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18 June 2026

Dear Convener,

I am writing to welcome your appointment as Convener of the newly formed Social Justice, Housing and Local Government Committee. I look forward to working with you and the Committee.

This afternoon I laid the annual progress report on child poverty for 2025-26 before the Scottish Parliament. This is the final of four annual progress reports published in relation to *Best Start, Bright Futures*, the Tackling Child Poverty Delivery Plan for 2022-26.

As a result of our continued focus on delivery and prioritisation of action on child poverty, the report details nearly 100 actions which have been completed or are delivering at scale since 2022. In the last year this includes creating more breakfast club spaces for children, expanding our Fairer Futures Partnerships to half of all Local Authorities, and reinvesting money committed to our Two Child Limit Payment to provide immediate support to families struggling with the cost of living over the Winter months.

Building on the action we have taken to date, the First Minister has been clear that eradicating child poverty and supporting families with the cost of living will be the defining mission of the Scottish Government - and will remain a key priority across all Ministerial portfolios.

We have already begun to make progress on the commitments set out in [Bringing Hope](#), [Building Futures](#), the Tackling Child Poverty Delivery Plan for 2026-31, and have committed to go even further to drive continued progress. This includes taking forward plans to ensure essential food items in supermarkets are affordable, expanding support for childcare to all children from nine-months to the end of primary school, and introducing a £2 nationwide cap on bus fares to lower the cost of people's commute.

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Alongside the progress report, I announced today my intention to commence a review of the types of targets set out in the Child Poverty (Scotland) Act 2017. The review will enable us to explore how we can use a target based approach to drive focus and action where it is most needed – supporting balanced action which focuses on prevention, immediate support, and longer term outcomes that are right for families. The review will begin over the summer, and I am keen to work with you, other stakeholders and with children and families themselves as we conduct the review.

We are committed to working in partnership, both across the Scottish Parliament and with the public and third sector, business and the UK Government, to drive the change needed.

I look forward to continuing to work with the Committee as we strive to eradicate child poverty together.

Yours sincerely



SHIRLEY-ANNE SOMERVILLE

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**Best Start,
Bright Futures**
Tackling Child Poverty
Progress Report
2025-2026



Scottish Government
Riaghaltas na h-Alba

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Ministerial Foreword – First Minister



Child poverty has no place in Scotland and that is why we have taken significant steps to deliver change for families. From investment in social security, affordable homes, and employment support, to driving transformation in our public services through Whole Family Wellbeing Funding, we are helping to improve children's lives and outcomes. My Government cannot end child poverty alone. It needs a collective national effort, and we will work across Parliament and with our public sector, third sector, businesses and communities themselves to do just that.

As set out in this report, our action and focus on child poverty is making a difference – both to the lives of families, and to poverty rates in Scotland. Scottish Government policies are estimated to keep 100,000 children out of relative poverty this year and to halve the number of children experiencing deep poverty – while child poverty rates stand substantially below the UK average.

We have made progress, and we should be proud of that progress, but we must now redouble our efforts so that child poverty can be eradicated. We do so against the most challenging of headwinds, including conflict in Europe and the Middle East. The cost of living is still too high, with families struggling to make ends meet and afford life's essentials, and continued austerity by the UK Government continues to push thousands into poverty.

As we enter the first year of this new Parliament, I am acutely aware of the trust which the public has placed in us to deliver the services which work for them and to act decisively on the issues which matter most. We are committed to tackling the cost of living and reducing pressures on household budgets, including through our continued investment in funded early learning and childcare, free bus travel for over 2.4 million people, including all children and young people under 22, and our package of Five Family Payments, including the Scottish Child Payment. These are actions which we know are working to support families every day, and we are determined to drive further progress.

Our approach is one of hope. We know that a Scotland where children grow up free from the constraints of poverty is possible. Our action and investment to date shows that in spite of all that has stood against us, we can deliver real and lasting change for families – change which can help realise every child's right to grow up loved, safe, and respected. I am proud that this approach is underpinned by the incorporation of the United Nations Convention on the Rights of the Child into devolved law, helping ensure that children and young people are at the heart of decisions that affect them and that they have the confidence and skills to get involved.

Together with our partners, we must focus our efforts on concrete and meaningful action which creates real impact and delivers transformational change for our people and communities. This will require all of us to be bold and brave and I am committed to creating the environment needed for this to happen.

We recognise that to eradicate child poverty, we must focus our efforts and support on those at the greatest risk of poverty. At the core of this is our approach to Whole Family Support, ensuring families get the right support when they need, where they need, for as long as they need. This report details some of the real progress we have made in realising this over the course of this year, expanding our Fairer Futures Partnerships to provide holistic and person-centred approach across even more of our communities, and building the foundations for flexible delivery of services which meets the needs of the people and families served.

By taking targeted action, supporting our public services to work effectively together to support those in greatest need, and growing our economy to support more employment opportunities and opportunities to invest, we can deliver a fairer future for families.

Eradicating child poverty and improving the lives of Scotland's children is a duty for us all. We must now come together, with renewed focus and effort to drive lasting change and a brighter future.

By delivering our ambitious plans for Scotland, we will turn hope into action that makes a real difference to the communities we serve and to the families that need it.

John Swinney
First Minister

Ministerial Foreword – Cabinet Secretary for Social Justice and Housing



Eradicating child poverty is the defining mission of this Government. We are clear that too many children continue to live in poverty and that is why we must do all we can to drive change and improve outcomes. As the final progress report against ‘Best Start, Bright Futures’, the Tackling Child Poverty Delivery Plan for 2022-26, this provides an opportunity not only to reflect on the action and progress delivered to date, but also to reaffirm our commitment to ending child poverty in Scotland.

Our focus on delivery means that despite the challenges posed by years of UK Government austerity, Brexit, the COVID pandemic, and both Russia’s illegal full-scale invasion of Ukraine and conflict in the Middle East, which has fuelled significant increases to the cost of living, we have made real progress over the last four years.

In the past year we have worked to deliver new and ambitious action for families, including supporting up to 20,000 children through our Bright Start Breakfasts fund, scrapping ScotRail peak fares for good, and establishing a bus cap fare pilot – laying the foundations to go even further. This is in addition to providing £10 million in emergency support for families through the reinvestment of two-child limit mitigation funding.

As a result, this report details nearly 100 actions which have been completed or are delivering at scale since 2022. This includes more than doubling the value of the Scottish Child Payment and expanding the payment to all eligible children under the age of 16, establishing and expanding our Fairer Futures Partnerships to support more areas to deliver integrated and responsive services, as well as continuing to support families to enter and access employment through our ongoing focus on employability support and provision of high quality funded early learning and childcare.

These are actions which are supporting families every day, with our Scottish Child Payment alone estimated to keep around 50,000 children out of relative poverty this year. They are also backed by significant investment, with over £3.1 billion in support targeted at low income households in 2025-26 and spend benefiting children rising to almost £1.5 billion. Compared to 2018-19, this means that investment benefitting children has risen by more than £960 million.

But we know we must continue to go further. ‘Bringing Hope, Building Futures’, our third Tackling Child Poverty Delivery Plan for 2026-31, published in March, provides a robust framework and clear action to drive continued progress. This includes investing £40 million in 2026-27 to deliver new support with transport and skills for families, increasing our Scottish Child Payment to £40 for families with a child under

one during 2027-28, and investing £100 million over three years to deliver a national breakfast club offer for primary school aged children with provision in all primary and special schools by August 2027. It also backed by significant investment in the delivery of affordable homes, as well as sustained investment in policies fundamental to our approach, such as funded early learning and childcare, and free bus travel for under 22s.

With action in the plan estimated to keep 100,000 children out of relative poverty this year, we have now set out how we will go even further through the manifesto commitments on which this government was elected and the priorities we have set out for our first 100 days. These commitments, which are in addition to those set out in the Delivery Plan, include taking forward plans to ensure essential food in our supermarkets is affordable, expanding support for childcare to all children from nine-months to the end of primary school, and introducing a £2 nationwide cap on bus fares to lower the cost of people's commute.

Our action stands in contrast the UK Government, whose long-awaited Child Poverty Strategy represents a missed opportunity to deliver the change needed for families. That is why we will continue to push for UK Ministers to work in close partnership with us and to match our ambition and investment by scrapping the benefit cap and matching the Scottish Child Payment, steps which could help lift hundreds of thousands of children out of poverty across the UK.

We are clear that eradicating child poverty is extremely challenging, however we are ready for that challenge and committed to redoubling our efforts to deliver the fairer future that every child in Scotland deserves.

Shirley-Anne Somerville

Cabinet Secretary for Social Justice and Housing

Executive Summary

This progress report sets out the range of action taken between April 2025 and March 2026 to tackle child poverty in Scotland. This is the final of four annual progress reports published in relation to 'Best Start, Bright Futures', the Tackling Child Poverty Delivery Plan for 2022-26.

In the face of continued and unprecedented challenges to public finances and family budgets, this report details the wide-ranging action the Scottish Government has taken to tackle the cost of living and drive continued progress against Scotland's child poverty targets.

Steps taken in the past year to further strengthen the support available to families include:

- Launching the £3 million **Bright Start Breakfasts** fund, awarding funding to 490 breakfast clubs including 142 new clubs. This has created almost 9,000 breakfast club places, supporting up to 20,000 primary and special school children.
- Tackling the **cost of transport** by abolishing peak fares on Scotrail services, delivering free foot passenger travel on inter-island ferries for under 22 year old islanders, extending the national concessionary ferry scheme, and introducing a £2 bus fare cap across the Highlands.
- Expanding the Citizens Advice Scotland **Council Tax Debt Project** across all 32 Local Authorities, with clients supported to make over £2.8 million through Council Tax related financial gains.
- Further strengthening **support for disabled people and carers** by completing the transfer of awards to Adult Disability Payment and Carer Support Payment and launching the Carer Additional Person Payment expected to benefit around 16,000 people in 2026-27.
- Expanding our **Fairer Futures Partnerships** into eight more Local Authority areas, bringing the total number of partnerships to sixteen, with 'Adopt and Adapt' funding allocated to all other Local Authorities to allow them to test innovative solutions and engage more deeply with learning generated from this approach.
- Expanding our **Fairer Funding** approach, providing multi-year grants worth over £130 million over two years to 51 third sector organisations delivering essential services and action on child poverty.
- Publishing the **Housing Emergency Action Plan**, setting out a range of new and enhanced action to tackle the housing emergency in Scotland. This included doubling the funding available for housing acquisitions from £40 million to £80 million and investing an additional £2 million to help to families with children move from temporary accommodation into settled homes.
- Supporting passage of the **Housing (Scotland) Act 2025** which will help to strengthen renters' rights, prevent homelessness, and support those who are experiencing domestic abuse.
- Providing **immediate support to families** by reinvesting funding previously committed to the Two Child Limit Payment. This includes providing an additional £5.5 million for the Scottish Welfare Fund and allocating over £3.5 million to charities to deliver emergency support – with Children First and Aberlour helping over 5,000 families and 184 other organisations delivering support.

This is in addition to our continued investment in actions delivered over the life of this plan, including devolved employability support, free bus travel for under 22s and disabled people, and our package of social security payments including the Scottish Child Payment.

Beyond our continued focus on delivery, we also undertook wide-ranging engagement with stakeholders, parents and children and young people to inform development of the Tackling Child Poverty Delivery Plan for 2026-31.

Published on 12 March 2026, [‘Bringing Hope, Building Futures’](#), provides a robust framework with concrete action to drive continued progress in eradicating child poverty.

Introduction

This is the final annual progress report against 'Best Start, Bright Futures', the Scottish Government's Tackling Child Poverty Delivery Plan for the period 2022-26.

Set against continued and unprecedented challenges to the public finances and unrelenting cost of living pressures on household budgets, this report details the steps taken by the Scottish Government in 2025-26 to enhance support for families and drive continued progress in eradicating child poverty.

Over this period, we continued to prioritise action on child poverty, investing over £3.1 billion in support targeted at low income households, with spend benefiting children rising to almost £1.5 billion. This has enabled ongoing investment in key measures including our Scottish Child Payment, estimated to keep 50,000 children out of relative poverty this year, making Free School Meals available to over 360,000 pupils, saving families who take them every day £450 a year, and mitigating the UK Government's Benefit Cap, with potential to support over 9,000 children.

Our investment has also allowed us to go further, with our Bright Start Breakfasts Fund creating almost 9,000 breakfast club spaces, and increased investment in our Affordable Housing Supply Programme supporting more than an estimated 2,000 children into affordable housing between April and December 2025.

This year also saw publication of the UK Government's delayed Child Poverty Strategy. Following the UK Government's announcement that it would end the two-child limit from April 2026, we reallocated funding previously committed to our Two Child Limit Payment to further strengthen action on child poverty. The majority of this funding was split between charities and government programmes that provide emergency financial support – providing immediate relief to families over the winter period.

Informed by consultation and engagement across the year, in March 2026 we published '[Bringing Hope, Building Futures](#)' our Tackling Child Poverty Delivery Plan for 2026-31. The Plan commits concrete action to drive continued progress. This includes investing £40 million in 2026-27 to deliver new support with transport and skills for families, increasing our Scottish Child Payment to £40 for families with a child under 1 during 2027-28, and investing to deliver a national breakfast club offer for primary school aged children with provision in all primary and special schools by August 2027.

Building on the action taken over the life of 'Best Start, Bright Futures', measures within the new Delivery Plan are estimated to keep 100,000 children out of relative poverty this year.

We will publish the first annual progress report against delivery of 'Bringing Hope, Building Futures' by the end of June 2027. This will provide an update on the Scottish Government's plans to eradicate child poverty.

This report provides an update on the implementation of 'Best Start, Bright Futures' and the latest progress on child poverty.

The first section provides an overview of key actions delivered over the four years of ‘Best Start, Bright Futures’.

Covering the period 2022-26, this includes a summary of steps taken over the life of the Delivery Plan as well as selected milestones achieved in each year. Further detail on action and progress delivered in each year can be found in respective annual progress reports.

The second section provides an update on the implementation of actions in ‘Best Start, Bright Futures’ and priorities identified as part of last year’s annual progress report.

These updates are organised by thematic area, with a focus on the impact of actions taken over the reporting period. Updates on actions within the Plan which have not been incorporated within this section can be found within table 4.2 in the final section of this report.

The third section details progress toward the child poverty targets using the latest data available for 2024-25 and provides an update in relation to the drivers of poverty reduction using the latest available evidence.

This section reflects changes to poverty statistics published in March 2026, which includes a link to administrative records for Department for Work and Pensions benefits from 2021-22 onward. A revised time-series from 2018-19 onward will be published in summer this year and will help to inform a clearer understanding of changes in poverty rates over the life of the Child Poverty (Scotland) Act 2017.

The final section of this report provides additional updates on action and spend.

This includes an at a glance summary of progress and updates on actions not covered in the second section of this report. Tables and further information on investments are also provided in relation to the Tackling Child Poverty Fund, reinvestment of Two Child Limit Payment funding, and the latest estimates of spend targeted toward low income households and children.

This section also sets out how this report meets the requirements set out in the Child Poverty (Scotland) Act 2017, including the Scottish Government’s response to the comments and recommendations made by the Poverty and Inequality Commission.

Alongside this report, we have published the latest data and trends in relation to the Child Poverty Measurement Framework in Annex A. This is summarised in the third section of this report.

Section 1 – Summary of actions delivered through ‘Best Start, Bright Futures’

Despite facing the most challenging fiscal environment since devolution, action taken by the Scottish Government over the life of ‘Best Start, Bright Futures’ has made a real difference to families and driven further progress toward eradicating child poverty.

Following publication of the plan in March 2022, the impacts of high inflation and continued UK Government austerity meant that difficult decisions were required to prioritise immediate support for households alongside investment in action needed to realise change in the longer term. As a result, some commitments have evolved over time with a focus on what can be achieved within the constraints of funding available.

However, by ensuring that eradicating child poverty is a priority across all Scottish Government portfolios we have ensured that, despite external factors, we have made continued progress.

Implementation of the plan was underpinned by a strengthened approach to delivery and accountability. This includes establishment of a governance programme to oversee implementation of key commitments and Ministerial oversight of collective action – firstly through a Ministerial Oversight Group and then a Cabinet Sub-Committee on Child Poverty. It has also been supported by the strengthening of relationships with key partners, including through the Verity House Agreement with Local Government and the Fairer Funding approach for third sector partners.

In the face of strong headwinds, over the four years of the plan we have delivered meaningful action. This includes:

- **Establishing 16 Fairer Futures Partnerships and providing ‘Adopt and Adapt’ funding to all other Local Authority areas to change the way services are delivered and bring together the support families need to break the cycle of poverty.** This is in addition to establishing our Child Poverty Practice Accelerator Fund, supporting innovative local approaches and solutions, and investing £154.5 million as part of our Whole Family Wellbeing Funding programme.
- **Strengthening financial support for families by more than doubling the value of the Scottish Child Payment and expanding the payment to all eligible children under the age of 16.** This is in addition to providing additional funding to Local Authorities to mitigate the UK Government Benefit Cap through Discretionary Housing Payments and completing delivery of the most complex phase of our social security devolution programme.
- **Taking steps to deliver the childcare services of the future, with the delivery of ambitious Early Adopter Communities, a new partnership with the Scottish Football Association providing after school and holiday activities for school age children, and the launch of Bright Start Breakfasts.** This is in addition to continued investment in funded Early Learning and Childcare and action to improve the take-up of this offer amongst eligible two year olds.

- **Supporting more parents to progress toward work and to increase their earnings through dedicated investment in Parental Employability Support, as part of our No One Left Behind approach with Local Government.** This has been further strengthened with the launch of Specialist Employment Support for disabled adults and people with long term health conditions.
- **Driving positive change in our economy by strengthening our Fair Work First approach, including by requiring public sector grant recipients to pay at least the real Living Wage, and by investing to increase the pay of workers in social care and childcare settings.** This is in addition to our continued investment to promote the real Living Wage and Living Hours, and wider action as part of our National Strategy for Economic Transformation and Fair Work Action Plan.
- **Investing to support families impacted by the cost of living crisis, including providing £50 million through the Fuel Insecurity Fund and £4.4 million through the Islands Cost Crisis Emergency Fund.** This is in addition to delivering a £150 Cost of Living Payment to an estimated 1.85 million households and strengthening protections for renters through the Cost of Living (Tenant Protection) (Scotland) Act 2022.
- **Supporting children and young people to realise their rights and flourish by investing over £750 million in our Scottish Attainment Challenge, driving forward work to Keep the Promise, and further expanding the provision of Free School Meals.** We have also incorporated the United Nations Convention on the Rights of the Child (UNCRC) into domestic law in Scotland, putting children's rights at the heart of decision making.

These steps are in addition to maintaining investment in wider support for families. This includes continued investment in free tuition for undergraduate students, free prescriptions for all, and free bus travel for under 22s and disabled people, which help to tackle everyday costs of living, and in essential action such as the delivery of more affordable homes and targeted support through our Council Tax Reduction Scheme.

The action we have taken is making a difference, with Scottish Government policies estimated to keep 100,000 children out of relative poverty and to halve the number of children experiencing deep poverty in 2026-27.

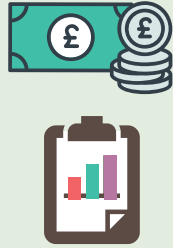
'Bringing Hope, Building Futures', the Tackling Child Poverty Delivery Plan for 2026-31 sets out how we will strengthen our approach and drive further progress toward the eradication of child poverty in Scotland.

Key milestones reached over each year of 'Best Start, Bright Futures' are set out in the timelines below covering 2022-23 to 2025-26.

Key Milestones: 2022-23

April

- 1 Scottish Child Payment doubled to £20 per week
- 2 Employability Shared Measurement Framework published



May

- 3 School leavers toolkit launched
- 4 Glasgow Pathfinder launched



June

- 5 Child poverty in rural and island Scotland research published



October

- 8 Strategic early learning and school age childcare plan published
- 9 Emergency rent freeze and moratorium on evictions agreed by Scottish Parliament
- 10 Fuel Insecurity Fund doubled to £20 million
- 11 Dundee Pathfinder established



July

- 6 Initial allocation of Whole Family Wellbeing Funding for Children's Services Planning Partnerships confirmed
- 7 Children, Young People, Families and Adult Learning (CYPFAL) Third Sector Fund launched



November

- 12 First Place Based Social Justice National Learning event
- 13 Scottish Child Payment increased to £25 per week and expanded to all children under the age of 16



December

- 14 Final Scottish Child Payment Bridging Payment of £260 delivered
- 15 Island Cost Crisis Emergency Fund launched
- 16 Fair Work Action Plan and Anti-Racist Employment Strategy published



January

- 17 Additional funding provided to Local Authorities to mitigate the UK Government Benefit Cap



February

- 18 Winter Heating Payment launched



March

- 19 Independent review of the Scottish Welfare Fund published
- 20 NHS Anchors Workforce Strategic Group established



Key Milestones: 2023-24

April

- 1 Advice in Accessible Settings Fund launched
- 2 Fuel Insecurity Fund tripled to £30 million
- 3 Phase 6 of CashBack for Communities launched
- 4 Funding for Employability Child Poverty Coordinators made available to Local Authorities



May

- 5 Anti-Poverty Summit convened
- 6 Bairns' Hoose Standards published



June

- 7 Scottish Welfare Fund Action Plan published
- 8 Cash-First Plan to end the need for food banks published
- 9 Verity House Agreement reached by COSLA and the Scottish Government



July

- 10 Child Poverty Practice Accelerator Fund launched
- 11 Real Living Wage grant conditionality came into force for public sector grants



August

- 12 First Bairns' Hoose opens in Scotland



October

- 13 Council Tax debt advice pilot launched in three Local Authority areas
- 14 ScotRail peak fares removal pilot launched
- 15 Extra Time partnership with Scottish Football Association launched



November

- 16 Carer Support Payment pilot launched and eligibility extended to many full-time students



December

- 17 UNCRC (Incorporation) (Scotland) Bill passed by Scottish Parliament



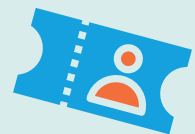
February

- 18 Eligibility for Best Start Foods expanded by removing income thresholds for all qualifying benefits
- 19 Transfer of Carer's Allowance awards to Carer Support Payment began



March

- 20 Fair Fares Review published



Key Milestones: 2024-25

April

- 1 Childcare staff delivering 1140 funded hours paid at least the real Living Wage
- 2 Scottish scheme for Discretionary Housing Payments established
- 3 The Promise Partnership Youth-Led Grant Programme established



May

- 4 Fund to clear School Meal debt launched
- 5 Child Poverty Practice Accelerator Fund round 2 launched
- 6 National housing emergency declared



June

- 7 Programme for Scotland's Childminding Future launched



August

- 8 Active Schools made free for all children and young people
- 9 Interim evaluation of 1140 hours published



October

- 14 Fairer Futures Partnerships expanded to a further five Local Authority areas bringing the total number of partnerships to eight



September

- 10 Guidance on school uniforms and clothing published
- 11 Publication of the No One Left Behind: Employability Strategic Plan
- 12 Publication of Whole Family Wellbeing Funding programme investment approach
- 13 Launch of new Traveline Scotland website and app



November

- 15 Carer Support Payment rolled out across Scotland
- 16 £41 million package of winter support announced including £20 million boost to the Scottish Welfare Fund



December

- 17 First Fairer Futures Partnerships network learning event held
- 18 Council Tax debt advice pilot expanded into a further six Local Authority areas



February

- 19 Rollout of Free School Meals to Scottish Child Payment recipients in P6 and P7 began



March

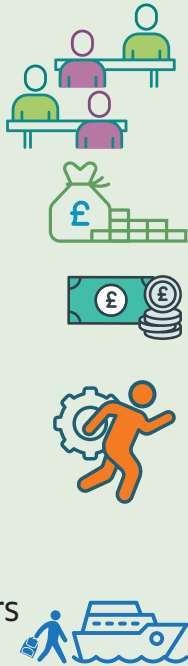
- 20 Launch of a Parent Club social media marketing pilot focused on money advice and employability support



Key Milestones: 2025-26

April

- 1 Council Tax debt advice project expanded nationally
- 2 Advice in Accessible Settings Fund expanded
- 3 Third Sector Fairer Funding expanded for 51 organisations
- 4 New Fair Work resource hub for employers launched
- 5 Free foot passenger travel on inter-island ferries for under 22 year old islanders delivered



May

- 6 Bright Start Breakfasts fund launched



June

- 7 'Whole Family Support - Getting it right through collaborative leadership' event held
- 8 Public Service Reform Strategy published
- 9 National Concessionary Ferry Scheme extended
- 10 Minimum Income Guarantee Expert Group final report published



July

- 11 Specialist Employability Support launched



September

- 13 Housing (Scotland) Act passed
- 14 Housing Emergency Action Plan published
- 15 'Whole Family Support - Working Together to Get It Right' event held
- 16 Peak rail fares abolished on ScotRail services



January

- 20 Warmer Homes Scotland supported its 50,000th customer



February

- 21 Community Wealth Building Bill passed by the Scottish Parliament
- 22 Publication of the National Islands Plan



August

- 12 Fairer Futures Partnerships expanded to a total of 16 Local Authority areas



October

- 17 Child Poverty Practice Accelerator Fund round 3 launched



November

- 18 Young Carer Grant extended to young carers aged 19
- 19 Over 4,000 employers in Scotland Real Living Wage accredited



March

- 23 £2 bus fare cap pilot introduced across the Highlands
- 24 Scottish carer benefits improved, including through launch of Carer Additional Person Payment
- 25 Scottish Government and Business in the Community publish shared statement on in-work and child poverty



Section 2 – Reporting on Progress 2025-26

This section provides updates on the implementation of actions and their impact under nine thematic areas. Broadly aligning with the programme approach taken to delivery of 'Best Start, Bright Futures', these focus on:

- A. Strengthening our employment offer to parents
- B. Transforming our economy
- C. Improving access to and the availability of childcare
- D. Enhancing access to and the affordability of public transport
- E. Person centred support
- F. Enhanced support through Social Security
- G. Ensuring access to warm, affordable homes
- H. Maximising income
- I. Place based transformation

Brief updates on actions which are not included in these thematic areas are included in table 4.2 in the final section of this report.



A. Strengthening our employment offer to parents

This year we have continued to strengthen our approach to employability, focusing on improving awareness and take-up of support among parents in line with the [Employability Strategic Plan 2024 to 2027](#). We have maintained capacity in frontline services and strengthened specialist support in order to increase participation and improve employment outcomes. This is in addition to ongoing work to reform the wider skills and post-school education landscape to drive agility and efficiency through the system, making it simpler for learners and employers to engage with, and better aligning provision with labour market demand and fair work. Alongside this, action continues to better leverage the impact of public sector investment, including within the NHS workforce, to support access to secure employment opportunities, progression routes and in-work training for parents.

Impact summary

- Between April and December 2025, 5,918 parents were supported through No One Left Behind services. In total, 32,005 parents have been supported under the No One Left Behind approach since April 2020.
- Of parents supported over this period, lone parents represented 55% of parents. Additionally, 23% were parents with three or more children and 27% were parents with a disability. 70% of all parental participants were women.
- The percentage of parents receiving support who are disabled has continually increased from 13% in 2020-21 to 33% of parent participants supported in 2025-26 up to December 2025.
- As of December 2025, 9,216 parents (29%) who had started receiving support through No One Left Behind had entered employment. Of the parents that entered employment, 64% were in employment at four weeks, 61% at 13 weeks, 52% at 26 weeks and 39% at 52 weeks.
- Parents achieved a number of other positive destinations. As of December 2025, of all parents who had started receiving support through No One Left Behind, 2,778 entered further or higher education or training (9%), 6,082 gained a qualification (19%), 1,345 started work experience (4%) and 894 started volunteering (3%).
- At least 1,034 No One Left Behind participants have received Specialised Employability Support between April and December 2025.
- The latest reporting data shows that in 2023-24 NHS Boards delivered 507 new starts on foundation, modern and graduate apprenticeships. Of the NHS Boards delivering apprenticeships, 83% were targeting young people aged 16-24 and 22% were targeted at either care experienced or disabled individuals.
- In 2025-26, the King's Trust – NHS Scotland Partnership supported over 300 young people, widening access to the workforce and helping young people towards positive destinations.

Summary of action taken in 2025–26

In 2025-26 we continued to invest over £40 million in **Parental Employability Support** delivered through our **No One Left Behind** approach. Available in all 32 Local Authority areas, this continued to provide tailored, person-centred support to help parents enter, sustain and progress in employment. Through the Scottish Spending Review, published in January 2026, we have committed to maintaining our £90 million a year investment to 2028-29, providing greater certainty for people accessing services, staff who deliver support, and our delivery partners.

We also continued to fund Employability Child Poverty Coordinators for a third consecutive year to support the alignment and integration of local wrap-around services for parents. We will publish an independent evaluation on the role of Employability Child Poverty Coordinators and user experience of No One Left Behind later this year.

In recognition of the unique barriers disabled people face in finding and remaining in suitable work, we invested an additional £5 million to strengthen help available through **Specialist Employability Support** for disabled people and people with long term health conditions. Since its launch in July 2025, this has provided tailored, intensive assistance to parents and others facing complex barriers to employment, complementing mainstream provision delivered through No One Left Behind. The service focuses on person-centred support for those furthest from the labour market, offering flexible engagement, in-work support and close coordination with local, health and skills services. Delivery has also strengthened links with employers and the wider public sector, including the NHS, helping to leverage training, progression routes and job opportunities, while learning from implementation continues to inform service improvement and wider employability system reform.

To further strengthen local partnerships and the delivery of employability services across Scotland we published an updated [Local Employability Partnership Framework and Good Practice Guidance](#) in December 2025, providing resources to strengthen local systems and encourage consistent, high-quality delivery across Scotland. Locally planned commissioning of employment services is a cornerstone of the No One Left Behind approach to employability in Scotland. This supports an emphasis on integration and alignment, a mixed economy of provision and a commitment to partnership working.

Aligned with our focus on **increasing awareness and uptake of employability support**, we have continued to work together with partners, including the public and third sector, to take a targeted approach to engaging parents, exploring peer-to-peer approaches and utilising existing touch-points. To increase awareness of employability and financial support we delivered a Parent Club digital campaign in 2025, which reached 1.3 million people across Scotland. This informed a further Parental Employability Financial Support campaign launched in February 2026 which combined national and local promotion reaching 4.24 million adults across Scotland, including 96% of lower income parents. Evaluation shows that as a result of the campaign, lower income parents are more aware that practical support is available in their local area to help with benefits, childcare and finding work that fits around their family.

Evidence from delivery set out in the [No One Left Behind Employability Strategic Plan 2024-27](#) indicates that these approaches are contributing to improved awareness and take-up of employability support in practice, with services increasingly using targeted outreach, partnership working with public, third and community sector organisations, peer-led engagement and existing service touchpoints, alongside stronger alignment with health, skills and wider public services, to better reach priority groups, including parents.

We have also continued work to leverage the impact of NHS Boards on child poverty by embedding parental employability pathways within the **NHS workforce**. We invested an additional £500,000, bringing the total investment in 2025-26 to £645,000, to expand the King's Trust–NHS Scotland Partnership programmes that widen access to NHS employment for 16–30-year-olds facing barriers, including young parents. An NHS Parental Employability Task & Finish Group was also established in October 2025, which has driven national progress in supporting parents to enter, sustain, and progress in NHS employment. The group has developed the NHS Parental Employability Framework and Pathway Design Guide, with further practical resources scheduled for publication in early 2026-27. The first NHS Health Anchors Summit held in March 2026 strengthened alignment with Community Wealth Building and child poverty objectives, reinforcing the NHS's role as an anchor institution within local economies.

Beyond employment support, work also continued on our multi-year programme to reform **Post School Education and Skills**. As part of this, we supported passage of the Tertiary Education and Training (Funding and Governance) (Scotland) Bill, working closely with stakeholders to further strengthen this legislation following Stage 1 consideration in September 2025. Receiving Royal Assent on 11 March 2026, this Act will support delivery of a simplified and more coherent funding and governance landscape, strengthening alignment between skills provision, labour market demand and inclusive growth. In parallel with Parliamentary consideration of the Bill, detailed work was undertaken with Skills Development Scotland, the Scottish Funding Council and other stakeholders to plan and prepare for implementation. Together with wider post-school reforms, this legislation will reduce complexity across the system and, over the longer term, make post-school education and skills provision easier for learners to understand and navigate.

Aligned with our focus on **Adult Learning** and the Tertiary Education and Training (Funding and Governance) (Scotland) Act 2026, we continue to focus on Community Learning and Development (CLD) more broadly. This includes publishing the [CLD Outcomes 2025–2028](#) in February 2026, setting a clear direction of travel for meaningful reform across the CLD sector. This renewed focus strengthens the contribution of adult learning to improving parents' skills, confidence and progression pathways, supporting sustainable employment and longer-term income growth for families at greatest risk of poverty. Alongside this, the CLD Standards Council made significant progress in developing a CLD Workforce Plan focused on qualification pathways, career and job progression, career-long professional learning, and responding to future learner needs – helping to ensure the workforce is equipped to support inclusive growth and improved outcomes for children and families.

Case study: Parental Employability Support

Hayley* is a lone parent and full-time carer for her disabled daughter. Due to caring responsibilities, traditional employment was not a viable option, creating significant barriers to re-entering the labour market. Over time, this affected Hayley's confidence and reduced her sense of identity beyond her caring role.

Through the Parental Employability Support (PES) service in Edinburgh, Hayley received tailored support from a key worker, exploring options that realistically fit around her circumstances while enabling her to provide for her family. Rather than focusing on standard employment pathways, discussions centred on what was manageable, flexible, and aligned with her interests. From this, self-employment emerged as the most suitable route.

Hayley has a strong interest in skincare and was keen to develop this further. With financial support from Edinburgh's PES Internal Transition Fund she enrolled in an Advanced Skincare course and achieved a recognised qualification. Alongside this, she was referred to Business Gateway for specialist advice on how to start and run a small business successfully.

As a result of this support, Hayley started working from home as a self-employed Skincare Specialist. As her confidence and client base have grown, she has taken the next step of renting a room in a salon part-time. This flexible model allows her to balance her caring responsibilities while gradually expanding her business in a way that feels sustainable.

The impact of this support has been significant. Hayley has started to generate her own income and reinvest in her business, supporting its steady growth. While still in the early stages, her journey reflects a positive shift towards greater financial independence and stability for her and her daughter.

Just as importantly, Hayley has experienced a renewed sense of purpose and identity, saying: *“Working a regular 9–5 job is not an option for me due to being my daughter’s carer. Returning to work has given me a confidence boost and allowed me to be something else, rather than just a mum and carer. My business is slow but steady, but most importantly it fits around my personal commitments.”*

Hayley is now optimistic about the future and continues to build her business at a pace that works for her. Her experience highlights the importance of flexible, person-centred employability support in enabling parents with caring responsibilities to pursue sustainable, meaningful work while strengthening wellbeing and financial resilience.



*name changed to protect identity

B. Transforming our economy

Despite the challenging economic and fiscal context, we have continued to drive progress toward our vision of making Scotland a Fair Work Nation. To improve the working lives of people in Scotland and boost economic growth, we have maintained our focus on improving access to flexible, high-quality work and continued to implement our Fair Work First approach to drive fair working practices through public sector investment. While data is not yet available to say whether our commitment to being a leading Fair Work Nation by the end of 2025 has been met, the Fair Work Convention is clear that “Scotland has made measurable progress on improving fair work”.

Impact summary

- In 2025, Scotland remained the highest real Living Wage paying nation by rate across the UK, with 88.7% of employees over 18 earning this, compared to a UK wide figure of 85.4%.
- In 2025-26, over 4,700 workers were uplifted to payment of at least the real Living Wage as a result of Living Wage accreditation.
- The number of accredited Living Wage employers has increased to over 4,000 in 2026, from over 3,800 as reported last year.
- 88% of women (employees 18+) earned above the real Living Wage in Scotland in 2025, more than the proportion of women in the UK overall (83.2%).
- The median gender pay gap for full-time employees in Scotland was at 3.5% in 2025, compared to 6.9% in the UK.
- The Disability Employment Gap in Scotland was estimated to be 32.5 percentage points in 2025, a reduction from the baseline of 37.4 percentage points in 2016.
- Up to an estimated 13,000 childcare staff are receiving the real Living Wage as a result of additional investment. This has supported an average increase of around £1,000 in the gross salary of eligible staff working full time in 2025-26, with women accounting for 96% of child day care staff.
- Our approach to public sector pay has resulted in the net median pay for a full-time public sector employee in Scotland in 2025 being £1,483 higher than for UK counterparts.

Summary of action taken in 2025-26

Through our flagship **Fair Work First** approach, we have continued to promote high-quality and fair work practices, particularly in relation to public funding and contracts. Following implementation of more stringent grant conditionality in July 2023, Fair Work First criteria were applied to £6 billion worth of public sector grant funding by the end of March 2025, incentivising employers to adopt practices such as paying the real Living Wage and providing appropriate channels for effective workers’ voice.

In July 2025 we commenced work on an independent evaluation of our Fair Work First policy. This aims to strengthen our understanding of the impact of Fair Work First on organisations receiving contracts and grants and how this has affected workers within these organisations. It also seeks to assess whether the approach has been delivered as intended. The evaluation is being supported by a Research Advisory Group with representation from the Fair Work Convention, the Scottish

Trades Union Congress, the Equality and Human Rights Commission, Close the Gap, Scottish Enterprise, and Glasgow City Council. The evaluation report is due to be published in summer 2026 and it is intended that findings of this will inform consideration of the future direction for Fair Work First policy in Scotland.

In April 2025, we launched a new Fair Work [resource hub](#), developed in collaboration with stakeholders, to provide guidance for employers on embedding Fair Work practices such as flexible and inclusive workplaces and providing effective channels for employee voice. To further promote fair work practices, we also hosted two Fair Work Festivals in June 2025 and March 2026, with a range of events across each week to raise awareness of and encourage workers to make positive workplace changes.

To improve pay and conditions in sectors where we know people experience low pay and precarious work, we have made progress in establishing Fair Work sectoral agreements. This includes implementing pay uplifts to real Living Wage and the establishment of a new voluntary bargaining body within the adult social care sector, publishing a '[Growing Fair Work](#)' resource for retail employers and commencing drafting of a Fair Work Charter for the construction sector. This builds on our continuing action and engagement within the **childcare sector**. In 2025-26 we provided Local Authorities with an additional £9.7 million to enable childcare workers delivering funded early learning and childcare in private and third sector services to be paid at least £12.60 an hour from April 2025.

In recognition of the importance of helping people to get into work, remain and progress in work and prevent economic inactivity, we provided funding of up to £250,000 for three pilot projects in 2025-26. The projects began in June 2025 and focused on **flexible working** in the manufacturing sector, the **disability employment gap**, and **inclusive hiring, progression and management** initiatives within public sector organisations. We also committed up to £63,000 through the Tackling Child Poverty Fund in 2025-26 to support two short-term projects, funding Flexibility Works to help catalyse employer action on flexible working in frontline and low-paid sectors, and The Challenges Group's 'Making Work Work' project, supporting mothers from priority family groups to undergo training to re-enter or progress in the workforce at a level that matches their qualifications.

Beyond this work, we have continued to focus on the **Living Wage and Living Hours Accreditation** of employers, in partnership with Living Wage Scotland and the Poverty Alliance. As a result, over 4,700 workers were uplifted to at least the real Living Wage in 2025-26 – with over 1,500 uplifts achieved through accreditation of large social care and childcare employers. Between April 2025 and March 2026 a further 31 employers were also accredited for Living Hours, supported by an additional £47,000 from the Tackling Child Poverty Fund, helping to provide more workers with greater certainty of their working hours and income. This year has seen a 92% retention rate, demonstrating commitment from employers to continue good practice.

Our **Public Sector Pay** strategy is also working to increase income from work and earnings and reduce child poverty. In January, the 2026-27 [Integrated Pay and Workforce Policy](#) was published alongside the Scottish Budget. Building on previous Public Sector Pay Policies there is a continuing expectation that employers work towards standardising to a 35 hour working week, action which can positively impact working families. Public bodies are also required to continue to uphold fair work principles, including payment of at least the real Living Wage and the promotion of fair and sustainable working practices across the sector.

Aligned with our focus on Fair Work, the **Community Wealth Building (CWB)** Bill was passed by Parliament in February, before becoming an Act in March. This establishes a framework for Local Authorities and public bodies to generate, circulate, and retain wealth in local communities, aiming to reduce inequality and support sustainable economic growth. As part of the legislation, each Local Authority must prepare a CWB plan that will support the generation, circulation, and retention of wealth in the local economy. This will build on existing action in this space, including our investment in the CWB Practitioners Network and the CWB Centre of Excellence to further embed CWB policy and share good practice across Scotland as part of our wider approach to delivering a thriving wellbeing economy.

Looking across these commitments, the first annual [Fair Work Action Plan impact report](#) was published in September 2025. This highlighted the milestones that have been reached since the Fair Work Action Plan was refreshed in 2022, recognising that Scotland has made significant progress towards becoming a leading Fair Work nation, despite not having powers over employment law. This notes the existence of strong collaboration with partners, including trade unions, equality organisations, and employers, which has created a platform for cultural change across Scotland as more workplaces engage with and see the benefits of Fair Work practices. A further [narrative report](#) covering substantive progress between June and December 2025 was published in March 2026.

December 2025 also marked the end of the Scottish Government's commitment to become a leading Fair Work Nation by the end of 2025. While data for 2025 will not be fully available until later this year, the [Fair Work Convention report](#) published in November 2025 shows improvements against 11 of 13 indicators. These include reduced gender economic inactivity and pay gaps, significant reductions in low pay and strong performance on permanent employment compared to comparator countries.

C. Improving access to and the availability of childcare

Delivering more affordable and accessible childcare is critical to our national mission of eradicating child poverty. This year we have continued our focus on ensuring a person-centred and place-based approach to improving outcomes for families, maximising the impact of existing funded services and using learning from delivery, evaluation and engagement to inform future expansion. This has been strengthened through increased investment in the 'Extra Time' programme and establishment of the Bright Start Breakfasts fund, both of which ensure more families are able to access provision that wraps around the school day – improving children's outcomes, and supporting parents to access training, learning and employment.

Impact summary

- Estimates show almost all three and four-year-olds took up funded early learning and childcare in 2025, with 55% of eligible two-year-olds also taking up the offer. If families paid for their full entitlement themselves, it would cost them around £6,400 per eligible child per year.
- Evaluation of the 1140 programme, published in March, shows that:
 - Provision is supporting mothers with work, training or study, including for those in the lowest income groups, resulting in a seven percentage point improvement in maternal employment outcomes.
 - More parents can now access childcare that fits around their lives, with nine out of 10 parents satisfied with the provision received.
 - For eligible 2s, there was a positive association between the expansion of childcare and an improvement in social, emotional and behavioural outcomes after their first year of funded early learning and childcare by age three.
- Our School Age Childcare programme is supporting almost 7,000 children and their families to access funded or subsidised school age childcare services across Scotland, targeted to low income families and those most at risk of living in poverty. This includes up to 5,000 children and families supported through the Scottish Football Association 'Extra Time' programme, around 1,400 from the Early Adopter Communities projects and over 500 from our Access to Childcare Fund.
- Interim evaluation findings indicate that Early Adopting Community projects are having an impact on household incomes, as well as improving employment and training opportunities, and parental and child wellbeing.
- Our Bright Starts Breakfasts fund has created 9,000 new breakfast club places, supporting up to 20,000 children to access early morning childcare. This is enabling parents to get to work and extend their hours of employment, while ensuring that more children can access a nutritious breakfast and socialise with peers.
- Since launching in June 2024, the Programme for Scotland's Childminding Future has assisted over 500 candidates with childminder induction training across 30 Local Authority areas. Over 150 of these candidates are now registered as a childminder with the Care Inspectorate.

Summary of action taken in 2025-26

In recognition of the importance of a statutory early learning and childcare offer in tackling poverty, we continued to invest over £1 billion in the delivery of **1140 hours of funded early learning and childcare** in 2025-26 for all three- and four-year-olds, and eligible two-year-olds.

Working with the Improvement Service and Local Authorities, we have continued to take steps to maximise uptake of our existing offer for **eligible two-year-olds**, with a focus on families most at risk of poverty and on areas with some of the lowest uptake rates. During 2025-26 we funded a post within the Improvement Service to deliver intensive support to five Local Authorities under a 'National Improvement Project' on maximising uptake in Falkirk, Glasgow, North Ayrshire, North Lanarkshire and Aberdeenshire. We are disseminating lessons from this work to all Local Authorities, including through published reports and workshops, providing opportunities for sharing learning on successes and shared challenges.

We published the full [evaluation](#) of the expansion to 1140 hours in March 2026, which demonstrates the impact of this funding on outcomes for children and families. The evaluation finds that overall capacity and workforce has increased since 2018, increasing the flexibility and accessibility of funded childcare which is available to families. Satisfaction with the 1140 offer remains high, however the report also acknowledges the challenges that have been faced during delivery, including the lack of clear progress in many of the children's outcomes being measured. Further findings from an economic evaluation will be published once available.

Through our School Age Childcare programme, we are continuing to test models of childcare that meet the needs of particular families and communities. We have continued to invest in our 23 childcare **Early Adopter Communities**. Covering Dundee, Clackmannanshire, Glasgow, Inverclyde, Fife and Shetland, this work is expanding access to childcare, activities, and wider support services for children and families at greatest risk of poverty. In addition to delivering childcare provision, projects are also working to identify challenges and share learning about how families can be supported to access childcare and wider family support services. The second stage of the Early Adopter Communities evaluation is currently under way, taking a gendered and intersectional approach. Covering the period from spring 2025 to summer 2026, this is expected to publish in autumn 2026.

In May 2025, we committed to investment of £5.5 million to expand the '**Extra Time**' programme, delivered in partnership with the Scottish Football Association (SFA), providing free breakfast, after school and holiday club places for children from families most at risk of poverty. Providing support to almost 5,000 children, this investment has enabled delivery through 50 clubs across 27 Local Authorities - with services working closely with primary schools to host and refer children and families. In rural and remote areas without an affiliated club, the SFA continue to work with Local Authorities and local recreational trusts to design and deliver projects. In June 2025, the SFA published the [Extra Time Evaluation Report](#), which explored emerging themes such as the impact activity services can have on school attendance and attainment, supporting employment for parents, and improved child health and wellbeing. A further evaluation report will be published in summer 2026.

This year also saw the launch of the £3 million **Bright Start Breakfasts** fund, which opened for applications in May 2025. Funding was awarded to 490 breakfast clubs, including 142 new clubs, creating almost 9,000 breakfast club places. This has supported up to 20,000 primary and special school children across Scotland. Funding was prioritised to breakfast clubs supporting families most at risk of poverty, as well as to create new clubs in areas with low levels of existing provision. All clubs applying for funding in remote rural towns and areas were awarded funding in recognition of the challenges related to rural living. Funding has enabled breakfast clubs to target free places towards children and families who need it most, including lone parents and large families. Learning from the fund will help to inform and shape development of a national breakfast club offer which was announced as part of the 2026-27 Budget.

The **Access to Childcare** projects continue to meet the needs of particular families and communities, including children with additional support needs and rural communities, whilst also testing innovative models of school age childcare. Targeted towards the priority family types most at risk of living in poverty as set out in 'Best Start, Bright Futures', these projects are supporting over 500 children and their families across Angus, East Renfrewshire, Glasgow, Perth, and Shetland to benefit from funded or subsidised school age childcare services. Projects have focused on various types of childcare support and services, including providing childcare alongside family support, outdoor and STEM activities, partnership working with schools, and testing what is needed for a school age childcare system in rural and coastal towns and villages.

In 2025-26 we also provided an additional £1 million to support and enhance the delivery of holiday playschemes and activities for disabled children and children with additional support. These services provide vital support for families during school holiday periods, helping to meet childcare needs, provide short breaks, sustain parental employment and improve household finances. This funding was distributed across all 32 Local Authorities and aimed to support and enhance access to specialist services for disabled children during school holidays.

In recognition of the vital role of the childminding profession, we have continued to fund the Scottish Childminding Association to deliver the **Programme for Scotland's Childminding Future**, ensuring more families can access this unique and flexible experience of childcare. In the past year, the Programme has expanded to 30 Local Authority areas, offering a £750 start-up grant to new childminding businesses, alongside a package of support and training to establish a new childminding business. The Programme also includes a range of measures to address the retention of the childminding workforce, including funded time off the floor, mentoring and peer-to-peer support, helping to deliver more practical support for professionals providing high-quality childcare options in a home environment.

Acknowledging that affordable and accessible school age childcare supports employment and the economy, we have also looked at the future accessibility and sustainability of school age childcare services. This includes launching a [consultation](#) inviting views on the first steps for regulatory change – creating a new legal definition for school age childcare which will help services operate more sustainably.

Case study: Bright Start Breakfasts

The Bright Start Breakfasts Fund delivers and supports breakfast provision that offers before-school childcare, activities, supervision and access to a healthy, nutritious breakfast. Supported by £3 million of investment in 2025-26, 142 new services have been introduced and a further 348 clubs have expanded their services by offering additional hours of childcare, activities including active play, and making more places available for children.

Through the Fund, Carnwardric After School Service in Glasgow have expanded their existing service to include provision across three local primary schools supporting families living in disadvantaged communities. Fully funded places were offered to families identified by school leadership or community staff, including the family of siblings Harrison* and Zoe*, two pupils in P2 and P7.

Childcare before school was unaffordable for both children, forcing Harrison and Zoe's parents to miss work. Rising food costs made it difficult for the family to eat a consistent morning meal, and rushed routines often left everyone feeling stressed and anxious, affecting the children's behaviour in class. Financial challenges added emotional strain and the family experienced social isolation, limiting access to community activities and friendships.

Through the new funded places, both children attended breakfast club daily, receiving a healthy breakfast, opportunities for supervised active play, and time to settle before learning. Staff provided relational support and a predictable routine that eased morning pressures for the family, whilst encouraging a calm and supportive start to the school day for the children, easing their anxiety and allowing their parents to get to work.

Both children now start the school day nourished, confident, and ready to learn. Their social confidence has grown, supported by new friendships formed at the breakfast club. Morning physical activity has also improved their emotional regulation and classroom readiness.

Speaking of the impact of the breakfast club, Harrison and Zoe's parents said: "This has been a lifeline for our family. As working parents, having the use of this facility has enabled us to continue to go to work each day, on time without any stress. By having our two kids at the service, not only have they had the opportunity to make new friends and build great relationships with the staff, it has also helped them with their own confidence. We are extremely grateful to have received a funded place for our children."

*names changed to protect identity

D. Enhancing access to and the affordability of public transport

Across this reporting year we have continued to fund a wide range of actions to strengthen the role of reliable, accessible and affordable public transport for children and their families. This includes maintaining our commitment to concessionary travel schemes, providing young people under 22 across Scotland with free bus travel and establishing a free foot passenger travel scheme on inter-island ferries, providing young people with better travel connectivity and supporting families with the costs of living. This section sets out how we are going further, including through establishing a £2 bus fare cap pilot, expanding access to concessionary bus travel and removing ScotRail peak fares for good.

Impact summary

- Between January 2022 and March 2026, almost 300 million free bus journeys have been made by under-22s through the Young Persons' Free Bus Travel Scheme. This includes almost 85 million free bus journeys made in 2025-26, an increase of nearly 4 million from the previous year.
- As of March 2026, almost 839,000 children and young people were registered for free bus travel through the scheme, a 5% increase in cardholders from March 2025.
- Children and young people made 8.3 million free bus journeys between the 1st and 31st of March 2026, a 5% increase on the same period in 2025.
- Over 330,000 journeys were made as part of the national pilot to support free bus travel for asylum seekers, with 3,900 cards issued for free bus travel through the pilot.
- In June 2025, the National Concessionary Scheme providing free ferry vouchers was extended to island residents aged 16 to 21. In the first six months, young people made over 5,000 journeys and saved a total of £163,000.
- In the first nine months of providing free foot passenger travel on inter-island ferries for this group, almost 70,000 journeys were taken, saving young people a total of £116,000.

Summary of action undertaken in 2025-26

This year we have continued investment in the **Young Persons' Free Bus Travel Scheme**, supporting children and young people under the age of 22 to access education, employment, health and social activities. This is part of wider investment of over £414 million in free bus travel for over 2.4 million cardholders, including eligible disabled people and everyone aged 60 and over.

Our commitment to providing free bus travel has been strengthened by the delivery of a **national pilot to support free bus travel for people seeking asylum**. Backed by £2 million of funding, this ran from December 2025 to March 2026 to support people seeking asylum to attend essential legal, health and educational appointments, supporting people and families at a time when they are generally not allowed to work. Following conclusion of the pilot, we are undertaking an evaluation to determine how this has impacted people seeking asylum and supported their integration into society in line with our New Scots Strategy.

To support our rural and island communities with access to affordable travel, we are undertaking a 12-month **£2 bus fare cap pilot** across the Highlands and Islands. Supported by £10 million of investment, the pilot was launched on a phased basis, commencing in Shetland in January 2026 before rolling out to the Western Isles, Orkney, Highland, Moray and areas of Argyll and Bute from March. This aims to increase bus patronage, strengthen local service provision and provide enhanced support for lower income passengers in rural and island areas. Learning from the pilot will be utilised to strengthen our understanding of the impact of the fare cap and to inform future policy considerations.

We have also taken action to support children and young people's access to transport in our island and rural communities. In April 2025, a **free foot passenger travel scheme on inter-island ferries** commenced, providing free travel for islanders aged 22 and under across the Outer Hebrides, Orkney and Shetland, providing accessible links between these communities. We also **extended the National Concessionary Scheme providing free ferry vouchers**, expanding this to island residents aged 16 to 21 in June 2025. Over 3,000 young islanders are expected to benefit from the expansion of the Scheme, with vouchers supporting them to travel sustainably between their home island and mainland without cost.

In relation to rail, **peak fares** were removed from Scotrail services for good from 1 September 2025, backed by up to £35 million in investment annually. In doing so, we have helped families by making rail journeys cheaper and simplifying fares. Building on this, in April 2026, we committed to freeze all ScotRail fares for 12 months to save people money on travel. Work is underway to build upon the evaluation of the initial peak fares pilot, with emerging findings anticipated towards the end of 2026.

To support people to access public transport easily, we are continuing work to deliver the **next generation digital travel system**. In March 2026 we refreshed the Traveline Scotland national public transport planning service website and app to include more information on ticketing and fares, supporting passengers with options to choose the right price for their journey. This update also included better real time bus location information and an 'alighting alert' to help people identify the right location for departure, facilitating easier navigation of bus travel for service users, including for children and young people. Next phases of the project will see further enhancements to the system across 2026, including enhancements to support user experience and progressing open bus data legislation to enable data improvements.

Beyond our focus on sustainable public transport, we are continuing to support active travel for young people across regions through the People and Place Programme delivered by Regional Transport Partnerships. In March 2026 we published an [assessment](#) of the first year of the Programme, covering 2024-25. This found that a range of projects are focused on accessibility and inclusion, including providing access to cycles and adaptive cycles for young people who cannot afford them. Data analysed for this assessment found that these projects were directly contributing to reducing transport poverty and reducing barriers to active travel for underrepresented groups.

Case study: £2 Bus Fare Cap pilot

The £2 Bus Fare Cap pilot, launched in 2026 across the Highlands and Islands, is helping to make everyday travel more affordable for families on low incomes, including those with children. Backed by £10 million of Scottish Government investment and in partnership with HITRANS and ZetTrans Regional Transport Partnerships, the 12-month pilot caps single bus fares at £2 on participating services across Highland, Moray, Argyll and Bute, and our island communities.

For families experiencing poverty in rural and island areas, transport costs can present a significant barrier to accessing employment, education and essential services. Research has shown low income households are more reliant on buses and can spend a higher proportion of their income on transport, with affordability directly affecting access to opportunities.

By introducing a simple, low-cost fare, the pilot is helping to ease these pressures and put money back in people's pockets. Passengers are now saving around £8 per journey on average, with larger average reductions of £14 on longer journeys.

The pilot is also designed to improve connectivity and reduce social isolation, issues that can be more pronounced in rural and island communities. Affordable, reliable transport enables children and young people to access school, training, and social opportunities, while supporting parents to sustain employment or increase working hours.

Ranald Robertson, Director of HITRANS, said:

“By capping fares at £2, this pilot is helping to make everyday journeys more affordable and opening up access to jobs, education and essential services. In rural areas especially, where distances are longer and options are limited, this can make a meaningful difference to household budgets and to children's life chances.”

Learning from this pilot will inform our commitment to cap bus fares at £2 nationwide, helping to tackle the cost of living for even more families.



E. Person centred support

'Best Start, Bright Futures' outlined the importance of providing access to the holistic person-centred, trauma informed services families need to thrive as part of wider action on child poverty. In the past year we have continued to drive forward progress on this commitment, including through increased investment in the Whole Family Wellbeing Funding Programme, to support transformation at a local level, the wider rollout of the Getting it Right for Everyone approach to embed person-centred practice across adult services, and expansion of Fairer Funding for third sector organisations delivering services key to tackling child poverty. This investment and action have helped to further strengthen the foundations on which future action will be taken through 'Bringing Hope, Building Futures'.

Impact Summary

- [Analysis of Year 3 \(2024-25\) Whole Family Wellbeing Funding Programme Templates](#) shows that Children's Services Planning Partnerships are using funding to advance more responsive, preventative and holistic models of family support.
- Monitoring and reporting data from year four (2024-25) of the Communities Mental Health and Wellbeing Fund for adults, published in November 2025, shows 619 (44%) projects supported people from at least one priority family group at greatest risk of poverty. Of these, 36% focused on one group and 64% supported multiple groups. 8.5% of projects supported all six priority family types.
- Third sector organisations in receipt of 51 grants, focused on delivering essential services and action on child poverty, have benefitted from expanded multi-year funding as part of our Fairer Funding policy, with recipients indicating it has positively impacted staffing, stability and future planning.
- The MCR Pathways mentoring programme engaged around 5,000 young people in 82 schools across Scotland, with early evidence indicating positive impacts on attainment, school engagement and post-school destinations.
- Continued investment in Inclusion Health Action in General Practice has supported 65 GP practices in Greater Glasgow & Clyde to address healthcare inequalities, with evaluation showing the continued value of this approach in providing more equitable, patient-centred care in areas of high deprivation.

Summary of action undertaken in 2025-26

This year, we have continued to strengthen our commitment to the transformation of holistic Whole Family Support through the **Whole Family Wellbeing Funding Programme**. We increased funding to Children's Services Planning Partnerships (CSPPs) to £38.1 million, with a commitment to maintain this level into 2026-27. We have also continued to support local transformation through collaborative learning partnerships, our Learning into Action Network, and investment in 12 cross-Government projects to drive transformational system change, aligned with the [National Principles for Holistic Family Support](#).

With a continued focus on preventative, joined-up working aimed at improving people's experience of public services, we have progressed the wider rollout of the **Getting it Right for Everyone** (GIRFE) approach. As a result, GIRFE has been incorporated into NHS Board Annual Delivery Plans and positioned as a key mechanism for embedding public service reform principles into frontline adult services and local delivery models. We have developed and published [GIRFE learning resources and tools](#) to support implementation and established a collaborative learning community for practitioners.

Our investment in **Inclusion Health Action in General Practice** has continued this year through £1 million to support 65 GP practices in Greater Glasgow & Clyde to address healthcare inequalities. Practices have focused on a range of activities including community engagement, workforce development in relation to health inequalities, as well as proactive outreach and extended consultations for individuals who may face barriers to accessing healthcare. [Evaluation findings](#) published in March 2026 highlight the value of this approach and the transferable learning generated for addressing inequalities through General Practice.

Building on the £66 million invested over the first four years, we have continued to strengthen support for adults' wellbeing through the **Communities Mental Health and Wellbeing Fund**, with £18 million distributed to projects in 2025-26 bringing our total investment in the Fund to £84 million since 2021. A diverse range of projects were funded, including social activities, peer support and mentoring.

To support families affected by drug and alcohol use, we invested an additional £3.5 million in **Alcohol and Drug Partnerships (ADPs)** to implement our ['Families Affected by Drug and Alcohol Use in Scotland' framework](#). This has seen 93% of ADPs having agreed activities and priorities with their partners to support implementation, an increase from 77% in 2023-24. We have also continued delivery of the Family Inclusive Practice development programme, working with ADPs and local services to develop high-quality holistic support for families, and published new standards for supporting young people aged 25 and under who use substances - helping ensure that services are better tailored to their needs.

In support of our commitment to **scale up approaches focused on improving the outcomes of disadvantaged children and young people**, we have continued to invest £2.1 million in MCR Pathways school-based mentoring for care experienced young people and other young people. This includes young carers, asylum seekers or those who have suffered significant family bereavement or disruption. Interim indications are that the programme has demonstrated a positive impact on young people's attainment levels, engagement in school and post-school destinations - delivering a strong social return on investment. Fuller evaluation will be published in the coming months.

In recognition of the importance of our third sector partners in delivering services for families, we have continued to improve the sustainability and stability of funding through an expansion in **Fairer Funding** in April 2025. This expansion is providing 51 multi-year grants totalling over £130 million across 2025-26 and 2026-27 for organisations delivering essential services and action on child poverty, and represents a first step towards mainstreaming multi-year funding.

Case study: Aberlour Urgent Assistance Fund

Aberlour's Urgent Assistance Fund provides vital and immediate financial assistance to families in poverty. Helping 3,000 families each year with necessities such as food, clothing and bedding, and supporting families facing public debt. In January 2026, the Scottish Government allocated £550,000 of funding, previously committed to mitigating the two-child limit, to enable the fund to provide extra support to families in crisis.

Through the additional Scottish Government funding made available, 1,072 families experiencing crisis were provided with emergency financial grants and holistic support. Amanda* and her children are just one of the families supported.

Amanda had separated from her husband following domestic abuse and alleged child abuse, which was being addressed through the court system. She was staying in the family home with her three children but was struggling financially and emotionally. Her ex-husband had removed financial support and she was unable to work herself due to the impact of the abuse on her own mental and physical health. She worried that she and her children would be unable to access the essentials they needed.

Amanda was made aware of the fund and referred to Aberlour by her school's health team. With Amanda's consent, they acted as her family's sponsor, with a food parcel arranged on the same day by Aberlour to provide immediate support.

Scottish Government funding meant the Urgent Assistance Fund could provide Amanda with an additional £300 to support her with food, heating, and clothing for the children – this provided additional relief and helped ensure she was able to meet her needs and those of her children.

Recognising the need for support beyond this crisis, Aberlour also provided financial inclusion and trauma recovery support. Amanda was referred to the Local Authority Welfare Rights Team and got help to reapply for Universal Credit, to give her a steady source of income, and Child Disability Payment for her oldest child. Aberlour also made a referral to Home Energy Scotland to help tackle the energy debts Amanda had built up and to access home energy efficiency measures, to help minimise the money she was spending every week on her essential fuel bills.

Following the award from the Urgent Assistance Fund, Amanda's applications for Child Disability Payment and Universal Credit were approved, providing the family with a stable income to help make ends meet.

In addition to financial assistance, Amanda and her children have continued to receive emotional and trauma recovery support, helping them to overcome the experiences they have faced and helping them to rebuild their lives.

*name changed to protect identity

F. Enhanced support through Social Security

Delivering a strong, accessible and trusted social security system is one of the most direct ways to tackle child poverty. This year, we continued to deliver and embed a wide-ranging package of income-related support, providing direct financial assistance to families, carers and disabled people and strengthening take up of entitlements. We completed the final and most complex phase of our social security devolution programme, transitioning disability and carer benefit awards from the Department for Work and Pensions to Social Security Scotland and ensuring a system of support grounded in dignity, fairness and respect. Our commitment to these principles has been demonstrated through the Independent Review of Adult Disability Payment, which found our approach to be a compassionate step change in providing meaningful and vital support to families.

Impact summary

- As of March 2026, the families of 321,885 children were in receipt of Scottish Child Payment, with over £460 million paid in 2025-26. Modelling suggests this support will keep 50,000 children out of relative poverty in 2026-27.
- As of March 2026, £35.7 million has been paid to clients for Best Start Grant and Best Start Foods in 2025-26, supporting 67,560 individual clients.
- As of March 2026, it is estimated that 101,990 children and young people were in receipt of Child Disability Payment and over £574 million in payments had been issued in 2025-26.
- As of April 2026, 504,710 people were in receipt of Adult Disability Payment and over £3.4 billion in payments were issued in 2025-26.
- As of March 2026, 472,815 Winter Heating Payments had been issued for 2025-26, worth over £28.3 million.
- As of March 2026, 101,080 people were in receipt of Carer Support Payment, with a further 33,305 carers having underlying entitlement. In 2025-26, £426.5 million was paid to households.
- Over £100 million was made available for Discretionary Housing Payments in 2025-26, including £9.4 million targeted to mitigating the UK Government benefit cap. Benefit cap mitigation has potential to support around 2,900 households with over 9,000 children. In Scotland, 97% of all households affected by the benefit cap are families, and around 70% are lone parent families.
- From April to December 2025, the Scottish Welfare Fund has issued over 51,000 awards to families with children across Scotland totalling almost £16 million, with an average of £310 per award assistance.
- Free School Meals were made available to over 360,000 pupils in Scotland, saving families who take up the offer every school day £450 per child per year. The proportion of pupils taking a free school meal increased from 64.3% in 2022-23 to 67.7% in 2023-24.
- It is estimated that an additional 25,000 children were eligible for Free School Meals as a result of eligibility being expanded to children in receipt of Scottish Child Payment in P6 and P7. Up to 6,100 newly eligible pupils were supported by a test of change across S1 to S3 pupils in 60 schools on the same basis.

Summary of action taken in 2025–26

From 1 April 2025, **all Scottish benefits were increased in value** by 1.7% in line with inflation, at an estimated cost of £110 million, to ensure that families can continue to depend on social security assistance retaining its real-terms value. This brought the value of the Scottish Child Payment to £27.15 per child per week in 2025-26.

Building on investment in our **five family payments**, we worked at pace to deliver our **Two Child Limit Payment** from March 2026 – progressing consultation, policy and the development of systems to provide this vital support to families. In June 2025 we published the [consultation analysis report](#), the findings of which were fully considered as we developed the draft regulations that were sent to the Scottish Commission on Social Security for scrutiny later that month. At the same time, work progressed rapidly to establish a delivery system to ensure families could receive timely payment. Following the UK Government announcement on 26 November 2025 that it would end the two-child limit from April 2026 the payment was no longer required. As a result, we reallocated £10 million of funding previously committed to support the payment to 2025-26 in a package of measures to tackle child poverty.

2025-26 marked the first full financial year of the **Carer Support Payment** in Scotland, with nearly 120,000 awards transferred. Replacing the Carer's Allowance, this extends eligibility to more carers in full time education and provides more stable support for carers also in paid work. A multi-phase evaluation of Carer Support Payment is underway, with [Phase 1](#), published in March 2026, finding that clients had a generally positive experience of accessing support, with many reporting improved financial stability and reduced stress.

To further strengthen support for carers, we launched the **Carer Additional Person Payment** on 16 March 2026, a new payment for carers receiving Carer Support Payment who look after more than one person getting certain disability benefits. Introduced at £10 per week, and increased to £10.40 from 6 April, the payment can be received for each additional person the carer is caring for. The extra payment recognises and provides support for the additional impacts caring for multiple people can have on carers' lives, including on their health and wellbeing. It is anticipated that this payment will benefit around 16,000 carers in Scotland in 2026-27.

The transfer of Personal Independence Payment awards to **Adult Disability Payment** was also completed this year, with £7 billion paid since launch. Shaped by the voices of those with lived experience, the [Independent Review of Adult Disability Payment](#) finds that our approach to Adult Disability Payment is focused on human rights and dignity, with positive changes in the implementation of the payment evident. The review makes a number of recommendations to further improve delivery. The Scottish Government published its [formal response](#) in February 2026, marking the start of further improvements to delivery and client experience.

Our **Benefit Take-Up Strategy** has continued to prioritise increasing awareness of Scottish benefits, reducing barriers to access, and improving the consistency of advice and information available to families. This year we have undertaken national marketing campaigns for Scottish Child Payment and Best Start Foods and digital

engagement events to support families in understanding how they can access support. Alongside this, work has continued to embed the [Seldom-Heard Groups Action Plan](#), published in August 2025, which sets out practical steps to reduce barriers through improved inclusive communication, strengthened engagement with organisations, and greater use of lived-experience insight. Building on these findings, Social Security Scotland launched its national Tackling Stigma Campaign in February 2026 to challenge stigma and normalise social security as a human right.

Linked to improving take-up, work has progressed during this year to strengthen data sharing and governance, laying the foundations for exploring the **delivery of automated payments** or more proactive payment approaches. In collaboration with Local Authorities, Social Security Scotland has worked to implement secure data-sharing processes to support the current phase for the expansion of Free School Meals to children in receipt of Scottish Child Payment in P6 and P7.

This phase of Free School Meal expansion commenced in February 2025, with capital works ongoing to deliver the necessary improvements and expansion to kitchen facilities to support expansion which will allow around 25,000 newly eligible pupils to access nutritious meals. In addition, the Scottish Government invested a further £3 million in a test of change which allowed around 6,100 pupils in S1 to S3 in receipt of Scottish Child Payment in 60 schools across eight Local Authorities to access meals. Regulations to allow data sharing between Social Security Scotland and Local Authorities came into effect on 19 May 2025, supporting the identification of children newly eligible for this expanded offer.

Working closely with our Local Authority partners, we have continued development of the **Care Leaver Payment**. The Care Leaver Payment (Scotland) Regulations 2026 were laid in Parliament in January 2026 and came into force on 1 April 2026. Following this, in April 2026 we published national [guidance](#) for practitioners and [information](#) for young people eligible for the payment. Developed in collaboration with key stakeholders, this is intended to provide support and clarity to practitioners as they deliver the payment and to promote consistency across all Local Authorities, with resources for young people tested with care-experienced young people to ensure clarity and accessibility.

We have also continued to complete and embed the actions of the Independent Review of the **Scottish Welfare Fund**. Revised statutory guidance was published in April 2025, supporting consistent application across all Local Authorities. In the face of ongoing cost of living pressures, we allocated an additional £5.5 million of funding, previously committed to the Two Child Limit Payment, to support councils in meeting ongoing demand for support through the Fund.

Case study: Children First Support Line

Through the reinvestment of two-child limit mitigation funding in 2025-26, the Scottish Government awarded £1.5 million to the Children First Support Line. Available 365 days a year, this provides a national, trauma-informed front door for families to access practical, financial and emotional support.

Debbie* is a single mother of three children. During the Covid pandemic, Debbie lost her job and built up significant rent arrears. Despite working multiple jobs since, she was unable to recover financially and became overwhelmed. Court letters and eviction proceedings caused significant distress and Debbie felt unsure where to turn for help. At the same time, the family also faced challenges as a result of their living conditions. A recent leak caused mould damage to clothing and Debbie had been sleeping on the sofa for many years in order to ensure her children all had separate bedrooms and their own space. As a result of all these pressures, the family were struggling to meet basic needs, regularly having to choose between food, clothing and bills.

The children's head teacher was aware of the family's situation and contacted the local Children First service. With Debbie's consent, the Support Line made contact by phone to get to know her and understand the family's situation. The Support Line team member worked at Debbie's pace, building trust and focusing on stabilising the immediate crisis while planning for longer-term improvement in her circumstances.

Urgent practical support was provided, including £800 towards food costs, £500 in vouchers to purchase storage in the home and £1,500 for essential household items including a sofa bed and bedding. This allowed Debbie to sleep in a bed for the first time in 15 years. The family also received a new fridge freezer, accessed through a partnership with the British Gas Energy Trust, replacing a faulty appliance they could not afford to repair or replace.

The Support Line's Money Advice team also worked with Debbie, identifying that her Universal Credit housing costs had stopped without her knowledge and making her aware that she was not claiming all the benefits she may be eligible to receive, including Child Disability Payment and Adult Disability Payment. Debbie was assisted to gather documentation, respond to court correspondence, and correct her Universal Credit award. She was also supported to make payments towards her rent arrears. Debbie described the support received as "life changing" and expressed relief that she could provide for her children's basic needs and improve their home environment.

Mary Glasgow, Chief Executive of Children First, said: "Children First Support Line is described as a lifeline by families because, at a time of real despair, it offers help and hope, quickly and without stigma. Support Line colleagues offer a skilled, non-judgemental space to be heard with a focus on reducing stress, developing confidence, and finding long term solutions. This helps families move beyond the damaging short and long-term effects of poverty and offers children a brighter and safer future."

G. Ensuring access to warm, affordable homes

Across the reporting year, we have continued to take action to ensure every child has access to a warm, safe and affordable home. Our Housing Emergency Action Plan, published in September, sets out new, enhanced and accelerated actions to provide a bold and coordinated response to the national Housing Emergency – with action to tackle homelessness and deliver the affordable homes Scotland needs. Beyond this immediate action, we also secured passage of the Housing (Scotland) Bill, which will help transform homelessness prevention and improve standards in rented housing in the longer term. Together with action to tackle energy costs, these steps further strengthen the foundations for future action.

Impact Summary

- Between April and December 2025, an estimated 2,075 households with children were supported into affordable housing through the Affordable Housing Supply Programme.
- Over the same period, we helped deliver 3,943 affordable homes of which 3,080 were for social rent. We have also approved 3,675 and started 4,109 affordable homes during the same period.
- It is estimated that keeping social rents substantially lower than market rents benefits approximately 140,000 children in poverty each year.
- Doubling housing acquisition funding to £80 million is estimated to help take between 600-800 children out of temporary accommodation.
- Across 2025-26, Warmer Homes Scotland supported 6,270 households with 15,109 heating, insulation and renewable measures installed. On average, households saved around £300 a year on their fuel bills as a result.
- As of 30 September 2025, 26 local authorities in Scotland deliver Housing First. The approach has demonstrated strong outcomes, with 83% of people offered a Housing First tenancy remaining in their homes 12 months after moving in. It is estimated that 8% of Housing First tenancies are households with children.
- Increased Discretionary Housing Payment funding of £2 million has supported at least 113 households including 197 children to either stay in their Private Rented Sector home, or to move from temporary accommodation to a settled home within the sector.
- As of 31 March 2026, Scottish Women's Aid had received 747 successful applications to the Fund to Leave totalling £423,533. This supported 1,010 dependent children, with applicants receiving an average award of £570.
- As of March 2026, nearly 460,000 households received support through Council Tax Reduction (CTR) saving recipients on average over £900 a year. Latest estimates suggest just over 100,000 households with children received CTR as of March 2026.

Summary of action taken in 2025-26

In 2025-26, we invested £808 million in affordable housing, an increase of over £200 million from 2024-25, supporting continued progress toward our commitment to deliver 110,000 affordable homes by 2032. As a result of our investment and action, by the end of December 2025, 32,479 affordable homes were delivered toward the target of 110,000 by 2032, with 77% of these available for social rent.

Building on the significant progress made to date, we published our [Housing Emergency Action Plan](#) in September 2025. This sets out new, enhanced and accelerated actions to tackle the housing emergency in Scotland focused on ending children living in unsuitable accommodation, supporting the housing needs of vulnerable communities, and maximising investment in Scotland's housing sector. New measures included doubling funding for housing acquisitions from £40 million to £80 million as part of our Affordable Housing Supply Programme. We also increased funding for Discretionary Housing Payments by £2 million to support households with children, currently in temporary accommodation, to find settled homes in the private rented sector.

We have also continued to deliver on the implementation of the [Rural and Islands Housing Action Plan](#), with the majority of actions ongoing or having been completed by 1 April 2025. Across this reporting year, we have built upon the action taken to date to support rural and island housing delivery. This has included extending the application period to the Rural and Islands Housing Fund (RIHF) to March 2028, increasing the RIHF budget to up to £37 million, and increasing the RIHF feasibility funding to up to £20,000 per project. We also published the [National Islands Plan](#) in February, which includes a number of actions on housing delivery as well as childcare and education, and the updated [Local Housing Strategy guidance](#) in March, which includes a renewed focus on rural and island delivery, and eradicating child poverty.

To advance vital reforms in the Private Rented Sector and to support the prevention of homelessness, we continued to progress the Housing (Scotland) Bill, with legislation receiving Royal Assent in November, to become the [Housing \(Scotland\) Act 2025](#). The rented sector measures in the Act will help improve affordability by implementing a national system of rent controls as well as delivering a package of reforms that strengthen tenants' rights and improve the experience of renting a home. These reforms include additional protections for tenants facing eviction or who have been unlawfully evicted, new measures aimed at preventing homelessness, and measures designed to support those who are experiencing domestic abuse. Implementation of the measures in the Act is underway, and the regulations to introduce 'Awaab's Law' in Scotland, starting with tackling damp and mould, were made in March 2026.

To continue to enhance suitable accommodation for the Gypsy/Traveller community, in 2025-26, progress has been made on the remaining projects funded under the Gypsy/Traveller Accommodation Fund. Residents have moved into their new homes in Fife, Highland and Perth and Kinross. Residents of the remaining site in Clackmannanshire are due to move back in June 2026.

To help people keep their homes warmer and reduce their energy bills we continued to invest over £90 million in Warmer Homes Scotland. This service has supported households by installing heating and energy efficiency measures in homes, targeted at those in or at risk of fuel poverty. In January 2026, Warmer Homes Scotland achieved a key milestone of supporting more than 50,000 customers since the scheme was first launched in 2015. During the year, Warmer Homes Scotland also completed 1,117 clean heating installations, the largest number since the scheme re-launched in October 2023.

In order to prevent and end homelessness, we continued to implement actions in our [homelessness strategy](#). This included providing local authorities with £9 million of funding to help them transform the use of temporary accommodation, as well as a £3 million funding boost to expand Housing First across Scotland, strengthening our support for families experiencing or at risk of homelessness and helping people move into warm, safe and affordable settled homes as quickly as possible.

Recognising the specific housing challenges faced by women experiencing domestic abuse, the Scottish Government invested £1.5 million to launch the national Fund to Leave, which opened for referrals in February 2026. Administered by Scottish Women's Aid, the fund offers grants to women for essentials when leaving an abusive partner, removing the financial barriers that can trap women in harmful relationships. This will help to give women and children more choices and more control by giving them the means to act quickly and safely.

Case study: Island Cost Crisis Emergency Fund

Established in December 2022, the Islands Cost Crisis Emergency Fund supports vulnerable island households facing cost-of-living pressures, with a specific focus on tackling child poverty. Since its inception, the Fund has distributed £5.4 million through Scotland's six Local Authorities with offshore inhabited islands on a population basis, with flexibility given to tailor support to local needs.

In 2025–26, a total of £1 million was distributed to Local Authorities, with Shetland Islands Council receiving £223,000 to deliver targeted support. Through this the council delivered a range of support, including issuing two winter payments to low income families. These provided immediate support worth a total of almost £300 to over 650 children during the winter months. One recipient noted: *“The payments have enabled us to afford to pay for heating to keep our home warm. This has been a relief at a time when heating has become very expensive”*.

Orkney Islands Council's allocation was worth £214,000 and it provided immediate support to individuals, families and communities affected by the cost of living crisis. Through this, a range of initiatives were delivered, including the “Every Child Deserves a Christmas” grants scheme. Under this programme, almost 400 targeted cash-first payments were issued to families across Orkney, helping to ease financial pressures during the winter months and festive period.

These and other approaches taken have meant that families are better able to navigate the increased costs of living in our island communities and meet their essential needs.

H. Maximising income

Over the last year, we have continued to work with partners to improve access to the support and advice families need to thrive. This includes providing cash-first solutions to help tackle food insecurity, expanding the successful Council Tax Debt Advice Project across all Local Authority areas, and investing in action that makes it easier for people to access welfare, money and debt advice through the Advice in Accessible Settings Fund and Welfare Advice and Health Partnerships (WAHPs). Alongside our investment in front line advice services, we have continued work to maximise the impact of the trusted relationships held by Health Visitors to support conversations around finances and, additionally, ensured targeted support for young parents through the Family Nurse Partnership. This has been supported by our strategic communications approach to help increase the awareness of available support and how to access it.

Impact Summary

- Data reported by Citizens Advice Scotland's Money Talk Team, StepChange, Advice Direct Scotland, One Parent Families Scotland and Advice UK shows that at least 115,320 clients were supported by Scottish Government funded advice services in 2025-26.
- The Money Talk Team alone supported over 64,000 clients in 2025-26 with over 13,000 of those belonging to one or more of the six priority family groups. Clients of the Money Talk Team secured over £52.1 million in financial gains, including £13.1 million for priority family groups.
- Since its launch in July 2023, the Advice in Accessible Settings Fund has supported more than 18,600 clients and unlocked more than £44 million in financial gains.
- In 2025-26, to provide access to food through emergency payments and wraparound support, approximately 1,467 families were supported by the Cash-First Programme - an increase from the 1,220 supported in 2024-25.
- One Cash-First delivery partner reported supported 2,096 beneficiaries (individuals and families) in 2025 to secure total financial gains of over £817,000.
- The Family Nurse Partnership is now supporting an additional 500 families per year since 2020-21. Over two thirds (67%) of those supported live in the two most deprived SIMD quintiles, with 22% of clients care-experienced. Over 15,500 families with babies have benefited from FNP since its inception in 2010 with the percentage of mothers in paid employment or education doubling between six months after birth and 24 months (20% to 40%).
- Through the Council Tax Debt Advice Project in 2025-26, clients were supported to make over £2.8 million through Council Tax related financial gains.
- Statistics show that, across 2025-26, 55,426 people visited the Scottish Government's [cost of living portal](#), including 5,963 visits to the family benefits and payments page and 6,207 visits to the children and families page, increasing awareness of the support families can access.
- 265,476 people visited the Parent Club website, with 39,986 views of the [Money and Work pages](#). Paid and organic Parent Club social media posts were seen more than 8.1 million times.

Summary of action undertaken in 2025-26

In 2025-26, we invested over £16.9 million in **debt, welfare and income maximisation advice services**. This funding supported a range of activities such as the provision of free to access advice – either online, by telephone or face to face – including the Money Talk Team delivered through Citizens Advice Scotland (CAS).

Through this funding, we also continued to deliver **our Advice in Accessible Settings Fund**, including additional funding to support disabled people. Projects supported by the fund are delivering holistic advice services, including debt advice, in a range of education, health and other community settings. Families receiving support from these services include lone parents, minority ethnic families, disabled people and families with disabled children.

In the past year we also expanded the CAS **Council Tax Debt Advice Project** across all 32 Local Authorities. This new national project, supported by £2.22 million of investment, has supported increased debt advice provision across the whole of Scotland for those in Council Tax arrears. It has also supported the development of national resources which can help support the best practice principles in Council Tax collection.

In addition, we provided targeted support for those experiencing energy debt, investing over £940,000 from the Consumer Levy. This funding was used to help established advice organisations to provide money and debt advice to energy customers, increase capacity through additional staff training, and enhance engagement with energy suppliers to facilitate more sustainable debt solutions for customers.

In recognition of the additional barriers faced by those experiencing economic abuse and coerced debt, we also provided new funding for Financially Included, a partnership project between GEMAP Scotland and the Glasgow Violence Against Women Partnership. In 2025-26, this investment supported the scoping and development of a new Scottish helpline for economic abuse, as well as increased provision of specialist advice and support.

In 2025-26, we invested more than £610,000 in Welfare Advice and Health Partnerships. The final [evaluation](#) of this ‘test and learn’ pilot was published in November 2025. The report highlighted the value of providing advice services in trusted, accessible settings. Following the anticipated conclusion of the ‘test-and-learn’ pilot, the Scottish Government agreed to continue funding under a tapered approach until 2026-27, helping delivery partners’ ability to embed WAHPs within wider income maximisation settings.

Beyond these settings, within our core home visiting programmes, we recognise the trusted and unique role universal health services have in the lives of families. That is why we have ensured that **Health Visitors** across Scotland continue to have the opportunity to access the Money Guiders learning programme, which helps grow their confidence in having conversations with families about money and wider financial circumstances.

To ensure young parents receive holistic support that addresses their immediate health and wellbeing needs – including support and resources such as money, employment and welfare advice – we have also continued to deliver the expanded **Family Nurse Partnership** across all mainland NHS Scotland Boards. Those aged 19 years old and under are prioritised, as well as care-experienced parents up to 25, with support for 20–21 year olds provided where capacity allows. The programme is working to support young parents in building confidence, skills and knowledge, with strong reach in disadvantaged communities. Throughout the year, we have continued work with Health Boards to improve operational data to better inform impact on measures associated with reducing risk of child poverty.

Complementing our focus on income maximisation and debt advice, we have continued to drive forward wider action to ensure families can afford essentials through our [Cash First plan](#) toward ending the need for food banks. We provided funding across a range of activity, including almost £560,000 for the **Cash-First Programme**. Projects in the Programme provided ready access to emergency income when someone had no money for food alongside wraparound welfare rights and income maximisation advice and support to prevent future hardship. Seven of the eight Cash-First delivery partners delivered emergency income and advice directly to individuals, while one delivery partner introduced systems change initiatives to develop local cash-first pathways, engaging with local community food networks. The Cash-First Programme concluded on 31 March and a final evaluation will be published later this summer.

Alongside this, we have also funded action to support wellbeing through community food approaches, to support cash payments and casework that are inclusive for people with no recourse to public funds and in an emergency situation, and to continue to listen to people with direct experience of food insecurity.

This wide-ranging action on advice has been strengthened by our **strategic communications** approach, focused on helping ensure families know about ways in which they can maximise their household income. This has included paid-for marketing, social content, news and partnership activity to reach and drive parents to access the [Parent Club](#) website and [Cost of Living](#) support. Communications have targeted the six priority families through targeted paid-for campaigns, close work with partners and the third sector, and via Parent Club social media channels. Evaluation of these activities shows that people have been reached and have a better understanding that help and support is available for those who need it.

Case study: Council Tax Debt Pilot

Through the Council Tax Debt Project, Citizens Advice Scotland are working closely with Local Authorities across Scotland to support residents with tailored advice on Council Tax related issues including debt. In addition to supporting individuals, learning from the project is also being used to improve debt collection policies and practices.

Over the past year, almost 200 activities were undertaken with Local Authorities across Scotland as part of the Council Tax Debt Project, supporting families and households struggling with arrears. These include holding training events between Bureaux and Councils, campaigns promoting Council Tax Reduction, and efforts encouraging Local Authorities to implement policies on writing off debts which are unlikely to be fully repaid. As a result of the project, people supported have accessed more than £2.8 million of help, the majority of which was through the Council Tax Reduction Scheme, discounts or exemptions.

In Dumfries and Galloway, the Bureau is working closely with the Council to promote support available through local school newsletters so that every parent in the area receives information about the Project and the support available at their local Bureau. Through this, Leila* made contact with the Bureau.

Leila is a single parent of a six-year-old child who was concerned about being able to repay her Council Tax arrears of £1,394 while also maintaining the current year's payments. Leila was keen to get out of the cycle of arrears which she felt she was in.

Leila has three part-time jobs, each with variable hours which affects her Universal Credit payments each month. Her income being so unpredictable had made it more challenging to budget and manage debts. The Bureau contacted the Council on Leila's behalf and requested that a special arrangement be put in place to make sure she could afford to repay her arrears alongside her current liability. Following this, the Council agreed to a repayment plan over the course of 43 months – extending the repayment period and lowering the monthly cost faced.

As a result, Leila was able to afford to maintain her current year's Council Tax payments in addition to making a manageable monthly payment towards her arrears. She was also able to avoid the 10% fee that would have been applied to the debt had it been transferred to the Sheriff Officers. Leila reported feeling relieved that she would no longer have to worry about a potential wage arrestment. In addition to the advice that Leila received on her Council Tax debt, she also received wider holistic support which focused on a sanction on her Universal Credit and on energy debt. The sanction was successfully challenged, resulting in a payment of £866, whilst energy debt support is ongoing.

Through this Project, the Bureau has been able to strengthen their relationship with the Council and to work more collaboratively to resolve cases and support clients. The Project aims to encourage all Councils across Scotland to embed similar collaborative approaches to ensure positive outcomes for all clients who require assistance with Council Tax issues.

*name changed to protect identity

I. Place based transformation

This year, we have continued to embed and scale a place based, holistic family support approach to tackling child poverty. We have significantly expanded our Fairer Futures Partnerships, strengthened system-wide learning and improvement, and invested in a range of programmes that support local partners to design and deliver person-centred support shaped around families and communities. In addition to our continued focus on rural and island communities, we have also advanced our approach to enabling the delivery of Whole Family Support through increased flexibility and shared outcomes. Collectively, these actions are providing immediate support for families while strengthening local systems and partnerships to deliver lasting change for families across Scotland.

Impact Summary

- Fairer Futures Partnerships (FFPs) have expanded to 16 Local Authority areas, with the earliest partnerships in Dundee, Glasgow and Clackmannanshire having supported thousands of individuals and families through holistic, person centred approaches during 2025-26.
- Dundee's FFP has supported over 1,400 individuals and family groups through their community hub and key worker outreach model.
- In Clackmannanshire, the Family Wellbeing Partnership (FWP) approach, which aims to reduce child poverty and improve family wellbeing, saw around 8,000 individuals participating in a range of programmes and activities which include school and community-based activities for children, young people and adults.
- Emerging evidence shows that through systems change efforts some newer partnerships are already reaching priority families. In East Ayrshire, 110 lone-parent households and families with a disabled member were supported, contributing to improved family resilience and wellbeing and reduced social isolation.
- The Social Innovation Partnership engaged over 3,000 individuals and families across a range of themes – including addiction, family support, community engagement, employability and homelessness.
- The Child Poverty Practice Accelerator Fund (CPAF) has had clear positive impacts for families, including improved financial outcomes, earlier access to support, reduced stigma and increased confidence and agency. The Fund has also strengthened local systems through improved partnership working, better use of data, and increased use of co-production and lived experience in service design, alongside early evidence of a shift towards more proactive and preventative approaches.

Summary of action undertaken in 2025-26

This year we have continued to expand and embed our **Fairer Futures Partnerships** (FFPs), investing over £6 million in the programme overall. This has supported the inclusion of a further eight Local Authorities, bringing the total number of FFP areas to 16.

The actions of FFPs reflect local priorities, with a wide range of activity being prioritised to drive forward change specific to assessed need in each Local Authority area. FFPs have championed partnership working focused on delivering person-centred support to achieve better outcomes for families and inform the design of services which operate in a more preventative way. This includes meeting families where they are and providing support when they need it. An update on the work of six individual areas is noted below:

- **Clackmannanshire's** Family Wellbeing Partnership (FWP) is increasingly informing work across the Local Authority through the testing of new delivery models and strengthening of partnerships with communities and third-sector organisations. The [evaluation of the FWP](#), published in June 2025, found that this has improved wellbeing and driven innovative, trust-based, collaborative, and co-designed service delivery.
- Progress continues in **Dundee**, where the FFP has developed tailor made employability support to focus on specific parts of the community, including those aged 16-24, whilst also continuing to support communities with holistic Whole Family Support across three drop-in centres.
- **Glasgow's** FFP have continued to support Demonstrations of Change in the Calton, Govan and Southside Central wards of the city, bringing together partners and families to develop holistic support offers and test what works to support a sustainable exit from poverty and inform system change.
- **West Dunbartonshire's** FFP is tackling the intersection between poverty and justice involvement, with a particular focus on families affected by parental imprisonment and engaged with the justice system. The support provided includes one-to-one coaching, personal development, employability workshops, and accredited training - supporting participants to build more positive futures.
- In **East Ayrshire** local third sector organisations have been empowered to deliver targeted early intervention and community-based support to priority families.
- **North Ayrshire** have used a [Smart Data Foundry](#) licence to better understand which local areas would benefit most from holistic family support and have targeted support accordingly, whilst also tracking the impact of these measures.

Alongside FFP expansion, we have taken important steps to build local capability and share learning, recognising that transformation requires sustained collaboration and system change over time. As part of our £6 million FFP investment, we provided £1.12 million in **Adopt and Adapt** funding to all remaining Local Authorities to support partners to engage more deeply with the FFP learning programme. In partnership with the Improvement Service, we have delivered seven learning sessions focusing on a variety of themes including approaches to partnership working, effective leadership and articulating change in the context of service design.

In addition to the system-wide transformation through FFPs, we invested a further £1.2 million in the **Social Innovation Partnership (SIP)** to support eight third sector organisations to learn how their innovative approaches can tackle deep-rooted poverty and inequality. With third sector partners working primarily in communities where there are significant levels of poverty and related forms of disadvantage, a key focus of the SIP has been practical delivery and extracting learning around what is required to support people from these communities.

We have also sustained our support for local partners to test and evaluate approaches to tackling child poverty through delivery of the **Child Poverty Practice Accelerator Fund** (CPAF), with £640,000 allocated in 2025-26 to support the continuation of twelve Round 2 projects. These projects have delivered a wide range of activity, including improving the use of data to identify and target support for families, increasing access to financial wellbeing advice and income maximisation services, and supporting families to re-engage with employability services. Building on this progress, we launched Round 3 of CPAF, with 21 new projects across Scotland sharing over £1.8 million of funding across 2026-28.

Linked to our focus on place-based action, and building on the learning that has come from it, we have also continued to develop our focus on delivering **Whole Family Support**. The First Minister led two system-wide learning and knowledge-sharing events during 2025-26, bringing together senior leaders and front-line practitioners to share best practice and to deepen our understanding of what is required to deliver holistic family support.

These events highlighted the systemic barriers to implementing Whole Family Support, and we have already taken significant steps toward tackling these. In the past year action has focused on increasing flexibility over funding and reporting for local partners to support the delivery of services that are more responsive to the needs of the families who use them. We have worked with seven 'early adopter' Local Authorities (Aberdeen City, Clackmannanshire, Dundee, Glasgow, North Ayrshire, North Lanarkshire and Edinburgh) to identify barriers and opportunities for funding and reporting flexibility. To underpin this approach, we have worked with the early adopters to develop an interim Whole Family Support Outcomes Framework, which shifts the system towards outcomes-focused and integrated reporting in order to meaningfully measure the impact of Whole Family Support approaches.

Finally, recognising that place-based transformation must reflect all the distinct circumstances of Scotland's **rural and island communities**, additional research was published in September 2025, alongside findings from the Shetland Anchor Project and the Agricultural Household Survey, with learning disseminated to stakeholders to inform both local and national approaches. We also invested a further £1 million in the Islands Cost Crisis Emergency Fund, with an increased focus on tackling child poverty, and invested £9 million to support Community Led Local Development (CLLD) and similar initiatives in rural and island communities.

Case study: CPAF

Stirling Council utilised funding from the Scottish Government's Child Poverty Practice Accelerator Fund (CPAF) to establish an Early Intervention Family Engagement Project to bridge a critical gap between education, learning and employability services.

Funding was utilised to recruit a Family Engagement Worker with lived experience of poverty. This enabled the Project to provide high-intensity, relational support to families where there were barriers in accessing employment, support services or in relation to school attendance. An example of one parent's experience is below.

Sarah*, a parent of three living in temporary accommodation, felt increasingly overwhelmed as a result of her family's situation. Her youngest child, in Primary 1, was struggling with attending school, and the morning routine had become a source of intense daily stress. Feeling judged and labelling herself to be failing, Sarah had disengaged from services. Her older son who had also left school and was not engaged in learning, training or employment, further increasing the household's financial and emotional strain. Having been identified due to low school attendance, the school referred the family to support from the Project.

The Family Engagement Worker worked to establish a non-judgmental relationship with Sarah, taking a whole-family focus. Through this Sarah received bespoke, flexible, daily on-the-ground support that linked school, home and Stirling Council Learning and Employability Services together. The Family Engagement Worker frequently visited Sarah's home to help establish routines and accompany the children to school. They also supported Sarah's eldest child to engage in positive activities and encouraged Sarah to take part in parental support programmes.

As a result of the support received, the family are better able to manage their daily routines. School attendance has stabilised and Sarah's oldest child has been supported to enrol in college and reengage with learning. Working in partnership with other services, the Family Engagement Worker was able to assist in a referral that helped the family transition from homeless accommodation to a permanent tenancy. Sarah was also able to undertake a fully funded training course to support her in entering and sustaining work.

Sarah reported a significant reduction in stress, stating that the project allowed her to feel listened to in a way she hadn't been previously. Speaking of the impact of the Family Engagement Worker, she said the support offered had been "amazing for this family".

Beyond the impact for individuals like Sarah, the Project has facilitated local learning on the multi-faceted and complex nature of school attendance issues, helping to recognise that this is often part of a much bigger picture for families. This has also demonstrated the positive impact of early intervention in alleviating attendance barriers and preventing these from becoming entrenched for families.

*name changed to protect identity

Section 3 – Assessing progress against the targets

While the rest of this report looks at progress from April 2025 to March 2026, this chapter draws on the available survey data, which covers up to March 2025. Specifically, this chapter includes:

- Overall progress toward the 2030 child poverty targets, including detail of the revisions to poverty data
- Updated child poverty data on priority groups
- Assessment of child poverty drivers (income from employment, cost of living and income from social security) and long term outcomes
- Assessing the cumulative impact of policies for families

Latest update on child poverty rates

The targets set by the Child Poverty (Scotland) Act 2017 are based on single year figures for three out of the four targets, and the latest single year figures are for 2024-25. The data for the persistent poverty measure is based on data from the 2021 to 2024 calendar years.

The [latest statistics](#) show that:

- **21% of children lived in households in relative poverty, with the 2030 target set at <10%.** Relative poverty measures the proportion of children living in households with an equivalised income below 60% of the contemporary UK median income. Relative poverty falls if income growth at the lower end of the income distribution is greater than overall income growth.
- **16% of children lived in households in absolute poverty, with the 2030 target set at <5%.** Absolute poverty measures changes in poverty relative to a point in time taking inflation into account. The absolute poverty line is fixed at 60% of median UK income in 2010-11, as per the Act requirements. Specifically, it shows the proportion of children in families with an inflation-adjusted equivalised income below 60% of the UK median income in 2010-11. Absolute poverty falls if low income households are seeing their incomes rise faster than inflation.
- **14% of children lived in households in combined low income and material deprivation, with the 2030 target set at <5%.** This measures whether households are able to afford basic necessities. Specifically, it represents the proportion of children in families with incomes less than 70% of the contemporary median that lack certain basic necessities.
- **17% of children lived in households in persistent poverty, with the 2030 target set at <5%.** Persistent poverty measures whether people have been living in poverty for a number of years. Specifically, it shows the proportion of children in families who have been in relative poverty for three out of the past four years.

Revisions to poverty data

The Family Resources Survey (FRS) provides details about the incomes and living circumstances of households across the UK, including Scotland. The survey underpins estimates of relative poverty, absolute poverty, and low income and material deprivation. Over the past few decades, falling response rates have led to reductions in sample size.

To improve the accuracy of the data, the Department for Work and Pensions (DWP) has been carrying out a major development programme looking to incorporate administrative data as much as practicable through data linkage. For the latest release in March 2026, administrative data on benefits were used to replace survey responses. This has reduced the level of underreporting of key benefits, and provides a more accurate reflection of household income from benefits. The administrative data linkage was also applied back to 2021-22, including for the interim target year (2023-24). DWP will be releasing the linked back series to 2018-19 during summer 2026 and are currently investigating the data they hold on the devolved Scottish disability and carer benefits, with a view to including these in the data linkage as soon as practicable.

Scottish Child Payment receipt has been imputed to account for underreporting, and there are on-going discussions around setting up a data share for the Scottish Child Payment between Social Security Scotland and DWP so these data can be linked in future.

Persistent poverty is measured through a different data source, the longitudinal study Understanding Society. Persistent poverty statistics are routinely revised when households that have opted out of earlier waves of the survey respond to later waves. For example, in the most recent publication, the previous data point for 2019-23 was revised downwards from 23% to 16%.

Data revisions mean that statistics for the interim target year now show estimates for some measures below the interim target level. However, the data show a large degree of volatility and the figure for the subsequent year is above the interim target level. Other factors we need to consider when assessing progress include:

- Wider evidence over 2023-24 tells us that families' circumstances had not substantively improved as seen through a range of other indicators in the [Child Poverty Measurement Framework](#) and explained in the section 'drivers of poverty' below.
- The wide [confidence interval](#) highlights the uncertainty in the estimates. Although relative child poverty in 2023-24 was estimated at 16%, this is out of line with the other data points and unlikely to represent a true change.
- Further revisions of the FRS data will take place over summer 2026, for the years 2018-19 to 2020-21. There will be further changes in 2027, when the way the statistics are scaled to population totals (known as grossing) is updated. This update will incorporate the latest census population data and may result in further revisions to the poverty rates. The [FRS release strategy](#) provides further detail on planned changes over the coming years.

These factors make it difficult to clearly identify longer-term trends at this stage. The additional back series planned by DWP should provide a better picture of the impact of the methodological changes to date. Looking at three-year averages, poverty rates are relatively stable.

To better understand whether families' financial circumstances are improving, it is necessary to look at groups at greater risk of poverty and also at a wider range of evidence. This includes indicators across the drivers of poverty reduction, data on consequences of poverty, and impact evidence on the wide range of policy action undertaken.

Child poverty rates amongst groups most at risk

There are some types of households who have a higher risk of poverty, and make up the majority of those in poverty, we refer to these as 'priority groups'. These are households with a disabled person, three or more children, a baby aged under 1, minority ethnic households, mothers aged under 25, and lone parent families.

The latest available child poverty rates continue to show that those in priority family groups are more at risk of being in poverty than all children, and in particular than those whose families have none of these characteristics. The latest figures are shown in Tables 3.1 and 3.2, alongside baseline year data when the Act came into force. However, it is necessary to be mindful that data developments by the FRS are still ongoing, and as such, it is not currently possible to look at progress by subgroups. We are anticipating a deeper analysis at this time next year.

Table 3.1: Percentage of children in relative poverty after housing costs.

	Baseline (2015-18)	2022-25	Diff pts
All children	24%	21%	-3 pp
Lone parent household	40%	30%	-10 pp
Minority ethnic household	34%	40%	+6 pp
3+ children in household	32%	38%	+6 pp
Disabled person in household	30%	23%	-7 pp
Baby aged under 1 in household	32%	39%	+7 pp
Mothers aged under 25	55%	No data	No data

Table 3.2: Percentage of children in absolute poverty after housing costs.

	Baseline (2015-18)	2022-25	Diff pts
All children	22%	23%	-2 pp
Lone parent household	35%	25%	-10 pp
Minority ethnic household	32%	32%	0pp
3+ children in household	29%	28%	-1 pp
Disabled person in household	27%	16%	-11 pp
Baby aged under 1 in household	30%	32%	+2 pp
Mothers aged under 25	49%	No data	No data

Low income and material deprivation data by priority family groups can only be shown by looking at the combination of the last two years. This is because the most recent material deprivation estimates are based on [updated survey questions](#) introduced in 2023-24.

Table 3.3: Percentage of children in low income and material deprivation after housing costs. Estimates from 2023-25:

All children	Lone parent	Minority ethnic	3+ children	Disabled	Baby under 1	Mothers under 25
11%	23%	18%	21%	16%	16%	No data

There is no data on **persistent poverty** amongst priority groups. This is because [data](#) for persistent poverty comes from the Understanding Society survey, and sample sizes by priority family group are too small. But considering the consistently greater risk of poverty for priority groups under other indicators, it is expected that persistent poverty rates for the priority groups will also be higher.

Statistics allow us to quantify the risk of poverty for these particular groups. But in order to understand their experience of poverty, additional research and evidence is needed. Over the years we have provided detailed reports for each priority family group which look at child poverty rates and progress in each of the three drivers of poverty, alongside wider evidence. These reports are complemented with analysis [on other groups at higher risk of poverty](#) and a focus report on [gendered poverty](#).

The drivers of child poverty

To better understand changes in the target measures of child poverty, we look at the three drivers of poverty. That is: income from employment, cost of living, and income from social security and benefits in-kind. The [measurement framework](#) provides a range of indicators for each of the drivers that can be tracked over time. This year, we are also including indicator data to track long-term consequences of poverty.

The summary of progress includes an assessment of indicator data along with impact findings from evaluations of relevant policies.

Income from employment

As noted previously, a job does not guarantee a secure route out of poverty or financial security. Indeed, there has been a slow but constant upward trend in the levels of in-work poverty amongst all working families. At the time the Child Poverty (Scotland) Act 2017 came into force, 66% of children in relative poverty lived in a working household (2015-18). This figure stands at 75% in 2022-25.

Scottish [economic insights](#) over the reporting period 2024-25 showed a strong labour market with low levels of unemployment and relatively stable levels of employment. Overall, there was real terms earning growth in 2024, meaning that wages increased faster than inflation. While the economy, in overall terms, appeared to be performing relatively strongly (when compared to recent years), the impact of this for low income

households is more mixed. Possibly, this demonstrates that a range of complex factors are at play.

On one side, indicators do show **hourly pay** for low income families at a slowly increasing rate, with stable proportions in secure work. This matches the ONS '[Low and high pay in the UK](#)' report showing a continuous decrease in the prevalence of jobs earning less than two thirds of the median wage (low-paid jobs).

At the same time, however, the percentage of children living in households where **no adult is in paid employment** showed an increase to 12.7% (compared to 10.7% in 2023 and 10.2% in 2022). Data continues to reaffirm, however, that having a job is still not enough. Three quarters (75%) of children in relative poverty, live in a household where someone works. The ONS low and high pay report shows that some industry types still see high levels of workers in low-paid work, notably accommodation and food workers. Flexibility of employment, contractual security and pay all play a role. Importantly, the number of hours worked can support households to boost their income.

Amongst those in employment, the number of **hours worked** by low income households stands at 21 hours per week in 2022-25. Over time, work intensity amongst low income households with children decreased. In 2017-20 they averaged 24 hours of work per week (2017-20). There has been a steady decline in the proportion of parents who are in work and would prefer to work more hours (i.e. **under-employment**). In 2024, this stands at 3.6% of parents in employment willing to increase working hours compared to 6.3% in 2017. There are multiple reasons why parents may not be able or willing to increase working hours, an inability to combine paid work with caring for their children being one of them.

Recent data also shows an increase in **underutilisation of skills**. That is, the proportion of employed parents with degrees who are in low or medium skilled occupations. In the latest data point (2024), 20.8% of parents with degrees were in low or medium skilled occupations. That compares with 14.8% in 2023 and 15.0% in 2022. However, this latest increase should be treated with caution for now as we see whether this results in an established trend or not going forwards.

Employability support can help parents to increase their earnings and there have been continuous increases in the number of parents reached through employability support. [Positive outcomes](#) are achieved for those who engage with the service, though at limited scale. For example, amongst all those reached by the service (from April 2019 to September 2025), 31% had entered employment and a further 14% had entered further or higher education or training. Alongside employability support, initiatives like the Fairer Futures Partnerships, that are designed to better integrate family support services and provide more holistic support, have been shown to help families stabilise their finances, avoid escalation to crisis point, and to help ensure that interconnected challenges around, for example, debt, addiction or mental health, which can threaten sustained employment, are addressed holistically.

A key barrier to increasing income through paid work, particularly for women, is around the availability of **childcare**. This was evidenced in the evaluation of No One Left Behind. Childcare responsibilities preventing access to training or work was reported as an issue by 53% of single parents and 25% of women. The expansion of

funded early learning and childcare (ELC) (i.e. the 1140 hours per year of free childcare), has provided much needed support for parents as evidenced by the [Scottish Study of Early Learning and Childcare](#) evaluations. The [national outcomes evaluation](#), published in March 2026, provides clear evidence of an increase in the proportion of mothers of children receiving funded ELC who are in employment, training or full-time education. Employment rose for mothers across all income groups. Specifically, for the lowest income group, the proportion in work increased from 41% pre-expansion to 53% post expansion. The proportion in full-time work remained at 27%. The increase found in maternal employment was during a period of high employment rates and substantial change in the labour market (including the impacts of the pandemic and increased home working). However, the employment rate of all women aged 16 to 64 in Scotland (and for women of similar ages to those using funded ELC) remained relatively constant over the same period.

Cost of living

The cost of living is the term used to refer to the prices of goods and services in the economy. Inflation refers to the rate of increase in these prices. Low income households are more vulnerable to increases in the cost of living as they spend a greater proportion of their income on essentials (such as food, housing or energy).

Following a peak during 2022 (at 11.1%), Consumer Price Index (CPI) [inflation slowly decreased](#) over 2023 before stabilising during 2024 just above Bank of England's 2% target. There are some positive signs of households benefitting from this reduced rate of inflation, as noted in paragraphs that follow. However, [over 2025, inflation](#) has been slowly increasing to remain between 3% and 4%. For 2026, there is significant uncertainty in the outlook for inflation and therefore the impact on low income households due to the sharp rise in fuel prices arising from the conflict in the Middle East. In April, the [Bank of England set out three scenarios](#) in which inflation averaged between 3.3% and 4.5% in 2026. As such inflationary impacts on the cost of living remain a concern.

Following a period of peak inflation during 2022, the reduced rate seems to have allowed low income families some respite. Overall, there seems to be an improvement in the **financial resilience** of families with an increase in the proportion of low income households stating that they are managing well financially (23% in 2024 up from 17% in 2023). In comparison, there was no change across all households with children. Further, low income households have been more able to save. We see a nine percentage point reduction in the proportion of low income households with children unable to save (59% in 2012-23 vs 68% in 2019-21).

Still, it is worth noting that many families are still struggling with the cost of living.

- **Fuel** poverty has reduced significantly (to 25% from 34% in 2023) but remains stubbornly high. The decrease in fuel poverty largely reflects [the fall in energy prices](#) in 2024 wherein the average index price of fuels for Scotland decreased by 23.3% compared to 2023. Impacts of recent developments due to the war in Iran and subsequent spikes in energy costs are yet to be reflected in the data.

- The proportion of household income spent on **housing** has remained stable over the last couple of years. But the number of children in [temporary accommodation](#) remains at a consistently high level (10,480 children at end September 2025, and 10,360 at end of September 2024).
- The proportion of income spent on **food** has been slowly but steadily decreasing over time, though, food insecurity remains high. Programmes like the [Cash First approach](#) to tackling food insecurity have provided a sense of dignity and relief for families – but there are questions about the delivery model and how best to ensure it can support families at scale.
- While the majority of low income families do not have to pay for their **childcare**, those who do, spend around 13% of their income on it. In fact, those paying for childcare still find it difficult or very difficult to afford their household's childcare costs.

Income from social security and benefits in-kind

Means-tested social security benefits are designed to help with living costs and often supplement the income that households receive from other sources, primarily employment. However, due to different circumstances some households may not receive any income from paid work at a given point in time, and may rely entirely on benefit income to pay for living costs.

Across various evaluations, we see the clear positive impact social security and benefits in-kind have on families. Specifically, the [evaluation](#) of the Five Family Payments (Scottish Child Payment, the three Best Start Grant payments and Best Start Foods) shows how the support helped to reduce financial pressure and money-related stress. The majority of recipients report reduced worries about money thanks to the benefits received, which is possibly reflected in the general indicator on increased financial resilience.

Considering the positive impacts for families who receive benefits, it is imperative that people access the support they are entitled to. For this, the Scottish Government monitors [benefit take-up rates](#), that is, the proportion of people eligible for benefits that go on to get them. These show that for the five family payments, estimated take-up rates are high and indicate that the majority of families eligible for these payments get them, directly ensuring that families have more income and contributing directly to reducing poverty. The latest take-up rate for Scottish Child Payment for children aged under 6 was at 97% (nearly universal). Take up rates are also recorded for under 16s following the expansion of the benefit in November 2022. In 2024-25, take up was estimated at 94%, a 5% point increase relative to the previous year.

We track the proportion of households with children who are eligible for Universal Credit. This year shows a slight increase in eligibility, possibly reflecting changes in other indicators such as the increase in children living in households where no adults are in paid employment. These changes may mean that a greater proportion of families are eligible for Universal Credit. However, it may also reflect demographic changes or variation in the sample data given the small size of the change.

We also track the real value of both out-of-work and in-work benefits. While the majority of devolved [Scottish social security benefits are uprated](#) with inflation automatically, the changes in the value of UK benefits or other circumstances can impact the real value received by families. An increase in the real terms value of both out-of-work and in-work benefits was observed in 2024-25 as benefits were uprated faster than inflation in the same year. However, in 2025-26 the real value of out-of-work and in-work benefits dropped again. This reflects the lagged uprating of benefits, with the UK and Scottish benefits uprated using the previous year's inflation while inflation saw an increase again in 2025-26. Additionally, some benefits such as the Local Housing Allowance remain frozen. Finally, the in-work benefits are likely being impacted by the above inflation increases in the minimum wage in 2025-26, which would interact with the Universal Credit taper reducing in-work benefits.

Progress on long term outcomes for children

Ultimately, we want to reduce child poverty in order to improve long term outcomes for children and young people. Moreover, improving these outcomes should also have a preventative effect in terms of reducing future poverty.

The picture we get from these indicators on children's outcomes is mixed. For some indicators the picture has improved somewhat over the last year or two, but is often still worse than the pre-pandemic status. For other indicators, we have seen either no progress or a worsening trend, especially on housing, reflecting the national 'housing emergency' declared. There are complex factors that will play into these outcomes, not least of which are the ongoing effects of the pandemic and the cost-of-living crisis which have placed more pressure on families and negatively impacted outcomes, but it is clear that we are not, as yet, seeing an improving picture for children's outcomes overall. It will be important to continue to monitor these indicators going forward and use all the evidence available to unpack where policy interventions are making a positive difference and where more action is needed.

Early childhood development is important because problems in early child development are [strongly associated](#) with longer-term health, educational and wider social difficulties. There continue to be persistent inequalities in the early child development data with a strong association between deprivation and developmental concerns identified. The gap between the rate of developmental concerns reported at 27-30 months for children in the most and least deprived quintiles fell slightly from 16 to 14 percentage points (ppt) over the last couple of years but has remained at between 13 and 16 ppt over the last 10 years, indicating a persistent poverty-related gap in these outcomes. This adds to the [wider evidence](#) that children growing up in poverty and/or living in more deprived areas face a heightened risk of a range of health challenges throughout childhood.

There is good [evidence](#) that **high quality early learning and childcare (ELC)** provision can improve social, emotional and educational outcomes for young children, especially those from disadvantaged backgrounds. Data on the quality of ELC settings in Scotland shows that this has remained consistently high, with around 90% of settings achieving Care Inspectorate grades of good or better across all four quality themes each year since 2017. Importantly this was maintained following the significant expansion of funded ELC from 600 to 1140 hours in 2021, albeit with a

slight dip from 91% of settings achieving good or better in 2020 to 89% in the latest year of data (2024). There is no [evidence](#), however, that this expansion of funded ELC, despite high take-up, has to date contributed to a closing of the poverty-related gap in children's development outcomes at age 4 or 5. However, it is important to note that the pandemic and cost-of-living crisis have provided an extremely challenging context for delivery of the expansion and for families.

Turning to **education** measures, there have also been some small recent improvements in school attendance rates and limited progress on the poverty-related attainment gap. While the attainment gap (between pupils living in the most and least deprived areas) has narrowed somewhat for the ACEL measures¹ of literacy and numeracy at primary and secondary school, there has been less progress on the [school leaver attainment gap](#). The gap in achieving at least one National Qualification at SCQF Levels 5 and 6 fell slightly over the past year, by 1.3 and 0.7 ppt respectively, but it rose slightly for a qualification at SCQF Level 4 by 0.7 ppt.

Educational gaps are likely to have lifelong consequences for young people's employment opportunities – and therefore future poverty. Evaluation of the Attainment Scotland Fund notes that despite limited progress on the school-leaver attainment gap, progress has been seen across the programme in setting the foundations required to tackle the gap, such as enhanced collaboration, better use of data and evidence, more support of and engagement with families and communities, provision of wider opportunities and a focus on readiness to learn.

The quality of housing and access to basic essentials like food are critical to children's health and wellbeing and to later life outcomes. We continue to see **food insecurity** at stubbornly high levels². Low food security can result in adverse health consequences for children, exacerbating the [wider inequalities](#) in diet seen among children based on income or deprivation level. With respect to **housing**, the number of children living in temporary accommodation has been climbing steadily every year since 2014, with 10,180 children living in [temporary accommodation](#) in 2025. Households with children also spent longer in temporary accommodation than those without, although were less likely to be placed in bed and breakfast accommodation. [Research](#) has shown adverse consequences from living in temporary accommodation affecting children's sense of security, physical, mental, and social health, and schooling and development.

¹ At four stages during schooling (P1, P4, P7 and S3), teacher judgements are used to assess individual pupil performance in literacy and numeracy relevant to their stage.

² Measure based on asking people whether, and how often, they were worried about running out of food, had to reduce meal sizes or skip meals.

Assessing the cumulative impact of policies for families

Despite stable trends in child poverty levels, wider evidence shows that action taken by the Scottish Government to date is having a substantial impact for families.

- The latest [impact modelling](#), published in March 2026, estimates that policies included in 'Bringing Hope, Building Futures' will keep around 100,000 children out of relative poverty and 70,000 children out of absolute poverty in 2026-27.
- The impact of these policies is expected to grow over time to keep 110,000 children out of relative by 2030-31. New commitments, including to expand support for childcare to all children from nine-months to the end of primary school, are not reflected in existing modelling.
- Rates of relative child poverty levels in Scotland are lower than the UK average – 21% compared to 28% in 2022-25. This suggests that additional policies implemented in Scotland are helping low income families.
- While policies may have provided some respite for families and prevented further rises in poverty, evidence on a range of children's outcomes shows a more challenging picture with some small improvements but with sizeable poverty-related gaps persisting on most measures.

Cumulative impact

We assess the cumulative impact of the policy package in two distinct ways: through economic modelling, which allows us to estimate the impact that the package of policies can have on child poverty rates and through qualitative assessment of how various policies are working together to foster system change. A summary of our learning in both areas is below.

The [latest modelling](#) estimates that in 2026-27, a package of ten Scottish Government policies will cumulatively reduce the relative child poverty rate by 10 percentage points, and the absolute child poverty rate by 7 percentage points, compared to if those policies were not in place. This would represent keeping 100,000 and 70,000 children out of poverty respectively, with similar impacts on deep poverty (defined as living on <50% of median equivalised income). The impacts grow to reach 11 percentage points (110,000 children) by 2030-31 for relative poverty and 8 percentage points (80,000 children) from 2030-31 onward for absolute poverty. This modelling does not yet account for new commitments of the Scottish Government, including to expand support for childcare which will help parents to increase their earned incomes.

Importantly, we also need to understand how well policies are working together to drive the child poverty agenda. We continue to learn, and share our learnings, from evaluations of place-based, system change initiatives. We have [published](#) a learning paper from the Child Poverty Pathfinders exploring evaluating evolving and complex programmes. This paper has important reflections for policy makers, programme delivery teams and evaluators on how to get the best out of future evaluations. It considers: timescales; robustness of data; burdens on key stakeholders, including families; and the limitations of measuring impact and value for money.

These findings highlight that meaningful change, particularly where system change is an outcome, can take considerable time. We continue to gather learnings from a range of programme level evaluations to understand how they impact on families accessing support and services, as well as any barriers or unintended consequences that they may experience. A synthesis of this learning will be published later in 2026, but due to challenges in attributing reductions in child poverty to complex programmes such as place-based, system change initiatives, direct causal links to observed changes in poverty rates remain difficult to demonstrate. However, evaluation findings, and synthesis analysis of these findings, will set out the pathways by which interventions should impact on poverty outcomes and indicate the likely contribution to child poverty reduction.

UK comparisons

Over the past two decades, child poverty rates have consistently been lower in Scotland than in the rest of the UK. However, data linkage (taking effect from 2021-22) and changes in survey methodology (2023-24) mean it is currently advisable not to make a direct comparisons of longer-term trends before and after these changes were introduced.

Relative and absolute child poverty after housing costs is currently estimated to be six percentage points lower in Scotland than in the UK (see table 3.4).

Table 3.4: Child poverty relative and absolute measures compared to UK. After housing costs (AHC) and percentage point change from last year.

Region	Relative poverty	Absolute poverty
UK latest (2022-2025)	28%	29%
Change from 2021-2024	0	-1
Scotland latest (2022-2025)	21%	23%
Change from 2021-2024	-1	-1

Similar patterns can be seen for levels of low income and material deprivation with a five percentage point difference between Scotland and the UK (see table 3.5). There is no earlier comparable data due to ongoing data developments.

Table 3.5: Child combined low income and material deprivation and child deep material poverty compared to UK. After housing costs (AHC).

Region	Child combined low income and material deprivation (2022-25)
UK	16%
Scotland	11%

Further analysis exploring Scottish Government and UK Government contributions to tackling child poverty in Scotland since 2010 will be published in the upcoming focus report.

Section 4 – Additional information

Introduction

The following section provides additional information in relation to action and investment in 2025-26 and over the life of 'Best Start, Bright Futures'.

Table 4.1 provides an 'at a glance' overview of the status of each action reported on this year and how each action is expected to tackle child poverty.

Table 4.2 sets out a short progress update for actions which have not been reported against in each of the nine thematic areas in the first section of this report.

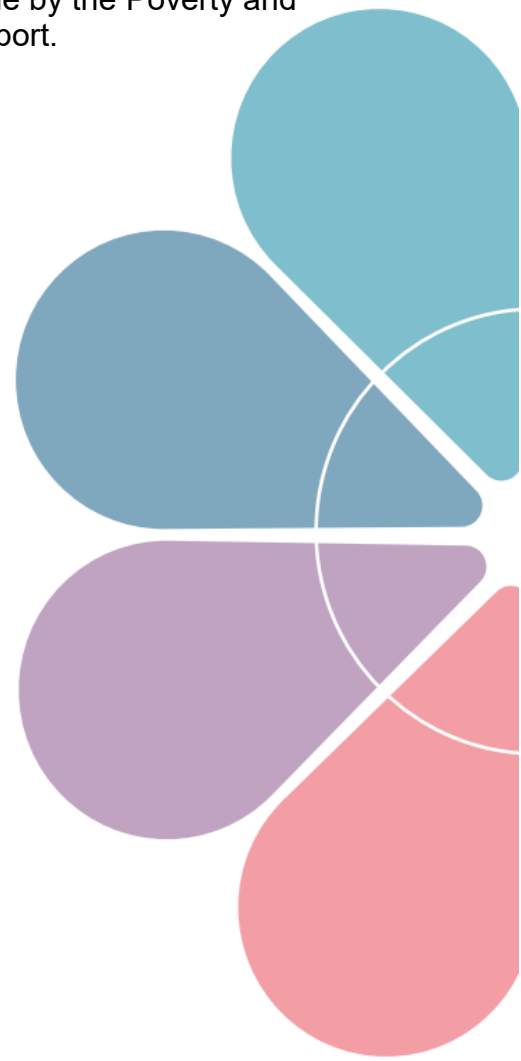
Table 4.3 sets out what has been spent from the Tackling Child Poverty Fund.

Table 4.4 sets out how funding previously committed to the Two Child Limit Payment was reinvested in 2025-26.

Tables 4.5a-d sets out an estimate of our investment directed at low income households and spend to support children in poverty in 2025-26 and across the life of 'Best Start, Bright Futures'.

The final part of this section details:

- the requirements of the Child Poverty (Scotland) Act 2017, and how we have addressed each within this report.
- our response to comments and recommendations made by the Poverty and Inequality Commission within their 2025-26 scrutiny report.



Overview of progress

The following table provides the status of all actions in 'Best Start, Bright Futures' as of 31 March 2026. The table also summarises how actions tackle child poverty.

Of the 120 actions reported on this year, 98 are complete or delivering at scale, in line with commitments made in 'Best Start, Bright Futures'. In light of the challenging fiscal environment and external factors, a further six commitments are being delivered on a revised basis. Of remaining actions, seven are in progress, and reflect areas of significant ongoing work linked to long-term ambitions such as ending homelessness.

A total of seven actions have been aligned with other commitments and will be delivered through them, while work on the Youth Work Strategy continues to be paused. The Two Child Limit Payment was no longer required following the UK Government's decision to abolish the two-child limit at source.

Table 4.1 – Summary of action status

Expected outcome key:

EMP	Increasing income from employment – relevant to all four targets
HC	Reducing housing costs – relevant to all four targets
OC	Reducing other costs of living – relevant to the low income and material deprivation target
SS	Increasing income from social security and benefits in kind – relevant to all four targets
LC	Improving children's life chances in ways that are not about increasing current income or reducing costs of living but potentially relevant to future child poverty levels, when these children become parents themselves

Status key:

DEL	Being delivered at scale / completed
DRE	Revised commitment being delivered at scale / completed
IP	In progress
ES	Early stages of development
PA	Paused
AL	Aligned with other action
NR	No longer required

Action	Expected outcome	Status
Commence work in local pathfinder areas	EMP, SS, OC, HC, LC	DEL
Act on findings of Rural and Islands Child Poverty Research	EMP, SS, OC, HC, LC	DEL
Social Innovation Partnership – Flourishing Lives	EMP, SS, OC, HC, LC	DEL
Child Poverty Practice Accelerator Fund	EMP, SS, OC, HC, LC	DEL
Establish a SAVVI team in Scotland [NEW]	EMP, SS, OC, HC, LC	DEL
Increase scale of employment support	EMP	DRE
Test and Learn Pilot for lone parents	EMP, LC, SS, OC, HC	DEL
Challenge Fund	EMP	AL

Action	Expected outcome	Status
Parental Transition Fund	EMP	AL
Increasing awareness and uptake of employment support	EMP	DEL
Lifetime Skills Offer	EMP	AL
Adult upskilling and reskilling offer	EMP	AL
Reform of post-school education	EMP, LC	IP
Publish an Adult Learning Strategy for Scotland	EMP	DEL
NHS Demonstrator Project and apprenticeship opportunities	EMP	DEL
NHS Anchors	EMP	DEL
Just Transition Fund	LC, OC	DEL
Strategic plan for childcare	EMP, OC, LC	DEL
Further develop funded early learning childcare for children aged one and two	EMP, OC, LC	DRE
Maximise uptake of existing funded early learning childcare for eligible two year olds	EMP, OC, LC	IP
Build a system of school age childcare	EMP, OC, LC	DRE
Summer 2022 holiday programme	EMP, OC, LC	DEL
Eligibility review for funded childcare	EMP, OC	DEL
Bright Start Breakfasts	EMP, OC, LC	DEL
Deliver concessionary fares for eligible groups	EMP, OC, LC	DEL
Fair Fares Review	EMP, OC, LC	DEL
Next generation of digital travel systems	EMP, OC, LC	DEL
Community Bus Fund	EMP, OC, LC	DEL
Review of Demand Responsive Transport	EMP, OC, LC	DEL
Extend free bus travel to asylum seekers	OC	DEL
Scrapping ScotRail peak fares [NEW]	OC	DEL
Bus cap fare pilot [NEW]	OC	DEL
Connecting Scotland	EMP, HC, OC, SS, LC	DRE
Shared vision for tackling child poverty in partnership with business and employers	EMP	DEL
Refreshed Fair Work Action Plan	EMP	DEL
Workplace Equality Fund	EMP	DEL
Women Returners Programme	EMP	DEL
Public sector grant recipients to pay at least the real Living Wage to all employees	EMP	DEL
Community Wealth Building	EMP	DEL
£12 per hour pay commitment for childcare workers	EMP	DEL
Build child poverty into major Scottish Government events	LC	DEL
Public Sector Pay Policy	EMP	DEL
Supported Business	EMP	DEL
Expand the number of employers paying at least the real Living Wage and offering Living Hours	EMP	DEL
Whole Family Wellbeing Funding	EMP, OC, LC, SS, HC	DRE

Action	Expected outcome	Status
Bail and Release from Custody (Scotland) Bill	LC	DEL
Implement Bairns' Hoose Model	LC	IP
CashBack for Communities	LC	DEL
Strengthen immediate protections for the victims of abuse	LC	IP
Prison Visitor Centres	LC, HC	DEL
Getting it Right For Everyone (GIRFE)	LC	DEL
Family focused services for people with alcohol and drug problems	LC	DEL
Communities Mental Health and Wellbeing Fund for adults	LC, EMP	DEL
Community mental health resilience and social prescribing	LC	AL
Inclusion Health Action in General Practice	LC	DEL
Fairer Funding Programme	LC	DEL
Third Sector Fund	LC, OC, HC, SS	DEL
STV Children's Appeal	EMP, HC, OC, SS, LC	DEL
Family Fund	LC, OC, SS	DEL
Equality and Human Rights Fund	LC	DEL
Place Based Investment Programme	EMP	DEL
Empowering Communities Programme	EMP	DEL
Increase 8 social security payments by 6%	SS	DEL
Scottish Child Payment	SS	DEL
Bridging Payments	SS	DEL
Develop the systems to mitigate the two-child limit	SS	NR
Remove income thresholds from Best Start Foods	SS	DEL
Explore systems of automated payment for Social Security benefits	SS	IP
Carer Support Payment	SS	DEL
Extra payment for carer's of more than one disabled person	SS	DEL
Raising earnings threshold for Carer Support Payment	SS	DEL
Scotland's Child Disability Payment case transfer	SS	DEL
Adult Disability Payment (ADP)	SS	DEL
Winter Heating Payment	SS	DEL
National guidance on school uniforms	HC	DEL
Further expand Free School Meal provision	HC, SS	DEL
Fund to assist in removing the impact of school meal debt on families	HC, SS	DEL
Publish Scottish guidance for Discretionary Housing Payment	HC	DEL
Independent review of the Scottish Welfare Fund	SS	DEL
Mitigate the Benefit Cap as fully as possible	SS	DEL
£150 Cost of Living Payment	SS	DEL

Action	Expected outcome	Status
Benefit take-up strategy	SS	DEL
Social Security Advocacy Service	SS	DEL
Expand the Family Nurse Partnership	LC, HC, OC	DEL
Enhance financial advice from Health Visitors	LC, HC, OC	DEL
Welfare Advice and Health Partnerships	LC, HC, OC	DEL
Free debt and income maximisation advice	SS, OC, HC	DEL
Strategic approach to communications – income maximisation	LC, HC, OC, SS, EMP	DEL
Plan towards ending the need for food banks	SS	DEL
Affordable Housing Supply Programme	HC, LC	DEL
Rural and Islands Housing Action Plan	HC	DEL
Private rented housing sector reforms	HC	IP
Gypsy/Traveller accommodation	HC	DEL
Double investment in the Home Energy Scotland Loans and Grants scheme in 2022-23	HC	DEL
Fuel Insecurity Fund	HC, SS	DEL
Successor to Warmer Homes Scotland	HC	DEL
Ending Homelessness Together	HC, LC	IP
Scale up Housing First	HC, LC	DEL
Fund to Leave [NEW]	HC, LC	DEL
Housing (Scotland) Bill [NEW]	HC	DEL
Play Park renewal	LC	DEL
Refreshed GIRFEC resources	LC	DEL
The Promise Partnership Fund	LC	DEL
Scottish Attainment Challenge	EMP, LC	DEL
Removal of charges for core curriculum subjects	OC, LC	DEL
Improve digital access for school age children	LC, SS	AL
Scottish Mentoring and Leadership Programme	EMP, LC	DEL
Consider models to provide free bikes for children whose parent/guardian cannot afford them	OC, LC	DEL
Free Bikes Partnership Fund	OC, LC	DEL
Investment in sport, active living, and Active Schools programmes	LC	DRE
Youth Work Strategy	EMP, LC	PA
School Leavers' Toolkit	LC	DEL
Tackling the digital divide in further and higher education	EMP, LC	DEL
Enhance the total student support package	EMP, LC	DEL
Young Person's Guarantee	EMP, LC	DEL
Care Leaver Payment (Care Experience Grant)	SS	DEL
Legislate to exempt under 22s from Council Tax	HC, LC	AL
Expansion of tutoring programme [NEW]	OC, LC	DEL
Short breaks [NEW]	OC	DEL
£10 million emergency support for families [NEW]	EMP, HC, LC, OC	DEL

Updates on other actions

The following table provides summary updates on actions committed within 'Best Start, Bright Futures' which are not included within section 2 of this report.

Table 4.2 – Progress on other actions

Action	Activity
Just Transition Fund	<p>In 2025-26, we have invested £15.9 million in the Just Transition Fund which has safeguarded and created jobs in some of the most deprived areas of the North East. This includes £8.5 million to facilitate a new bidding round and £7.4 million to complete existing projects supporting businesses, workers and communities</p> <p>The Just Transition Participatory Budgeting Fund, which forms part of existing investment, enables communities to have a direct say on where money is spent. The Participatory Budget programme has supported 37 community projects, including supporting households with fuel bills and providing a community van to deliver assistance and provide free transport to local residents.</p>
Supported business	<p>We have continued work to increase the use of our supported businesses Dynamic Purchasing System (DPS) by public bodies and expand the number of supported businesses listed. This has continued to ensure Scottish public bodies and third-sector organisations have a clear and efficient route to market for a range of goods and services which are reserved for and provided by supported businesses. We are continuing to work with supported businesses across Scotland, helping them access and win public contracts through reserved contracts and calls for competition via the DPS.</p>
Connecting Scotland	<p>Continuing our work to reduce digital exclusion, in July 2025 we published the Phase Two report exploring a Minimum Digital Living Standard for Scotland. This builds upon the interim report, drawing on stakeholder surveys and in-depth family interviews, with research focussed on the needs of households with children in particular.</p> <p>We also launched two new funds in October 2025, providing around £1.4 million to support a range of digital inclusion interventions across Scotland. Worth £442,327, the Connecting Scotland Digital Inclusion Fund is supporting 15 local projects, with activity underway as of March 2026 across a range of communities. Meanwhile, the Civtech Challenge 11.9 is working to identify innovative approaches to support people to access key online services, backed by investment of up to £1 million. Both funded projects are focussed on reaching low income households and priority groups, supporting individuals and communities to access digital devices, connectivity and support.</p>

<p>Build child poverty into major Scottish Government events</p>	<p>Through Scotland's National Events Strategy we are continuing to work with delivery partners to ensure that processes are in place to assess the potential to support our work to tackle child poverty. Beyond the positive economic impacts of directly investing in major events, we are also focussed on impact and legacy activities which can continue to support wider community engagement across Scotland.</p> <p>We have built Fair Work First principles into all the Scottish Government major events contracts for funded events over this reporting period and beyond. This includes the upcoming the Tour de France Grand Depart 2027 and UEFA EURO 2028.</p>
<p>Bail and Release from Custody (Scotland) Bill</p>	<p>Part 1 of the Bail and Release from Custody (Scotland) Bill came into effect in May 2025, seeking to ensure that in as far as possible, the use of remand is focused on those that pose the greatest risk to safety. We are continuing work in relation to the staged implementation of Part 2, which will seek to improve release planning process and support available to people leaving prison.</p>
<p>Barnahaus model</p>	<p>The Bairns' Hoose programme continues to make significant progress towards incremental roll-out from 2027, supported by £10.5 million in investment in 2025-26. Now in its final Pathfinder year, partnerships are steadily testing and refining the model, ensuring children can access safe, trauma-informed, multi-agency support within a single setting. Children and young peoples lived experience continues to influence programme development, ensuring the model remains rights-based and responsive to what matters most to them.</p> <p>Nineteen partnerships are at various stages of development and implementation. Seven Hooses are now providing services in Aberdeen City, Aberdeenshire, Argyll and Bute, Highland, North Strathclyde, Tayside, Edinburgh East and Midlothian. Additional sites are also in active development throughout Scotland.</p> <p>Emerging evidence from the Pathfinder Phase indicates that the Bairns' Hoose model is already strengthening multi-agency coordination and improving children's experiences of protection, recovery and justice processes, with partners reporting clearer recovery pathways and more consistent trauma-informed practice.</p>
<p>CashBack for Communities</p>	<p>Phase Six of the CashBack for Communities Programme concluded on 31st March 2026. Running since April 2023, up to £20 million was committed with delivery supported by 29 grant funded partners.</p> <p>The Annual Impact Report for 2024–25, published in September 2025, highlighted that more than 15,000 young people were supported by the programme during the year, with support targeted at those aged 10-25 living in communities in the bottom 20% of SIMD. The Annual Impact Report for 2025–26, alongside a full evaluation of Phase Six, is due to be published in autumn 2026.</p>

<p>Strengthen immediate protections for the victims of abuse</p>	<p>The Scottish Government is continuing to work with stakeholders to consider how Part 1 of the Domestic Abuse (Protection) (Scotland) Act 2021 can be implemented. A short life working group was established in September 2025 comprising of justice agencies and victims organisations that will be key to the operation of the scheme.</p> <p>Part 2 of the 2021 Act will provide additional powers to social landlords to apply to the court to end the tenancy rights of those who have been abusive to their partner or ex-partner. The Regulations required to commence Part 2 of the 2021 Act were approved by the Scottish Parliament and will come into force from 1 August 2026 – giving social landlords greater control to transfer a tenancy to a victim-survivor.</p>
<p>Prison Visitor Centres</p>	<p>In 2025-26 we invested over £800,000 in Prison Visitor Centre (PVC) services at 14 custodial establishments across Scotland, delivered by third sector organisations. This funding has enabled continued provision of a range of direct supports, including advice and referral to wider agencies and services to families many of whom come from harder to reach groups and are directly impacted by multiple disadvantages including poverty.</p> <p>An independent review of PVC services is underway which aims to evaluate the nature of support provided in order to learn from current practice and consider options for future development, with a report anticipated in summer 2026.</p>
<p>Third Sector Fund</p>	<p>Through our Children, Young People, Families Early Intervention (CYPFEI) and Adult Learning and Empowering Communities (ALEC) and Children, Young People, Families and Adult Learners (CYPFAL) third sector funds we provided around £18 million of core funding to 136 third sector organisations supporting children, young people and families in 2025-26. As of March 2025, these organisations reported that they were directly supporting over one million people annually.</p>
<p>STV Children's Appeal</p>	<p>In 2025-26 the Scottish Government awarded £1 million to the STV Children's Appeal, supporting delivery of frontline support for children, families and young people and using the reach of STV to raise awareness of the impact of child poverty. This is enabling support to third sector and grassroots organisations across all 32 Local Authority areas. In 2025, a total of 361 awards had been made, with 311 of these to small charities and community-led groups across Scotland, supporting over 58,000 people, a further 11 focused on prevention, learning and sustainability supporting over 9,000 children and young people, and 15 awards to Magic Breakfast providing over 1,800 children and young people with a nutritious breakfast.</p>

<p>Family Fund</p>	<p>We awarded over £3.2 million to the Family Fund in 2025-26, supporting their work to provide small grants to families on a low income in Scotland who are raising disabled or seriously ill children under the age of 18 and provide wider support. This included an additional £350,000 through the Tackling Child Poverty Fund to strengthen the support available.</p> <p>Investment enabled over 6,400 families to receive a grant for items they would not have otherwise been able to afford, including essentials such as kitchen appliances, furniture and furnishings, clothing, family breaks, home technology, sensory and play equipment. This includes an additional 1,004 grants awarded as a result of additional child poverty funding.</p> <p>As part of the total funding provided, the Family Fund also delivered 20 digital income booster workshops, supporting almost 200 participants to access online benefits and increase online skills for their families.</p>
<p>Equality and Human Rights Fund</p>	<p>The Equality and Human Rights Fund is continuing to support a range of civil society organisations that deliver work focused on tackling inequality and discrimination, furthering equality, and advancing the realisation of human rights in Scotland. In 2025-26 the Fund distributed a further £8.3 million in funding to organisations addressing gender, disability and race equality.</p>
<p>Place Based Investment Programme (PBIP)</p>	<p>Over £40 million was invested through regeneration capital investment programmes to support the delivery of projects in 2025-26. Of this, £18 million of Place Based Investment Programme funding was allocated directly to all 32 Local Authorities to support community regeneration and improve public spaces. This in addition to over £13 million in funding to support the delivery of new projects through the Regeneration Capital Grant Fund, which are expected to create around 170 new jobs and more than 560 training places. £3.5 million was also provided to Clyde Gateway Urban Regeneration Company to support the delivery of the 20-year delivery plan to regenerate the east end of Glasgow. Funding has supported regeneration projects including supporting community asset ownership and creating or enhancing community facilities which provide a range of opportunities including provision of community-led services.</p>
<p>Empowering Communities Programme</p>	<p>Delivery of the Empowering Communities Programme continued in 2025-26, including over £9 million of support through our Investing in Communities Fund. Information from monitoring reports show that in the first 6 months of 2025-26 over 150,000 people participated or benefitted from the projects being delivered, with projects supporting over 4,345 volunteers delivering over 302,053 volunteering hours. Additionally, 678 people have been supported into employment and 2,336 supported into other positive destinations including higher education through funded projects.</p>

<p>Play Park renewal</p>	<p>The Scottish Government invested a total of £25 million in play park renewal in 2025-26, an increase from £20 million the previous year, with 688 play parks renewed or in the process of renewal as a result.</p> <p>From the total funding of £60 million invested since 2021, 1,960 playparks have been renewed. This means that almost all of the 1,985 parks initially identified as in need of immediate or medium-term renewal have been renewed, supporting children to access high-quality outdoor play in their communities.</p>
<p>Refreshed GIRFEC resources</p>	<p>We are continuing to embed GIRFEC as a rights-based, holistic and multi-agency approach to understanding a child and family’s needs and ensuring coordinated delivery of support can improve their wellbeing. Over 6,800 professionals have completed NHS National Education for Scotland GIRFEC e-learning modules since December 2024, providing a nationally consistent set of professional learning materials to better support the knowledge and skills of the workforce in GIRFEC implementation across public agencies.</p>
<p>Scottish Attainment Challenge</p>	<p>In 2025-26, over £185 million was invested in the Scottish Attainment Challenge, with funding provided to schools, Local Authorities and third sector organisation with the aim of improving educational outcomes for children and young people affected by poverty. Statistics published in December 2025 show improvements in attendance, attainment, behaviour and curriculum in our schools. Attainment levels are at a record high in literacy and numeracy, with the poverty-related attainment gaps in literacy and numeracy at record lows in primary and secondary schools, following investment of £1.75 billion in the Scottish Attainment Challenge over the past decade.</p> <p>Summative evaluation of the Attainment Scotland Fund Evaluation Strategy across 2022-26 was published in March 2026, informing future decision making around funding and approaches to address poverty and improve education. National operational guidance for Pupil Equity Funding, Strategic Equity Funding and Care Experienced Children and Young People Funding, was also published in March to help Local Authorities and schools plan how to use their funding effectively.</p>
<p>Removal of charges for core curriculum subjects</p>	<p>We have provided a total of £8 million to Local Authorities and grant aided schools to cover the removal of core curriculum charges for the 2025-26 financial year, with a further £8 million committed in the 2026-27 budget. This means that families do not have to meet the costs of resources and materials for practical lessons, removing cost as a factor when pupils are making choices about their education.</p>
<p>Improve digital access for school age children</p>	<p>This has been aligned with the development of a more strategic approach to all aspects of technology in schools over the life of this Delivery Plan.</p>

<p>Investment in sport, active living, and Active Schools programmes</p>	<p>In 2024-25, there were 5 million visits to free Active School activities by 279,000 pupils, an increase of 17,000 pupils from the previous year. In autumn 2025 an evaluation of the Active Schools programme was published, showing that this is contributing significantly to education and learning outcomes, including supporting attendance and engagement at school.</p>
<p>Youth Work Strategy</p>	<p>Following the independent review of Community Learning and Development (CLD) published in July 2024, the CLD Strategic Leadership Group was established to set out and deliver a clear, learner-centred vision for providing the best outcomes for Scotland’s communities and the people in them. The group, co-chaired by the Scottish Government and COSLA, has met four times across the reporting year. During this period, they have worked to develop an approach to delivering priorities and published the CLD outcomes 2025-2028 which sets a clear direction of travel for meaningful change, including for youth work.</p>
<p>Enhance the total student support package</p>	<p>Through our Higher Education student support package, this year we have continued to provide £11,400 for our most vulnerable students, including those who are from the lowest household income, estranged and care experienced.</p>
<p>Emergency support for families [NEW]</p>	<p>In January 2025, it was announced that £10 million in funding originally earmarked to support the two-child limit mitigation payment in Scotland would be reinvested in wider efforts to tackle child poverty. The majority of the funding was allocated between charities and government programmes that provide emergency financial support, including additional £550,000 for Aberlour Children’s Charity’s Urgent Assistance Fund, £1.5 million for Children First to provide extra emergency support to families in crisis and £1.5 million for the Corra Foundation to distribute additional emergency funds via local organisations.</p> <p>This funding has supported families and households, helping to cover the cost of essentials and deal with emergencies. Aberlour’s Urgent Assistance Fund supported over 1,000 families across Scotland, with awards averaging around £478 per family. Children First provided £1.3 million in direct financial support to around 4,000 families. Investment also supported additional capacity within the Children First helpline, providing wider wrap-around support for families in need. Corra Foundation’s Household Hardship Fund provided funding to 184 organisations, supporting households and families on low incomes to access food and other essentials.</p> <p>A full breakdown of funding allocation is held at Table 4.4.</p>

<p>Scalable Approach to Vulnerability via Interoperability) (SAVVI) [NEW]</p>	<p>Through the Tackling Child Poverty Fund, £256,000 was allocated in 2025-26 to allow the Improvement Service to host a SAVVI (Scalable Approach to Vulnerability via Interoperability) team in Scotland. This is supporting efforts to create a standardised and transparent data-sharing landscape that facilitates the legal, ethical and proportionate sharing of data – allowing Local Authorities to identify vulnerable households and support action to tackle child poverty.</p> <p>The specialist team was successfully established, consisting of an information governance expert, a technical/data standards expert and a SAVVI coach to lead multi-disciplinary teams through the process.</p> <p>In 2025-26, the team supported several Local Authorities to explore potential data share approaches to support benefit uptake, and produced a financial hardship blueprint tailored to Scotland to support local partners with future data share requests.</p>
<p>Expansion of tutoring programme [NEW]</p>	<p>In 2025-26, £91,000 was awarded from the Tackling Child Poverty Fund to pilot an extended tutoring provision to more senior phase pupils from disadvantaged backgrounds in the East and West of Scotland.</p> <p>The tutoring programmes are focused on helping young people to maximise their potential and potential to participate in higher education by leveraging in the resources and expertise of wider partners, including universities.</p> <p>Investment in the 2025-26 pilot has enabled additional pupils to be reached in 10 schools across six Local Authority areas.</p>
<p>Short breaks [NEW]</p>	<p>In 2025-26, the Tackling Child Poverty Fund awarded an additional £1.135 million to Family Fund to expand delivery of the Scottish Government funded Take a Break Scotland programme.</p> <p>The additional funding was distributed to 3,179 unpaid carers, supporting 4,254 disabled or seriously ill children under 18 across all Local Authority areas. This allowed carers to access breaks, items, activities and day trips which would have otherwise been challenging to afford or to prioritise, enabling unpaid carers and their families to enjoy a meaningful break to maintain their health and wellbeing.</p>

Investment through the Tackling Child Poverty Fund

The following table sets out investment from the Tackling Child Poverty Fund over the life of 'Best Start, Bright Futures'. As shown below, spend has exceeded the commitment to invest £50 million over the life of the plan (2022-26).

In the past year we have invested in a range of new and strengthened action focused on tackling child poverty in its broadest sense – from increasing the availability of childcare for families, to supporting the effective use of data by public services through the SAVVI initiative and enabling more carers to take short breaks with their families. This is in addition to our continued investment in programmes supported in 2024-25, including support for mutual mentoring through the Wise Group and increased investment for Child Poverty Practice Accelerator Projects.

Table 4.3 outlines recorded and provisional levels of investment, correct at the point of publication. All totals expressed are £0.000m. Spend for previous years has been updated with final or revised outturn figures where these are available.

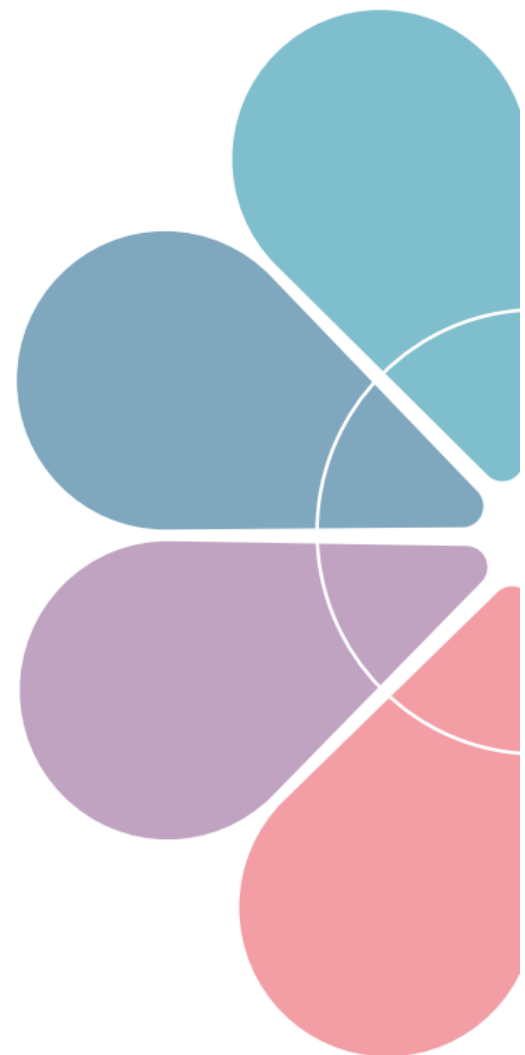


Table 4.3 – Summary of Tackling Child Poverty Fund investment

Programme	2022-23	2023-24	2024-25	2025-26	TOTAL
Doubling the Winter 2022 Scottish Child Payment Bridging Payment	18.991	0	0	0	18.991
Emergency food insecurity funding to respond to the cost of living crisis	1.775	0	0	0	1.775
Social Innovation Partnership	2.600	2.200	1.800	1.500	8.100
Fairer Future Partnerships, including evaluation*	0.699	0.693	1.500	2.200	5.092
Low income family targeted strategic communications	0.653	0.442	0.369	0.842	2.306
Enhancing local tackling child poverty action	0.107	0.263	0.321	0.356	1.047
Programme Delivery Costs	1.532	0.950	0.029	0.117	2.628
Child Poverty Practice Accelerator Fund	0	0.220	0.569	0.727	1.516
Wise Group	0	0	0.765	2.185	2.950
Increase to the Scottish Welfare Fund*	0	0	2.725	0	2.725
SAVVI	0	0	0	0.256	0.256
Holiday services for children with a disability	0	0	0	1.000	1.000
Extra Time (increase)	0	0	0	1.500	1.500
Family Fund (increase)	0	0	0	0.350	0.350
Living Hours accreditation boost	0	0	0	0.047	0.047
Scotland's learning partnership workshops	0	0	0	0.150	0.150
Expansion of tutoring programmes	0	0	0	0.091	0.091
Fund to Leave*	0	0	0	0.600	0.600
Discretionary Housing Payments – move from Private Rented Sector*	0	0	0	1.000	1.000
Short breaks for carers	0	0	0	1.135	1.135
TOTAL	26.357	4.768	8.078	14.056	53.259

* Contribution toward total investment

Reinvestment of Two Child Limit Payment funding

The following table sets out how funding originally earmarked in 2025-26 to support the two-child limit mitigation payment in Scotland was invested in tackling child poverty. On 8 January 2026, the First Minister announced that £9 million would be made available to charities and government programmes that provide emergency financial support, and a further £1 million would support wider measures. Figures below reflect outturn spend against this commitment.

Detail on how funding in 2026-27 has been allocated can be found in [Annex 1](#) of the Tackling Child Poverty Delivery Plan for 2026-31.

The table below outlines recorded and provisional levels of investment, correct at the point of publication. All totals expressed are £0.000m:

Table 4.4: Reinvestment of Two Child Limit Payment funding in 2025-26

Programme	(£m)
Scottish Welfare Fund boost	5.465
Children First – support for families	1.500
Corra Foundation – Household Hardship Fund	1.500
Aberlour Children’s Charity – Urgent Assistance Programme	0.550
Ending Homelessness Together Fund (increase)	0.150
Kings Trust, NHS Scotland Partnership (expansion)	0.500
Additional Parental Employability Support activity	0.242
Women Returner Programme	0.038
Flexibility Works – supporting increased flexible working	0.025
TOTAL	9.970

Investment to support children in poverty

In the 2025-26 financial year, it is estimated that over £3.1 billion was invested across a range of programmes targeted at low income households. Of this, we estimate that almost £1.5 billion benefitted children. These totals, along with the breakdown of estimated spend on individual programmes, can be seen in the tables below. Comparative to 2024-25 estimates, this represents an increase of nearly £287 million in spend targeted to low income households and an increase £74 million in spend which benefitted children.

These figures are estimates. They comprise a mixture of outturn, budgeted, and forecasted figures, depending on what was available at the time. Some of the figures are published, whereas others were sourced internally. Furthermore, although we have attempted to stay consistent with the figures included in the equivalent table in previous progress reports, inconsistencies could remain. For policies targeted at all people on a low income, we have given consideration to any additional evidence which would enable us to produce a better estimate and have included footnotes to indicate the methodology used. In the absence of this information we have continued to use the latest statistics on the proportion of people in poverty who are children as in previous years (21% in 2022-25) to derive an estimate of spend which benefitted children in low income households. We have excluded administration costs where possible.

As in previous years, these estimates do not include spend on universal services from which children in poverty will also benefit, including services focused specifically on children such as funded Early Learning and Childcare, or wider support including free prescriptions, healthcare, free tuition and free bus travel for under 22s – all of which form a core part of Scotland's cost of living guarantee. The exception is the universal Free School Meal provisions which are included in the School Meal calculation, this is due to the interaction of the various funds for free school meals and the varied take up of the offer by students. Disability benefits have also been excluded from the calculations, as these are non-means tested and their purpose is to provide support to help with the additional costs associated with having a disability or long-term health condition. Wider investments such as these are important aspects of our overall strategy to reducing child poverty.

As with estimates produced last year, we continue to use a three-year average for the proportion of people in poverty who are children.

Table 4.5a sets out estimates of investment across 2022-26, drawn from Table 4.5b and calculations published in the respective progress reports. It is estimated that across the life of 'Best Start, Bright Futures' £11.88 billion was invested across a range of programmes targeted at low-income households. Of this, we estimate that £5.54 billion benefitted children. Comparative to 2018-22 estimates, this represents an increase of £3.4 billion in spend targeted to low income households in 2022-26, and an increase of £2.25 billion in spend which benefitted children. Relative to 2018-19, spend benefitting children increased by £961 million in 2025-26.

Table 4.5a - Estimate of spend to support children in poverty 2022-26

Group	2022-23	2023-24	2024-25	2025-26	Total
Low income households (£m)	3,026.48	2,868.26	2,848.31	3,135.01	11,878.06
Benefitting children in low income households (£m)	1,253.90	1,379.67	1,414.44	1,488.62	5,536.63

Table 4.5b - Estimate of total spend to support children in poverty in 2025-26

Targeting approach	Low income households (£m)	Children in low income households (£m)
Low income households with children	1,037.88	1,037.72
Low income households, not necessarily with children	2,097.13	450.90
Cumulative total	3,135.01	1,488.62

Table 4.5c - Estimate of spend targeted to low income households with children in 2025-26

Policy	Low income households (£m)	Children in low income households (£m)
Attainment Scotland Fund ³	185.93	185.93
Benefit Cap Mitigation ⁴	5.41	5.25
Best Start Foods	16.60	16.60
Best Start Grant	19.00	19.00
Education Maintenance Allowance	17.40	17.40
Emergency Financial Support for Families ⁵	3.55	3.55
Family Fund	3.28	3.28
Family Nurse Partnerships ⁶	17.25	17.25
Parental Employability Support Fund	39.45	39.45
School Clothing Grant	14.20	14.20
School Meal alternate holiday provision	21.75	21.75
School Meals, including Free School Meals ⁷	169.80	169.80
School Meals, Scottish Child Payment Expansion	37.00	37.00
Scottish Child Payment	460.50	460.50
STV Children's Appeal	1.00	1.00
Whole Family Wellbeing Funding ⁸	9.32	9.32
Wraparound (School Age Childcare)	16.44	16.44
Total	1,037.88	1,037.72

³ Inclusive of Pupil Equity Fund and Scottish Attainment Challenge investment.

⁴ Outturn figures for 2025-26 are provisional and subject to change. % of spend that targeted children based on DWP statxplore data (approx. 97% of households affected by the benefit cap are families).

⁵ Funding issued to Corra Foundation, Aberlour and Children First, per table 4.4.

⁶ The share of this funding assumed to benefit children in low income households has increased from 75% to 100% in 2025-26, previously only spending within SIMD most deprived areas was counted.

⁷ Includes universal free school meals. Due to the interaction of various free school meal funds and varied take up of the offer, the whole fund is assumed to benefit children in low income households.

⁸ The estimate of the policy's spend targeted at low income households was calculated as a proportion of all children that are in relative poverty after housing costs (23% in 2021-24).

Table 4.5d - Estimate of spend targeted to low income households, not necessarily with children in 2025-26

Policy	Low income households (£m)	Children in low income households (£m)
Advice in an Accessible Setting ⁹	1.73	0.36
Advice Services (Income max/financial advice) ¹⁰	7.08	2.64
Affordable Homes	825.22	173.30
Carer Support Payment	437.40	91.85
Carer's Allowance Supplement	60.20	12.64
Connecting Scotland	0.14	0.03
Council Tax Reduction - revenue foregone	351.00	73.71
Discretionary Housing Payments (Excluding Benefit Cap mitigation) ¹¹	87.74	13.02
Fair Start Scotland	2.89	0.61
Fuel Poverty/Energy Efficiency ¹²	153.00	38.25
Funeral Support Payment	12.70	2.67
Island Cost Crisis Emergency Fund	1.00	0.21
No One Left Behind employability support (other groups)	38.55	8.10
Job Start Payment	0.24	0.08
Regeneration Strategy ¹³	46.17	9.70
Scottish Welfare Fund ¹⁴	41.00	17.22
Social Innovation Partnership	1.79	0.38
Tackling Food Insecurity	0.93	0.20
UC Scottish Choices	0.25	0.05
Winter Heating Payment	28.10	5.90
Total	2,097.13	450.90

⁹ Inclusive of spend through Welfare Advice and Health Partnerships (WAHPs) and the Advice in Accessible Settings Fund (ASF). ASF targeted spend calculated based on project level data.

¹⁰ Inclusive of funding to Advice Direct Scotland, Christians Against Poverty, MTT, Money Advice Trust, One Parent Families Scotland and Stepchange. Calculated using both project level data and proportion of people in poverty who are children.

¹¹ Outturn figures for 2025-26 are still provisional and subject to change. 14.9% of beneficiaries of bedroom tax mitigation were families, based on DWP statsxplore data. Proportion of people in poverty who are children applied to budget for other DHPs.

¹² Includes investment through Area Based Schemes, Wamer Homes Scotland, spend focused on social housing and affordable housing and a proportion of funding for advice through Home Energy Scotland which is likely to benefit low income households.

¹³ Funding inclusive of Regeneration Capital Grant Fund, Place Based Investment Programme and Communities Empowerment Programme.

¹⁴ Based on funding allocated to families with children.

Child Poverty (Scotland) Act 2017 Requirements

Section 10 of the Child Poverty (Scotland) Act 2017 sets out a range of requirements around progress reports. The following explains how we have met those requirements by provision, with directions to the relevant sections or specific pages within this report.

10(1) Scottish Ministers must, before the end of the period of 3 months beginning with the last day of each reporting year, prepare a report (a “progress report”) on the progress made during the year—

- a) towards meeting the child poverty targets, and**
- b) in implementing the relevant delivery plan.**

This is the eighth progress report due under the Child Poverty (Scotland) Act 2017.

Section 3 outlines our approach to assessing progress and presents the most recent data on the four targets, including statistics for 2024-25. Progress in implementing the Delivery Plan across 2025-26 is set out in section 2.

10(2) A progress report must in particular

(a) describe the measures taken by the Scottish Ministers in accordance with that delivery plan.

Section 2 sets out key progress in implementing ‘Best Start, Bright Futures’, aligned with thematic areas of focus. Brief updates on actions not otherwise reported can be found in Table 4.2

(b) describe the effect of those measures on progress towards meeting the child poverty targets.

Each thematic area of focus in Section 2 includes a summary of the impact of actions based on the latest evidence available.

Section 3 details a summary of changes in the drivers of poverty reduction and the contribution of policies. Economic modelling was published alongside ‘Best Start, Bright Futures’ setting out anticipated impacts on the child poverty targets.

An updated [cumulative impact assessment](#) was published in March 2026.

(c) the effect of those measures on reducing the number of children living in single-parent households against each of the four targets.

Section 3 presents the most recent child poverty statistics for the six priority families identified in ‘Best Start, Bright Futures’ – including children living in single parent households – and reflects on changes in poverty rates for these groups over time.

Section 2 sets out the impact of policies for lone parent families where available.

(d) the effect of those measures on children living in households whose income is adversely affected, or whose expenditure is increased, because a member of the household has one or more protected characteristics.

Section 3 presents the most recent child poverty statistics for the six priority families identified in 'Best Start, Bright Futures' and reflects on changes in poverty rates for these groups over time.

Section 2 sets out the impact of policies for low income families. The impacts for family types at greatest risk of poverty are set out where available.

10(3) If, in preparing a progress report, Scottish Ministers consider that the measures taken in accordance with the relevant delivery plan have not delivered sufficient progress towards meeting the child poverty targets, the progress report must describe how the Scottish Ministers propose to ensure sufficient progress is delivered in the future.

We recognise that progress towards meeting Scotland's 2030 targets has been and will be extremely challenging, and that further action is needed beyond what has been delivered under 'Best Start, Bright Futures' so far.

That is why the Scottish Government published '[Bringing Hope, Building Futures](#)', in March 2026, committing further concrete action to drive continued progress on child poverty. Since publication of the Delivery Plan in March, we have set out additional plans, including to expand childcare, to cap the cost of bus fares and essential food items, to deliver 150,000 apprenticeships, and to expand eligibility for Free School Meals – helping to drive further progress.

We will publish the first annual progress report against delivery of 'Bringing Hope, Building Futures' by the end of June 2027 setting out priorities for the year ahead.

Responding to the recommendations and advice of the Poverty and Inequality Commission

Sub-sections 10(4) to 10(6) of the Child Poverty (Scotland) Act 2017 set out requirements in relation to consulting the Poverty and Inequality Commission in preparation of an annual progress report on child poverty.

The Scottish Government wrote to the Poverty and Inequality Commission in January 2026 to formally invite scrutiny. The Poverty and Inequality Commission shared their advice and comments with the Scottish Government in May 2026. This restates the fourteen recommendations made to the Scottish Government on the 2026-31 Delivery Plan. The advice received is published in full on the [Poverty and Inequality Commission's website](#).

The Scottish Government's response to the comments and recommendations of the Poverty and Inequality Commission is detailed below.

The progress made during the reporting year towards meeting the child poverty targets:

“There has been positive progress during 2025-26 in a number of areas. Take-up of the Scottish Child Payment has increased, and the Scottish Government showed important leadership in taking forward work to mitigate the two-child limit. Employability funding appears to have stabilised, providing greater certainty for services and service users, while the evaluation of the expansion of Early Learning and Childcare has found that it has had a positive impact on maternal employment. After previous funding cuts to the Affordable Housing Supply Programme, and a slowing of approvals and starts for new homes, 2025-26 has seen an increased focus on affordable housing, with higher levels of funding and an improved trajectory in the second half of 2025. Many individual children and families are likely to have benefited from smaller-scale funded projects and programmes.”

Scottish Government response:

Across the reporting year the Scottish Government has continued to drive forward action to tackle child poverty and the cost of living for families. As the Commission notes, there has been positive progress made. The Scottish Child Payment alone is estimated to have a significant impact on families, keeping 50,000 children out of poverty in 2025-26. We have also gone further, focusing on improving take up and awareness of employability support for parents and establishing our Bright Start Breakfasts Fund which is helping to inform and shape the national breakfast club offer announced through the 2026-27 Scottish Budget.

We also reprioritised funding previously committed to our Two Child Limit Payment in 2025-26 in order to provide immediate support to families struggling with the cost of living over the winter period. Funding provided to Children First and Aberlour has supported over 5,000 families, while funding distributed by the Corra Foundation has enabled 184 organisations to provide support to families in their communities.

We remain acutely aware of the key areas where further action is required to tackle child poverty and have continued work across this reporting year to strengthen our evidence base on what works, and where we must go further to drive progress.

Through ‘Bringing Hope, Building Futures’, our Tackling Child Poverty Delivery Plan for 2026-31, published in March, we have set out clearly the 15 interconnected areas where further action is needed – spanning across the key themes of increasing earned incomes, reducing costs of living, maximising incomes from social security and benefits in kind and supporting children and families to thrive. The actions contained within this plan will build on the wide-ranging action delivered since 2018 to drive further progress in eradicating child poverty.

Whether it appears to the Commission that such progress is sufficient to meet the child poverty targets:

“The action the Scottish Government is taking is benefiting children and families, but all the evidence points to the conclusion that the Scottish Government continues to be on course to miss the child poverty targets by a large margin. The scale of the action to date does not meet the scale of the challenge and the Commission’s view is that the new actions set out in ‘Bringing Hope, Building Futures’ do not add up to an agenda that changes this. Judgements on progress towards the targets are complicated this year by the recent methodological changes to the child poverty statistics and the uncertainty in the data. Despite this, it is fair to conclude that the child poverty statistics suggest that the Scottish Government has a large gap to close if it is to meet the 2030 targets. The Scottish Government’s cumulative impact assessment estimates that, based on existing and newly announced policies, relative and absolute child poverty will fall further, but by 2030-31 will remain substantially above the targets. The incoming government must take immediate and decisive action that goes beyond what is included in the delivery plan.”

Scottish Government response:

The Scottish Government remains committed to eradicating child poverty and improving the lives of children and families across Scotland through ‘Bringing Hope, Building Futures’, the Tackling Child Poverty Delivery Plan for 2026-31.

Since publication of the Delivery Plan in March, we have set out additional plans, including to expand childcare, take forward plans to ensure essential food in our supermarkets is affordable, to cap the cost of bus fares, to deliver 150,000 apprenticeships, and to expand eligibility for Free School Meals – helping to drive further progress.

Further detail of the Scottish Government’s plans to tackle child poverty and the cost of living for families will be set out through Programme for Government and the Scottish Budget 2026-27. Updated plans will be reflected through the annual progress report on child poverty published by the end of June 2027.

What further progress the Commission considers is required to meet the child poverty targets:

“Scotland has committed to eradicating child poverty. This requires ambitious policies and actions, and the alignment of budgets and activity to deliver this. The Commission recommends that the incoming Scottish Government should quickly set out the additional action that it will take and how this will enable it to reach the 2030 targets. It should use the child poverty progress report for 2025-26, that it is required to publish by June 2026, to do this. In considering what additional action to take it should revisit the fourteen recommendations the Commission made in its advice to Scottish Government on what should be included in the 2026-2031 Delivery Plan.”

Scottish Government response:

Eradicating child poverty was at the heart of the Scottish Budget for 2026-27 and the Scottish Spending Review, which underpin 'Bringing Hope, Building Futures'. This includes through commitments to invest £40 million in 2026-27 to deliver new support with transport and skills for families, to increase our Scottish Child Payment to £40 for families with a child under 1 during 2027-28, and to invest £100 million to deliver a national breakfast club offer for primary school aged children.

The First Minister has been clear that it will be the defining mission of this government to support families with the cost of living and to eradicate child poverty. Driving further progress on child poverty across portfolios will be a key consideration in development of Programme for Government and the forthcoming Scottish Budget for 2027-28, which will provide an update on future plans.

Recommendations made by the Commission:

"The Commission made fourteen recommendations to the Scottish Government in the advice it provided on the 2026-2031 Delivery Plan. Some aspects of the advice are reflected in the Delivery Plan but some recommendations are not, or are only partially reflected, without the necessary scale and ambition. There have been no substantive changes in policy nor conditions since these recommendations were made. Therefore, rather than provide new proposals, the Commission recommends that the incoming Scottish Government revisits and adopts those recommendations."

Scottish Government response:

The Scottish Government set out a response to each of the Poverty and Inequality Commission's 14 recommendations in [Annex 1 of 'Bringing Hope, Building Futures'](#), published on 12 March 2026. These responses detail action being taken and direct to relevant sections of the Delivery Plan where further information can be found.

Following publication of 'Bringing Hope, Building Futures', the Scottish Government has taken immediate steps to implement the ambitious actions committed. This includes allocating £19 million of funding to tackle transport costs and availability challenges for families to Local Authorities and Regional Transport Partnerships, and opening the Whole Family Support Third Sector Fund for applications – with more than 80 bids being received from third sector organisations and collectives. In addition, work has begun at pace to deliver additional childcare funding committed and to launch our £21 million package of enhanced skills support from the start of the 2026-27 academic year.

The Scottish Government has now set out plans to go further to keep more money in people's pockets and reduce the burden of increasing costs. This includes ambitious measures such as expanding year-round childcare to all children from nine-months to the end of primary school by the end of the Parliamentary term, introducing a £2 nationwide cap on bus fares, and taking forward plans within the first 100 days of this Parliament to ensure essential food in our supermarkets is affordable.

Ongoing consideration will be given to the Poverty and Inequality Commission's recommendations in development of Programme for Government and the Scottish Budget 2026-27, and across the life of 'Bringing Hope, Building Futures'.



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