

# Investing in all our futures: improving the good the Scottish Child Payment can do

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## Summary

Evidence from parents and carers clearly shows the Scottish Child Payment is improving lives for families. For many, the experience of applying for and receiving the payment has been positive with parents saying they are treated ‘with respect and dignity.’

However, many parents are still struggling to get by despite this support, pointing to the need for the payment’s value to be increased. There are also low-income families who miss out on this support, in particular, parents whose children turn 16 but still live at home face suddenly losing financial support while facing the same costs, as well as families with No Recourse to Public Funds who are not entitled to Scottish Child Payment. This has harmful consequences for both parents and children.

The Scottish Government must now build on the progress made already by increasing the value of the payment and supporting families who currently miss out. The £155m that has become available and committed to tackling child poverty as a consequence of the abolition of the two-child limit should be used to invest in the Scottish Child Payment.

## Introduction

Scottish Child Payment (SCP), first introduced in 2021 at a rate of £10 per week per child under six, provides support for low-income families in Scotland in receipt of a qualifying benefit such as Universal Credit. The payment is now £27.15 per week for eligible children under 16, supporting over 320,000 children.<sup>1</sup>

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<sup>1</sup> Social Security Scotland, Scottish Child Payment Statistics, 2025.  
<https://www.socialsecurity.gov.scot/publications/2025/11/scottish-child-payment-statistics-to-30-september-2025>

The payment can be seen to be making a difference, both from what parents and carers are saying and also in the latest child poverty statistics which saw child poverty fall in Scotland while rising for the rest of the UK.<sup>2</sup> This divergence between poverty rates in Scotland and the rest of the UK has been directly attributed to the Scottish Child Payment and the investment in social security which it represents.<sup>3</sup>

This briefing shares the experiences of parents and carers participating in the Changing Realities Project and the Family Finances Project and presents, in their words, the positive impact that SCP is having on families' lives and what steps could be taken to build on this progress. Both projects have spoken directly to those receiving this payment, and the Family Finances project has explicitly set out to compare the experience of those who live in Scotland and receive the SCP and those who do not receive it.<sup>4</sup>

### **Scottish Child Payment is making a difference**

Parents across both projects have spoken about the important difference SCP makes to families. In the words of parent Bernie (Changing Realities), SCP '[is] vital, and goes a long way'. The payment has eased pressure on families to provide the basics. Diane (Family Finances), a single parent with two children said: '50 [SCP amount for two children per week] it is, like you could feed [the] family if you're sensible...I'll go do a big food shop, fill the freezer...and I know that everything's covered.' Linda (Family Finances), a parent who experienced a 6-7 month break in receiving Scottish child payment while she transitioned from tax credits to Universal Credit, spoke about the impact of losing this support as a 'terrible' time for her family where they had to rely on food banks.

This easing of pressure also has a big impact on parents with very young children, like Pixie (Family Finances), a parent with two children aged 3 and 1.5 years, who says:

"[SCP] relieved some of the tension, knowing that, like, what [my son] needs at that point is covered... 'Cause, like, even the price of formula has gone up so much. Even from me having [my son] to having [my daughter]. 'Cause when I

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<sup>2</sup> Scottish Government, Poverty and Income Inequality in Scotland 2021-24, 2025. <https://data.gov.scot/poverty/>.

<sup>3</sup> IPPR, IPPR Scotland responds to Scottish government's child poverty statistics, 2025. <https://www.ippr.org/media-office/ippr-scotland-responds-to-scottish-governments-child-poverty-statistics>

<sup>4</sup> Centre for Analysis of Social Exclusion (CASE), London School of Economics and Political Science, Investing in Children: Early findings on the difference the Scottish Child Payment makes to child well-being, 2025. [https://sticerd.lse.ac.uk/case/\\_new/publications/abstract/?index=11919](https://sticerd.lse.ac.uk/case/_new/publications/abstract/?index=11919)

first started buying formula, I think it was about £8.50. By the time I've had [my daughter], I believe it's gone up to, like, £12. And, like, that's the cheapest.”

Similarly, Bethany (Family Finances), a young parent on the under 25 rate of Universal Credit, spoke about the impact of Scottish Child Payment when having very young children: ‘there was 101 things we’d need...and then [SCP] would come and it was like, oh great, let's go get a food shop... top up the gas.’ Now Bethany’s financial situation is more stable, her family is able to invest in child-specific items for their children like clothes and outings.

Grace (Family Finances) has also spoken about the impact of Scottish Child Payment beyond essentials and unlocking opportunities, saying ‘[it’s] making a huge difference, it’s giving kids from low income, you know, choices... it’s a freedom for them.’ A recent evaluation of the payment from the Scottish Government showed how the payment covers the costs of things like food, clothes and school-related items.<sup>5</sup>

As well as covering the cost of essentials, the payment goes further and helps families to flourish, not just get by. For example, Lisa (Changing Realities), wrote that the payment enabled her and her 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 breathing space to enjoy life.’

Parents have also spoken about the reliability and stability of Scottish Child Payment. Elspeth (Family Finances), a single parent with a 13 year old child said that it ‘definitely helped massively knowing that I’ve got that coming in...it does take a bit of the weight off your mind, especially when you are doing it all yourself and you’ve got everything else to worry about on top of the money situation.’

In contrast, parents in England participating in the Family Finances project spoke about the difficulties in even covering the costs of essentials. Sinead said: ‘I manage all our finances and it’s just a constant stress every day. Like I’m worried about money every day.’ Speaking about the time before she started receiving Personal Independence Payment (PIP), Sinead said it was ‘a toss up as to whether I’m buying school uniform or I’m buying food that month. Like it’s really difficult.’

Zoe (Family Finances participant based in England) also talked about the stress of the costs of essentials ‘[its] the amount of money that things are costing now, like gas and electricity and things as well... I think [a Scottish Child Payment equivalent]

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<sup>5</sup> Scottish Government, Five Family Payments: evaluation, 2025.  
<https://www.gov.scot/publications/evaluation-five-family-payments/>

would help massively... with that sort of money it'd help buy the school uniform that my son needs or like just like a nice sensory day out for my son or just more food.'

Participants in the Changing Realities project in Scotland have previously called on the First Minister to double the value of the Scottish Child Payment: 'increasing and extending its reach could help thousands more families stay afloat and out of treacherous waters.'<sup>6</sup>

## **Experience of accessing Scottish Child Payment**

Takeup of Scottish Child Payment is very high, currently at 94%, which shows that it is effective at reaching families that are eligible for this support.<sup>7</sup> Parents and carers have also spoken positively about the experience of applying for and interacting with Social Security Scotland more generally. There is no separate means testing for Scottish child payment as this is a passported benefit from means-tested UK benefits like Universal Credit. This has perhaps contributed to parents' more positive application experience.

For example, Aisha (Changing Realities) expressed that she 'had a very positive experience with Social Security Scotland. The application process is straightforward and easy to follow, with clear instructions at each stage.' She also spoke about her experience of staff as 'consistently kind, patient and understanding... offering helpful and respectful support'. Compared to her experience accessing Universal Credit, the SCP process was 'much smoother and less stressful.'

Social Security Scotland's charter outlines the principles of dignity, fairness and respect<sup>8</sup> - this approach can be seen in the testimonies of parents and carers who have accessed this support. Such as William (Family Finances), a full time carer with three children, who said: "The Scottish system staff treat you really quite well. Treat you with respect and dignity, yeah I have to say that is true...It's way better. You feel like you are being treated like a human being."

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<sup>6</sup> Changing Realities, Child Poverty Speeches from event with First Minister in Bute House, 2025. <https://changingrealities.org/writings/child-poverty-speeches-from-event-with-first-minister-in-bute-house-21st-april>.

<sup>7</sup> Scottish Government, Take-up rates of Scottish benefits, 2025. <https://www.gov.scot/publications/take-up-rates-scottish-benefits-october-2025/pages/8/>

<sup>8</sup> Social Security Scotland, Our Charter. <https://www.socialsecurity.gov.scot/publications/2020/10/our-charter>

## **Is the payment enough to help parents deal with the challenges of raising children?**

Although the payment is making a positive difference to families and the number of children in poverty in Scotland, there is still a long way to go. The latest child poverty statistics revealed that the Scottish Parliament's interim child poverty targets have been missed, despite a four percentage point fall in Scotland from 26% in 2022/23 to 24% in 2023/24. Across the whole of the UK child poverty rates have risen to a record high of 31%.

While many parents in receipt of Scottish Child Payment are positive about the welcome difference this is making, parents have also spoken about how costs are still too high and they are struggling to make ends meet. Such as Hope (Changing Realities), who wrote that 'costs still remain too high for me. As a single mum with two kids aged 9 and 17, I am barely affording food and using food banks.'

Rosalind (Family Finances), a parent to four children, said that the Scottish Child Payment made 'a huge difference' when it was increased: 'That's really good money to try and cover everything. I know as my kids are growing up, they need more. As I said before, my oldest daughter now needs more. It's really difficult.' Rosalind studies full-time and does weekly night shifts to make extra income to pay for wraparound childcare: 'everything is increasing. Everything is expensive... we need more to like try to survive, you know?'<sup>9</sup>

## **Families are missing out because of immigration status**

For families who receive it, Scottish Child Payment is making a huge difference to their daily lives. But there are some families who miss out on this support because of their immigration status, this includes people who are seeking asylum.<sup>10</sup>

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<sup>9</sup> Rosalind receives some help with childcare costs through the university but it does not cover the costs in full.

<sup>10</sup> Immigration status can cause people to miss out on SCP because eligibility depends on getting a reserved benefit (delivered by the UK government and dependent on immigration status). In addition, SCP is a named 'public fund' which means it is not available to families who have 'no recourse to public funds' (NRPF). As a result, families missing out on SCP include: most asylum seekers, people who require leave to enter or remain in the UK but do not have it, people who have leave to remain in the UK but on condition that someone else supports them, and people who have leave to remain in the UK but have a no recourse to public funds condition (NRPF). The UK government is currently consulting on removing access to public funds for families on Indefinite Leave to Remain (ILR), as well, which would prevent more children from accessing SCP:

[www.gov.uk/government/consultations/earned-settlement](https://www.gov.uk/government/consultations/earned-settlement).

Research demonstrates that families that are seeking asylum are already experiencing very deep poverty due to the low level of Home Office support and the poor standard of and access to accommodation. Many asylum-seeking families are living in substandard temporary accommodation for months and even years.<sup>11</sup>

Sandra (Changing Realities) wrote about difficulty getting financial support for her children in these circumstances: ‘I’ve tried on several occasions to apply for Scottish [child] payment for my kids but they keep declining because of my status.’

Farrah (Family Finances), a single parent with three children under 16 went from having no right to work and no recourse to public funds<sup>12</sup> to getting refugee status and being eligible for Universal Credit and Scottish Child Payment. She described the ‘relief’ this transition brought, and how Scottish Child Payment was a ‘huge support’ enabling her to provide for her children and buy things she had been unable to buy before.

It's clear that denial of support has negative knock-on consequences for children. Parents, both with and without no recourse to public funds status, have expressed a desire for all children to be treated equally. As expressed by Ali (Changing Realities) who said ‘asylum seeking families face severe daily financial constraints... children are especially affected. Such limited income means they cannot fully participate in social life.’ Similarly, Linda (Family Finances), a single parent with three children in Scotland, when asked what she would recommend to policymakers, said; ‘they should make it so that they can have access to it as well. Due to [the] cost of living it’s not easy for everybody, they should make everything general for everybody since we’re all in the UK.’

The Scottish Government should find other ways to support non-eligible families who are struggling on low incomes. As Ali expresses, children shouldn’t be treated differently ‘purely because of immigration status, despite living in the same communities.’

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<sup>11</sup> At the end of 2022, families with children receiving Section 95 support were living on this support for over 3 years on average, and 20% for 5 years or more.

[https://sticerd.lse.ac.uk/case/\\_new/publications/abstract/?index=11297](https://sticerd.lse.ac.uk/case/_new/publications/abstract/?index=11297). See also: Human Rights Watch, “I Felt So Stuck” Inadequate Housing and Social Support for Families Seeking Asylum in the United Kingdom, 2023. <https://www.hrw.org/report/2023/09/14/i-felt-so-stuck/inadequate-housing-and-social-support-families-seeking-asylum>.

<sup>12</sup> Home Office support places children and families below the poverty line and in deep poverty. See: CPAG, Learning is an essential need, 2025. <https://cpag.org.uk/news/learning-essential-need>

## Extending the payment to over 16 year olds

Once a child reaches age 16, the family stops getting Scottish Child Payment for that child. For some families this can cause a sudden drop in income, while they still need to cover expenses for the child who is still living in the house.

Hope (Changing Realities) has spoken about the impact this had on her family: 'I don't know if the government knows that 17 year olds eat so much. They're constantly hungry. They also need adult sized clothes.'

Another parent, Juliet (Family Finances), said she was dreading her 15 year old daughter turning 16 as she would lose this support. Saying she didn't think it was fair or logical to stop this support given children are still in education and at home, and still have needs.

One parent, William (Family Finances), when asked about what recommendations he would make to policymakers, said: 'if a child wants to stay on at school some parents might not be in the position to afford that and a child might just go straight to work at sixteen rather than stay on in education due to financial costs. So I think extending that would benefit a lot of kids.'

Although some children are eligible for Education Maintenance Allowance (EMA) after they turn 16, the threshold for this is lower meaning some people will lose the Scottish Child Payment but also not be eligible for EMA. EMA is also paid to the young person to remove barriers to attending school rather than to the household to cover family costs in the way Scottish Child Payment is. This was highlighted by Juliet (Family Finances) who said: 'I just think if the kid's still staying in education, then it should still be, I get that the kids then get £30 a week,- but that's the kid's money, so how does that help the parents? Do you know what I mean?'<sup>13</sup>

Extending the payment to include households with 16-19 year olds would prevent families suddenly losing support despite facing the same costs.

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<sup>13</sup> The policy intent of Education Maintenance Allowance (EMA) is "to overcome financial barriers to stay on in post-16 education; either in school or on a college course, or to take up a Learning Agreement or Action Plan." It is paid directly to the student (Scottish Government, Education Maintenance Allowance 2023-24, 2025: [www.gov.scot/publications/education-maintenance-allowances-2023-24](http://www.gov.scot/publications/education-maintenance-allowances-2023-24)) Because this money is not paid to the household, and as some 16+ students lose entitlement to free school meals or school clothing grant, it is reasonable not to consider EMA as a replacement to household income lost by losing entitlement to Scottish child payment but rather to meet these education cost barriers.

## Recommendations

Evidence shared by parents and carers across both projects, clearly shows how Scottish Child Payment has improved life for many families, and that the experience of applying for and receiving it has been more respectful and dignified for many families than their experience of UK social security more generally. The Scottish Government should:

- **Continue to deliver Scottish Child Payment in accordance with Social Security Scotland's principles of dignity, fairness and respect.** The positive experiences of parents - both in terms of the support itself and how its delivered - show the payment is effective at supporting families.

However, too many parents still struggle to get by, and some families (particularly those excluded due to immigration status or when payments stop at age 16) are being left behind.

Following the abolition of the two-child limit at UK Government level, the Scottish Government has committed to using the budget allocated to mitigating the policy in Scotland to tackling child poverty. This money, approximately £155 million, must be used to build on the progress made. Options for action include:

For the Scottish Government:

- **Increase the value of the Scottish child payment.** The resources freed up by the abolition of the two-child limit would go a long way in securing a £40 per week Scottish child payment that campaigners have long called for. Modelling from CPAG estimates that £155 million (the cost of delivering no longer required mitigation payments in 2026/27) could pay for an increase in Scottish child payment to £37.50 a week, reducing child poverty by 10,000. It would also reduce the depth of poverty for families as well as strengthen the buffer for families living just above the poverty line. Parents in the Changing Realities network have previously called on the First Minister to ultimately double the value of the payment.<sup>14</sup>
- **Support families missing out due to immigration status** by exploring other mechanisms to support these families such as Best Start Foods and Best

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<sup>14</sup> Changing Realities, Child Poverty Speeches from event with First Minister in Bute House, 2025. <https://changingrealities.org/writings/child-poverty-speeches-from-event-with-first-minister-in-bute-house-21st-april>.



Start Grants or including funding and guidance to local authorities to support families under section 22(3) of the Children (Scotland) Act 1995.

- **Extend the payment to 16 to 19-year olds in full-time, non-advanced education or approved training.** According to CPAG estimates, this would benefit 43,000 young people at a cost of £43 million (with a 0.3 percentage point reduction in child poverty).<sup>15</sup>

For the UK Government:

- **The UK Government should remove the Scottish child payment from the public funds list.** This would allow the Scottish Government to consider more options, under the new powers in the Social Security (Scotland) Act, to extend eligibility.

The experiences of parents and carers makes clear that delivering on these changes would improve the very real good that the Scottish Child Payment is already doing, maximising the contribution it can make to further driving down child poverty rates in Scotland.

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<sup>15</sup> CPAG's calculations from Households Below Average Income 2021/22 to 2023/34 and UKMOD tax-benefit microsimulation software. Results presented here are based on UKMOD version B1.13. UKMOD is maintained, developed and managed by the Centre for Microsimulation and Policy Analysis (CeMPA) at the University of Essex. The results and their interpretation are the author's sole responsibility.

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## About the projects

[Changing Realities](#) works in partnership with more than 200 parents and carers from across the UK to document the realities of life on a low income, and to push for change. The project has over 50 parents and carers participating in Scotland. Changing Realities uses online diaries, video questions, and regular discussion groups to document, share, and explore these experiences. The project is a partnership between parents and carers, the University of Glasgow, Child Poverty Action Group (CPAG), and the London School of Hygiene and Tropical Medicine.

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[The Family Finances study](#) is a collaborative project with academics and policy partners at the University of Glasgow, University of York, the London School of Economics, and the Child Poverty Action Group. It uses a comparative, mixed-methods approach to investigate the impact of the Scottish Child Payment on financial and emotional wellbeing and employment. As part of this research we interviewed 60 parents in Scotland and Northern England about their experiences of receiving benefits and the effects on children's well-being and household finances. 40 of the parents were based in Scotland and received SCP.

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