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## Equalities, Human Rights and Civil Justice Committee

# Pre-Budget Scrutiny 2027-28: Women's Poverty



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# Equalities, Human Rights and Civil Justice Committee

To consider and report on the following —
a. matters relating to equal opportunities, and upon the observance of equal opportunities within the Parliament;
b. matters relating to human rights;
c. matters relating to civil justice within the responsibility of the Cabinet Secretary for Justice.



EHRCJ.committee@parliament.scot

# Committee Membership



**Convener**
**Katie Hagmann**
Scottish National Party



**Deputy Convener**
**Meghan Gallacher**
Scottish Conservative and Unionist Party



**Holly Bruce**
Scottish Green Party



**Amanda Lindsay**
Reform UK



**Fulton MacGregor**
Scottish National Party



**Carol Mochan**
Scottish Labour



**Collette Stevenson**
Scottish National Party

# Introduction

1. At its meeting on 10 September 2026 the Committee agreed to focus its pre-budget scrutiny on women's poverty, considered in the context of the Scottish Government's strategic priority of eradicating child poverty and its Public Service Reform (PSR) agenda. In doing so, the Committee adopted a human rights budgeting approach, reflecting the experience and recommendations of its predecessor committee.

2. The Committee took evidence to inform this inquiry at its meetings on 1 and 8 October, the first of which involved a roundtable discussion with stakeholders whilst at the second, the Committee took evidence from the Cabinet Secretary for Public Service Reform and the Minister for Equalities and International Development. The Committee is grateful to all witnesses who contributed to its scrutiny.

3. The Committee recognises that women's poverty, and its relationship with child poverty, is shaped by complex and interrelated social and economic factors. Given the limited time available at the start of a new parliamentary session, scrutiny has been based on evidence gathered over two meetings. Whilst this provided valuable insights, the Committee recognises that it cannot fully capture the range of factors that drive and sustain women's poverty. This is a topic to which the Committee expects to return throughout the course of the parliamentary session.

# Background: Women's and children's poverty

4. The Committee remains mindful of the fact that poverty can affect anyone, irrespective of the demographic groups to which they belong. However, it is clear that women's poverty and children's poverty, whilst not wholly interchangeable, are closely linked. The Programme for Government (PfG) notes that the child poverty delivery plan, Bringing Hope, Building Futures , "explicitly recognised that children's poverty is inextricably linked to women's poverty, with violence against women and girls often a driver of that." [1]

5. However, the risk of experiencing poverty is not evenly distributed. The Scottish Government identifies six priority family types (which can and do overlap) as having a higher risk of child poverty, namely lone-parent families; families with a mother aged under 25; families with a child under one; larger families; minority ethnic families; and families in which an adult or child is disabled. According to One Parent Families Scotland (OPFS), 92% of single parents are women, and women are more likely than men to provide unpaid care[i]. It also noted that there are 144,000 single-parent families in Scotland representing one in four families with dependent children. Close the Gap highlighted that 55% of children with mothers aged under 25 experience poverty and that 42% of young mothers experience in-work poverty, arguing that insufficient action has been taken to address barriers to fair work for this group.

6. Witnesses emphasised that women's labour-market participation and earnings are often shaped by unpaid care, occupational segregation, low pay and restricted access to suitable childcare. Women are more likely to adjust their employment or working hours to accommodate caring responsibilities, with implications for both current earnings and future financial security. Evidence suggested that tackling child poverty requires sustained action to address the structural drivers of women's poverty, including labour-market inequalities, caring responsibilities, barriers to childcare and inadequate income support.

7. The PfG states that the Scottish Child Payment (SCP) is forecast to keep 50,000 children out of relative poverty in 2026-27. It also commits to increasing the payment to £40 per week for eligible children under one during 2027-28 and to the phased expansion of childcare for children from nine months to the end of primary school to help support parental employment.

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i Scotland's Carers update release: June 2026 estimates that 17% of women aged 16 and over provided unpaid care, compared with 13% of men; the proportion rose to 27% among women aged 55-64 compared to 20% of men.

# Background: Public Service Reform Strategy

8. The Scottish Government's Public Service Reform (PSR) strategy aims to "deliver a system that improves lives, reduces inequality and is fiscally sustainable." [2] It seeks to improve outcomes by joining up services, removing barriers to collaboration and placing a greater emphasis on prevention. The strategy identifies a number of systemic challenges, including fragmented services, siloed budgets, barriers to data sharing and accountability arrangements that do not sufficiently support joint working.

9. PSR could support women and children where it improves coordination across social security, employability, childcare, housing, health, education, money advice and specialist violence-against-women services. A more integrated whole-family approach could reduce the burden on women of navigating fragmented systems and repeatedly disclosing personal circumstances. However, the Committee heard concerns that efficiencies achieved through service withdrawal, tighter eligibility, digital-only access or greater reliance on unpaid care could transfer costs and risks to women and undermine prevention. It appears that women are exposed to greater risk in this regard not only as significant users of public services but also as a substantial proportion of the public sector workforce, particularly in "frontline" roles. Concerns were also raised about the sustainability of front-line, community and third-sector services, particularly in the absence of stable, multi-year funding arrangements.

10. Prevention means intervening early to stop problems arising or escalating thereby reducing later reliance on more costly acute or crisis services. The strategy states that effective preventative interventions have a median return on investment of more than 14:1, although returns may arise over long periods and in a different portfolio to the one in which the original investment was made. Illustrative modelling projects the whole-system public spending cost of poverty could reach £11.1 billion by 2035-36 and estimates that reducing poverty by a quarter could avoid £2.9 billion of public spending by then.

# Childcare

11. Access to affordable, available, accessible and flexible childcare emerged as one of the most significant issues raised during the Committee's scrutiny, even more so in rural areas. Witnesses highlighted the important role that childcare plays in enabling women to enter and remain in work. As the Scottish Women's Convention (SWC) put it, "we say that work is the route out of poverty, but childcare is the bridge" [3] . Participants told the Committee that once childcare, travel and other costs are factored in, some women question whether paid work is financially worthwhile.

12. Witnesses also reported increasing childcare debt which was linked to gaps before funded provision begins and to Universal Credit meeting only part of eligible childcare costs. Lone parents face particular pressure because they are both the sole earner and sole carer.

13. All local authorities in Scotland currently offer 1,140 hours of funded early learning and childcare to all three-and four-year-olds and eligible two-year-olds. The PfG commits to extend this to provide year-round support for children from nine months old to the end of primary school by the end of this parliamentary session. The intention is to create a more flexible system that changes from a focus on three and four-year-olds to provide childcare support earlier in life and extended to primary school children, making it easier for parents to work and get the support they need during holiday periods.

14. Whilst witnesses welcomed the Scottish Government's commitment to expand funded childcare, concerns were raised about the accessibility and affordability of the current system. Evidence suggested that the existing 1,140 hours of funded early learning and childcare does not always align with full-time work, atypical working patterns or the needs of particular groups, including young parents, disabled parents, families with disabled children and those with multiple births.

15. The Committee also heard concerns about the timing of entitlement. Under current arrangements, funded early learning and childcare for three-year-olds starts at the beginning of the school term following their birthday. The Scottish Women's Budget Group (SWBG) described this as a "loophole" [3] and called for children to receive the offer immediately after they turned three rather than the term after it, which could delay access to childcare by up to five months. Whilst some local authorities provided funded childcare at an earlier stage, some had changed their approach and have adopted the statutory level in line with the funding allocated to them from central government for this purpose. The SWBG suggested that a review of the statutory guidance was needed to ensure a consistent approach and ensure that all children receive support from the age of three.

16. Whilst OPFS welcomed the planned expansion, it stated that "the fundamental issue is that, currently, childcare is not working" [3] , both for families and for the (overwhelmingly female [ii] ) childcare workforce. It described an increased number of childcare providers closing due to high running costs and called for lessons to be learned to avoid exacerbating these issues with the roll-out. The SWBG similarly supported the aims of expansion but stressed the importance of learning lessons from previous implementation challenges.

17. The Committee also explored issues relating to debt accrued due to childcare costs and OPFS confirmed that such debt can arise both as a result of the current system not covering children aged between nine months and three years and also due to interactions with the UK Government's Universal Credit social security payment for working-age adults. CPAG also noted that changes to Universal Credit entitlement, or delays in receiving the childcare support element of it, can leave gaps in parents' ability to pay for childcare. In its view, the Scottish Government could do more to fund providers to cover those periods when Universal Credit is not providing childcare support.

18. OPFS explained that parents can feel pressured by their Work Coach [iii] to take on more hours and increase their childcare which is often unaffordable. It further noted that Universal Credit covers only 80% of the cost of childcare, meaning low-income families must initially cover the additional 20% themselves. Whilst they are able to reclaim this at a later date, in OPFS' view, it is "simply not possible" [3] for families on low incomes to meet these costs upfront.

19. The Committee also notes the other factors which can increase costs for parents including multiple births which may not have been anticipated. In response, OPFS highlighted opportunities to make changes to the policy by "looking at which two-year-olds are eligible and stretching eligibility to subsequent children in multiple-birth families." [3] Whilst it agreed that there was space for greater local flexibility, it suggested that councils feel that there is insufficient funding to expand eligibility beyond the current, clearly defined parameters.

20. Close the Gap described childcare as "essential infrastructure" without which the economy and society would suffer dramatically but argued that funding in this area was viewed as expenditure rather than investment. It also described a failure to increase pay and to improve terms and conditions for those employed in the childcare sector, noting that for local authority employees they tend to be much better than for staff in the private, voluntary and independent sectors. In its view, without resolution of these issues, "the expansion will be very difficult—in fact, it is difficult to see how it could happen." Close the Gap further noted that the Scottish Government had committed to delivering a workforce strategic framework, but this was never delivered. In its view, the lack of a coherent plan and the lack of clarity on intended outcomes must be addressed as a priority if the expansion is to be successfully delivered. Close the Gap also suggested that the profession had been historically undervalued because women generally work in it and it "is not seen as a particularly skilled occupation." However, it proposed a simple solution, namely to "pay women, and the childcare workforce in general, the appropriate pay for what is increasingly skilled work." [3]

21. When asked about differences in pay and conditions across the sector, the Minister noted that pay decisions for local authority staff are matters for individual councils.

22. When questioned about the challenges of expanding childcare provision whilst simultaneously working on the reorganisation of local governance, the Cabinet

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ii Close the Gap notes that women comprise 96% of the early learning and childcare workforce.

iii A DWP Work Coach is a Jobcentre Plus staff member who provides personalised support, guidance, and conditionality management to help people on benefits—primarily Universal Credit—find work, increase their hours, or progress in their careers.

Secretary argued that wider reform of local governance could help support childcare expansion by improving coordination, reducing administrative costs and directing resource towards frontline services in addition to ensuring that communities "are better represented and more able to influence decisions and policies at a level that is closer to them." [4]

23. The Scottish Government has recently announced plans to expand free breakfast clubs to include all primary and Additional Support Needs (ASN) schools across Scotland by August 2027. When asked what preparatory work it was undertaking, given that this would extend to high-school-aged children with ASN, the Minister undertook to provide further information in writing since the policy area sits within a different ministerial portfolio.

24. The Committee also heard evidence about the wider impact of unpaid care. The Poverty Alliance highlighted the significant economic value of unpaid care and its disproportionate impact on women's health, wellbeing and employment opportunities. Similarly, the SWC described women as the "shock absorbers of poverty" [3] , reflecting the extent to which caring responsibilities continue to fall disproportionately on women.

25. **The Committee recommends that the Scottish Government set out how planned childcare expansion will address affordability, flexibility and accessibility barriers for low-income families, rural communities, disabled children and parents, and families with multiple births. This should include specific detail of how Public Service Reform will contribute to achieving this ambition along with phased implementation timescales to manage expectations for both parents and the childcare sector.**

26. **The Committee further recommends that the Scottish Government review the operation of funded childcare entitlement for three-year-olds and publish its assessment of workforce capacity, pay, recruitment and retention requirements necessary to deliver its childcare expansion commitments, including for private and third-sector providers. This should be published before expansion takes place alongside a plan and timescales for addressing the concerns raised in respect of all employees in the childcare sector.**

27. **The Committee invites the Scottish Government to respond to suggestions of a "loophole" in terms of when children are entitled to support after reaching the age of three and to set out what actions it is taking to ensure consistency of approach across local authorities, including by reviewing statutory guidance. This should include detail of timescales for implementation of any agreed changes to the guidance.**

28. **The Committee also invites the Scottish Government to respond to**

**suggestions that it could do more to provide funding to cover periods when Universal Credit is not providing childcare support which can result in debts for childcare costs being incurred by parents.**

# Council tax, debt and debt advice

29. Council tax and debt emerged as a significant theme in evidence, with witnesses highlighting their gendered impacts both because of their distributional effects and the role that council tax plays in funding local services on which women are more likely to rely. The Committee also heard evidence of coerced debt and economic abuse, including circumstances in which debt is incurred in a woman's name by a perpetrator. Close the Gap warned that such situations can continue after separation and risk being misinterpreted as personal financial difficulties rather than ongoing coercive control. More broadly, stakeholders argued that women may be particularly vulnerable to debt because of gendered inequalities, including lower and less secure incomes, greater caring responsibilities and increased interaction with public services.

30. Witnesses highlighted the importance of more joined-up support. The Scottish Women's Budget Group (SWBG) advocated a "no wrong door" approach, with greater collaboration and data sharing between services to help individuals access support more easily. Similarly, CPAG proposed that applications for one benefit or entitlement should automatically trigger consideration of eligibility for a Council Tax Reduction. The Cabinet Secretary agreed that greater integration could help create a more seamless experience for service users by reducing the impact of organisational silos.

31. The Committee also heard calls for wider reform of the council tax system. OPFS argued that the existing 25% single-person discount effectively acts as “a penalty on single people” [3] and called for it to be increased to 50%.

32. Significant concern was expressed about the collection and enforcement of council tax debt. Witnesses highlighted the rapid escalation of arrears to sheriff officers, the accumulation of recovery fees and the impact that enforcement action can have on low-income households. OPFS noted that female single parents are 68% more likely than the wider population to have public debt (meaning debt that is owed to public bodies such as councils) and argued that such debt should be recognised as both a consequence and driver of poverty. It further stated that council tax debt "is pursued much more aggressively than any private debt" [3] , citing examples where individuals who missed a single monthly payment were required to immediately pay the full year’s balance. Where payment in full is not possible the debt is then passed on to sheriff officers thereby accruing further debt still. Stakeholders argued that such practices can deepen financial hardship and called for a more compassionate approach to enforcement.

33. When asked to respond to suggestions of an inconsistent approach between different councils in terms of pursuing or writing off abuse-related council tax arrears, OPFS explained that it had seen small improvements, but described inconsistency as creating “a postcode lottery for parents” [3] , depending on the approach of the local authority area in which they live.

34. Commenting on these points, the Minister agreed that “the ways in which we collect debt must be improved.” She stated that “one thing we are absolutely firm about is that nobody in Scotland should have to meet a council tax liability that they cannot

be expected to afford." She noted the provision of an additional £2.2 million of funding for Citizens Advice Scotland to support people with debt through "a dignified and empathetic approach" to debt collection. Whilst noting that local democracy and accountability can bring inconsistency as a result of councils having different priorities, the Minister expressed the hope that "through public service reform, we can ensure consistency in the service provided, regardless of a person's postcode." [4] She further stated that the Scottish Government was working with COSLA to encourage the adoption of best practice and highlighted a forthcoming review of council tax arrears, with a particular focus on domestic abuse, the results of which will be communicated to the Parliament by the end of the year.

35. Expanding on the theme of where powers should lie in different spheres of government, particularly in light of the review of local governance arrangements, the Cabinet Secretary noted that conversations were currently taking place on this issue. Once complete, the Scottish Government would be better placed to "understand where council tax recovery should best sit in that system and what opportunities there are for a standardised approach." [4]

36. The Committee also explored the availability of timely, accessible debt advice. Witnesses reported that some people delay seeking support because of stigma or a lack of awareness of available services. The Committee heard calls for earlier intervention in trusted settings, including schools, childcare providers and community organisations, alongside face-to-face support for those in crisis. Whilst acknowledging examples of good practice, OPFS explained that for many, accessing support remained difficult due to a lack of awareness of the support that was available. It also noted that "there are people trying to profit from debt, so we need to ensure not only that free debt help is widely available—which it is—but that it is widely known about." [3]

37. In respect of the stigma that can deter people from seeking debt advice, the Poverty Alliance noted the importance of consistent messaging, namely that "It could happen to you, it could happen to me; a change of circumstance such as a relationship ending can push anybody into debt." [3]

38. Stakeholders also raised the precarious funding for organisations that provide such advice, with OPFS noting that staff suffer from job insecurity due to a lack of multiyear funding and a failure to uplift budgets in line with inflation in recent years. It stated that "services are struggling under those pressures, so we need to see sustained multiyear funding to make sure that they are able to not just survive but flourish and be there for the parents who need it most." [4]

39. **The Committee recommends that the Scottish Government, working with COSLA, review council tax debt collection practices to ensure that they are proportionate, trauma-informed and consistent across Scotland and publish its findings. The Committee further recommends that consideration be given to improving uptake of Council Tax Reduction, including through greater automation and data sharing, and that sustainable multi-year funding be provided to support and help raise awareness of free debt-advice services.**

40. **The Committee also invites the Scottish Government to respond to suggestions that the existing 25% council tax reduction for single people be extended to 50%. This should include detail of what the costs of any such reduction for single people would be and how it would be funded.**

# Employability, fair work and economic policy

41. Witnesses emphasised the importance of genuine choice, arguing that women should be able to enter good-quality employment, reduce their working hours or undertake caring responsibilities without being constrained by unaffordable childcare, inflexible work or inadequate income. Stakeholders highlighted a range of devolved levers that could support this objective, including employability support, public procurement, community wealth building, Fair Work conditionality and support for flexible, lone-parent-friendly workplaces. As noted above, participants also argued that childcare and social care should be recognised as productive economic infrastructure and priority sectors in their own right, rather than being viewed solely as costs.

42. Access to childcare was identified as critical in enabling women to participate in work, education and training. Close the Gap highlighted the importance of flexible provision for young mothers, particularly "wraparound support – before and after school and in holiday clubs" [3] , to avoid gaps in support during school holidays. It also expressed concern that employability services were not consistently meeting the needs of young mothers, particularly disabled women and survivors of domestic abuse. Whilst recognising that the No One Left Behind approach was intended to be more person-centred, it argued that "in many cases, it still seems to be business as usual on the ground." [3]

43. In response, the Minister reiterated the Scottish Government's commitment to promoting women's access to work, education and training. She noted that more than 7,000 children considered most at risk of poverty, and their families, were benefiting from funded or subsidised childcare and related activities. She further explained that the Tackling Child Poverty Delivery Plan “focuses on a complete package of support” [4] , including childcare provision, designed to help women move into employment, education and training and thereby reduce poverty for both women and children.

44. **The Committee invites the Scottish Government to confirm whether its employability, Fair Work, procurement and community wealth-building policies are contributing to reductions in women's poverty and to provide detail of additional actions it intends to take to increase their impacts and further improve outcomes. Particular attention should be given to the needs of young mothers, lone parents, disabled women, women from ethnic minorities, and those who have experienced or are at risk of experiencing domestic abuse.**

45. **In addition to providing support for those seeking routes into work, the Committee also invites the Scottish Government to confirm how the budget will recognise parental choice and support parents who choose to care for children aged one year and under at home.**

46. **The Committee further invites the Scottish Government to set out how it intends to assess the efficacy of these actions in achieving intended outcomes.**

# Community services and third-sector funding

47. Stakeholders also raised concerns around access to services, particularly for women in rural areas facing higher transport and energy costs, limited childcare provision and reduced access to face-to-face support. The Poverty Alliance described rural poverty as "often hidden" [3] and warned that barriers to accessing services can exacerbate feelings of isolation and crisis for women experiencing financial difficulties.

48. Witnesses called for fairer and longer-term funding for third sector and community organisations, together with stronger partnership arrangements between statutory and third-sector bodies. Community-based settings, including centres offering early-years and after-school activities, can support employment, reduce isolation and provide vital opportunities for women to build social connections and support networks. Stakeholders cautioned that withdrawing such provision can have wider negative impacts on employment and poverty rates and can therefore be false economies. The SWBG argued that long-term, stable funding is essential to achieving long-term outcomes, noting that "you cannot get outcomes within a year of knowing people" [3] , particularly where uncertainty exists over the longer-term sustainability of the project.

49. **The Committee recognises the vital role that third sector and community services play in providing advice, supporting access to employment and other opportunities, and reducing feelings of isolation for women, particularly in rural areas. The evidence heard highlighted concerns that short-term and uncertain funding arrangements can undermine the sustainability of these services and limit their ability to deliver long-term outcomes.**

50. **The Committee would be very concerned by any reduction in funding for community-based services and third sector organisations and invites the Scottish Government to set out what steps it is taking to support more sustainable, longer-term funding arrangements for such organisations. This should include a response to the concerns raised around the sustainability of frontline support such as advice services for women and the Fund to Leave initiative [iv] along with timescales for the delivery of multiyear funding for such services.**

**iv The Fund to Leave is a Scottish Government initiative designed to provide immediate financial support to women and children escaping domestic abuse.**

# Scottish social security

51. Witnesses highlighted the stigma that can still exist around claiming benefits, particularly for young mothers, and argued for a more human rights-based approach to social security. Concerns were also raised about underclaiming among older women and the long-term impact of caring responsibilities and lower lifetime earnings on poverty in later life.

52. The Committee heard evidence of the significant impact that the Scottish Child Payment (SCP) has had on reducing child poverty. CPAG noted that child poverty rates have fallen by four percentage points since 2021, equating to at least 40,000 fewer children living in poverty, and estimated that the SCP has lifted around 50,000 children out of poverty. It also highlighted that 80% of SCP claimants are women. However, it was clear that there was no room for complacency, given the "gulf" between the current position and the ambition of eradicating child poverty in Scotland. In CPAG's view, one way of bridging this gulf "would be to ensure that the commitment to increasing the payment to £40 per week for under-ones is extended to all eligible children." [3]

53. The Committee also heard concerns that some low-income families remain unable to access the SCP despite experiencing significant financial hardship. CPAG cited examples including families in temporary accommodation receiving Housing Benefit, mothers in receipt of Maternity Allowance rather than Statutory Maternity Pay, and families excluded from social security support because of their immigration status. It called for a review of eligibility criteria and delivery mechanisms, alongside additional support for local authorities to provide equivalent payments where families are unable to access the SCP directly.

54. The Minister described the SCP as "the defining and single most considered policy that we have delivered" in terms of addressing child poverty, noting that its cash value had increased by 180% since its introduction in 2021.[v] As a result of this and other Scottish Government initiatives, she pointed out that rates of relative child poverty in Scotland are 6 percentage points below the UK average. She also noted that the proposed increase to £40 for children under the age of one was estimated to benefit around 12,000 children annually. However, she agreed that too many children continue to live in poverty and emphasised the need for continued action across political divides if Scotland is to meet its child poverty targets whilst confirming that the Scottish Government was "up for the challenge." [4]

55. **Evidence suggests that the Scottish Child Payment represents one of the most effective interventions in reducing child poverty. The Committee therefore considers it important that barriers to access are identified and addressed and invites the Scottish Government to set out what actions it intends to take to do so.**

v When introduced in 2021, the SCP amounted to £10 per week per eligible child. By 2026 this had increased to £28.20.

56. **The Committee also recommends that future budget documentation clearly demonstrate how social security investment contributes to the eradication of child poverty and the reduction of women's poverty.**

# Public service reform and prevention

57. Witnesses welcomed the recognition of prevention, social security and child poverty within the Public Service Reform (PSR) agenda but expressed concern that reform might become primarily a cost cutting exercise. Stakeholders argued that spending and savings proposals should be assessed for their impact on women's and children's poverty and emphasised that women and children should not bear the cost of efficiency measures.

58. Childcare and social care were highlighted as examples of preventative social and economic infrastructure. However, witnesses noted that both sectors rely heavily on work undertaken by women, which is often undervalued and insecure.

59. Returning to themes discussed elsewhere in this letter, CPAG highlighted the potential for PSR to support better data sharing and a "no wrong door" approach to service delivery. It welcomed the emphasis on prevention within the PSR strategy and argued that reforms should focus on making it easier for families to access support, including by ensuring that decisions across government are assessed for their impact on women's and children's poverty.

60. In response, the Cabinet Secretary described his vision of public services that are centred on individual needs, with greater collaboration across organisational boundaries, empowered staff and improved service integration.

61. He argued that reform is necessary because public services do not currently work consistently enough for people across Scotland and stressed the need to overcome siloed approaches to budgeting, planning and delivery.

62. He explained that the PfG set an “ambitious acceleration” for PSR which is intended to ensure “that decisions are made at the right level for the greatest impact in overcoming siloed organisational boundaries.” For those in need of support, he explained that the strategy was “about better joining up across the delivery landscape, addressing preventable demand and driving efficiency” [4] to ensure that public services are available and accessible when needed.

63. The Cabinet Secretary further emphasised that the PSR agenda aims to improve outcomes through prevention, improved service integration and reduced duplication. He highlighted both the financial and human costs of fragmented services, including repeated assessments and individuals having to recount their circumstances multiple times. In his view, investment in prevention and improving coordination across services would both improve outcomes and reduce long-term public expenditure, noting that analysis had suggested that a 25% reduction in poverty by 2030 could avoid £2.9 billion in public spending.

64. The Cabinet Secretary also sought to reassure stakeholders that PSR would not result in reductions to front-line services. When specifically asked to confirm that the PSR strategy would not lead to frontline job losses in lower paid roles which would disproportionately impact women, the Cabinet Secretary replied, “Yes, I reassure you that that will absolutely not be the case.” [4] Instead, he confirmed that the focus would be on reducing layers of management, streamlining organisational structures and removing duplication so that greater resource could be directed to front-line

delivery.

65. When invited to confirm the Scottish Government's definition of front-line staff the Cabinet Secretary acknowledged that there would be some grey areas but described the guiding principle that this was about "those individuals who work face to face with members of the public and provide services that are essential to them", a category that would include the "vast majority" [4] of workers in the public sector. Instead, he expected structural changes to health boards and local government to provide opportunities for savings at a senior management level.

66. The Cabinet Secretary reiterated that the focus of PSR is "precisely to ensure that resources can flow to front-line services and to make other services that support them more efficient." Given the Scottish Government's fiscal envelope and the amount of money available to spend, he argued that "if we did not do public service reform, less money would go to the front line as a consequence." He explained that unfortunately, where budgetary challenges arise, "the default is often to look for savings in the easiest places. Those are usually the things that are preventative … as a knee-jerk reaction, it is easier to just stop doing things." Instead, work around PSR was intended to reverse declines in critical front-line services. This would require consideration not of where cuts should fall, but of how to streamline services and functions that support them, "so that we maintain, at all costs, the front-line services that we are talking about" which was "absolutely the driving force behind what I am doing." [4]

67. **The Committee welcomes assurances that efficiency savings achieved through Public Service Reform will "absolutely not" lead to reductions in front-line staff. The Committee recommends that all significant Public Service Reform proposals are accompanied by robust assessments of their anticipated impacts on women's poverty, child poverty, equalities outcomes and carers.**

68. **The Committee intends to monitor developments in this regard and therefore invites the Scottish Government to provide annual updates alongside the budget on how PSR activity is supporting prevention, protecting front-line services and strengthening community and third-sector provision.**

# Gender and child poverty budgeting and budget transparency

69. The Scottish Government has replaced the Equality and Fairer Scotland Budget Statement (EFSBS) with a Strategic Integrated Impact Assessment (SIIA), bringing together five assessment frameworks to provide a more strategic and cumulative assessment of the impacts of the Scottish Budget 2026-27, the Scottish Spending Review 2026 and the Infrastructure Delivery Pipeline 2026. The approach moves analysis beyond a single-year budget cycle and is intended to be further reviewed and refined as it develops.

70. As part of the SIIA, the Scottish Government also commenced a budget-tagging pilot through the creation of an impact-tagging database. The pilot applied child-poverty tagging to over 1,000 internal budget programme lines, providing a more granular assessment than was previously available.

71. Stakeholders broadly welcomed the development of budget tagging but questioned the extent to which it was influencing spending decisions. The SWBG was clear that gender budget analysis and human rights budgeting provide progressive budget processes that should help advance equality "instead of building in inequalities or maintaining existing ones." However, it argued that clearer links were needed between resource allocation, gender-sensitive indicators and measurable outcomes for women. Whilst tagging recognised clear links between suggested actions and their gendered nature, it was "unclear whether gendered evidence is determining the level or distribution of spending, rather than just demonstrating that an existing policy is expected to benefit women." [3] It therefore called for a clearer link between resource allocation and suggested actions and stated that the quality of the analysis needed to improve.

72. CPAG agreed that the Scottish Government had identified the right actions but suggested that these actions were not at the necessary scale and were not funded. For CPAG, this suggested that "something has gone wrong in the budget process, because a delivery plan that was meant to deliver the Government's number one ambition has not had the required resources allocated to it." [3]

73. CPAG also argued that gender analysis should complement rather than be replaced by child-poverty analysis and that the budget should transparently demonstrate how evidence changed decisions and how it connects to the National Performance Framework (NPF).

74. Witnesses also stressed that budget tagging should form part of a wider equality and human-rights-based budgeting framework. The SWBG argued that tagging is only as strong as the analysis underpinning it and highlighted concerns about some classifications within the pilot, including instances where highly gendered policy areas such as social care had been assessed as gender neutral. More broadly, stakeholders called for stronger equality analysis, clearer gender objectives, improved intersectional data, and greater investment in gender competence across government.

75. CPAG described the tagging pilots as "really valuable" [3] and strongly supported the

prioritisation of resources in those areas but questioned what actually happened as a result of the processes. It suggested that the key issue was whether such processes are acted on and whether budget decisions are led by evidence about what actually works to reduce women's and children's poverty. In its view, there was little evidence of this being the case.

76. Concerns were also raised about the quality and consistency of analysis across budget documents, and witnesses called for stronger gender competence, specialist training and continuing support for officials. Close the Gap explained that analysis had suggested that efforts were "hampered by the fact that the Scottish Government has no gender goals", although it hoped that a strategy would be published soon. Instead, child poverty had been used as a proxy for gender in the pilot. Close the Gap also argued that a key issue related to the level of gender competence of Scottish Government officials undertaking the work which in turn impacts on the quality of gender budget analysis. It agreed that investment was needed both in gender competence building within the Government and in terms of intersectional data improvements. Whilst it welcomed the work that had been done in recent years, it noted that this has been repeatedly called for by organisations including the SWBG, but progress had been "absolutely glacial." [3] The SWBG agreed that ongoing support was required to build competence and confidence in using the tools but confirmed that "the tools are not overly complicated" [3] and their adoption would fit well with existing duties including under the Public Sector Equality Duty.

77. Turning to the NPF, the SWBG suggested that outcomes had previously not been well linked to the budget. It further noted a lack of clarity around its refresh and described the importance of listening to the views of communities in helping shape its priorities.

78. Responding to these concerns, the Cabinet Secretary acknowledged that budget tagging remained at an early stage but emphasised its potential to improve understanding of how spending decisions contribute to wider outcomes across government. He explained that the refreshed NPF which would be produced "very shortly" [4] would provide a stronger framework linking desired outcomes, performance measures, policy interventions and resource allocation. In his view, this whole-system approach would support greater transparency, improved scrutiny and more effective decision making across government.

79. The SWBG also highlighted what it saw as a gap in the budget process in that there is no opportunity for wider public participation. The Cabinet Secretary suggested that increased transparency around the relationship between spending and outcomes would create greater opportunity for external stakeholders to engage with and challenge budget decisions. He stressed that both the tagging approach and wider NPF would continue to evolve as lessons are learned and feedback is received.

80. When asked what equality impact assessments had been completed in relation to PSR, the Cabinet Secretary confirmed that they would form part of the business case development process for relevant reform projects, including ongoing public body rationalisation work.

81. **The Committee notes a recurring concern in evidence that improvements in budget analysis and tagging will only be meaningful if they demonstrably influence spending decisions and resource allocation. The Committee therefore seeks assurances that the Scottish Government will strengthen the transparency of its budget process by demonstrating more clearly how equality, gender and child-poverty analysis influence decisions. It welcomes assurances that the refreshed National Performance Framework will provide a clearer link between expenditure, outcomes and performance measures and invites the Scottish Government to confirm when it will be published.**

82. **The Committee invites the Scottish Government to respond to suggestions that budget-tagging work be enhanced and further developed through improvements in staff gender competence, intersectional data collection and through increased opportunities for public participation. As part of this, the Committee invites the Scottish Government to confirm its intentions in respect of publishing a gender analysis to complement its child poverty analysis including detail of the methodology that will be used, equality and service implications and measurable outcomes.**

# Reserved policy areas

83. Participants in the roundtable discussion also raised issues relating to reserved policy areas including enforcement of unpaid child maintenance and what were described as weaknesses and inflexibilities relating to parental leave, particularly for fathers, which can deter them from taking more leave to spend time with and care for their infant children. The Committee has written to the Secretary of State for Work and Pensions inviting his reflections on the issues raised along with detail of any policy initiatives which may help address them.

# Conclusion

84. **The Committee agrees that meaningful progress towards eradicating child poverty will be highly dependent on sustained action to address women's poverty. Whilst specific interventions such as the Scottish Child Payment and childcare expansion have an important role to play, witnesses consistently emphasised the need for a more joined-up approach spanning employability, social security, debt, childcare, Public Service Reform and community support.**

85. **The Committee therefore considers that reducing women's poverty should be recognised not simply as a consequence of efforts to tackle child poverty, but as a central component of achieving that objective. The Committee recommends that the Budget for 2027-28 and associated Public Service Reform activity be assessed against their expected impact on both women's poverty and child poverty, and that these assessments be presented to the Parliament.**

86. **The Committee also looks forward to publication of the refreshed National Performance Framework which, it hopes, will facilitate more effective scrutiny of the realisation of outcomes through more robust data collection, both in these policy areas and in others.**

# Annexe A: Glossary of Acronyms

- ASN – Additional Support Needs
- CPAG - Child Poverty Action Group
- DWP – Department of Work and Pensions
- EFSBS – Equality and Fairer Scotland Budget Statement
- NPF – National Performance Framework
- OPFS – One Parent Families Scotland
- PfG – Programme for Government
- PSR – Public Service Reform
- SCP – Scottish Child Payment
- SIIA – Strategic Integrated Impact Assessment
- SWBG – Scottish Women’s Budget Group
- SWC – Scottish Women’s Convention

# Annexe B: Extracts from Committee minutes

This annexe sets out relevant extracts from the minutes of the Equalities, Human Rights and Civil Justice Committee throughout the inquiry. Each main heading links to a web-page that gives access to:

- the agenda and public papers for the meeting
- the Official Report of the meeting (public business only), and
- minutes of the meeting.

### 3rd Meeting, 2026 (Session 7), Thursday 10 September 2026

Pre-Budget scrutiny – approach (in private):

The Committee considered its approach to scrutiny preceding the Scottish Government's Budget 2027-28. It agreed to take oral evidence from stakeholders on 1 October and from the Scottish Government on 8 October, with a view to considering a draft letter or report on 29 October. The Committee also agreed to delegate to the Convener responsibility for finalising the list of witnesses.

### 6th Meeting, 2026 (Session 7), Thursday 1 October 2026

Pre-budget scrutiny 2027-28: Women's poverty – evidence:

The Committee took evidence, in a roundtable format, from—

Anna Ritchie Allan, Executive Director, Close the Gap;

Chloe Campbell, Policy and Parliamentary Officer, The Poverty Alliance;

Charis Chittick, Head of Policy, Strategy and Communication, One Parent Families Scotland;

Sara Cowan, Director, Scottish Women's Budget Group;

John Dickie, Director, Child Poverty Action Group in Scotland;

Susan McKellar, Manager, The Scottish Women’s Convention.

Holly Bruce declared an interest as a serving councillor on Glasgow City Council.

### 7th Meeting, 2026 (Session 7), Thursday 8 October 2026

Pre-budget scrutiny 2027-28: Women's poverty – evidence:

The Committee took evidence from—

Ivan McKee, Cabinet Secretary for Public Service Reform and Simita Kumar, Minister for Equalities and International Development. The Minister was supported by Rachael McGruer, Deputy Director, Tackling Child Poverty, Scottish Government.

## 8th Meeting, 2026 (Session 7), Thursday 29 October 2026

Pre-Budget scrutiny: Women's poverty - report (in private):

The Committee considered a draft report on its scrutiny preceding the Scottish Government's Budget 2027-28. Various changes were agreed to and the Committee agreed to delegate to the Convener responsibility for finalising the report for publication.

# Annexe C: Evidence and information gathered

This annexe provides links to:

- oral evidence taken (links to the Official Report of relevant meetings), together with associated written submissions and follow-up correspondence
- other written submissions
- other correspondence

**Oral evidence (and associated submissions and correspondence)**

Child Poverty Action Group in Scotland

- oral evidence, 1 October 2026

Close the Gap

- oral evidence, 1 October 2026

One Parent Families Scotland

- oral evidence, 1 October 2026

Poverty Alliance (The)

- oral evidence, 1 October 2026

Scottish Women's Budget Group

- oral evidence, 1 October 2026

Scottish Women's Convention (The)

- oral evidence, 1 October 2026

Scottish Government

- oral evidence, 8 October 2026

**Other written submissions**

- Engender Parliamentary Briefing, 5 October 2026

**Correspondence**

- Letter from the Executive Director, Scottish Human Rights Commission to the Convener, 2 October 2026
- Letter from the Convener to the Secretary of State for Work and Pensions, UK Government, 26 October 2026

[1] Scottish Government. (2026, September 1). Ambitious for Scotland: Programme for Government 2026 – 2031. Retrieved from https://www.gov.scot/publications/programme-government-2026-2031/

[2] Scottish Government. (2025, June). Scotland's Public Service Reform Strategy — Delivering for Scotland. Retrieved from https://www.gov.scot/publications/scotlands-public-service-reform-strategy-delivering-scotland/documents/

[3] Equalities, Human Rights and Civil Justice Committee. (2026). Official Report, 1 October 2026.

[4] Equalities, Human Rights and Civil Justice Committee. (2026). Official Report, 8 October 2026.

