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Collette Stevenson MSP Convener, Social Justice and Social Security Committee

Issued by email to: SJSS.committee@Parliament.Scot

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Dear Collette.

Given the Committee's ongoing interest in child poverty, I am writing to advise that the Scottish Government has this morning published poverty statistics covering 2023-24, the year of the interim targets set in the Child Poverty (Scotland) Act 2017. Alongside this we have also published updated economic modelling which estimates the impact of our policies, projects future child poverty rates in Scotland, and shows that austerity decisions taken by the UK Government are holding us back.

These publications can be accessed via the links below:

- Poverty and Income Inequality in Scotland 2021-24
- Cumulative Impact Assessment: update, March 2025

The official statistics show that although we have not met the interim child poverty targets, some progress has been made. The proportion of children living in relative poverty has reduced and the 2023-24 rate is now lower than they have been since 2014-15, while the proportion in absolute poverty has also fallen with the annual figure the lowest in 30 years. These figures represent a small reduction to when the Act was passed in 2017 – when rates were 24% and 22% respectively.

Our economic modelling shows that our policies are having to work harder than ever to make a difference, against a backdrop of a continuing cost of living crisis, rising energy costs and UK Government decision making. However, we know that our policies are working and making a real difference to families. On average, households with children in the poorest 10% of households are estimated to be £2,600 a year better off in 2025-26 as result of Scottish Government policies. This value is projected to grow to an average of £3,700 a year by 2029-30.

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Our modelling also shows that the UK Government could take action that would reduce the number of children in poverty in 2025-26 by 100,000 – by abolishing the two-child limit and Benefit Cap, introducing an Essentials Guarantee, and by replicating our Scottish Child Payment. Instead, austerity decisions taken by the UK Government are holding us back. Policies such as keeping the two-child limit in Universal Credit are helping push children into poverty and cutting disability payments risks doing the same. I will continue to urge the UK Government to prioritise ending both child poverty and their commitment to austerity – and to follow the Scottish Government's lead on child poverty rather than holding us back

As the First Minister has made clear, we are unequivocally committed to meeting the 2030 targets. We are committed to building upon the considerable action taken to date and to driving further progress at the pace and scale required. The third Tackling Child Poverty Delivery Plan, to be published by the end of March 2026, will set out further ambitious action to be taken between 2026 and 2031 towards making this a reality.

I look forward to receiving the Committee's views on priorities for the next delivery plan, and to discussing these matters further with you when I give evidence in May.

Yours sincerely,

SHIRLEY-ANNE SOMERVILLE



