

# Social Justice and Social Security Committee

## Child Poverty Statistics

### Child Poverty Action Group (CPAG) in Scotland Response

#### Theme 1: Child poverty statistics for Scotland

##### **1. What do you think are the key reasons the interim targets have been missed?**

The key reason the interim targets have been missed is that, despite having identified the right interventions to tackle the drivers of child poverty, the scale and pace of action has not been sufficient.

Most critically the government failed to act on calls, including from CPAG, other members of the End Child Poverty coalition<sup>1</sup>, and opposition parties<sup>2</sup> to increase the level of the Scottish child payment. Analysis published by IPPR Scotland had suggested a £40 payment would “get us beyond the interim target and on a positive path to our final targets.”<sup>3</sup>

Furthermore, the wider policy package set out in the current child poverty delivery plan falls far short, even if it were fully funded and delivered, of what is needed to meet the statutory targets set out in the Act. The Scottish government’s Tackling Child Poverty Progress Report 2023-2024 also made it clear that not all actions set out in its delivery plan have been adequately funded or delivered<sup>4</sup>, including those on childcare,

---

<sup>1</sup> End Child Poverty, Budget Briefing 2024-25. Available here:

<https://cpag.org.uk/news/end-child-poverty-budget-briefing-2024-25>

<sup>2</sup> See: <https://greens.scot/news/cold-and-hungry-children-cannot-wait-for-action> and <https://scottishlabour.org.uk/blog/childpaymentplan/>.

<sup>3</sup> IPPR, Poverty doesn't have to be inevitable, 2023.

<https://www.ippr.org/articles/poverty-doesn-t-have-to-be-inevitable-it-needs-political-will-and-investment-to-eradicate>.

<sup>4</sup> 'Best Start, Bright Futures: Tackling Child Poverty Progress Report 2023-24', Scottish Government, June 2024. Available

at: <https://www.gov.scot/binaries/content/documents/govscot/publications/progress-report/2024/06/best-start-bright-futures-tackling-child-poverty-progress-report-2023-24/documents/best-start-bright-futures-tackling-child-poverty-progress-report-2023-24/best-start-bright-futures-tackling-child-poverty-progress-report-2023-24/govscot%3Adocument/best-start-bright-futures-tackling-child-poverty-progress-report-2023-24.pdf>

employability support and housing.

- Commitments on early learning and childcare for children under three and a system of school age childcare have not been fully funded, never mind built upon.
- Positive action on Fair Work did not go far enough. It is clear that the labour market is not working for many parents and carers. Lack of family friendly job opportunities and barriers to decently paid and flexible work are continuing to trap Scottish families in poverty and official poverty statistics show that 75% of children in poverty live in working families.<sup>5</sup>
- Lack of access to affordable housing continued to push families into poverty.<sup>6</sup> Efforts to deliver affordable housing for families have been underfunded and nowhere near the scale needed.

CPAG has consistently welcomed the targets and reporting measures required of the Scottish Government by the Child Poverty (Scotland) Act 2017.<sup>7</sup> The targets have been key to ensuring that real progress has been made. Child poverty strategies in the other devolved nations which have neglected to include targets (Wales and Northern Ireland) have lacked the same level of targeted policy interventions and progress that Scotland has achieved.<sup>8</sup>

The latest single-year statistics (as used to measure progress against the statutory targets) show a four-percentage point fall in child poverty in Scotland while rising in the UK. Child poverty levels in Scotland are now nine percentage points lower than in the UK as a whole. We can see that policies made in Scotland are working to shift the dial in the right direction.

---

<sup>5</sup> Scottish Government, Poverty and Income Inequality in Scotland 2021-24, 2025, available at: <https://data.gov.scot/poverty/>.

<sup>6</sup> Scottish Government, Poverty and Income Inequality in Scotland 2021-24, 2025, available at: <https://data.gov.scot/poverty/>. And, Child Poverty and the Housing Emergency, Shelter and Aberlour, 2024, available at: [https://assets.ctfassets.net/6sqgfrl11sfj/74FtnMuermIDZr7sazddxL/aa16097ab8f9be074b7f9f540d4fe5fc/Shelter\\_Scotland\\_and\\_Aberlour\\_Report\\_updated\\_formatted\\_version.pdf](https://assets.ctfassets.net/6sqgfrl11sfj/74FtnMuermIDZr7sazddxL/aa16097ab8f9be074b7f9f540d4fe5fc/Shelter_Scotland_and_Aberlour_Report_updated_formatted_version.pdf)

<sup>7</sup> CPAG's response to the SJSS Committee's call for views on the Post Legislative Scrutiny of the Child Poverty (Scotland) Act, 2024. [https://yourviews.parliament.scot/sjssc/post-legislative-scrutiny-of-the-child-poverty-act/consultation/view\\_respondent?uuld=999789708](https://yourviews.parliament.scot/sjssc/post-legislative-scrutiny-of-the-child-poverty-act/consultation/view_respondent?uuld=999789708).

<sup>8</sup> CPAG, State of the Nations, 2024. Available at: [https://cpag.org.uk/sites/default/files/2024-10/State\\_of\\_the\\_nations.pdf](https://cpag.org.uk/sites/default/files/2024-10/State_of_the_nations.pdf).

Policy interventions in Scotland are also operating in the context of policy decisions, especially the two-child limit, made in Westminster which actively push children into poverty. While the Child Poverty (Scotland) Act requires the targets to be met regardless of external factors such as the impact of UK policy, it is important to understand progress against the targets in this context.

Nevertheless, missing the interim targets should serve as a wakeup call not only to the Scottish Government, but the whole Parliament. All the Holyrood parties backed the Act, and all parties now need to set out how they would increase the pace and scale of action to ensure the final 2030 targets are met.

## **2. What impact has Scottish Government policy had on the change in child poverty?**

CPAG in Scotland believe Scottish Government policy has had a significant impact in reducing child poverty. The fall in child poverty captured in the latest official statistics, adds to existing evidence that Scottish Government policies are working to substantively reduce child poverty. The Scottish child payment is the key policy intervention driving down child poverty, lifting between 40,000 and 50,000 children out of poverty.<sup>9</sup> Scottish Government analysis shows how this additional financial support is spent by families on essential items for children and enables them to participate in social and educational opportunities.<sup>10</sup>

Analysis from the Institute for Fiscal Studies (IFS) also shows that benefit and tax policy decisions made by the Scottish Government are boosting the incomes of low-income households with children by ‘a sizeable £2,000 a year’, compared to families in England

---

<sup>9</sup> Modelling from the Scottish Government estimates Scottish child payment to keep 40,000 children out of relative poverty in 2025-26. Scottish Government, Child Poverty Modelling: Update, 2025, available here: <https://www.gov.scot/publications/child-poverty-modelling-update/>. CPAG’s own analysis suggest the payment lifts around 50,000 children out of poverty, whilst reducing the depth of poverty for many more. CPAG, State of the Nations, 2024, available here: [https://cpag.org.uk/sites/default/files/2024-10/State\\_of\\_the\\_nations.pdf](https://cpag.org.uk/sites/default/files/2024-10/State_of_the_nations.pdf). IPPR Scotland modelling in April 2023 estimated 40,000 children to be lifted out of poverty by the £25 payment. IPPR Scotland, Poverty doesn’t have to be inevitable – it needs political will and investment to eradicate, 2023, available here: <https://www.ippr.org/articles/poverty-doesn-t-have-to-be-inevitable-itneeds-political-will-and-investment-to-eradicate>.

<sup>10</sup> Scottish Government, Scottish Child Payment: Interim evaluation, July 2022, available at: <https://www.gov.scot/publications/interim-evaluation-scottish-child-payment/>

and Wales.<sup>11</sup> CPAG's report on the 'Cost of a Child in Scotland in 2024' also shows that the gap between family income and the cost to raise a child to a minimum socially acceptable standard of living is narrower in Scotland than the rest of the UK, in large part due to investment to raise incomes through social security.<sup>12</sup>

As well as through the data, this impact is evidenced by the voices of those with lived experience. Early findings coming through the Family Finances project (a collaboration between the University of York, the London School of Economics and the Child Poverty Action Group) show the difference the Scottish child payment has made for families compared to families in other UK nations where this support is not available.<sup>13</sup> Similarly, participants from the Changing Realities project - a collaboration between parents and carers living on a low income, the University of York and Child Poverty Action Group - have expressed the impact the Scottish child payment has had. Parents such as Nanda, who says:

*"The Scottish child payment helps me monthly to make things a bit easier. It is helpful for my children as it's a small way for me to meet their needs. I find it helps me on some weekends we can spend quality time together and do some cheap activities like the play centre. Even if we don't have much money, I want them to be happy and have fun."*<sup>14</sup>

Or Lisa, who has written about the importance of Scottish child payment to her family:

*"The Scottish child payment has enabled me and my son to participate in more social and educational activities which normally we would have struggled to afford. It alleviates some of the financial pressure and gives me and my son more*

---

<sup>11</sup> Institute of Fiscal Studies, Scottish Budget changes to tax and benefit system widen gap with rest of the UK, February 2023, Available at: <https://ifs.org.uk/news/scottish-budget-changes-tax-and-benefit-system-widengap-rest-uk-higher-taxes-and-more>.

<sup>12</sup> Child Poverty Action Group, The Cost of a Child Reports, 2024, available at: <https://cpag.org.uk/policy-and-research/findings-our-projects/cost-child-reports>.

<sup>13</sup> Family Finances, Insights from: House of Lords Roundtable – The Difference Cash Transfers to Children can make, 2025, available at: <https://familyfinances.study/lords-roundtable>

<sup>14</sup> Nanda, Changing Realities, 2024. As quoted in: <https://cpag.org.uk/sites/default/files/2024-08/CPAG%20in%20Scotland%20-%20Programme%20for%20Government%202024-25.pdf>.

*breathing space to enjoy life. The Scottish child payment has been a 'game changer' for me.*"<sup>15</sup>

Both quantitative and qualitative evidence show the impact that the Scottish child payment is having for individual children and families. Given the scale of the challenge in meeting the 2030 targets, investment in social security must be a key focus of the forthcoming delivery plan.

Other policies are also working to reduce the gap between family incomes and the costs they face. The expansion of funded early learning and childcare, free schools meals, school clothing grants and free bus travel for under 22s are all also making a difference. CPAG's Cost of a Child in Scotland report shows the combined effect of these policies to be narrowing the gap between family income and the cost to raise a child to a minimum socially acceptable standard.<sup>16</sup>

## **Theme 2: Child poverty statistics in England and Wales**

### **1. What do you think are the key reasons for the different rates of child poverty across the UK?**

Difference in poverty rates, and child poverty rates, across the four nations of the UK, are a reflection of a mix of factors including housing costs and housing tenure, the labour market, and benefit receipt. In Scotland, lower housing costs on average and more social housing has long been a key factor in holding down poverty rates.<sup>17</sup>

The latest statistics (using a three-year average) show that in 2023/24, 23% of children in Scotland were living in poverty, compared to 24% in Northern Ireland, 31% in England, and 31% in Wales.<sup>18</sup> However, given the rollout of the Scottish child payment

---

<sup>15</sup> Lisa, My Experience of the Scottish Child Payment, 2024. Available at: <https://cpag.org.uk/news/more-breathing-space-enjoy-life-my-experience-scottish-child-payment>.

<sup>16</sup> Child Poverty Action Group, The Cost of a Child Reports, 2024, available at: <https://cpag.org.uk/policy-and-research/findings-our-projects/cost-child-reports>.

<sup>17</sup> JRF, UK Poverty, 2025. Available at: <https://www.jrf.org.uk/uk-poverty-2025-the-essential-guide-to-understanding-poverty-in-the-uk#:~:text=Poverty%20across%20the%20UK,-Poverty%20rates%20vary&text=Child%20poverty%20rates%20in%20Scotland,to%20the%20Scottish%20Child%20Payment>.

<sup>18</sup> Households Below Average Income 2023/24 Table 4.16ts: Percentage of children living in households with less than 60 per cent of contemporary median household income, by region and country, United Kingdom, DWP, 2025.

to eligible under 16s and increase in its value is so recent, the latest one-year statistic provides a particular insight, showing a fall from 26% to 22% in Scotland, while rising elsewhere in the UK.

CPAG analysis shows that the key reason for this difference is the Scottish child payment. Our modelling suggests that the impact of policies on child poverty over the next four years will see a large fall in Scotland compared to a slight rise in the rest of the UK, with the largest driver being the Scottish child payment.<sup>19</sup> Scottish Government analysis also finds the relative child poverty rate in 2023-24 to be four percentage points lower than it would have been without SCP in place.<sup>20</sup>

There are other policy decisions in Scotland that diverge from approaches elsewhere in the UK and may also have an impact on families - such as the expansion of funded early learning and childcare, the expansion of free school meals, school clothing grant and free bus travel for under 22s. CPAG's Cost of a Child in Scotland report shows the combined effect of these policies, including the Scottish Child Payment, with the gap between family income and the cost to raise a child to a minimum socially acceptable standard of living being narrower in Scotland than the rest of the UK.<sup>21</sup> These different forms of support clearly make a big difference to low-income families in Scotland, and the report finds the most important component of these to be the Scottish child payment.

## **2. What do you expect to see in the UK's Child Poverty strategy?**

For the coming UK Child Poverty Strategy to be credible, it must include ambitious targets, action across all levels of government, strong accountability mechanisms and be backed by the political leadership required to make change happen.

Child Poverty Action Group published research on what is required to deliver an effective child poverty strategy.<sup>22</sup> The policies that CPAG would expect to see in an effective strategy include:

---

<sup>19</sup> CPAG, State of the Nations, 2024. Available at: [https://cpag.org.uk/sites/default/files/2024-10/State\\_of\\_the\\_nations.pdf](https://cpag.org.uk/sites/default/files/2024-10/State_of_the_nations.pdf).

<sup>20</sup> <https://www.gov.scot/publications/child-poverty-modelling-update/>.

<sup>21</sup> Child Poverty Action Group, The Cost of a Child Reports, 2024, available at: <https://cpag.org.uk/policy-and-research/findings-our-projects/cost-child-reports>.

<sup>22</sup> CPAG, Building Blocks: how to delivery a child poverty strategy, 2025. Available at : [https://cpag.org.uk/sites/default/files/2025-02/Building\\_Blocks\\_How\\_to\\_deliver\\_child\\_poverty\\_strategy.pdf](https://cpag.org.uk/sites/default/files/2025-02/Building_Blocks_How_to_deliver_child_poverty_strategy.pdf).



- **Investment in social security** (starting with an end to the two-child limit and benefit cap) and long term investment in the value of social security including child benefit, disability benefits and universal credit.
- **Action on employment**, including reforming the conditionality and sanctions regime, employment support services to help parents find secure and sustainable jobs, improving the incentives for parents to increase their earnings (for example by introducing a second earner work allowance in UC) and strengthening existing provisions in the Employment Rights Bill.
- Providing families with access to **affordable and decent housing**.
- **Reducing the cost of the school day** for families (including expansion of free school meal eligibility, automatic enrolment and school clothing grants.)
- **Increase access to affordable childcare** (including expanding the working families offer and childcare element of UC to families who are currently excluded and to simplify the childcare system such as the way families reclaim childcare costs through UC).
- **Invest in income maximisation services** (including adequate funding for the welfare rights sector).

The UK child poverty strategy also needs to complement existing child poverty work in Scotland, Wales and Northern Ireland. A truly effective strategy cannot work in isolation and requires different levels of government to work in parallel. Specifically, the UK child poverty strategy should pull on reserved levers that will have the most impact on the number of children in poverty - such as the removal of the two-child limit and benefit cap at source.

### **Theme 3: Next child poverty delivery plan**

#### **1. When preparing the next delivery plan, what lessons can be drawn from the first two plans?**

##### **Retain a sharp focus on the key drivers of child poverty**

Progress made to date has rested on action that demonstrably tackled the key drivers of child poverty (inadequate income from employment and social security, and the costs families face). The next delivery plan must focus ever more relentlessly on these key drivers, and every action must be able to demonstrate how it will support the progress needed to meet the 2030 targets. It needs to be underpinned by a robust cumulative impact assessment setting out how actions will stack up to meet the 2030 targets.

The next delivery plan must build on what has worked in the previous plans. It is clear the most successful policy intervention has been the Scottish child payment. The next plan must continue to use this as a key tool to drive down poverty, alongside a ratcheting up of action to improve employment prospects for parents and carers.

### **Expand efforts to meet the needs of priority families**

The next delivery plan should also learn from the identification of priority families most at risk of being in poverty in the previous two plans and provide clarity on how each intervention in the plan will specifically meet the needs of different groups.

### **Make more use of qualitative evidence bases to track impact**

As there are lags in what quantitative data can reveal, it is also important to use robust qualitative evidence bases and listen to the voices of those with lived experience. This can provide real-time evidence for policy makers into the effectiveness of spending decisions.

The Family Finances project<sup>23</sup> (a collaboration between the University of York, the London School of Economics, and the Child Poverty Action Group) is investigating the impact of the Scottish child payment on financial and emotional wellbeing and employment using a comparative, mixed-methods approach. Qualitative evidence drawing on the experience of families are an important resource in assessing effectiveness of policy interventions to be included in the next delivery plan. Similarly, participants from the Changing Realities project<sup>24</sup>, a collaboration between parents and carers living on a low income, the University of York and Child Poverty Action Group, have shared their priorities for the Scottish Government, including the impact of the Scottish child payment.<sup>25</sup>

---

<sup>23</sup> See: <https://familyfinances.study/>.

<sup>24</sup> See: <https://changingrealities.org/> and Lisa, My Experience of the Scottish Child Payment, 2024. Available at: <https://cpag.org.uk/news/more-breathing-space-enjoy-life-my-experience-scottish-child-payment>.

<sup>25</sup> <https://changingrealities.org/blog/open-letter-to-shona-robison-msp> and



## **The plan needs to be adequately resourced**

Not all the actions set out in the previous child poverty delivery plans have been adequately funded or delivered.<sup>26</sup> The next delivery plan must set out how each action will be adequately resourced across the plan's duration.

## **2. What new considerations (if any) need to be addressed?**

### **Further increases to the Scottish child payment will be essential to meet child poverty targets**

If the next tackling child poverty delivery plan is to deliver further child poverty reduction and realistically meet the 2030 targets – further investment in Scottish social security (beyond existing commitments) will need to be a key theme of the coming plan.

As a proven and effective policy intervention, the Scottish child payment must be at least doubled over the course of the next delivery plan. Recent modelling from IPPR estimates that doubling the payment would lift 40,000 more children out of poverty, cutting the child poverty rate by an additional 4 percentage points.<sup>16</sup> Further bolstering the value of the payment would reduce the depth of poverty for many more and strengthen the protective buffer for families living just above the poverty line.

Recent modelling from the Fraser of Allander institute suggests that, with the current set of tax and benefit policies in Scotland (including mitigation of the two-child limit), the 2030/31 relative child poverty rate would still be 20% (10% above the target). FAI conclude that, in meeting the child poverty targets, increases to the Scottish child payment are the 'most effective tool available' to the Scottish Government.<sup>27</sup>

This is not to say that social security is the only policy intervention required to tackle child poverty. Investment in childcare and housing, and action to improve labour market opportunities for parents and carers are all vital in driving down and sustaining low

---

<sup>26</sup> 'Best Start, Bright Futures: Tackling Child Poverty Progress Report 2023-24', Scottish Government, June 2024. Available

at: <https://www.gov.scot/binaries/content/documents/govscot/publications/progress-report/2024/06/best-start-bright-futures-tackling-child-poverty-progress-report-2023-24/documents/best-start-bright-futures-tackling-child-poverty-progress-report-2023-24/best-start-bright-futures-tackling-child-poverty-progress-report-2023-24/govscot%3Adocument/best-start-bright-futures-tackling-child-poverty-progress-report-2023-24.pdf>

<sup>27</sup> Fraser of Allender, Meeting Scotland's Child Poverty Targets: Modelling and Policy Packages, 2025, available at: <https://fraserofallender.org/publications/meeting-scotlands-child-poverty-targets-modelling-and-policy-packages/>.

levels of child poverty. However, any action taken to tackle child poverty must be supported by a strong social security system to support parents and families during this time-limited stage of their lives where high costs combine with increased barriers to work.

There has been some suggestion that further increases in the value of the Scottish Child Payment could disincentive parents to work.<sup>28</sup> However, Scottish government analysis concluded that the payment is 'not currently negatively affecting labour market outcomes at scale in the economy'<sup>29</sup> and we are not aware of any evidence that this picture would change substantively if Scottish child payment were increased. International evidence also finds social security investment for children has only very limited effect on labour market incentives, with any impacts far outweighed by the positive outcomes for children.<sup>30</sup>

### **Closing gaps in eligibility for SCP**

New research through CPAG's Strengthening Social Security project also shows how the Scottish government can close gaps in entitlement and ensure support reaches more families.<sup>31</sup> Recommendations from the project include action to clear up confusion around eligibility to the Scottish child payment, widen eligibility criteria and expand the ways in which parents and carers may demonstrate responsibility for a child.<sup>32</sup> Acting on the project recommendations can maximize the number of families benefiting from the payment.

---

<sup>28</sup> Third Force News, "At the limits": FM warns Scottish Child Payment may not see further increases, 2025. Available at: <https://tfn.scot/news/at-the-limits-fm-warns-scottish-child-payment-may-not-see-further-increases>.

<sup>29</sup> Scottish Government, Scottish child payment and the labour market, 2024, available at: <https://www.gov.scot/publications/scottish-child-payment-labour-market/>.

<sup>30</sup> See e.g. National Bureau of Economic Research, The Effects of Child Tax Benefits on Poverty and Labor Supply: Evidence from the Canada Child Benefit and Universal Child Care Benefit, 2021, available at: <https://www.nber.org/papers/w28556>.

<sup>31</sup> CPAG, Strengthening Social Security: research into the five family payments, 2024, available at: <https://cpag.org.uk/what-we-do/project-work/projects-scotland/strengthening-social-security-research-five-family-payments>.

<sup>32</sup> CPAG, Scottish Child Payments: The Gaps, 2024, available at: <https://cpag.org.uk/sites/default/files/2024-07/CPAG%20Strengthening%20Social%20Security%20Scotland%20-%20briefing.pdf> and CPAG, Children's benefits in Scotland: clearing up confusion to maximise take up, 2025, available at: <https://cpag.org.uk/sites/default/files/2025-02/CPAG%20maximising%20benefit%20take%20up%20briefing.pdf>.

## **Ensuring the mitigation of the two-child limit is as effective as possible**

CPAG in Scotland strongly welcomes the Scottish Government's proposals to mitigate the two-child limit using top-up powers. This is a cost-effective way to tackle child poverty and in particular to reach children in the priority family groups at greater risk of being in poverty (which includes larger families). The Scottish Government should however review who will miss out on the mitigation because they are not in receipt of universal credit (UC) - and therefore cannot receive a 'top up' to UC - but would be if the two-child limit was not in place. This review should identify if families who are missing out are in poverty and in need of further support.

## **Consider the use of top-up powers to mitigate the 'young person penalty' in Universal Credit**

Another priority family group are families with young mothers (under 25 years old). Across the UK, parents under 25 years old in receipt of universal credit receive less than older claimants in the same circumstances. This is an issue of inequality for young people and for women, and one which is not based in any objective assessment of living costs, as parents under 25 face the same costs as other parents. As the Scottish Government develops its method of mitigating the two-child limit, it should consider a similar approach to mitigate the 'young person penalty' to support young parents in receipt of universal credit.

Investment in social security needs to be matched by investment across employment, childcare, housing and removing cost barriers to education. In our response to the Scottish Government's consultation on the next delivery plan, CPAG also made the following recommendations:

## **Provide more funding for the provision of affordable housing for families**

The lower percentage of child poverty in Scotland compared to the UK is in part due to cheaper housing and a larger social housing sector.<sup>33</sup> However, lack of access to affordable housing is still pushing families into poverty.<sup>34</sup> In 2024, there were over

---

<sup>33</sup> JRF, Poverty in Scotland, 2024, available at: <https://www.jrf.org.uk/sites/default/files/pdfs/poverty-in-scotland-2024-92e321cb4996aac4ea315650e8ba3282.pdf>.

<sup>34</sup> Scottish Government, Poverty and Income Inequality in Scotland 2021-24, 2025, available at: <https://data.gov.scot/poverty/>. And, Child Poverty and the Housing Emergency, Shelter and Aberlour, 2024, available at: [https://assets.ctfassets.net/6sqgfrl11sfj/74FtnMuermlDZr7sazddxL/aa16097ab8f9be074b7f9f540d4fe5fc/Shelter\\_Scotland\\_and\\_Aberlour\\_Report\\_updated\\_formatted\\_version.pdf](https://assets.ctfassets.net/6sqgfrl11sfj/74FtnMuermlDZr7sazddxL/aa16097ab8f9be074b7f9f540d4fe5fc/Shelter_Scotland_and_Aberlour_Report_updated_formatted_version.pdf)

10,000 children in temporary accommodation in Scotland.<sup>35</sup> In the next tackling child poverty delivery plan, there must be a sustained focus on providing more affordable housing for families, particularly larger properties to ensure all children live in safe, secure and affordable homes.

**Work toward a system of childcare that ensures every parent can access up to 50 hours of childcare per week (with interim steps to make childcare more accessible for families)**

CPAG, alongside other organisations, have developed a vision for childcare in Scotland that provides all parents with the choice of up to 50 hours of accessible and flexible childcare per week, free at the point of use.<sup>36</sup> This would be available to all who need it from the time their child is six months old. The new child poverty delivery plan should include actions that build toward realising this vision.

Evidence through CPAG's Early Warning System shows that the initial cost of childcare is a barrier to taking up work, particularly for parents who rely on support to pay childcare costs through universal credit. Their childcare costs must be paid to the provider before they can be reimbursed through universal credit. Subsidising providers to provide free childcare for the first few months could overcome the issue of having to pay for childcare before it can be reimbursed by universal credit.

Funding periods of free childcare in certain circumstances could also help retain a childcare place during periods where families do not meet the eligibility for support with costs through universal credit. For example, when there are gaps in universal credit due to the way that it is calculated or because there is no entitlement due to immigration status. Subsidising periods of childcare would support parents to take up and stay in work, address gaps in support from universal credit and potentially support parents to increase their income through earnings over time.

---

<sup>35</sup> Scottish Government, Homelessness in Scotland: 2023-24, 2024, available at: <https://www.gov.scot/publications/homelessness-in-scotland-2023-24/>.

<sup>36</sup> Read more about the vision for childcare in Scotland developed by CPAG, Close the Gap, One Parent Families Scotland, Parenting across Scotland, Save the Children and others: CPAG, A vision for childcare that helps end poverty in Scotland, 2022, available at: <https://cpag.org.uk/news/vision-childcare-helps-end-poverty-scotland>.

## **Increase tailored employability support for parents looking to get into work, and for parents in low-paid and insecure work**

Fairly paid and flexible work is a key factor in protecting families and children from living in poverty.<sup>37</sup> Your Work, Your Way (YWYW)<sup>38</sup> was an employability project run by Child Poverty Action Group in England between 2021 and 2023 supporting potential second earners in families, mostly mothers, who faced high barriers to employment. Key components of this work included: personalised employment support to develop skills and facilitate training and employment opportunities, welfare rights advice to maximise benefits and household income, and a personal budget of £2,000 for any costs associated with looking for work or setting up self-employment. Findings from YWYW show that the provision of holistic, financial and practical support is critical to help parents take up quality work, improve skills and manage the challenges of balancing work and family life.

The next tackling child poverty delivery plan should set out clear proposals for a tailored approach to support parents into work – with a particular focus on supporting priority groups - at a scale that will demonstrably have significant impact on child poverty.

There is also more that Scottish Government can do to support parents on low-incomes to access and remain in further education. This could include allowing students on short courses to be exempt from council tax<sup>39</sup> and increasing the special support loan with inflation. Because student loans are taken into account for UC, many low-income student parents don't receive any UC while they are studying. This also means they

---

<sup>37</sup> In 2019-2022 children in households where no one is in paid work were over three times more likely to be in poverty than children in a household where at least one person was in paid work - 62% compared to 19%. (Table 23a: Scottish Government, Poverty and Income Inequality in Scotland 2020-23, 2024, available at: <https://data.gov.scot/poverty/>).

<sup>38</sup> Your Work Your Way (YWYW) was an innovative employment support project designed and delivered by Child Poverty Action Group from 2021 to 2023. The scheme supported 70 second earners from low-income households in receipt of universal credit or tax credits, and operated in the four pilot areas of Bury, Coventry, Luton and Taunton Deane. (See: Child Poverty Action Group, Your Work Your Way, <https://cpag.org.uk/policy-and-research/findings-our-projects/your-work-your-way>).

<sup>39</sup> Evidence through CPAG's advice line has shown how this can be a barrier; students on short courses are not exempt from council tax because a course must last at least 24 weeks of the year to allow exemption (with an exception for some students under 20). Students in this situation often can't usually get council tax reduction either because they're a full-time student (as only some full-time students – for example, lone parents or disabled students are eligible for council tax reduction).

miss out on Scottish child payment, Best Start grants and Best Start foods. Changing the rules to allow low-income parent students to receive these payments, even if they do not receive UC, will provide much needed support and make higher education more accessible.

### **Further action to drive improvements in fair and flexible work**

Supporting parents and carers into work is vital to tackling child poverty. However, official poverty statistics also show that 75% of children in poverty live in working families<sup>40</sup> - therefore it is important to both support parents into work but also to address the nature and quality of work itself. The next delivery plan must set out how further improvements in fair and flexible work will be delivered, including through using public procurement and devolved tax powers to incentivise fair work practices and payment of the real Living Wage, with a focus on closing gender and disability employment gaps.

### **Build on work to remove cost barriers to education through support for the cost of a school day by:**

#### **Delivering free school meals to all primary school pupils and provide a timeline for secondary school pupils before 2030**

The next tackling child poverty delivery plan must deliver on the commitment to fully roll out free school meals to all Primary 6 and Primary 7 children, not just children in receipt of Scottish child payment. While the pilot to expand eligibility to some secondary school pupils in receipt of Scottish child payment is welcome, the 2026-2031 plan must, at least, expand this to all secondary school pupils receiving SCP to maximise impact for struggling families. Recent modelling from Resolution Foundation shows the impact that expanding eligibility to FSM can make on overall child poverty levels. As FSM are worth around £500 per year per child, extending eligibility to all children in the UK on universal credit would reduce child poverty by 100,000.<sup>41</sup> In this final delivery plan before the target deadline, free school meals are an important lever available to Scottish Government to support struggling families and bring more children above the relative poverty line.

---

<sup>40</sup> Scottish Government, Poverty and Income Inequality in Scotland 2021-24, 2025, available at: <https://data.gov.scot/poverty/>.

<sup>41</sup> FSMs are counted as income in HBAI poverty statistics and are worth around £500 a year per child. See further, Resolution Foundation, Turning the Tide, what it will take to reduce child poverty in the UK, 2025, available at: [https://www.resolutionfoundation.org/app/uploads/2025/02/Turning.the\\_.tide\\_.pdf](https://www.resolutionfoundation.org/app/uploads/2025/02/Turning.the_.tide_.pdf)



## **Increasing eligibility and value of the school clothing grant**

Uniform is among the costs that young people tell CPAG matters most to them.<sup>42</sup> The national minimum school clothing grant provides important support. However, the grant level provided, eligibility criteria and application process varies by local authority, meaning that support received depends on where a family lives. Action should be taken to increase the value of the payment and extend eligibility, such as making this available to all families in receipt of universal credit (or an equivalent benefit).

9th May 2025

---

<sup>42</sup> CPAG, The Cost of the School Day Big Question Report, 2024. Available at: <https://cpag.org.uk/sites/default/files/2024-06/The%20Cost%20of%20the%20School%20Day%20Big%20Question%20report.pdf>.