



# Welfare Reform and Work Act 2016

## 2016 CHAPTER 7

An Act to make provision about reports on progress towards full employment and the apprenticeships target; to make provision about reports on the effect of certain support for troubled families; to make provision about life chances; to make provision about the benefit cap; to make provision about social security and tax credits; to make provision for loans for mortgage interest and other liabilities; and to make provision about social housing rents. [16th March 2016]

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

### *Reports*

#### **<sup>F1</sup> 1 Full employment: reporting obligation**

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##### **Textual Amendments**

**F1** S. 1 repealed (3.5.2017) by [Welfare Reform and Work Act 2016 \(c. 7\), s. 1\(2\)](#)

#### **<sup>F2</sup> 2 Apprenticeships reporting obligation**

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##### **Textual Amendments**

**F2** S. 2 repealed (31.3.2021) by [Welfare Reform and Work Act 2016 \(c. 7\), s. 2\(3\)](#)

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*Changes to legislation: There are currently no known outstanding effects for the Welfare Reform and Work Act 2016. (See end of Document for details)*

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### 3 Support for troubled families: reporting obligation

- (1) Before the start of each financial year, the Secretary of State must issue a notice—
  - (a) specifying the descriptions of relevant households as regards which support provided by a local authority may constitute relevant support;
  - (b) specifying the matters by reference to which the progress made by a household that receives relevant support from a local authority in that year will be measured.
- (2) The ways in which relevant households may be described under subsection (1)(a) include describing relevant households by reference to problems that they have.
- (3) In each financial year, the Secretary of State must prepare a report about the progress made by relevant households to which local authorities have provided relevant support.
- (4) A report prepared under this section may include material about progress made by relevant households to which local authorities have provided support similar to relevant support in periods falling before the coming into force of this section.
- (5) A report prepared under this section may compare the progress made by such relevant households as are described in subsection (3) or (4) relative to other households in England.
- (6) The Secretary of State must lay before Parliament a report prepared under this section.
- (7) A report prepared under this section must be laid before Parliament before the end of the financial year in which it is prepared.
- (8) For the purposes of this section, support provided by a local authority in a financial year is relevant support if—
  - (a) it is provided to a relevant household of a description specified under subsection (1)(a) in respect of that financial year,
  - (b) it is directed towards achieving progress in respect of the matters specified under subsection (1)(b) in respect of that financial year, and
  - (c) the Secretary of State pays a grant to the local authority under section 31 of the Local Government Act 2003 in respect of expenditure incurred or to be incurred on that support.
- (9) In this section—
  - (a) a reference to support provided to a household includes a reference to support provided to a member of a household;
  - (b) a reference to support provided by a local authority includes a reference to support provided under arrangements made by the local authority.
- (10) In this section—
 

“child” means—

  - (a) a person who has not attained the age of 16;
  - (b) a person who is 16, 17 or 18 and is in full-time education;
  - (c) a person who is 16, 17 or 18, is not in employment or full-time education and is a member of the same household as the person's parent;
  - (d) a person who has attained the age of 16 but not the age of 25 and for whom an EHC plan is maintained under section 37 of the Children

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**Changes to legislation:** There are currently no known outstanding effects for the Welfare Reform and Work Act 2016. (See end of Document for details)

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- and Families Act 2014 or a statement of special educational needs is maintained under section 324 of the Education Act 1996;
- “education” includes training;
- “financial year” means—
- (a) a period starting with the day on which this section comes into force and ending with the following 31 March;
  - (b) except where paragraph (a) applies, a period of 12 months ending with 31 March;
- “household” means a group of two or more persons who—
- (a) have the same only or main residence, and
  - (b) share living accommodation or one meal each day;
- “local authority” means—
- (a) a county council in England;
  - (b) a district council for an area in England for which there is no county council;
  - (c) a London borough council;
  - (d) the Common Council of the City of London, in its capacity as a local authority;
  - (e) the Council of the Isles of Scilly;
- “parent”, in relation to a person, includes an individual—
- (a) who is not a parent of the person but does have parental responsibility for the person, or
  - (b) who has care of the person;
- “relevant household” means a household that includes—
- (a) a child, and
  - (b) a person who is that child's parent.
- (11) In relation to the first financial year in which this section is in force—
- (a) the requirement in subsection (1) to issue a notice before the beginning of a financial year is to be treated as a requirement to issue a notice after this section comes into force;
  - (b) the requirement in subsection (3) may be satisfied by a report that includes only such material as is described in subsection (4).

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**Commencement Information**

**II** [S. 3](#) in force at 16.5.2016 by [S.I. 2016/394](#), [reg. 5](#)

*Children living in low-income households*

**4 Publication of data on children living in low-income households**

- (1) Before the end of the financial year beginning with 1 April 2016 and each subsequent financial year the Secretary of State must publish data on the percentage of children in the United Kingdom—
- (a) who live in households whose equivalised net income for the relevant financial year is less than 60% of median equivalised net household income for that financial year;

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- (b) who live in households whose equivalised net income for the relevant financial year is less than 70% of median equivalised net household income for that financial year, and who experience material deprivation;
  - (c) who live in households whose equivalised net income for the relevant financial year is less than 60% of median equivalised net household income for the financial year beginning 1 April 2010, adjusted to take account of changes in the value of money since that financial year;
  - (d) who live in households whose equivalised net income has been less than 60% of median equivalised net household income in at least 3 of the last 4 survey periods.
- (2) The published data must be accompanied by information on how the Secretary of State has approached the following for the purpose of the data—
- (a) the meaning of “child”;
  - (b) the meaning of “household”;
  - (c) when a child is or is not living in a household;
  - (d) what is the income of a household for a financial year;
  - (e) what deductions are made in calculating the net income of a household;
  - (f) how net household income is equivalised;
  - (g) when a child experiences material deprivation;
  - (h) how household income is adjusted to take account of changes in the value of money since the financial year beginning 1 April 2010;
  - (i) the meaning of “survey period”.
- (3) The published data may be accompanied by information as to how and when the references in subsections (1) and (2) to the financial year beginning 1 April 2010 are to be read as references to a later financial year.
- (4) In this section—
- “equivalised”, in relation to household income, means adjusted to take account of variations in household size and composition;
  - “financial year” means the 12 months ending with 31 March;
  - “relevant financial year”, in relation to a financial year in which data is to be published, means the most recent financial year for which the data is available.

### *Life chances*

## **5 Workless households and educational attainment: reporting obligations**

In the Child Poverty Act 2010, before section 1 insert—

## “PART A1

### LIFE CHANCES

#### *Children: reporting obligations*

#### **A1A Workless households and educational attainment**

- (1) The Secretary of State must publish and lay before Parliament a report containing data on—
  - (a) children living in workless households in England;
  - (b) children living in long-term workless households in England;
  - (c) the educational attainment of children in England at the end of Key Stage 4;
  - (d) the educational attainment of disadvantaged children in England at the end of Key Stage 4.
- (2) The report must set out how the Secretary of State has interpreted the following terms for the purposes of the report—
  - (a) child;
  - (b) household;
  - (c) worklessness;
  - (d) long-term worklessness;
  - (e) educational attainment;
  - (f) disadvantage.
- (3) The data contained in the report, and the provision about how the terms used in it are to be interpreted, must, so far as practicable, be derived from any relevant official statistics.
- (4) The first report must be published before the end of the financial year ending with 31 March 2017.
- (5) Later reports must be published before the end of each subsequent financial year.
- (6) In this section—
 

“Key Stage 4” means the fourth key stage, within the meaning of Part 6 of the Education Act 2002;

“official statistics” has the meaning given by section 6(1) of the Statistics and Registration Service Act 2007.”

## **6 Social Mobility Commission**

- (1) After section A1A of the Child Poverty Act 2010 (inserted by section 5) insert—