

# Budget 2010

March 2010



The Chancellor Alistair Darling published the 2010 Budget Report on 24 March 2010. It contains a number of measures that will have an impact on young people and families with children.

These measures include:

The **six-month work or training guarantee** for 18 - 24s will be extended to March 2012. The guarantee promises a job or training to every 18- to 24-year-old who has been out of work for six months or more. This includes:

- The opportunity to apply for new jobs created through the Future Jobs Fund
- Support to apply for an existing job in a key employment sector
- Work focused training
- A place on a Community Task Force
- Help with self-employment
- Internships for Graduates and non-Graduates

An **increase of £4 a week in tax credits** for families with children aged one and two. Around 210,000 Welsh families and 380,000 children in Wales will benefit from these increases.



From 6 April 2011, payment of the **childcare element of the Working Tax Credit will become more flexible** for parents who have short, fixed periods of childcare costs, such as over school holidays. These parents will be able to claim support when they need it over short periods rather than on an annualized basis.

HM Revenue & Customs is aiming to **pilot a service for tax credit renewals** in 2011 and intends to introduce a full on-line service for Child Benefit claimants as part of its on-line tax credit service.

The Government intends to extend the **income tax exemption** for adopters to those caring for children under a Special Guardianship order or certain Residence Orders. The Government intends to legislate this measure as soon as possible in the next Parliament, with effect from 6 April 2010.

As announced at the 2009 Pre-Budget Report, from 12 April 2010, first and subsequent child rates of **Child Benefit** will increase by 1.5 per cent.

UK banks would be legally obliged to provide a **basic bank account to every citizen**. There are currently 1.75 million adults in the UK with no access to a transactional bank account.

The Government has also published **'Ending Child Poverty; Mapping the Route to 2020'** alongside the Budget, which sets out the ways that child poverty could be reduced in line with the 2020 target.

It has also been announced that **National Minimum Wage** rates are to rise from October 2010. They will increase from:

- £5.80 to £5.93 an hour for workers aged 22 and over
- £4.83 to £4.92 an hour for workers aged 18 to 20
- £3.57 to £3.64 an hour for workers aged 16 to 17

An apprentice minimum wage of £2.50 per hour will also be introduced. The new rate will apply to apprentices under 19, and apprentices aged 19 and over, but in the first year of their apprenticeship.

Full details are available on the HM Treasury website. [www.hm-treasury.gov.uk](http://www.hm-treasury.gov.uk)

Child poverty campaigners have expressed disappointment that more was not done to help families in poverty.

## The End Child Poverty Network Cymru

The End Child Poverty Network Cymru is a coalition of concern focused on the eradication of child poverty in Wales, co-ordinated and managed on a day-to-day basis by Children in Wales.

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