was not enough to tackle child poverty. However, he said there was a "degree of scepticism about the Bill", which was more about "distracting attention from the failure of the 2010 target than it is about the 2020 target."<sup>27</sup> He went on:

A further concern that we have is about accountability. Clause 1 states that it is

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<sup>22</sup> HC Deb 20 July 2009 c625

<sup>23</sup> HC Deb 20 July 2009 c625

<sup>24</sup> HC Deb 20 July 2009 c627-628

<sup>25</sup> HC Deb 20 July 2009 c628-629

<sup>26</sup> HC Deb 20 July 2009 c629-630

<sup>27</sup> HC Deb 20 July 2009 c673

“the duty of the Secretary of State to ensure that...targets are met”.

I hope that in Committee we will be able to examine to whom exactly that duty is owed. What will happen if the target is not met? Will it be possible to take the Secretary of State to court if he or she fails to meet a target? Will the courts be able to block a policy initiative if it is inconsistent with that duty, or will they be able to initiate policy? If so, there has to be distinct unease, because those are matters for a democratically accountable politician. They are matters for Ministers, not unelected judges, and that would start to blur the line between what is rightfully done in this place and by people accountable to it and what is done in the courts. If it is not for the courts to make such decisions, that prompts the question of what the point of the Bill is, other than to be a glorified press release.<sup>28</sup>

He also felt that the Bill reflected a “top-down view of what local authorities should do”, which was essentially that local authorities were there to administer the priorities of central Government.<sup>29</sup> Mr Gauke concluded:

We support the aspiration behind the Bill, but the Bill shares some of the less attractive characteristics of the Government. It looks bureaucratic, and it looks as though it is centralising, rather than localising. There is one other important point. One might expect a Government to proceed by first setting out their objectives, then setting out a strategy on how to deliver those objectives, and then delivering, but after 12 years, the Government have failed to deliver, so they resort to repackaging their objectives in the Bill without explaining how they will deliver. Whatever its qualities, the Bill is a style-over-substance measure. It is about political positioning before delivery. It is a Bill from a Government who have given up on delivery. It is a Bill from a Government who have given up. Where this Government have failed, others must succeed.<sup>30</sup>

Replying for the Government, the Financial Secretary to the Treasury, **Stephen Timms**, said in response to suggestions that the current fiscal pressures cast doubt on likelihood of achieving the 2020 targets:

I would rather put it the other way round. Under the obligations in the Bill, once it receives Royal Assent, we need to devise a strategy for child poverty that is consistent with the fiscal consolidation that will be necessary over the next few years. That is what clause 15 requires. The eradication of child poverty and the fiscal consolidation set out in the Budget are not incompatible, and the strategy that the Bill requires will have to demonstrate how we can deliver both.<sup>31</sup>

He added:

Some hon. Members have rightly said that the benefits of the proposals will far outweigh the costs. Creating a fairer society will benefit everyone. Without the action that we are proposing, we would need to continue meeting the real and high costs of inequality, and we would continue to miss out on the value of unfulfilled potential. The eradication of child poverty will have significant benefits for the economy. Entrenched crime and poor health impose big costs on public services and prevent them from operating as effectively as they could.

The hon. Member for Glasgow, East (John Mason) was right to mention the recent estimate by the Joseph Rowntree Foundation that the cost to the economy of child

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<sup>28</sup> HC Deb 20 July 2009 c674

<sup>29</sup> HC Deb 20 July 2009 c674

<sup>30</sup> HC Deb 20 July 2009 c674

<sup>31</sup> HC Deb 20 July 2009 c676

poverty is around £25 billion a year. The challenge is to work out how to tackle that cost effectively, and to realise those substantial cost savings over time in a way that is consistent with the consolidation that will be needed over the next few years. That is what the strategy required by the Bill will need to do.<sup>32</sup>

Asked about the prospects for meeting the 2010 target of halving child poverty, Mr Timms referred to work carried out by the Institute for Fiscal Studies which suggested that, on the basis of policies currently in place, the Government might get two-thirds of the way towards the target by 2010.<sup>33</sup> He added:

My right hon. Friend the Secretary of State for Work and Pensions explained earlier that pressure on the public finances constrains what we can do, but we have certainly not given up, and we may be able to go further in the announcements to follow before the end of the 2010-11 period.<sup>34</sup>

The Bill received Second Reading without a vote.

### **3 Committee Stage**

#### **3.1 Sitings and evidence**

The [Public Bill Committee](#) had ten sittings between 20 October and 3 November:

- 1st sitting (morning), 20 October 2009
- 2nd sitting (afternoon), 20 October 2009
- 3rd sitting (morning), 22 October 2009
- 4th sitting (afternoon), 22 October 2009
- 5th sitting (morning), 27 October 2009
- 6th sitting (afternoon), 27 October 2009
- 7th sitting (morning), 29 October 2009
- 8th sitting (afternoon), 29 October 2009
- 9th sitting (morning), 3 November 2009
- 10th sitting (afternoon), 3 November 2009

Oral evidence was taken at the first four sittings; the witnesses are listed below.

#### ***First sitting***

- Stephen Timms, Financial Secretary to the Treasury
- Helen Goodman, Parliamentary Under-Secretary, Department for Work and Pensions
- Dawn Primarolo, Minister of State for Children, Young People and Families, Department for Children, Schools and Families

#### ***Second sitting***

- Kate Green, Chief Executive, Child Poverty Action Group
- Neera Sharma, Assistant Director of Policy, Barnardo's
- Fergus Drake, Director of UK Programmes, Save the Children
- Kate Bell, Director of Policy, Gingerbread
- Catherine Fitt, Strategic Director of Children's Services, National College for Leadership of Schools and Children's Services

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<sup>32</sup> HC Deb 20 July 2009 c676-676

<sup>33</sup> For further information on the IFS estimates see p21 of Library [Research Paper 09/62](#)

<sup>34</sup> HC Deb 20 July 2009 c677

- Colin Green, Chair of the Families, Communities, and Young People's Policy Committee, Association of Directors of Children's Services
- Kevan Collins, Chief Executive, London Borough of Tower Hamlets
- Richard Kemp, Deputy Chair, Local Government Association
- Paul Carter, Leader, Kent County Council

### ***Third sitting***

- Charlotte Pickles, Senior Policy Adviser, Centre for Social Justice
- Edna Speed, Chairperson, Save the Family
- Reverend Paul Nicolson, Chairman, Zacchaeus 2000 Trust

### ***Fourth sitting***

- Dr. Tess Ridge, Senior Lecturer, Department of Social and Policy Sciences, University of Bath
- Donald Hirsch, Academic Researcher at the Centre for Research in Social Policy, Loughborough University
- Mike Brewer, Director of the Direct Tax and Welfare research programme, the Institute for Fiscal Studies
- Neil O'Brien, Director, Policy Exchange

The following [written evidence](#) was also submitted to the Committee:

- Memorandum submitted by Save the Children (CP 01)
- Memorandum Submitted by The Campaign to End Child Poverty (CP 02)
- Memorandum Submitted by Barnardo's (CP 03)
- Memorandum submitted by Gingerbread (CP 04)
- Memorandum by ZACCHAEUS 2000 (CP 05)
- Memorandum submitted by Action for Children (CP 06)
- Memorandum submitted by the Church of England's Mission and Public Affairs Council (CP 07)
- Memorandum submitted by City of London Corporation (CP 08)
- Memorandum submitted by Save the Family (CP 09)
- Memorandum submitted by Equality and Human Rights Commission (CP 10)
- Memorandum submitted by CPAG, Save the Children, Barnardo's and Gingerbread (CP 11)

## **3.2 Clause by clause consideration of the Bill**

Government amendments to clauses 10, 11, 13 and 15 were agreed. The amendments – tabled at the request of the Scottish and Northern Ireland Governments – require the Scottish Ministers and the offices of the First Minister and Deputy First Minister in Northern Ireland to report annually to the Scottish Parliament and the Northern Ireland Assembly respectively on implementation of their child poverty strategies and how measures taken have contributed to meeting the UK-wide targets, and make associated technical changes.

No further Government amendments were tabled. No opposition or backbench amendments were agreed, although Ministers gave undertakings to consider further some issues raised by Members in Committee.

Further details are given below. Other significant areas of debate in Committee are also summarised. Issues are covered in the order in which they were considered in Committee.

***Targets relating to the causes of poverty***

At the fifth sitting the Conservative Spokesman Andrew Selous moved an amendment to include in the Bill further targets, in addition to the income poverty targets, relating to the causes of poverty. The amendment required the Secretary of State to make regulations setting out ‘causes of poverty targets’ which could include (but which would not be limited to) factors including low educational attainment; school leavers not in education, employment or training; registrations for child protection; teenage smoking and obesity; teenage pregnancy, children in homes with drug or alcohol addiction; children in jobless households; and serious personal debt. Speaking to the amendment, Mr Selous said that it was about “getting the balance right between dealing with the causes of poverty—the pathways that lead families and children into lives of poverty—and alleviating its symptoms and effects.”<sup>35</sup> Mr Selous said that there was a danger that simply focusing on the four poverty targets-

...may drive policy in the wrong direction, keeping it in the area of income transfer—important as that is—without dealing with some of the serious issues that cause families to be in poverty in the first place.<sup>36</sup>

For the Liberal Democrats, Steve Webb said that while the amendment was well-meaning, there was a risk of losing focus on the reduction of income poverty by “diluting” the existing targets.<sup>37</sup>

The Financial Secretary to the Treasury, Stephen Timms, agreed that the amendment would “detract from the Bill’s clarity of purpose”. The key to the Bill, he said, was “the conviction that income poverty—living below the poverty line—for children should end.”<sup>38</sup> The areas mentioned in the amendment were not “irrelevant or unrelated” to child poverty, but they should not be included in the Bill as targets.<sup>39</sup> The child poverty strategy would set out specific actions to be taken, and would address the needs of particularly vulnerable groups and the underlying causes of poverty. Mr Timms also said the Department for Work and Pensions was looking at the issue of how its *Opportunity for all* indicators should be published, given the interest that had been expressed in them.<sup>40</sup>

Replying for the Conservatives, Andrew Selous said that the amendment did not constitute “some sort of Conservative get-out, to water down the Bill”, and that it left the existing four poverty targets intact.<sup>41</sup>

Mr Selous pressed the amendment to a division, and it was rejected by 11 votes to 5.

***The relative low income target and ‘eradication’ of child poverty***

A number of organisations submitting written evidence to the Public Bill Committee argued that the target in clause 2 of less than 10 per cent of children in relative low income poverty was too high and that ‘eradication’ of child poverty should mean 5 per cent or less below the 60 per cent of median income threshold.<sup>42</sup>

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<sup>35</sup> PBC Deb 27 October 2009 c126

<sup>36</sup> PBC Deb 27 October 2009 c126

<sup>37</sup> PBC Deb 27 October 2009 c131-132

<sup>38</sup> PBC Deb 27 October 2009 c133-136

<sup>39</sup> PBC Deb 27 October 2009 c136

<sup>40</sup> The latest [Opportunity for all](#) data and links to previous reports can be found at the DWP website. An annual *Opportunity for all* report used to be published but the last such report was in 2007

<sup>41</sup> PBC Deb 27 October 2009 c136

<sup>42</sup> See memoranda CP01, CP02, CP03, CP04, CP06. For further background see also pp47-52 of Library [Research Paper 09/62](#)

The Liberal Democrat Spokesman Steve Webb moved an amendment to clause 2 to change the relative low income target of less than 10 per cent of children in relative poverty to less than 5 per cent. The 10 per cent target, he argued was “unduly unambitious”.<sup>43</sup>

For the Conservatives, Andrew Selous, agreed that 10 per cent did not constitute “eradication”, but noted that one of the reasons politicians were held in low regard by members of the public was that they sometimes promised more than they delivered. The current rate of child poverty would have to be cut by more than half to reach 10 per cent. He continued:

That would not be good enough—of course I would like to go further. However, if we are putting something in law, there is merit in the Government’s approach of saying, “Let’s try to achieve the best levels that are currently achievable in Europe”, notwithstanding that every single member of the Committee would like to go further and make sure that no children are left in relative income poverty.<sup>44</sup>

The Financial Secretary to the Treasury, Stephen Timms, said that the targets in the Bill were “ambitious but realistic”. He also noted that the Bill not only required the low income target to be met by 2020, but also in each year thereafter. Mr Timms said that the amendment failed the “credibility test” and said the Government wanted a tough target, not an impossible one, as that would be “useless”.<sup>45</sup>

Mr Webb said that he did not “sense a groundswell of support”.<sup>46</sup> The amendment was withdrawn.

### ***Income measures: housing costs***

Clause 6(1) provides for regulations to set out various technical definitions concerning the measurement of child poverty. This includes deductions to be made when calculating net household income, but subsection (2) states that this cannot include housing costs. Steve Webb moved an amendment to remove this prohibition, to enable the Child Poverty Commission to consider whether an after housing costs measure was more appropriate.

Speaking to the amendment, Mr Webb noted that ‘after housing costs’ (AHC) figures for child poverty were considerably higher than the ‘before housing costs’ (BHC) figures. He acknowledged that there were arguments for and against deducting housing costs from income, but said that the key argument put forward by the Government for measuring child poverty BHC – that it enabled international comparisons – should not prevent the UK adopting an AHC measure if this was considered a more appropriate measure for this country. The fact that housing costs in London were substantially higher than those elsewhere in the UK, and the fact that the BHC measure included Housing Benefit, which increased when rents increased but which did not indicate an actual improvement in living standards, were arguments in favour of taking housing costs into account.<sup>47</sup>

For the Conservatives, Andrew Selous said that the case for the amendment was persuasive, and that he would listen with interest to the Minister’s response.<sup>48</sup>

Replying for the Government, Stephen Timms said that the Government had used a BHC measure since its 2003 consultation on measuring child poverty. He also argued that:

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<sup>43</sup> PBC Deb 27 October 2009 c144

<sup>44</sup> PBC Deb 27 October 2009 c146

<sup>45</sup> PBC Deb 27 October 2009 cc146-147

<sup>46</sup> PBC Deb 27 October 2009 c148

<sup>47</sup> PBC Deb 27 October 2009 cc183-184

<sup>48</sup> PBC Deb 27 October 2009 c184

- The target that was set was in relation to child poverty elsewhere in Europe and that a BHC measure was necessary in order to compare the UK's performance with that of other European countries
- Measures of housing quality were included in the combined low income and material deprivation measure, which would also pick up families experiencing material deprivation because of high housing costs
- Deducting housing costs would mean that those choosing to pay for better quality housing could have their relative standard of living understated.<sup>49</sup>

Mr Timms also pointed out that there was no proposal to stop publishing AHC child poverty estimates in the *Households Below Average Income* series.<sup>50</sup>

Steve Webb replied that taking account of housing costs via the combined income and material deprivation measure was a “pretty indirect way of picking it up”. He was also concerned that the Minister appeared to want to “pre-empt the child poverty commission” by preventing it from considering an AHC measure.<sup>51</sup>

Mr Webb pressed the amendment to a division, and it was rejected by 9 votes to 7. Conservative Members voted with the Liberal Democrats.

#### ***Income measures: costs associated with disability***

Income poverty figures are derived from data on household incomes, adjusted (‘equivalised’) to account for variations in household size and composition.<sup>52</sup> Steve Webb moved an amendment to clause 6 to provide that the adjustment of household incomes should also take account of the extra costs faced by households with disabled adults or children. The issue had also been raised during the oral evidence sessions.<sup>53</sup> Moving the amendment, Mr Webb explained:

As we discussed in the evidence sessions, people receiving certain disability benefits to reflect additional costs may have a perverse effect on the statistics as they are currently constructed. The living standard of those people is measured by their income, which includes the benefit they get because they have extra costs, but nowhere are those costs taken into account. Those people, therefore, appear higher up the income and living standards scales than they truly are. Their promotion up the ranking is artificial, because all the benefit does is make good the costs that non-disabled households do not face.<sup>54</sup>

Mr Webb said that one way to deal with the issue would be to simply disregard income from disability benefits, but that a better approach would be to take account of the costs of disability in the equivalisation process. This might be difficult, but some adjustment was necessary because “Otherwise, the wrong children will be classified as in poverty and we will have the wrong policy response.”<sup>55</sup>

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<sup>49</sup> PBC Deb 27 October 2009 c185

<sup>50</sup> For further information on *Households Below Average Income* (HBAI) see Appendix 1 of Library [Research Paper 09/62](#)

<sup>51</sup> PBC Deb 27 October 2009 cc185-186

<sup>52</sup> For further details see pp74-75 and 79 of Library [Research Paper 09/62](#)

<sup>53</sup> PBC Deb 20 October 2009 c7

<sup>54</sup> PBC Deb 27 October 2009 c187

<sup>55</sup> PBC Deb 27 October 2009 c189



For the Conservatives, Andrew Selous said that the income data underpinning the poverty estimates had to “reflect the reality of people’s lives” and that income intended to cover extra costs should not count as “ordinary income.”<sup>56</sup>

Replying for the Government, Stephen Timms said that equivalising incomes to take account of the costs of disability was “tricky”. A DWP review in 2004 had looked at the issue of the extra costs of disability and had concluded that disregarding disability benefits from income was not an appropriate solution, because it would not reflect changes over time in take-up of benefits, and because it would overstate the living standards of those entitled to but not claiming disability benefits.<sup>57</sup> Mr Timms also argued that there was no general agreement on how to measure the extra costs associated with disability, and that therefore there was no generally agreed basis for equivalising incomes to take account of disability. This did not mean however that the Bill took no account of disability, since the material deprivation indicators would “pick up” families unable to afford items or services because of the additional costs of disability.<sup>58</sup>

Steve Webb acknowledged that there was no straightforward way to adjust incomes to take account of disability, and that the necessary work might delay the whole process, which his party did not want. He felt however that there should be an attempt to pick up the effects of disability more directly, rather than relying on the material deprivation indicators.<sup>59</sup>

The amendment was withdrawn.

### ***Child Poverty Commission: research budget***

Steve Webb moved an amendment to Schedule 1 to provide the Child Poverty Commission with ‘resources to commission independent research as required.’ He said:

If the child poverty commission is to have some power of initiative to ensure that it can provide the proper advice to the Secretary of State, it ought to be able to commission a limited amount of research and not simply hope that it exists. If the commission identifies a gap in knowledge, it would be appropriate for it to have a limited budget to do something about it.<sup>60</sup>

Mr Webb noted that the Committee on Climate Change had a total budget this year of £3.4 million, with £750,000 for research and consultancy.<sup>61</sup>

Replying for the Government, the Parliamentary Under-Secretary of State for Work and Pensions, Helen Goodman, said that the Government would “do everything they can to ensure that the Commission has the necessary resources, and that they will ensure that the resources allocated are adequate for the Commission to fulfil its statutory functions.”<sup>62</sup> She said that the Commission’s responsibility would be to “draw on, analyse and distil the huge amount of existing knowledge and research.” However, Ms Goodman added:

I have heard hon. Members’ strong views, and I am sympathetic to the points that the hon. Member for Northavon [Mr Webb] made. It would be helpful to draw a distinction between the commission undertaking research and its having the power to enter into contracts to commission work in areas that have not yet been fully explored.

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<sup>56</sup> PBC Deb 27 October 2009 c189

<sup>57</sup> PBC Deb 27 October 2009 c190 Mr Timms may be referring to DWP Working Paper No 21, [Review of existing research on the extra costs of disability](#), published in September 2005

<sup>58</sup> PBC Deb 27 October 2009 c191

<sup>59</sup> PBC Deb 27 October 2009 c191

<sup>60</sup> PBC Deb 27 October 2009 c205

<sup>61</sup> PBC Deb 27 October 2009 c205

<sup>62</sup> PBC Deb 27 October 2009 c206

Notwithstanding the fact that I do not foresee the child poverty commission undertaking research in the way that the Committee on Climate Change does, I am prepared to examine the proposal in detail and to see how we might make it work. With that assurance, I hope that the hon. Gentleman will withdraw his amendment.<sup>63</sup>

The amendment was withdrawn.

### ***UK child poverty strategies: childcare***

Clause 8(5) sets out the four ‘building blocks’ which must be considered by the Secretary of State when preparing a UK child poverty strategy.<sup>64</sup> At the seventh and eighth sittings, various amendments tabled by Conservative, Liberal Democrat and backbench Labour Members to include references to further matters the Secretary of State should take into account when drawing up a strategy were discussed. Amendments to include a specific reference to childcare were tabled by both the Liberal Democrats and by the Labour Member Karen Buck.<sup>65</sup>

Replying for the Government, Stephen Timms said that the Government’s view was that the broad areas set out in clause 8(5) covered the “principal drivers” of child poverty.<sup>66</sup> However, Mr Timms said that he had had a chance to reflect on the topic of childcare and added that he hoped Steve Webb and Karen Buck would:

...feel able to withdraw their amendments on the basis that I will come back to the House on Report with a Government proposal on how we can explicitly ensure that child care is included in the Bill. I hope that that will address the concerns of my hon. Friend and the hon. Gentleman.<sup>67</sup>

The amendments were not called.

### ***Family and friends carers***

During consideration of clause 8, amendments tabled by the Liberal Democrats and by Karen Buck were discussed which made provision for the assessment of the needs of “family and friends carers” raising children because the parent is unable to care for the child, and for the provision of financial support for such families.<sup>68</sup> The amendments – drafted by the organisation Grandparents Plus – were probing amendments to highlight the needs of family and friends carers.

Replying for the Government, Stephen Timms gave an undertaking that Ministers would contact the relevant organisations to discuss their concerns.<sup>69</sup>

The amendments were withdrawn.

### ***Consulting children***

Clause 9(4)(c) requires that the Secretary of State, when preparing a UK child poverty strategy, among other things-

...must consult such children, or organisations working with or representing children, as the Secretary of State thinks fit

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<sup>63</sup> PBC Deb 27 October 2009 c206

<sup>64</sup> See pp58-65 of Library [Research Paper 09/62](#)

<sup>65</sup> PBC Deb 29 October 2009 c213; see also cc222-223; 232-234; 237-240

<sup>66</sup> PBC Deb 29 October 2009 c241

<sup>67</sup> PBC Deb 29 October 2009 c243

<sup>68</sup> PBC Deb 29 October 2009 cc245-246

Steve Webb moved an amendment to require the Secretary of State to consult with children:

The amendment would modify that to read, “consult such children and organisations working with” children. As the wording currently stands, it appears to be possible to draw up a strategy without consulting children; that is where we are coming from. One will be able to satisfy the condition in subsection (4)(c) by consulting only organisations that work with children, and not children themselves. All that we are trying to do—it is clearly good practice to do this—is to make consulting children a requirement. I do not need to labour the point, as I am sure that the Committee knows where I am coming from.

There are two issues here. The first is about consulting children, and the second, a sub-issue, is about consulting children in poverty. It is important that actions on child poverty are not things done to people, but are things done with them and for them, and are shaped by those who are meant to be influenced.<sup>70</sup>

He added:

An important point is being made: consultation with organisations is supplementary to, not a substitute for, consultation with children and families. One only has to run through some of the frameworks for consulting children and young people—the UN convention on the rights of the child, the Children Act 1989, the Every Child Matters programme, the national service framework for children—to see that all of them stress the importance of seeking and taking into account children’s views. Indeed, the UN convention on the rights of the child states that

“parties shall assure to the child who is capable of forming his or her own views the right to express those views freely in all matters affecting the child, the views of the child being given due weight in accordance with the age and maturity of the child.”<sup>71</sup>

For the Conservatives, Andrew Selous supported the amendment.

Replying for the Government, Helen Goodman said that while the Government “appreciated the spirit in which the amendment has been tabled”:

We do not believe, however, that it will always be appropriate for the Secretary of State to consult children directly, as well as those organisations whose role is to identify and represent children’s views and interests. While we want to ensure that both the local and national strategies are informed by the views of children and young people, we acknowledge, as my hon. Friend the Member for Cardiff, North [Julie Morgan] implied in her intervention, that Government may not always be best placed to achieve this goal. In reaching the most disaffected children or those with complex needs, we want to work with those organisations that represent groups that do not usually take part in Government consultations, and that have the necessary specialist skills.<sup>72</sup>

On division, 7 Members voted for the amendment to be made, and 7 voted against. In accordance with the practice of the House, the Chairman voted with the Noes, and the amendment was defeated.

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<sup>69</sup> PBC Deb 29 October 2009 cc251-252

<sup>70</sup> PBC Deb 29 October 2009 c256

<sup>71</sup> PBC Deb 29 October 2009 c257

<sup>72</sup> PBC Deb 29 October 2009 c259

In its report on the Bill published on 26 November, the Joint Committee on Human Rights also recommends that the Bill be amended to make it a duty for the Secretary of State to consult children, and the Children's Commissioners.<sup>73</sup>

### ***Scotland and Northern Ireland***

The Government moved a series of amendments to clauses 10, 11, 13 and 15. The amendments – tabled at the request of the Scottish and Northern Ireland Governments – require the Scottish Ministers and the offices of the First Minister and Deputy First Minister in Northern Ireland to report annually to the Scottish Parliament and the Northern Ireland Assembly respectively on implementation of their child poverty strategies and how measures taken have contributed to meeting the UK-wide targets, and make associated technical changes. The Parliamentary Under-Secretary of State for Work and Pensions, Helen Goodman, explained the background to the amendments and outlined their scope:

Amendments 33 to 39 and 46 relate to the clauses that place duties on the Scottish and Northern Irish Governments, and they have been tabled at their request. This set of amendments has two purposes. First, the amendments will add a requirement on Scottish Ministers and the offices of the First Minister and Deputy First Minister to report annually to the Scottish Parliament and the Northern Ireland Assembly respectively. The report must detail progress made in implementing their child poverty strategies, including how measures they have taken have contributed to the UK-wide child poverty targets in clauses 2 to 5. That is broadly similar to the requirement on the Secretary of State in clause 13 to report annually to this Parliament. The amendments will increase accountability to the devolved assemblies, and will ensure that there is an annual progress check of steps towards meeting the 2020 goals.

The second purpose of this group of amendments is to ensure that the Bill is technically correct by removing a number of references to “Northern Ireland department” and replacing them with “Northern Ireland departments”. The amendments will ensure that the Bill recognises the role and responsibilities that central Northern Ireland Departments, other than the offices of the First Minister and Deputy First Minister, have in relation to the Northern Ireland strategy.

Although the offices of First Minister and Deputy First Minister have overall policy responsibility for poverty and social inclusion matters, the goals of the child poverty strategy can be achieved only if all Northern Ireland Departments take steps to tackle child poverty. References to the duties of Northern Ireland Departments are, in that respect, similar to references already in the Bill to the duties of the Secretary of State or the Scottish Ministers that signal collective responsibility.

Amendments 40 to 45 clarify the wording of the UK annual report clause—clause 13. They are minor, technical amendments that will make the precise timetable for laying annual reports before Parliament clear and they will make those references consistent with the references to the timetable for Northern Ireland or Scottish annual reports. I am sure the Committee will agree that the amendments further strengthen the UK-wide framework for tackling child poverty that the Bill will establish.<sup>74</sup>

The amendments were agreed.

### ***Economic and fiscal circumstances***

Clause 15 requires the Secretary of State when preparing a child poverty strategy, and the Child Poverty Commission when offering advice, to take into account the wider economic

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<sup>73</sup> See Part 4 below

<sup>74</sup> PBC Deb 29 October 2009 c261

and fiscal circumstances. The Conservative Member Graham Stuart moved an amendment to clause 15 to clarify whether the Secretary of State and Commission would also need to take account of obligations to reduce public borrowing under the proposed *Fiscal Responsibility Bill*. Speaking to the amendment, he said that there was a need for “clarity on the priority of targets.”<sup>75</sup>

For the Government, Stephen Timms argued that there was no inconsistency between the measures:

The essential point is that the goals of fiscal responsibility and eradicating child poverty are not incompatible—we have to achieve both. The targets will certainly have to be achieved in a fiscally responsible way. If that was not possible, the long-term sustainability of our child poverty commitment would not be delivered. The strategy—when it is published within 12 months of Royal Assent—will need to set out how that will be achieved, and how the targets will be delivered in a fiscally responsible way. Those goals are consistent with clause 15, which requires the Secretary of State to take into account fiscal and economic circumstances. I shall argue, when we come to the stand part debate, that that obligation is a strength of the Bill because, in fulfilling it, the Secretary of State will need to take the likely impact on public borrowing into account when preparing a strategy to meet those targets. The clause requires the Secretary of State to have regard to those responsibilities when setting out his proposed action for meeting the targets.

The fiscal responsibility Bill will require the Government to reduce the budget deficit year on year to ensure that national debt remains sustainable in the medium term. That is, and must be consistent with, the Secretary of State’s obligation to take into account the impact of child poverty measures on public borrowing. The publication of annual reports will provide a transparent accountability framework to enable regular monitoring and scrutiny of progress. Those accountability arrangements will ensure that we continue to make progress in a sustainable way. That was always going to need to be an obligation and a characteristic of the strategy when it was produced. The hon. Gentleman made a perfectly fair point. The requirement is highlighted by the announcement of the fiscal responsibility Bill, but that would always have to have been a part of the strategy.<sup>76</sup>

The debate on the amendment, and the subsequent clause 15 stand part debate, touched upon the issue of how obligations in the Bill might be enforced and the scope for judicial review. In response to Graham Stuart, Stephen Timms said:

The courts can respond in a variety of ways in relation to judicial review. The hon. Gentleman mentioned a declaration, which a court can make; a court could quash an order, require a Government to set aside a particular policy decision, issue a prohibiting order forbidding an action, or issue a mandatory order requiring a particular course of action. The courts have many measures at their disposal if they seek to determine a judicial review against the Government on either of the Bills under discussion.<sup>77</sup>

The amendment was withdrawn.

The subsequent report on the Bill by the Joint Committee on Human Rights considered in detail the scope for judicial review proceedings (see Part 4 below).

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<sup>75</sup> PBC Deb 29 October 2009 c273

<sup>76</sup> PBC Deb 29 October 2009 cc277-278

<sup>77</sup> PBC Deb 29 October 2009 c278

### ***Duties of local authorities***

Part 2 of the Bill (clauses 18 to 24) is concerned with the role of local authorities and their “partner authorities” in tackling child poverty at a local level in England.<sup>78</sup> The relevant clauses were considered at the ninth and tenth sittings of the Committee.<sup>79</sup> Issues covered in debates on amendments and in clause stand part debates included:

- Which local authorities should be “responsible local authorities” for the purposes of the new child poverty duties.<sup>80</sup>
- Which bodies should be listed as “partner authorities”, and the rationale for including or excluding different types of organisation.<sup>81</sup>
- The requirements for co-operation at the local level and the impact on responsible local authorities and their partner authorities.<sup>82</sup>
- The role of guidance produced by the Secretary of State.<sup>83</sup>
- Matters responsible local authorities should be required to consider when preparing a local child poverty needs assessment.<sup>84</sup>

Members also raised the issue of the lack of child poverty data at the local level to enable local authorities to gauge progress in their areas towards the four targets set out in clauses 2 to 5 of the Bill.<sup>85</sup> In response, the Parliamentary Under-Secretary of State for Work and Pensions, Helen Goodman, said:

A revised indicator is currently being developed to measure child poverty at local level, and that will include those children who live in low-income, working families, as well as those in workless families. The revised indicator will be the proportion of children living in families that are in receipt of out-of-work benefits, or working families whose income is below 60 per cent. of median income. That will provide information on both in-work and out-of-work poverty in the local area. I anticipate that the data will be available at both local authority and, significantly, ward level, and that they will be produced annually. Data will shortly be available for 2006-07.

Work is under way at the moment with Her Majesty’s Revenue and Customs on revising that indicator. When it is finalised, it will be put on the Department for Communities and Local Government website. I have not got an exact date, but I assure members of the Committee that it will be before Royal Assent. Therefore, before the duties on local authorities come into effect, we will have the data.<sup>86</sup>

### ***2010 child poverty target***

At the final sitting, the Conservative Spokesman David Gauke moved New Clause 1 requiring the Secretary of State to publish and lay before Parliament a report setting out an assessment of progress towards meeting the Government’s 2010 target of fewer than 1.7

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<sup>78</sup> For further background see pp66-72 of Library [Research Paper 09/62](#)

<sup>79</sup> PBC Deb 3 November 2009 cc287-336

<sup>80</sup> PBC Deb 3 November 2009 cc287-292

<sup>81</sup> PBC Deb 3 November 2009 cc292-301

<sup>82</sup> PBC Deb 3 November 2009 cc305-309

<sup>83</sup> PBC Deb 3 November 2009 cc309-314

<sup>84</sup> PBC Deb 3 November 2009 cc320-333

<sup>85</sup> PBC Deb 3 November 2009 cc314-320

<sup>86</sup> PBC Deb 3 November 2009 c318; see also HC Deb 27 October 2009 cc213-214w

million children living in households below 60 per cent of the median income.<sup>87</sup> Graham Stuart set out the case for the New Clause in the following terms:

Political knockabout is holding this Government to account, ensuring that cynicism is not the driving purpose behind a piece of legislation dealing with such an important issue. The new clause is a perfect opportunity for the Government to show that their intentions are not cynical or there to distract, but serious and proper. If they accept the new clause, they will show that they are prepared to be held to account for 2010, as well as for their far away promises.<sup>88</sup>

David Gauke added that requiring the Government to publish a report would focus attention on what had and what had not worked so far to tackle child poverty, and would also provide an analysis of the impact of the recession.<sup>89</sup>

For the Government, Stephen Timms said that the Bill already required the Secretary of State to publish a strategy and annual progress reports towards meeting the child poverty targets set out in clauses 2 to 5, and that a requirement to produce an additional report next summer was “not really going to help.”<sup>90</sup>

On division, 7 Members voted for the New Clause to be read a Second Time, and 7 voted against. In accordance with the practice of the House, the Chairman voted with the Ayes to allow the opportunity for further discussion. A division to add the New Clause to the Bill was again tied, with the Chairman on this occasion voting with the Noes, again in accordance with precedent.<sup>91</sup>

### **Benefit levels**

Steve Webb moved New Clause 2 to ensure that households wholly dependent on social security benefits or tax credits had incomes at or above the relative low income poverty threshold.<sup>92</sup> This was discussed alongside New Clause 4, tabled by the Conservative Member Graham Stuart, requiring the Secretary of State to commission research into, and to have regard to, “minimum income standards.” The case for a “Minimum Income Standard” (MIS) had been set out at length by Rev. Paul Nicholson of the Zacchaeus 2000 Trust in oral evidence during the Committee’s third sitting.<sup>93</sup>

Mr Webb said that if his New Clause 2 was not accepted, there would be a “logical inconsistency” in the Government’s position:

To quote the Bill, they want to “eradicate” child poverty, but they are not prepared to set the rates of benefits and tax credits at levels that lift people clear of the poverty line.<sup>94</sup>

Speaking to New Clause 4, Graham Stuart referred to research, funded by the Joseph Rowntree Foundation, undertaken by the Centre for Research in Social Policy at Loughborough University and the Family Budget Unit at the University of York to determine incomes needed to allow a “minimum acceptable standard of living.”<sup>95</sup> Mr Stuart said that his New Clause would not require the Government to set benefit levels in line with Minimum

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<sup>87</sup> PBC Deb 3 November 2009 c341; for further background see Part 2 of Library [Research Paper 09/62](#)

<sup>88</sup> PBC Deb 3 November 2009 c342

<sup>89</sup> PBC Deb 3 November 2009 cc342-343

<sup>90</sup> PBC Deb 3 November 2009 cc349-350

<sup>91</sup> PBC Deb 3 November 2009 c350

<sup>92</sup> PBC Deb 3 November 2009 cc350-351

<sup>93</sup> PBC Deb 22 October 2009 c80 *et seq*

<sup>94</sup> PBC Deb 3 November 2009 c351

<sup>95</sup> Further details of the research can be found at the website [Minimum Income Standards for Britain](#)

Income Standards, but that they would be benchmarks against which incomes and thresholds could be assessed.<sup>96</sup>

Andrew Selous agreed that Steve Webb had identified an inconsistency in the Bill, but said that there were two bigger questions underlying the debate about benefit levels: the issue of work incentives; and the “overall fiscal envelope.” He would however look forward to what the Minister had to say about Mr Stuart’s New Clause 4, which was a “probing amendment.”<sup>97</sup>

For the Government, Helen Goodman said that while she fully appreciated the good intentions behind the new clauses, she did not believe they were necessary and that they could actually be unhelpful. Mr Webb’s New Clause 2, she said,-

...would require the Government to pursue the method of guaranteeing that the level of out-of-work benefits would be sufficient to lift children out of poverty. However, placing that guarantee in the Bill would reduce the flexibility that it provides for forthcoming strategies. It would force a focus on a particular approach to tackling child poverty that might not be as effective as other options, but we are not sure that it would be a sustainable approach to tackling poverty. We all know that escaping poverty through work has wider beneficial impacts on families compared with escaping through financial support alone. Entering work has many social benefits. It will reduce stress in the family and provide role models for children. A major problem with the new clause is the impact on financial incentives to enter employment, and we need to consider that negative impact alongside the other perfectly sensible things to which the hon. Gentleman has referred.

We must also recognise that many aspects of the benefits system are designed to provide short-term support in response to changing circumstances, such as short-term unemployment rather than long-term sources of income. The new clause does not take account of that purpose of the benefit system and could have an unintended impact on its effectiveness. As drafted, the new clause requires the changes to be introduced on Royal Assent, and that is not achievable.

Guaranteeing that out-of-work income is sufficient to lift a family out of poverty would be technically difficult to deliver. The poverty line for a year can only be calculated after the year in question has ended and once the median income has been calculated. Therefore, the Government would not know exactly how much benefit would need to be paid to a particular group of households to raise their incomes above the current poverty line.<sup>98</sup>

With regard to Minimum Income Standards, Ms Goodman said there was no single, universally accepted methodology to determine “how much income is enough.” She did however say, in relation to the requirement in New Clause 4 for the Secretary of State to commission research on Minimum Income Standards,-

...as the latest research by the Joseph Rowntree Foundation—published in 2008 and updated this summer—is robust, it would not represent a particularly good use of Government resources to seek to replicate it.<sup>99</sup>

The Minister added that the Child Poverty Commission would be “completely free to make a full exploration” of minimum incomes, when formulating its advice to the Secretary of State.

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<sup>96</sup> PBC Deb 3 November 2009 cc357-358

<sup>97</sup> PBC Deb 3 November 2009 cc358-359

<sup>98</sup> PBC Deb 3 November 2009 c361

<sup>99</sup> PBC Deb 3 November 2009 c362



The amendment was withdrawn.

#### 4 Joint Committee on Human Rights report

On 26 November a report on the Bill by the Joint Committee on Human Rights was published.<sup>100</sup> The Committee welcomed the Bill as a “significant human rights enhancing measure.”<sup>101</sup> Its report provides a detailed analysis of the effectiveness of the Bill’s mechanism for the “progressive realisation” of children’s rights to an adequate standard of living as set out in human rights instruments. It considers the role of legislation setting targets, and the extent to which the mechanisms in the Bill provide for political and legal accountability for failure to meet the child poverty targets.

As regards legal accountability, the Committee considered at what point, and on what basis, judicial review proceedings might be brought to enforce the Secretary of State’s duties under the Bill. It concluded that although judicial review *before* 2020 was in principle possible, in practice the likelihood of the courts ordering the Government to take action to meet the child poverty targets was “extremely slim” because a claimant would need to produce clear evidence that the targets would not be met, and because the courts “do not tend to interfere in matters of public spending when the Secretary of State has discretion as to how to allocate resources.” The Committee also noted that the courts would have regard to the fact that the Bill makes express provision for what should happen in the event that the targets are not met by 2020.<sup>102</sup>

The Committee’s report states that the most significant limit on the court’s role is clause 15, which requires the Secretary of State, when drawing up a strategy, to take into account “economic and fiscal circumstances.” If the targets were *not* met by 2020, clause 15 would not be a defence to a judicial review on the basis that the duty in clause 1 had been breached. It might however result in a court allowing the Secretary of State discretion in deciding how to best meet the targets rather than specifying certain measures, if, for example, a claimant argued on judicial review that certain measures should have been included in a strategy.<sup>103</sup> The Committee’s report continues (original emphasis):

1.35 It follows from the above that, although judicial review of the adequacy of the steps taken by the Secretary of State to reach the child poverty targets by 2020 is theoretically possible before that date, it is likely in practice to be available only in very limited circumstances. Much of the evidence we received was critical of this feature of the Bill, and argued for stronger provisions on the legal enforceability of the duty. [Ev 9] In our view, however, the Bill is consistent with the model for giving legal effect to economic and social rights that we advocated in our Report on a Bill of Rights for the UK. **We do not believe it to be realistic, or constitutionally appropriate, to impose legally enforceable duties on ministers regardless of available resources. We therefore accept the necessity for clause 15 of the Bill, on the understanding that its effect is not to exclude the possibility of judicial review, but to make it possible for the Secretary of State to justify his strategy by reference to economic and fiscal circumstances.**

1.36 **We welcome the Government’s acceptance that judicial review is in principle available, but we also welcome the fact that it will only in practice be available in limited circumstances, such as where the Secretary of State refused to draw up a strategy, or where the evidence is incontrovertible that the targets**

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<sup>100</sup> [Legislative Scrutiny: Child Poverty Bill, HL 183/HC 1114 2008-09](#)

<sup>101</sup> Para 1.3

<sup>102</sup> Para 1.32

<sup>103</sup> Para 1.34

are going to be missed so that no reasonable Secretary of State could maintain such a strategy consistently with his duty to meet the targets. As we pointed out in our Bill of Rights Report, when some possibility of judicial enforcement exists, it is more likely that rights will in practice be respected. Although under this Bill judicial review of the adequacy of the measures taken by the Government to achieve the targets is not likely to be possible until much nearer 2020, the gradually increasing possibility of such a legal challenge in the future should inform current decisions about the strategy for complying with the overarching duty, which is to ensure that the targets are met by 2020.

The Committee however recommend that the Bill be amended in three areas, as outlined below.

### ***Duty to implement the strategy***

The Bill makes it a duty for the Secretary of State to meet the child poverty targets, and to publish a child poverty strategy, but there is no statutory duty to implement the strategy. The Government argues that not including such a provision in the Bill is justified on the grounds that the Bill already places a binding duty on the Secretary of State to meet the targets and that the strategy is merely a means to achieving that end, that including a duty to implement a strategy would limit the Government's flexibility to adapt its approach according to developments, and that the Bill already makes provision for political and public accountability for not implementing a strategy.<sup>104</sup>

The Committee was not however convinced by these arguments and was "in favour of supplementing the political accountability for not implementing the strategy with a degree of legal accountability by including in the Bill a legally enforceable duty to implement the strategy." Judicial review on the basis of failure to implement a strategy would, in the Committee's view, be "far less intrusive judicial role than judicial review on the basis that the strategy contains unreasonable measures or that the omission of certain measures from the strategy was unreasonable." A legally enforceable duty to implement would not, according to the Committee, involve the courts in a "constitutionally inappropriate way" and would "go a considerable way towards addressing the concern expressed by a number of witnesses, that there are insufficient means for holding the Government accountable for a failure to make progress towards the achievement of the targets by 2020."<sup>105</sup>

The Committee recommends that the Bill be amended to include a New Clause providing that the Secretary of State "shall take such steps as are in his reasonable opinion necessary to implement the UK strategy."<sup>106</sup>

### ***Children not in "qualifying households"***

Whether or not the poverty targets in clauses 2 to 5 are met will be determined by reference to data from surveys which only cover children in "qualifying households." The Committee noted that excluding certain children who may be living in poverty, including "Gypsy, Roma and Traveller children, asylum-seeking children living in asylum centres or Bed and Breakfast accommodation, and looked after children living in children's homes", was potentially indirectly discriminatory and raised the question of whether the Bill was compatible with Article 14 of the European Convention on Human Rights (the right not to be discriminated against in the enjoyment of Convention rights). The Committee was not persuaded by the Government's arguments that Article 14 was not engaged by the differential treatment of children in the Bill, and the fact that the Bill included provisions intended to ensure that all

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<sup>104</sup> Paras 1.37-1.40

<sup>105</sup> Para 1.41

<sup>106</sup> Para 1.42

children do not experience “socio-economic disadvantage” did not answer the concern.<sup>107</sup> The Committee was also sceptical of the Government’s claim that it was simply not practical to survey children not living in “qualifying households”. It concluded (original emphasis):

**1.52 We therefore disagree with the Government's argument that the exclusion of certain groups of children from the targets which the Secretary of State is under a duty to meet does not amount to unjustified differential treatment contrary to Article 14 ECHR. In our view, Article 14 clearly applies, there is differential treatment of children not living in qualifying households, that differential treatment calls for justification, and the onus is on the Government to show that there are no other measurable targets for the groups currently excluded from the targets because of the way those targets are defined. In our view that onus is all the heavier because the excluded groups include some of those children who are particularly poor. We do not consider the Government to have discharged the heavy onus of justification by relying solely on the cost and impracticality of surveying children who do not live in qualifying households. We therefore conclude that it is highly likely that, as presently drafted, the Bill will give rise to a serious risk of future breaches of Article 14 in conjunction with Article 1 Protocol 1, because policy-makers will prioritise raising the income of children only in qualifying households, in a discriminatory way.**

**1.53 To remedy this incompatibility we recommend the inclusion in the Bill of a target or targets which would apply to children not living in qualifying households.**

### ***Duty to consult children***

The Bill makes it a duty for the Secretary of State, when preparing a child poverty strategy, to “consult such children, or organisations working with or representing children, as the Secretary of State thinks fit.”<sup>108</sup> The Committee’s report states (original emphasis):

**1.57 In our view the duties to consult children in the preparation of child poverty strategies are insufficiently precise, because they leave it to the discretion of the Secretary of State (or Scottish Ministers/Northern Ireland department) as to whether or not to consult children directly at all: they could choose to consult organisations working with or representing children instead. We recommend that the duty to consult be amended to give better effect to the right recognised in international human rights law to participate in the relevant decision-making process, by requiring consultation with both children and organisations working with or representing them, and by requiring consultation with the relevant Children's Commissioner. The following suggested amendment to the Bill would give effect to this recommendation.**

Page 5, line 24,

Insert new sub-paragraph "(ba) must consult the Children's Commissioners for England, Wales, Scotland and Northern Ireland."

In sub-paragraph (c), leave out "or" and insert "and"

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<sup>107</sup> Paras 1.45-1.48

<sup>108</sup> Clause 9(4)(c)

## **Appendix 1 – Members of the Public Bill Committee**

### **Chairmen**

Mr Martin Caton and Robert Key

### **Members**

Baron, Mr John (*Billericay*) (Con)

Barrett, John (*Edinburgh, West*) (LD)

Blackman, Liz (*Erewash*) (Lab)

Buck, Ms Karen (*Regent's Park and Kensington, North*) (Lab)

Gauke, Mr David (*South-West Hertfordshire*) (Con)

Goodman, Helen (*Parliamentary Under-Secretary of State for Work and Pensions*)

Howell, John (*Henley*) (Con)

Keeble, Ms Sally (*Northampton, North*) (Lab)

Mallaber, Judy (*Amber Valley*) (Lab)

Morgan, Julie (*Cardiff, North*) (Lab)

Mudie, Mr George (*Leeds, East*) (Lab)

Reed, Mr Jamie (*Copeland*) (Lab)

Selous, Andrew (*South-West Bedfordshire*) (Con)

Stuart, Mr Graham (*Beverley and Holderness*) (Con)

Timms, Mr Stephen (*Financial Secretary to the Treasury*)

Webb, Steve (*Northavon*) (LD)

### **Committee Clerks**

Chris Stanton, Sarah Davies and Gosia McBride