

## POVERTY ZERO

The case for legally binding poverty reduction targets

## **Executive Summary**

Poverty Zero would drive sustainable, long-term poverty reduction This report calls for a fundamental shift in the UK's approach to tackling poverty. The persistent high levels and concerning future projections, fuelled by the failure of past and present initiatives to drive change, demand structural reform to ensure a long-term commitment to poverty reduction within government. A Poverty Zero law, inspired by the Climate Change Act 2008, offers a viable and effective framework for achieving this change by creating a statutory duty for the UK government, and all successive governments, to determine a poverty reduction target at the start of each parliament.

By embedding poverty reduction targets in secondary legislation and creating mechanisms for scrutiny and legal accountability, Poverty Zero would drive sustainable, long-term poverty reduction.

#### Benefits of the Poverty Zero approach:

- A cyclical target-setting method translates the long-term ambition of poverty reduction into concrete, measurable steps.
- Facilitating medium-term planning allows governments to move beyond annual budget cycles and counteracts the inherent tendency towards policy short-termism within the political system.
- Mandatory reporting cycles create a regular rhythm of parliamentary scrutiny and public accountability.
- The opportunity for judicial review serves as a vital backstop mechanism to hold government accountable to targets by challenging the legality and procedural adequacy of the government's actions under the Act.
- The flexibility for governments to determine their own targets retains the democratic accountability, policy responsiveness and political will vital to success.

Implementing such a framework would represent a paradigm shift in how the UK addresses poverty, moving from fluctuating political initiatives towards a legally embedded, long-term national mission.

A Poverty Zero law is a necessary strategic intervention to address one of the most pressing social and economic challenges facing the UK today.

## Foreword



#### Lord John Bird, Founder of the Big Issue

■ It might be because I was born into poverty that I expect more than the usual short-term, partial, stop gap poverty responses that is the lot of government. Governments find creating exits from poverty and poverty prevention inordinately difficult. It taxes their budgeting skills. They are unable to plan well across departments, because poverty becomes a problem for a number of government departments.

Please consider this piece of work as an attempt at going beyond the short-term and the stop gap. The holding the hands of people in need and never getting them out of poverty.

Consider it as trying to get poverty targets measured by government so that they put effort into doing something about it. Across the world, when 50 per cent of people who die from cardiac-related illnesses suffered from food poverty, you can see what a giant poverty is in stopping us having a well functioned NHS.<sup>i</sup>

The NHS is awash with problems that would not exist for it, if poverty was not rampant in its surgeries, wards and waiting rooms. If we can hold the government to measuring and producing poverty reduction targets, then it means we can know the scale. And we can begin to orientate our efforts towards prevention and cure.

We hope the following is of use to you in the struggle to end the dominion of poverty in our everyday lives. And in its distortions of government efforts to provide a just and fair society.

Remember no policeman, doctor, nurse or teacher has ever been trained to get poverty out of people's lives. Yet they must work in the disaster of poverty and the social damage it throws up.

To the public, I urge: do not accept rhetoric in place of real change. Demand sustained, legislative action.

To Members of Parliament and Peers, I say: you possess the authority to drive this transformation. Let us not look back and regret another missed opportunity.

i. Yusuf S, Hawken S, Ounpuu S et al, "Effect of potentially modifiable risk factors associated with myocardial infarction in 52 countries (the INTERHEART study): case-control study," Lancet, vol. 364, pp. 937-52, 2004.

The time has come to stop simply managing poverty and to begin ending it.

## Introduction

UD

■ Big Issue urgently calls for the enactment of a Poverty Zero law which would create a statutory duty for the UK government, and all successive governments, to set poverty reduction targets. This report argues that a legally binding framework for poverty reduction would embed a long-term focus on poverty alleviation, enhance government accountability, and drive consistent, evidence-based policy action. This would counter short-termism and enable legal challenges to hold governments accountable for developing credible strategies to tackle poverty now and long into the future.

The UK faces a persistent challenge of poverty, with recent data indicating that around 21% of the UK population [1], including approximately 30% of children [2], live in households below the poverty line. Of those, 3.8 million people are experiencing destitution – meaning they are struggling to afford to meet their most basic physical needs to stay warm, dry, clean and fed. This is the deepest and most extreme definition of poverty [3], and is a clear breach of human rights.

Existing government frameworks have consistently failed to deliver sustainable poverty reduction across the UK. Governments have established targets and commitments to address this issue, notably through the seminal 2010 Child Poverty Act, upon which Poverty Zero seeks to build, and the adoption of the Sustainable Development Goals (SDGs), which set the ambitious aim to halve poverty by 2030 [4]. However, projections based on current trends suggest child poverty is set to rise to levels not seen since the late 1990s [5], illustrating the urgent need for a new more flexible

people are experiencing destitution<sup>[1]</sup> 21% of the UK population<sup>[1]</sup>

> Including approximately



framework to tackle poverty.

The persistent reliance on growth to reverse the UK's increasing poverty levels and improve living standards is a false economy [5]. Past decades show that growth by itself is more likely to widen the gap between middle-income and low-income families. Even maintaining the current level of poverty will require active and targeted policy interventions that go well beyond the UK government's current proposals [5]. Furthermore, not addressing poverty carries its own significant economic implications, with substantial costs associated with managing its consequences, contrasted with the potential for significant economic benefits from long-term poverty reduction strategies [6].

As such, this report argues for a more strategic and systemic approach to tackling poverty, outlining Big Issue's key recommendation for the UK government to pass a Poverty Zero law requiring every government to set a poverty reduction target. As a minimum, this policy will act as a safeguard against any further increases to poverty levels. Given that destitution has more than doubled in the UK since 2017 [3], this base level of protection would represent significant progress for millions of people. At Poverty Zero's most ambitious level of implementation, akin to the 'Net Zero' Climate Change Act 2008 (CCA) environmental policy<sup>1</sup>, a Poverty Zero law would act as a catalyst for long-term, sustainable policy making, strengthening the UK government's efforts in tackling this multifaceted challenge now and long into the future.

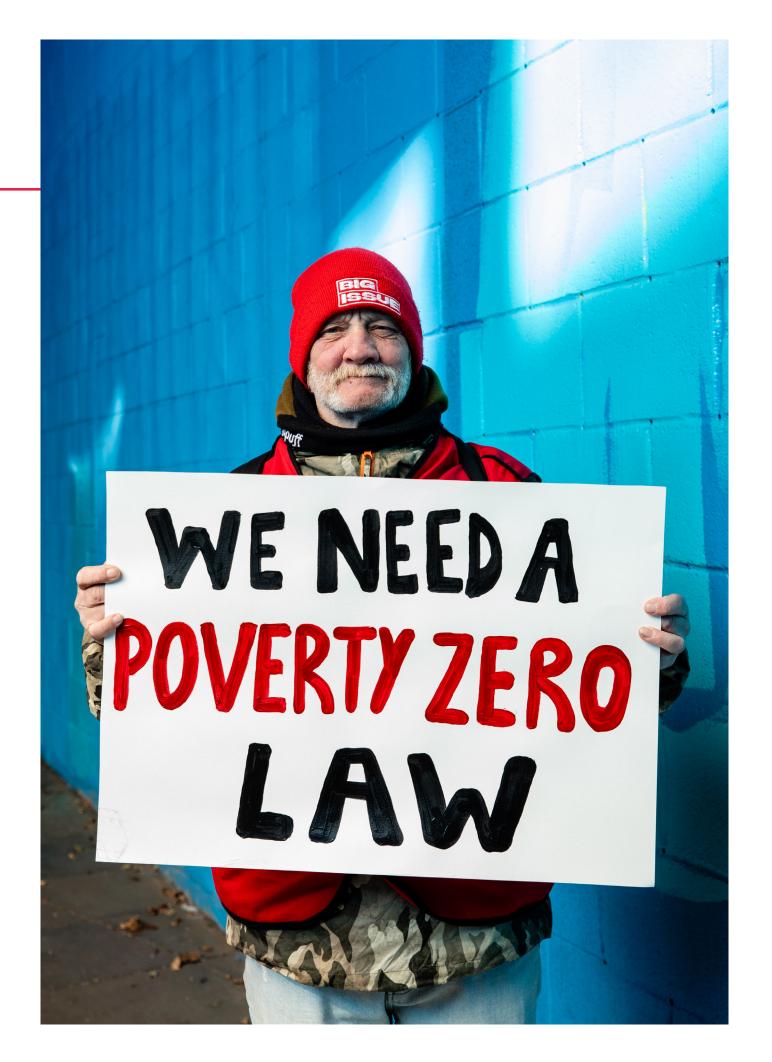
1. In essence, both laws are designed to create lasting change by embedding important goals into the UK's legal framework. "Net Zero" addresses an environmental crisis, while "Poverty Zero" addresses a social one.

## The Poverty Zero Act



A Poverty Zero Act would create a new legal duty for every UK government to set a poverty reduction target. Much like the Climate Change Act, it would force the government to work towards a poverty reduction goal, and to provide data and plans to Parliament and the public.

- At the start of each Parliament, the government must set a legally binding poverty reduction target, in regulation, to be met by the end of the Parliament.
- Each government must set their own clear, measurable target to reduce poverty, the only stipulation being that it must be lower than current poverty levels at the time of implementation. The chosen metrics would be laid down in secondary legislation.
- The government must create detailed plans on how they will meet their poverty reduction targets.
- They would report to Parliament annually on their progress.



## Depth of Poverty in the UK



of all Brits surveyed think Labour should be doing more in their approach to poverty in the UK<sup>[67]</sup>

■ Poverty in the UK is a complex issue, often defined and measured in various ways. As defined previously, destitution is the deepest form of poverty. Relative poverty is typically understood as living in a household with an income below 60% of the median income in that year [7]. Absolute poverty, on the other hand, is defined as having an income below 60% of the median income in a base year (2010/11), adjusted for inflation [8]. Persistent poverty refers to the experience of living in relative poverty for three or more out of the last four years [8].

Looking ahead, projections indicate a concerning trend for poverty in the UK. Absolute poverty is projected to increase by 300,000 people in 2024-25, potentially being higher in 2029-30 than in 2020-21 [9]. The Social Metrics Commission (SMC) report from December 2024 revealed a significant increase in social inequality, with a rise in overall, deep, and persistent poverty, including a concerning increase in child poverty [10].

Poverty disproportionately affects certain demographic groups. For instance, child poverty rates are highest among Bangladeshi (65%) and Pakistani (59%) ethnic groups [7]. Larger families, with three or more children (44%), and lone-parent families (44% in 2022/23 [1]) also experience higher rates of poverty [7]. While the majority of poor children (69%) live in working families [11], 65% of children in workless households are in poverty [7]. Furthermore, disabled people face a higher risk of poverty, with a rate of 30% [1].

Poverty is not solely defined by income; it is a multi-faceted issue encompassing material deprivation, where individuals lack the ability to afford essential goods and services [12], and social exclusion, preventing participation in everyday activities [13]. It has significant negative impacts on health, leading to poorer health outcomes and higher rates of emergency department attendance [6], and on education, resulting in lower academic attainment [14]. Addressing poverty is not only a moral and social imperative, and recognized as an infringement of human rights [15], but also carries substantial economic costs, estimated at over £39 billion per year in 2023 for child poverty alone [16].

A framework that compels successive governments to act, by setting clear goals and timelines, is crucial to mitigate both the human suffering and the massive economic burden poverty imposes on society.

## Our Vendors Louisa's Story

"The government need to do more for people who are really in need"

I'm 27 years old, and I live with my partner and my two kids.
 At the moment me and my partner are both doing the Big Issue.
 My partner tried to get a different job but he couldn't, and I can't do anything else because of my mental health issues.

The cost of living is very difficult because we – not just me and my family, but most people – are not getting enough support. I'm eligible for some social security payments but I don't manage from month to month. The rent is up, the food is up, everything is up. My gas and electric bill is a huge amount of money. I have a top-up metre, so if I put money in I have gas and electric, and if I don't, I don't. A lot of times we've run out because I have to choose which bill to pay.

I'm lucky because I have a wonderful landlord who understands my needs and fixes problems straight away, and the children's school is only a two minute walk from me. But I know other people that have mould in their house which is making their kids sick. I'm worried about having to move if my rent went up because it's difficult to find properties these days. Landlords ask for a lot of money as a deposit, and they don't rent to people who don't have stable incomes and a good credit history.

Previously I was in temporary accommodation in a shared house. It wasn't good because there were people with a lot of drugs and alcohol. Especially with two kids it was really difficult, we were hearing banging, screaming and fighting all the time. Now I close my door and nobody can come in – it's my own house, I feel safe there – but not everyone can afford this.

I'm worried the government is not taking enough action for those who are really in need. They need to try to give to those who don't have nothing. I just want my kids not to go through what I went through. I want them to have a stable roof over their head to finish the school and find a proper job and earn their own money. Not to struggle the way I did.

## **Societal Benefits of Tackling Poverty**

The substantial economic costs associated with both managing the consequences of poverty and the lost potential of individuals strongly argue for investing in long-term preventative solutions as an economically sound strategy.

Individuals living in poverty experience poorer physical and mental health outcomes, leading to increased demand on the NHS at a cost estimated in 2016 to run to  $\pounds$ 29 billion per year according to the Joseph Rowntree Foundation, a figure which is likely higher now. This demonstrates a clear need for integrated health and poverty reduction strategies.

Higher crime rates in more income-deprived areas lead to increased costs for policing, the justice system, and social services [17]. This correlation suggests effective poverty reduction strategies could also contribute to a safer society and reduce the substantial costs associated with crime. Poverty can also lead to increased social unrest and decreased social cohesion [18].

Conversely, long-term investment in poverty reduction offers significant economic benefits. A healthier and better-educated workforce, resulting from reduced poverty, leads to increased productivity and – through the increased tax revenues from the larger and more prosperous workforce, coupled with reduced expenditure on unemployment benefits and other support – benefit the public finances [16] and, in turn, economic growth [19]. Reducing child poverty is projected to result in higher future earnings and increased tax revenue [20]. A reduced reliance on emergency support services would free up resources for more preventative initiatives, fostering a stronger and more resilient society [20]. Big Issue has ambitions to produce a more detailed economic rationale on this in future.

# EB9bn

Child poverty alone is estimated to cost the UK economy tens of billions of pounds annually<sup>[16]</sup>, with one estimate reaching over £39 billion in 2023<sup>[16]</sup>

## **Existing Frameworks to Tackle Poverty**

## Child Poverty Act 2010

Over the years, the UK government has made several commitments to tackle poverty. The 2010 Child Poverty Act was a landmark piece of legislation that established four legally binding income-based targets to be met by the financial year 2020/21: a relative low income target of less than 10% of children; a combined low income and material deprivation target of less than 5%; an absolute low income target of less than 5%; and a persistent poverty target, the specific level for which was to be determined [12].

Setting such ambitious targets in law marked an important shift in governmental commitment to tackling child poverty and brought in a new era of accountability. However, these targets were subsequently abandoned by the following government in 2015, with the focus shifting towards social mobility [21]. Data from around the target year indicates that child poverty rates remained considerably higher than the stipulated levels [11].

The Child Poverty Act 2010 serves as a pertinent example of an attempt to legislate for long-term poverty reduction that ultimately fell short, partly due to its vulnerability to short-term pressures and changes in the governing party. It lacked the robust institutional architecture and accountability mechanisms seen in the 'Net Zero' Climate Change Act 2008 [22], which may have prevented the subsequent government from abandoning the targets [23].



#### Sustainable Development Goals

Beyond national legislation, in 2015 the UK also adopted the United Nations' Sustainable Development Goals (SDGs), including SDG 1, which aims to end poverty in all its forms everywhere [4]. Target 1.2 of the SDGs specifically commits the UK to reducing by at least half the proportion of men, women, and children living in poverty in all its dimensions, according to national definitions, by 2030 [4]. However, current projections suggest that the UK is not on track to meet this ambitious target [9].

There appears to be a discrepancy between the UK's international pledge and the focus of its domestic policies, with a degree of uncertainty about the government's awareness and commitment to achieving this specific poverty reduction goal [9]. Analysis by the Resolution Foundation indicates that absolute poverty in the UK might even be higher in 2029-30 than it was in 2020-21 [9], with the UK's performance falling short of a 'credible performance' in meeting its SDG commitment [9].

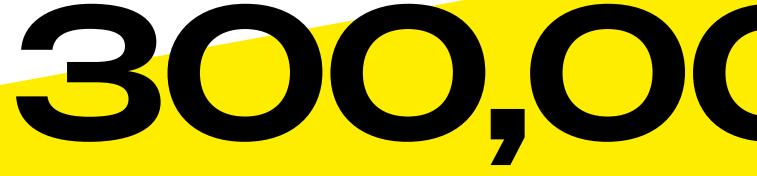
The absence of political will to meet the SDGs likely stems from political leaders dissociating ownership over commitments imposed on them from elsewhere. Moreover, this inaction carries little consequence due to the lack of direct accountability mechanisms to hold the UK government to the SDGs, demonstrating that legally binding status is essential to the success of any future targets, alongside the ability for administrations to set their own targets.

## **A Catalyst for Change:** How Poverty Zero will deliver long-lasting transformation

Stronger and more comprehensive mechanisms are needed to hold governments accountable for sustainable poverty reduction Poverty in the UK is a concerning picture, with high current levels, a failure to meet past targets, pessimistic future projections under current policies, and significant economic costs associated with both the impacts of poverty and the potential benefits of reducing it. This context builds a compelling case for exploring structural reforms. A fundamental shift in the government's approach is urgently needed, moving towards stronger and more comprehensive mechanisms to ensure governments are held accountable for sustainable poverty reduction. As such, the section below outlines a proposal for a Poverty Zero legally binding framework, designed specifically to embed a lasting commitment to poverty reduction.

This section will draw on the persuasive success of the Climate Change Act 2008 as well as lessons learnt from the Child Poverty Act 2010 to explore how the core components – a legally binding long-term view, rolling interim parliamentary-term 'budgets', independent expert scrutiny, and mechanisms for parliamentary and legal accountability – can be used to drive sustainable reduction in UK poverty long into the future.

Absolute poverty is projected to increase by



people in 2024-25

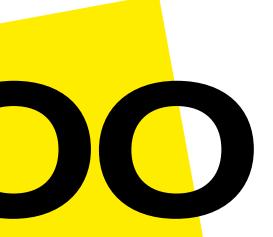
#### Embedding Long-Term Commitment

The cornerstone of the proposed Poverty Zero law, mirroring the CCA structure, would be the establishment of **legally binding, time-bound targets** in legislation [24]. Analogous to Carbon Budgets, these could be termed 'Poverty Reduction Targets' – setting mandatory goals for the level of poverty reduction to be achieved over successive parliaments [24]. This elevates poverty reduction from a discretionary policy aim to a statutory duty.

This cyclical, medium-term target-setting approach offers several benefits. It translates the long-term ambition of poverty reduction, and eventual eradication, into concrete, measurable steps. It also forces governments to engage in medium-term planning, moving beyond annual budget cycles and counteracting the inherent tendency towards policy short-termism within the political system [25]. Creating such a durable mechanism to embed long-term thinking and commitment into government processes, that will allow administrations to tackle the root causes of poverty as well as the symptoms, is a key rationale for enacting Poverty Zero.

Following the CCA precedent, Poverty Reduction Targets should be set in advance, or very early within, a parliamentary term to provide the necessary stability and predictability for government departments, local authorities, service providers, businesses, and civil society to align their own strategies and investments [25]. Setting targets ahead of the period they cover, when possible, is vital for embedding long-term thinking and preventing targets from being unduly influenced by immediate political or economic pressures, a key weakness that undermined the CPA 2010 framework.

The targets themselves should reflect a genuine commitment to poverty reduction but also be achievable based on credible pathways. Relevant criteria might include economic forecasts, the state of public finances, analysis of distributional impacts, the cost of living, progress in related areas such as employment and housing, and the specific needs of vulnerable groups.



## **A Catalyst for Change:** How Poverty Zero will deliver long-lasting transformation

#### **Delivering targets**



of children<sup>[2]</sup>, live in households below the poverty line.

The Poverty Zero law would require the government to develop and publish comprehensive Poverty Reduction Strategies demonstrating how their target will be met, similar to the requirement for Carbon Plans under the CCA [26]. These strategies must outline the specific policies and proposals across all relevant government departments – including Work and Pensions, Treasury, Health, Education, Housing, and potentially Transport and Energy – that are calculated to ensure the upcoming budget targets are met. This requirement forces a whole-government approach and translates the numerical targets into concrete policy actions.

**Mandatory reporting cycles** are essential for transparency and accountability. The Act would require the government to report annually to Parliament on progress made towards the Poverty Reduction Targets, and on the implementation of its strategy [27]. These reports should be subject to scrutiny by the Independent Poverty Commission (IPC), more on this below, and relevant parliamentary committees. This creates a regular rhythm of assessment and public accountability.

Furthermore, the Act should incorporate institutional 'guardrails' to protect the long-term framework from arbitrary changes I251. This could include setting stringent statutory conditions for any amendment to the core target-setting process, requiring parliamentary supermajorities, or mandating thorough impact assessments and public consultation. Requiring the government to publicly explain and justify any significant deviation from the IPC's advice on target levels would also act as a powerful political deterrent against weak ambition.

The legal duties under the CCA, particularly Section 13 (duty to have policies enabling budgets to be met) and Section 14 (duty to report those policies to Parliament), have proven to be key levers for driving government action and enabling effective legal challenge [28]. A Poverty Zero law must incorporate analogous duties, legally compelling the government not just to set targets, but to develop and report on credible, cross-departmental plans to achieve them. Without these procedural duties, the framework risks becoming merely symbolic.

#### Enhancing Accountability

The inclusion of legally binding duties within a Poverty Zero Act creates the potential for **enforcement through judicial review (JR)**. If the government fails to comply with its statutory obligations under the Act, organisations such as poverty charities, human rights groups, or potentially individuals directly affected by poverty could initiate legal proceedings [29].

The successful JR challenges against the government's climate strategies under the CCA<sup>2</sup> provide a valuable precedent [28]. These cases demonstrate that JR can be used effectively to hold the government accountable, not by asking courts to determine the best climate policy, but by challenging the legality and procedural adequacy of the government's actions under the Act. The courts focused on whether the government had fulfilled its statutory duties to:

- Have policies and proposals sufficient to meet the carbon budgets (s.13 CCA).
- Base proposals on sufficient evidence and rational analysis, including proper consideration of risks.
- Report adequately to Parliament on those policies and proposals (s.14 CCA).

By finding breaches of these duties, the courts forced the government to revise its strategies and improve transparency, without overstepping into policy-making territory.

Experience from JR in other areas of social policy, such as challenges to welfare reforms [30] or decisions on funding cuts or service changes [31], shows that legal action can successfully compel adherence to policy, ensure fair procedures, and lead to policy reconsideration or favourable settlements, even if outright court victories are statistically uncommon [32]. While courts rightly avoid substituting their own policy preferences for those of the elected government, they play a crucial role in ensuring that government acts within the legal powers granted by Parliament and follows rational and fair procedures. By focusing legal challenges under a Poverty Zero Act on the legality and rationality of the government's process in setting targets and formulating strategies, mirroring the CCA litigation approach [28], JR can serve as a vital backstop accountability mechanism without requiring judges to become arbiters of complex social and economic policy.

2. For example, the 2022 case brought by Friends of the Earth Ltd., Client Earth, Good Law Project and Joanna Wheatley.

## **A Catalyst for Change:** How Poverty Zero will deliver long-lasting transformation

Balancing Stability and Flexibility for Succesive Governments Under a Poverty Zero Act, each new government would determine the level at which to set poverty reduction targets. Several arguments support granting successive governments a degree of flexibility in setting interim poverty reduction targets, provided they operate within the overarching legal duty to reduce poverty.

**Democratic Accountability:** A core principle of parliamentary democracy is that elected governments are accountable to the public for their policy choices [33]. Allowing each government to set or adjust medium-term targets enables them to reflect their electoral mandate, respond to the prevailing concerns of the electorate, and take ownership of the goals pursued during their term [34]. Binding a future government too rigidly to targets set potentially decades earlier by a previous administration could be seen as undermining this democratic link.

**Policy Responsiveness and Adaptation:** Social and economic circumstances change. Allowing successive governments to set their own targets (within the framework) permits adaptation to unforeseen events (e.g., economic crises, pandemics), new evidence on poverty drivers or policy effectiveness, and evolving societal understanding of needs and priorities [35]. It avoids locking governments into pathways that may become unrealistic, inappropriate, or sub-optimal over time.

**Ownership and Political Buy-in:** Governments may exhibit greater commitment and invest more political capital in achieving targets they have personally set and announced, compared to inherited obligations [36]. Securing initial cross-party support for the framework itself might be easier if future governments retain discretion over the precise calibration of interim goals. The inherent desire for flexibility within political systems focused on electoral cycles and immediate public concerns [33] suggests that allowing a role for successive governments in shaping their own targets might be a pragmatic necessity for the framework's longterm political survival and legitimacy.

The design and implementation of the Poverty Zero framework must acknowledge the inherent tension between the need for long-term policy stability to address entrenched problems and the principles of democratic accountability that allow elected governments to set their own priorities [33]. Using the Poverty "Ensuring genuine political commitment that translates legislative duties into sufficient resources and ambitious policies is paramount" Zero approach of legally binding the process and long-term goal of poverty reduction, while allowing governments to set specific levels and targets, based on independent advice and public justification, offers a good balance [28].

Challenges undoubtedly exist. Defining and measuring poverty in a way that is both comprehensive and commands consensus requires careful consideration [37]. Ensuring genuine political commitment that translates legislative duties into sufficient resources and ambitious policies is paramount [34]. Balancing the need for binding long-term targets with the democratic imperative for successive governments to respond to their mandates requires careful institutional design [33]. However, the analysis suggests these challenges are navigable, and the potential benefits of a well-designed legal framework for tackling poverty are substantial.



### The route to Poverty Zero

#### Reflections by Big Issue vendor, André Rostant

The extent to which we own things is the extent to which we are not owned. There results a pyramid of acquisition whereby the more a person has, the easier it is to get more, and vice versa. This would inexorably drive up poverty at the bottom were it not for families, friendships, neighbours, political, religious and social groups, trade unions, charities and, ultimately government.

It follows then that, whether to a Marxist or Keynesian degree, redistributing ownership of property, of wealth, is the sole way to alleviate poverty. It is as simple as that. Taxing the rich as much as we want to reduce poverty by, and making debt-free ownership of material property affordable at the bottom of the pyramid through some combination of forcing up wages, introducing abovesubsistence welfare, taxation, pushing down property prices or prices more widely; that is the way.

A legal framework for reducing poverty to zero is a vital first step to push government to take enduring action on poverty. It would need to be closely modelled on the zero carbon policy - with some independent advisory body established to set targets and a framework that introduces consideration of poverty reduction into every aspect of law making.

Targets would have to be realistic and achievable in costed increments. Even though poverty is spread among working people, the elderly and those not working, childhood poverty should be a significant focus. This all needs to be driven by and based on Articles 22 and 25 of the Universal Declaration of Human Rights.

## **Case Study:** Legislation into Action -The impact of Net Zero

In 2008, as the CCA was becoming law,

of the UK's electricity came from fossil fuels <sup>[39]</sup>



By 2023, the share of **fossil fuels had fallen to approximately** 

35%

with renewable sources making up over 40% of the mix<sup>[40]</sup>



The UK's power sector emissions have decreased by over



since 1990, a significant contribution to the overall emissions reduction driven by the CCA<sup>[41]</sup>. ■ The primary model for such legislation is the UK's own Climate Change Act 2008 (CCA). The CCA is widely regarded as a pioneering and successful example of domestic framework legislation addressing a complex, long-term policy challenge [24]. Passed with broad cross-party support, it has demonstrated remarkable political durability, surviving multiple changes of government and maintaining a core consensus around its objectives [24]. Its success in driving emissions reductions, particularly in the power sector, while the economy continued to grow, highlights the potential effectiveness of such frameworks [29].

The UK's power sector provides a compelling case study of the CCA's impact. In 2008, fossil fuels, particularly coal, dominated electricity generation. The legally binding carbon budgets and the long-term emissions targets created a strong incentive to decarbonise. This led to:

- → Coal Phase-Out: The government set targets for phasing out unabated coal power, culminating in the near-complete elimination of coal from the electricity mix by 2024, significantly ahead of many other developed nations [38].
- → Increased Investment in Renewables [38].
- → Development of Carbon Capture and Storage [38].

While challenges remain in meeting future carbon budgets and the net-zero target, the CCA has provided a robust framework for sustained UK's climate action.



The UK's offshore wind sector has grown to be one of the largest in the world, supported by government incentives and the long-term decarbonization goals of the CCA<sup>[42]</sup>.

## **Case Study:** Diverging Paths - Child Poverty in Scotland vs. the UK

In 2023/24, relative child poverty in Scotland was estimated at

22% compared to 31% across the UK.

Absolute child poverty was 179⁄0 in Scotland versus



While child poverty rates in England and Wales have remained stubbornly high, Scotland has demonstrated a different trajectory, achieving reductions in key poverty measures.

A defining feature of Scotland's approach is the Child Poverty (Scotland) Act 2017. This landmark legislation established legally binding targets for reducing child poverty, requiring Scottish Ministers to ensure less than 10% of children are living in relative poverty by 2030 [44]. This Act enshrined tackling child poverty as a number one policy priority for the Scottish Government [45], creating a statutory imperative for sustained action and accountability that is absent at the UK level following the effective abandonment of the UK's Child Poverty Act 2010 targets.

Central to Scotland's strategy has been significant investment in social security, most notably the Scottish Child Payment (SCP). Introduced progressively and currently providing £26.70 per week per eligible child, the SCP is widely credited as a key driver of Scotland's recent progress [46]. Modelling suggests the SCP alone keeps tens of thousands of children out of relative poverty [1]. This direct, additional financial support contrasts sharply with the UK-wide social security system, which has seen cuts and freezes impacting low-income families [46].

#### **Success Factors**

**Statutory Duty and Political Will:** The Act created a nonnegotiable legal requirement to reduce child poverty, embedding it as a long-term government priority and fostering sustained political focus [1].

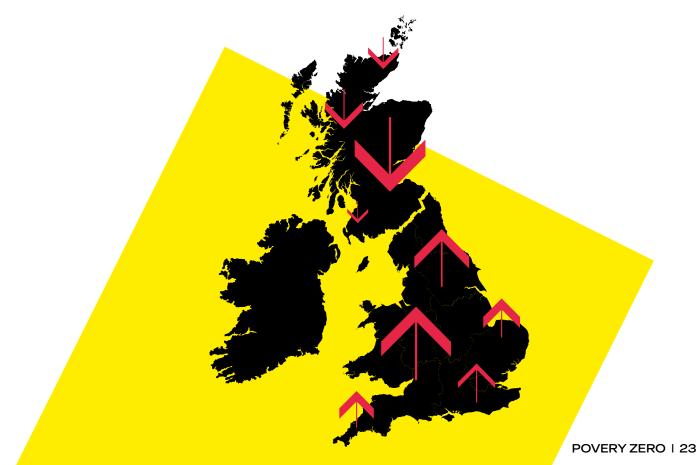
**Targeted Financial Investment:** The willingness to invest significantly in direct financial support, exemplified by the SCP, has provided a crucial income boost for low-income families, directly counteracting poverty [43].

**Policy Coherence:** While challenges remain, the Scottish approach attempts a more coherent policy-making strategy, linking social security with policies on employment, childcare, housing, and education costs [46].

Modelling by JRF and others project the gap between Scotland and the rest of the UK is forecast to widen further, as child poverty rates in Scotland continue to fall, while rates in England and Wales are projected to remain static or increase<sup>[1]</sup>. **Mitigation Efforts:** Actively seeking to counteract the negative impacts of UK-level policies demonstrates a commitment to protecting families in Scotland from measures known to increase poverty [1].

**Focus on Prevention and Adequacy:** While not perfect, the Scottish approach places greater emphasis on ensuring benefit adequacy (e.g., through the SCP) and preventative measures compared to the UK-wide system, which has faced criticism for benefit levels falling below essential needs [1].

The widening gap in child poverty rates between Scotland and the rest of the UK serves as a powerful case study on the impact of deliberate policy choices. Scotland's legally binding targets, coupled with significant, targeted investment in social security have demonstrably contributed to lower child poverty rates relative to England and Wales [47]. While Scotland still faces challenges in meeting its ambitious 2030 targets [8], its approach highlights that progress on child poverty is possible with sustained political will and targeted, adequately funded interventions [48].



## Implementing Poverty Zero

Based on the analysis of UK poverty, the limitations of past approaches, and the lessons learned from the Climate Change Act 2008, the following recommendations are proposed for the successful implementation of the Poverty Zero law. These are recommendations to maximise the potential for success and impact, rather than forming legislation itself.

#### Adopt Robust and Holistic Poverty Metrics

A key criticism of the 2010 Child Poverty Act centred on its heavy reliance on relative income poverty as the headline measure [22]. Critics argued that the Act 'straightjacketed' the understanding of poverty into a purely financial manifestation, neglecting crucial drivers such as family breakdown, worklessness, educational failure, addiction, and debt [22]. While the Act included targets for absolute poverty and material deprivation, the political and policy focus remained largely on the relative income measure.

As such, although not enshrined in legislation, it is strongly encouraged that any poverty metrics used for targets under Poverty Zero move beyond reliance solely on relative income. The Poverty Zero law would advocate, but not insist on, the use of a primary poverty metric that is robust, stable, and captures the multi-dimensional nature of poverty. To meet best practice, the metrics used should account for income, assets, and inescapable costs like housing, childcare, and disability-related expenses. Ideally, the framework should also track progress against measures of poverty depth, persistence, and outcomes for key vulnerable groups (children, disabled people, specific ethnic groups). The power to formally define and refine metrics over time should reside with the independent commission, see below, or require parliamentary approval based on its advice.

#### Create a Powerful Independent Poverty Commission (IPC)

The credibility, effectiveness, and durability of a Poverty Zero framework would heavily depend on the establishment of a strong, independent body analogous to the Committee on Climate Change (CCC) [24]. This proposed Independent Poverty Commission (IPC) would need a clear statutory basis, a well-defined remit, genuine independence, and sufficient resources to fulfil its functions. Modelled on the CCC, the IPC should be an independent, statutory body composed of leading experts drawn from relevant fields such as poverty research, economics, social policy, statistics, public health, and potentially housing and education. Crucially, learning from critiques of past bodies and contemporary best practice [49], its membership should also include individuals with direct, lived experience of poverty to ensure its analysis and advice are grounded in reality and reflect the complexities faced by low-income households.

The IPC's core functions, mirroring those of the CCC [50], should include:

**1. Advising on Targets and Metrics:** Providing independent, evidence-based advice to the government and Parliament on the setting of each interim Poverty Reduction Target. It could also be given a statutory role in defining or refining the official poverty metrics used for the targets.

**2. Monitoring Progress:** Regularly (e.g., annually or biannually) monitoring progress towards meeting the poverty reduction targets.

**3. Reporting to Parliament:** Publishing independent reports to Parliament assessing progress, evaluating the adequacy and effectiveness of the government's poverty reduction strategy and policies, and making recommendations for action.

**4. Providing Ad-Hoc Advice:** Offering expert advice to government departments on specific policy issues relevant to poverty reduction, upon request or proactively.

**5. Conducting Research and Analysis:** Undertaking and commissioning independent research to deepen understanding of poverty trends, drivers, and effective interventions [51].

This model contrasts significantly with the previous Social Mobility and Child Poverty Commission (SMCPC), which was established under the Child Poverty Act. While the SMCPC had a valuable monitoring and reporting role [12], it lacked the statutory power and influence embedded in the target-setting process that the CCC possesses [52]. The SMCPC was sometimes perceived as lacking teeth and its advice was not always heeded by government [53].

## Implementing Poverty Zero

To be effective, a new IPC must have a stronger statutory footing, ensuring its advice on targets is formally required and considered, and its progress reports demand a formal government response laid before Parliament, as is the case with the CCC [51]. The idea of an independent body scrutinising poverty policy has precedent, with proposals for such commissions appearing in policy discussions, for example, in Australia [54].

Ensuring the IPC's genuine independence is paramount for its credibility and influence. This requires careful consideration of the appointment process for commissioners (ensuring expertise and impartiality), secure and adequate long-term funding independent of short-term political pressures, and a clearly defined statutory remit protecting its ability to conduct objective analysis and provide potentially critical advice [51]. The legitimacy of the IPC would be further enhanced by transparent processes and a commitment to engaging widely, including with devolved administrations, local government, civil society, and critically, individuals and communities directly affected by poverty [55]. By combining technical expertise with insights from lived experience, the IPC could build the trust and authority needed to effectively guide and scrutinise poverty reduction efforts across successive governments.

#### Ensure Policy Coherence and Foster Coordination

The debate often framed around tackling 'root causes' of poverty versus focusing on income measures, a key critique of the 2010 Child Poverty Act [22], presents a potentially false dichotomy. A well-designed legal framework could integrate both. The Poverty Zero law has the potential to mandate targets based on robust income or resource measures (potentially multi-dimensional ones that account for inescapable costs like disability or childcare [37]), while simultaneously counselling the government to explicitly detail policies to address structural drivers [1]. This approach would mirror how the 2008 Climate Change Act requires government plans to address emissions across different sectors of the economy [26]. Such an integrated framework could overcome the limitations of past approaches by ensuring both adequate resources and action on underlying causes are central to the long-term strategy.

As such, the Poverty Zero framework should explicitly encourage consideration of poverty reduction across government policymaking, promoting integration with strategies for housing, health, education, employment, and regional development I561. Collaboration with devolved administrations, who hold key powers relevant to poverty, is essential [241. By promoting cross-government strategies, the framework can break down departmental silos and embed integrated action on the multifaceted drivers of poverty.

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## Conclusion

■ The analysis presented in this report makes a compelling case for a fundamental shift in the UK's approach to tackling poverty. The persistent high levels of poverty, the failure of past initiatives, and the concerning future projections under current policies demand a structural reform that ensures long-term commitment and accountability.

A Poverty Zero law, inspired by the Climate Change Act 2008, offers a viable and effective framework for achieving this change. By embedding poverty reduction targets, and creating mechanisms for scrutiny and legal accountability, this legislation would provide the necessary architecture to drive sustainable poverty reduction over the long term.

Implementing such a framework would represent a paradigm shift in how the UK addresses poverty, moving from fluctuating political initiatives towards a legally embedded, long-term national mission. While challenges remain, the potential rewards – a significant reduction in hardship, improved life chances, and a stronger, fairer society – warrant serious consideration of this approach.

The evidence presented in this report strongly suggests that a Poverty Zero law is not just a desirable policy ambition but a necessary strategic intervention to address one of the most pressing social and economic challenges facing the UK today.



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If you would like to lend your support to our Poverty Zero campaign, please consider taking the following actions:

- Write to the leader of your party and ask them to support a Poverty Zero law.
- **2. Use your oral question** to press government on the need for Poverty Zero.
- **3. Become an End Poverty Champion with Big Issue** to add your voice to the MPs speaking out against poverty in Parliament.

#### **Contact us:**

For more information, or to meet with us, please contact our public affairs team on publicaffairs@bigissue.com.

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