

Scottish Child Payment

Submission by the Joseph Rowntree Foundation, May 2024

The impact of the Scottish Child Payment

The evidence used in this consultation response primarily come from two sources, a JRF survey conducted in the spring of 2023 and directly from members of the End Poverty Scotland Group (EPSG), a group of people with lived experience of poverty who work with the JRF Scotland team. This allows us to draw important insights on the positive impact of the Scottish Child Payment (SCP) on low-income families lives but there is limited data available to fully evaluate the payment's real time impact on child poverty in Scotland.

The JRF Cost of Living Survey was conducted in the spring of 2023 by Savanta ComRes. The survey captured responses from 4,203 people aged 18+ and the data was weighted to be representative of Scotland by age, gender, region, ethnicity and social grade. It included a sizeable sample of respondents who received the SCP allowing for analysis to be undertaken. However, we cannot say that the sample of people who reported that they had received the SCP is representative of all people who receive the SCP. The data is available [here](#).

Three members of the EPSG informed this consultation response. Their responses use pseudonyms, but we have supplied information about them that is relevant to understanding their perspective. Alex is a single parent with three young children living in Fife and is in work or study. Andrew is a parent of three children at primary and secondary school, in Dundee. One of his children is disabled and requires additional support. Laura is a single parent living in Glasgow with secondary aged children and is in work or study.

What is the impact of the Scottish Child Payment on individual households?

Improving financial security

Our survey found that 2 in 3 parents in families that received the SCP said that they felt more financially secure. This was particularly the case for large families, one of the Scottish Government's priority families, where it increases to 4 in 5 feeling more financially secure. We also heard from members of the EPSG that the SCP positively impacted their feelings of financial security, particularly because the payment came for many at a time of acute pressure as the cost of living was rising.

Laura started receiving the SCP in 2022, when the offer was expanded to families with children under the age of 16. She explains how at first the payment supported her and her children through the winter:

“Well for me it’s an extra £200 every 4 weeks, so it’s a lot of money [...] I honestly don’t know how folk would survive without it because it is an extra help.” (Laura, Glasgow)

Andrew also started to receive the payment in 2022. It was a time when he and his family were feeling “intense financial pressure” exacerbated by rising costs of food and energy:

“That £300 meant everything to my family at that time, it was a godsend and it felt like we could breathe again”. (Andrew, Dundee)

Wellbeing and Family Connection

In addition to improving financial security, the parents in the EPSG told us that the SCP also had a positive impact on family wellbeing and family connection. Laura explained that it enabled her family to have a bit ‘extra’ on top of the essentials which meant her children were happier and more comfortable through the winter months when they first received the payment:

“When it first started it was extra money for the meters, you were able to keep the heating on a bit longer, everybody was able to be a bit more comfortable, I was able to get some extra food in, so the kids were happy, because at the time I had two teenage boys who would eat me out of house and home, always hungry, so it was good for that.” (Laura, Glasgow)

Similarly, Andrew told us about how the payment meant that his family were able to afford the little things again that made life more enjoyable and not just about survival:

“we were able to treat ourselves to pizza night on a Saturday, not a Domino’s or anything like that, but a nice pizza from Morrisons. It was something the whole family could look forward to and enjoy” (Andrew, Dundee)

The parents emphasised to us how important the payment has been in enabling them to spend quality time with their children, doing activities and going on trips that they would be otherwise unable to afford.

“It allows us to do things together as a family – like camping or going to historical places” (Alex, Fife)

“[...]it was good for getting out and doing things, keeping the kids entertained, spending a bit of time with them.” (Laura, Glasgow)

As a single parent, Alex further explains that the SCP has been a crucial contribution to travel costs, ensuring that her family are not isolated and her children are able to see their dad who does not live nearby.

“Visiting family. I would be super isolated if I didn’t have it. And the children seeing their dad who lives 8 hours away. I wouldn’t cope without it.” (Alex, Fife)

However, a key message we heard was that parents no longer feel the SCP has as much of an impact on family wellbeing and connection. Despite the uplift in the payment to £26.70 per week per child, rising prices have meant that families need to use the money for essential food and bills, whereas previously the payment stretched further and enabled them to spend quality time with their children.

Cost of living

In both the survey and conversations with the EPSG members we found that, while families receiving the SCP may feel more secure, they are still struggling to make ends meet. The SCP is now just covering the cost of essentials, with parents telling us that they could no longer cover living costs without the payment:

“Now it’s literally to survive [...If it wasn’t there] I wouldn’t cope.” (Alex, Fife)

“I need it for just those bare essentials” (Laura, Glasgow).

In the survey we found that parents receiving SCP were still cutting back and struggling to make ends meet:

- 3 in 4 had cut back on an essential.
- Nearly 1 in 5 have both skipped or reduced size of meal **and** not heated home as much as needed.
- Half were behind on a bill (in arrears).
- Only 1 in 3 would pay an unexpected bill with their own money or savings without cutting back on essentials. 1 in 5 would not be able to pay and 28% would borrow or seek charitable support.
- 1 in 5 have accessed a food bank and 12% have used a warm bank.

Alex, who was entitled to the SCP when it was first launched, has experience of receiving the payment at the lower initial rate of £10 per child per week. She identifies that it felt like the payment went further with the lower rate because the cost of living crisis had not hit:

“At first it was very, very positive. But I think since costs went up a lot [...] As much as it’s still positive, it’s been massively negated by how much living costs have increased.” (Alex, Fife)

“Now [...] I wouldn’t be able to budget through the month without it. It used to cover the extras of childhood stuff if they suddenly had a growth spurt. Now it’s included in every single budget because the cost of living is so obscene. It’s annoying it’s being used for food shops and bills instead of making sure the kids have a positive childhood, which is what it was intended for. It wasn’t meant to be covering the basics.” (Alex, Fife)

Similarly, Laura told us that while the SCP eased financial pressure for her family at first, the cost of living crisis has considerably reduced how far the payment can go:

“There's nothing extra that I can do with it now...I need it for just those bare essentials, it can't get used for anything else[...]because the cost of living has increased [...] it's like you don't have that money to put extra food in the cupboard, put extra money on the meters, and we've just had the easter holidays there, and I know it was a bit of a washout with the rain but we couldn't get to do anything, we just can't afford it anymore now.” (Laura, Glasgow)

Survey respondents drilled home how helpful the payment has been in enabling them to make ends meet during the crisis:

"It's really helped to pay the bills and I do appreciate it" (survey respondent)

"I don't know how we'd probably have to choose between heating and eating if we didn't have it" (survey respondent).

The targeted support the SCP offers is undoubtedly helping families to get by, however at its current level, parents are not seeing the payment have the intended impact on improving quality of their families' lives.

“It's amazing, I wouldn't be without it. But it's not doing what it was meant to do. It's covering for the cost of living crisis. It's not covering child related cost. That's what Child Benefit and the child element of Universal Credit is meant to cover.” (Alex, Fife)

It is evident from the survey and through our conversations with parents that the SCP is supporting families on a low income. This support has been much needed and much appreciated, particularly amidst the cost of living crisis. Without the SCP, we have been warned “it would be devastating” (Laura, Glasgow). However, the impact the payment has had on families has been felt most strongly as a contribution towards the high cost of essentials. While we have shown that SCP has improved financial security and positively impacted family wellbeing and connection, it is important to highlight that families are saying that the current context of high living costs has now changed what the payment can be used for.

Ineligible households

Of course, not everyone who could benefit from the payment, is eligible for it, because to qualify, you need to be in receipt of a qualifying benefit such as Universal Credit (UC) – some families with children in Scotland are excluded from the relevant social security qualifying benefits because of their immigration status (their leave to remain is conditional on having No Recourse to Public Funds). A [recent study](#) estimated that costs to public authorities of supporting families with children, subject to NRPF (and vulnerable adults, with high support needs) has risen to £8.3m, including over 500 children in Scotland in 2022/3 (516) - the majority of expenditure being on accommodation and subsistence

While Best Start Foods are accessible for this group, no other payments are – and families have faced rising costs without benefitting from any of the household level support during the cost-of-living crisis, except perhaps the energy price guarantees.

Is the process for applying for the Scottish Child Payment straightforward for families to navigate, and if not, what are the barriers you are aware of?

To reach maximum take-up of the SCP there must be a broad awareness of the payment among parents in Scotland as well as the process minimising possible barriers to applying.

Public awareness

One of the key challenges mentioned was that they were not initially aware of the payment or the process of receiving the payment:

"I didn't apply until later as I was not aware that I was entitled to this." (survey respondent)

There was also a lack of clarity for some on the overall process. While Andrew was aware that the payment existed, and was receiving the bridging payment, he was unaware that he would have to apply for the SCP rather than be transferred to it automatically from the bridging payment. It was only after seeing the information on Facebook that he contacted Social Security Scotland by phone, but his interactions once going through the process of applying were positive.

Members of the End Poverty Scotland Group suggested that a range of different communication methods have been/could be effective at raising public awareness of the SCP. Alex's local authority informed her about the introduction of the SCP as well as receiving an information pack when she was pregnant with her third child. Laura heard about the payment and was encouraged to apply by the financial inclusion officer at her local housing office. Parents were positive about this type of direct communication about eligibility for the payment.

Laura, Alex and Andrew also saw advertisements for the payment in the media, both traditional media like television and social media such as Facebook.

While Alex, Andrew and Laura didn't identify any specific barriers that they experienced in hearing about the SCP, Alex did identify two areas that she saw as barriers to parents hearing about the payment generally. Alex highlighted that a barrier to knowing about, and therefore accessing SCP was a lack of opportunities to talk with other parents. She mentioned that this was particularly challenging over the Covid-19 pandemic.

"I think [parents] who have kids [that] weren't starting nursery, so they weren't talking to other parents, and covid obviously got in the way of it 'cause there

was a lot less normal playground conversation that the government rely on. So, I definitely think that was a big barrier.” (Alex, Fife)

We know parents speaking before and after school is less likely for parents of older children, parents with English as a second language and low-income parents in higher income areas and this could create systemic barriers to accessing the SCP. Alex had previously lived in a higher income neighbourhood and reflected on her experience of talking with parents about SCP in her current area compared to her previous neighbourhood:

“It helps that I live in a high poverty area. I wasn’t as confident in [remote rural Scotland] as the average wage was much higher there. So, I was the rarity. But down here I live on a council estate and most people are on Universal Credit or have been on some kind of benefit, even if they don’t get it now. So, we are quite open and we will support each other with doing forms and stuff.” (Alex, Fife)

Alex also highlighted that there she was not informed about her eligibility for SCP when she was re-applying to Universal Credit around the time that SCP was introduced:

“It didn’t mention it on Universal Credit [...] because Universal Credit basically does not care about any of the Scottish stuff” (Alex, Fife)

There does appear to be space for better communications from DWP around their existing additional benefits for people in Scotland.

Ease of applying

In the survey we found that 8 in 10 parents said that it was easy to apply for SCP, although the qualitative responses from the survey show some variation in parents’ experience of applying. Some parents found it generally easy and quick while others found the process more time consuming, while wait times were noted as an issue.

"Easy, no hassle or stress. Answered back quickly and [has] been a godsend to us ever since." (survey respondent)

"I hope the government will simplify the application of the allowance and reduce unnecessary steps to save a lot of time." (survey respondent)

"It just takes a long time for the first payment to be processed" (survey respondent)

"It was very straightforward and easy to do, I think it's a great idea and hugely beneficial to families" (survey respondent)

The members of the EPSG generally found the application process straightforward, although some mentioned the waiting time for payments, particularly if they were applying for the payment at the initial introduction or the expansion.

“It was a very easy application, very, very easy, didn’t take very long at all [...] they were actually really quite quick at processing it and very quick at getting payments sent out as well. I didn’t have any complaints about that at all.”
(Laura, Glasgow)

Other aspects of the application process were also highlighted by the EPSG members including being treated with dignity and respect and the quality of the support provided by Social Security Scotland.

Dignity

One key message from the members of the EPSG was their satisfaction with the level of respect and dignity that they felt through the application process for the SCP. Both Alex and Andrew compared their experience of applying for the SCP with that of applying for other UK benefits.

“The Scottish one is so much kinder. It’s like apply for it and if you are not entitled we will let you know. They are really, really nice. [...] The universal credit one almost feels like they try everything to not get you to do it. It’s like you are the enemy when you apply for anything.” (Alex, Fife)

“They couldn’t have been more helpful, they listened to my situation and worked with me to resolved it there and then, they were friendly and empathetic. One million percent better than my experience with the DWP”
(Andrew, Dundee)

Quality of support

Not only did the families we heard from generally find the application process simple, but they also highlighted that the quality of support they received when applying for the SCP was better than their previous experiences of applying for social security. The EPSG members explained that having the option of speaking to someone on the phone who is knowledgeable about the system is very helpful.

“It was so much easier than everything else, the application was easier it was simpler [...] it encouraged you to make phone calls if you felt you needed extra help or support. I feel a lot of services tend to try and discourage you from going on the phone and everything has got to be online, emails things like that, but no it was really quite good [...]” (Laura, Glasgow)

Alex mentioned that when speaking to Universal Credit support staff over the phone it felt that they couldn’t help her to understand why something is happening or what she can do. She said that “they will literally just repeat what it says on your record”. This was very much in contrast to support provided from Social Security Scotland:

“They can’t tell you why. The Scottish Child Payment one it’s either they will give you the answer or will find someone who is knowledgeable enough to give you the answer” (Alex, Fife)

Transitions

Transitions came out as a clear area where improvements could be made, but where some transitions were recognised as already being well thought out.

Alex told us how easy the process had been when her third child was born in extending the payment to include her new baby, this was appreciated as being one less thing to do with a new baby in the house.

As already noted, Andrew had found the transition from the bridging payment to the extended SCP to be an unclear transition and missed out on some of the payment due to this lack of clarity.

“I missed out on £300 pounds because of not being automatically put on to the payment. That would have made a massive difference to me at the time” (Andrew, Dundee)

In future, it would be helpful to automate as many of these transitions as possible.

There are also clear challenges for parents whose children age out of SCP eligibility. Andrew told us of the conflict he feels around encouraging his children to continue in school without receiving SCP for them, making it an unaffordable option. This was also reflected by Laura who told us about her eldest son (aged 16) not qualifying for SCP when it was extended even though he was still at school.

“When I qualified to apply for it, my eldest had just turned 16 the month before, so I didn’t qualify for him, he was still at school, so I still had uniforms, lunch money, you know things like that to buy for him and stuff and I wasn’t getting that extra payment for him.” (Laura, Glasgow)

In these cases, it is clear that parents need to be made aware of other benefits or payments that they may be entitled to, such as Education Maintenance Allowance, as well as reducing these cliff edges, particularly when young people are still in education.

Is the Scottish Child Payment effective as a targeted intervention to reduce child poverty or could the money be better spent in other ways?

The SCP has the potential to be an effective intervention in reducing child poverty. However, there is limited data available to fully evaluate the payment's real time impact on child poverty in Scotland.

Policy potential

Anecdotal evidence and the Scottish [Government's evaluation](#) of the SCP clearly highlight the positive impact the payment is having on individual households. At a time of increasing costs, additional support for low-income families is very welcome.

The evidence suggests that the SCP has the potential to be an effective poverty reducing policy that successfully targets low-income households with children. Modelling work undertaken by JRF and a number of other organisations shows that the targeting and non-capped nature of the SCP boost its effectiveness ([Whyte et al., 2023](#); [Congreve, 2023](#); [JRF & Save the Children, 2022](#); [Birt & Milne, 2021](#)). However, the level of payment is not currently sufficient to reach the interim or 2030 child poverty targets in the current context ([JRF & Save the Children, 2022](#)).

Adequate social security support is, of course, only part of the answer to poverty within society and this is as true within Scotland as anywhere else. However, as [JRF have made clear](#), the social security system is currently far from being adequate so while policy such as employment support, better social and/or childcare or more affordable housing must also be part of the solution, a more adequate social security system still needs a great deal of attention.

Policy operationalisation

The qualitative evidence, outlined above, suggests that while there have been challenges for some in accessing the SCP, and the impact on families has been diminished due to the cost of living crisis, the overall picture is that the SCP is supporting low-income families. Further efforts need to be made in making sure as many eligible families as possible claim the payment, this could include making use of passporting of benefits for those who are eligible. There is also a clear gap in support for parents who are unable to access Universal Credit due to their immigration status.

While overall feedback was positive about the application process, there remain areas for improvement. Increasing the visibility of the SCP and ease by which people can apply could boost the take-up of the payment by eligible families. The areas most frequently raised include reducing waiting times and making families aware of the payment across the school year from a greater variety of sources such as schools/childcare providers, health workers and local authority outreach.

While JRF supports the increase in the SCP to £26.70 per week per child, we also acknowledge that to reach the child poverty targets, further interventions will be required to tackle the root causes of child poverty. Therefore, the payment has the potential to reduce child poverty, but complementary policies will need to be implemented to reach the child poverty targets.

Real time understanding of the impact

While we have evidence to suggest that the payment has led to families feeling more financially secure, there is limited data on the real time impact of the SCP on child poverty levels. This is due to a number of data related reasons:

- The poverty data available to JRF is not yet up to date with the full roll-out of the payment.

- Without seeing the latest data we cannot confirm whether the SCP has accurately been captured in the data - we already know there are problems with undercounting of benefits in income data.
- We expected to see a divergence in the child poverty trends between Scotland and the rest of the UK in recently published analysis due to the introduction of SCP in Scotland. However, this does not appear to be the case with child poverty remaining stable in both Scotland and England. As noted in the previous bullet, it is not possible to explain this currently.

If this is a data quality issue, then significant efforts must be made to resolve this problem, not just to be able to understand the impact of the SCP but also because Households Below Average Incomes and the Family Resources Survey are the primary source of information on poverty in Scotland and will be a necessary component in understanding whether the statutory interim and 2030 child poverty targets have been met.

Any other comments?

The Scottish Government has been rightly commended for the introduction and roll out of the SCP. The significant investment has made a real difference to the lives of low-income families and we see that shown in the evidence in this short briefing.

Evidence suggests cash transfers are a highly effective foundation to addressing (income related) poverty. At the right scale and level they can remain 'game changing'.

Yet, as we outline in our introduction the limited available data means we are unable to fully evaluate the SCP's impact on child poverty levels at this stage. Therefore, we should not rush to definitive conclusions about the policy at this point despite the extremely encouraging evidence we can see.

Furthermore, SCP must not be the limit of ambition for Scottish Government's poverty reduction efforts. The impact must be built on, otherwise there is a risk to its efficacy and ultimately to reaching the child poverty targets.

The efficacy is at risk of being undermined in key areas:

- The impact of the payment is being diminished, families are still dealing [with high and rising costs and falling into debt](#).
- The rate of the SCP should be raised to at least £30 per week in line with what Humza Yousaf, First Minister at the time of writing, has committed to.
- Even with the SCP payment increasing since its introduction, meeting the poverty reduction targets for 2030/31 require fundamental changes to the Scottish Government's budget and priorities.
- [A lack of effective support to get low income parents into good work](#) means that SCP can end up shouldering too much weight in the mission to end child poverty.

- Take up of the payment for younger children is encouraging, however most recent data show that [levels of declined applications appear high](#) and this could be cause for concern.