



**POVERTY AND
INEQUALITY**
COMMISSION

Child Poverty Delivery Plan progress 2023-2024

Scrutiny by the Poverty and Inequality Commission

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Executive summary

In preparing its annual child poverty progress report the Scottish Government must consult the Poverty and Inequality Commission on the progress that has been made towards meeting the child poverty targets and what more is needed. This report sets out the Commission's analysis and views on these issues.

What progress has been made in 2023-2024 towards meeting the child poverty targets?

Limited progress has been made towards meeting the child poverty targets over the last year. The most substantial progress can be seen in raising income from social security, with increased take-up of the five family payments, including the Scottish Child Payment. This is very welcome and shows what can be achieved when there is commitment to, and funding for, significant change, and action is clear and focused. Progress in other areas is slow or not evident at all, and we are seeing the impact of budget cuts, or the failure to invest sufficient additional funding, in some of the key commitments in *Best Start, Bright Futures*, including in the areas of employability, childcare and affordable housing.

This lack of progress is underlined by the latest child poverty statistics for 2022-2023, showing that child poverty levels in Scotland were broadly the same as they were five years previously, when the first tackling Child Poverty Delivery Plan was published.

Does it appear to the Commission that such progress is sufficient to meet the targets?

While the Scottish Government's modelling suggests that its policies may have prevented an increase in the number of children in poverty, compared to a scenario where the Scottish Government took no action, the latest statistics demonstrate how far Scotland is from meeting its child poverty targets.

The deadline for the interim child poverty targets to be met was 2023-24. The statistics which tell us whether or not this has happened will not be available until 2025, but the activity that has already taken place in the last year will determine whether or not they have been met. If the interim targets were to be met, then it is clear that would be largely due to the Scottish Child Payment. The Payment is undoubtedly making a difference to individual families, but we are not seeing this reflected in the statistics so far. The full roll out of the Scottish Child Payment will not be captured by the latest data for 2022-23, but we would hope to have seen some impact already. Reaching the interim relative poverty target would now require an unprecedented eight percentage point reduction in a single year. Such a fall, while not impossible, appears improbable.

Of even greater concern is the path to reach the 2030 targets. Meeting the 2030 targets will require transformational change in relation to all the drivers of poverty. While some good work is taking place, this is not at the scale necessary to deliver the transformation required. In addition, existing commitments, such as the expansion of early learning and school age childcare, employability support, and the Affordable Housing Supply Programme, have been put at risk by a lack of funding needed to deliver them, and in some cases funding reductions.

In view of recent statistics, and the scale and effects of actions taken over the last year, the Commission's opinion is that it is unlikely that the interim targets will be met. Furthermore, without immediate and significant action, the Scottish Government will not meet the 2030 targets.

What further progress does the Commission consider is required to meet the child poverty targets?

Scotland is running out of time to meet our 2030 child poverty targets. We are halfway to the 2030 deadline and should be well beyond the stage of pilots and planning. The Scottish Government's next progress report cannot just point to actions already taken nor propose more small-scale tests of change. The Scottish Government needs to restore faith and renew optimism in its commitment to the 2030 child poverty targets.

The First Minister has said that the eradication of child poverty is the single most important policy objective for his government. In order to deliver this the Scottish Government needs to be much bolder. There are hard choices to be made about revenue raising and spending. The child poverty targets are not just the Scottish Government's targets, they are Scotland's targets, voted for by all the parties in the Scottish Parliament. It is now time for all parties to demonstrate their commitment to the targets and participate in a cross-party conversation about making these hard choices in the interests of children in Scotland.

Recommendation 1: The Scottish Government should convene and lead a national cross-party and civil society agreement to develop a shared six year strategy to meet the 2030 child poverty targets.

This cross-party approach should consider the choices that need to be made around tax and spending, in particular:

- Where to raise revenue through tax, beyond more changes to income tax rates and bands
- What evidence tells us the most effective policies are, alone and in combination
- What the appropriate eligibility and entitlement criteria are for policies and services to have the greatest impact on poverty
- How to distribute spending within the existing budget
- How to accelerate public services reform
- How to implement a full Minimum Income Guarantee, including for disabled people
- How to accelerate roll out of childcare in a way that best supports those on low incomes
- How to improve accessibility and quality of jobs

This should be completed in time to form the basis of the final national Child Poverty Delivery Plan, due to be published by spring 2026.

Recommendation 2: The Scottish Government should reprioritise funding to ensure that the necessary resources are made available to deliver both its existing commitments and future actions to tackle child poverty.

This will require the Scottish Government to reprioritise budgets across portfolios and consider the eligibility criteria for different services and support.

To inform its work on prioritising funding, the Scottish Government should undertake a distributive impact analysis of all key policy areas and identify who is using and benefiting from policies and actions, particularly amongst the priority family types.

Recommendation 3: The Scottish Government should act quickly on the recommendations set out in the Commission's report [How better tax policy can reduce poverty and inequality](#).

Recommendation 4: The Scottish Government should clarify and further develop how the priority family types are used to inform policy development, implementation and monitoring in policy areas related to the three key drivers of poverty.

The Commission makes some more detailed comments on how this should be done in Chapter Four.

In addition, the Scottish Government should review the evidence and ideas from parents in this report and consider what further action it can take in response to these.

1 Introduction

1.1 The purpose of this report

In preparing its annual child poverty progress report the Scottish Government must consult the Poverty and Inequality Commission on the progress that has been made towards meeting the child poverty targets and what more is needed. The Scottish Government's annual child poverty progress report must include comments or recommendations made by the Commission on these points. This report sets out the Commission's analysis and views on these issues.

The report is structured around the three areas that Scottish Ministers must consult the Commission on:

- the progress made during the reporting year towards meeting the child poverty targets (Chapter Two)
- whether it appears to the Commission that such progress is sufficient to meet the child poverty targets (Chapter Three)
- what further progress the Commission considers is required to meet the child poverty targets (Chapter Six)

Chapters Four and Five look in more detail at the child poverty priority family types drawing on information from the Scottish Government and the views and experiences of parents. The Commission's recommendations to Scottish Government are set out in Chapter Six.

1.2 The Commission's approach to scrutiny in 2023/24

This report looks at progress on reducing poverty in the year of the interim targets, 2023-24. Although official data on performance against the interim targets will not be published till 2025, the activity that has already taken place in the past year will determine whether or not these targets will be met.

This year, the Commission decided to focus its scrutiny by returning to look more closely at the Scottish Government's 'priority family types'. These are six family types defined by the Scottish Government, that are at higher risk of poverty. Collectively, around 90% of children in poverty are in households from at least one priority family type. The priority family groups are:

- Lone parent families, the large majority of which are headed by women
- Families which include a disabled adult or child
- Larger families, with three or more children
- Minority ethnic families
- Families with a child under one year old
- Families where the mother is under 25 years of age

Scottish Government policies are often designed to address the three main drivers of poverty: income from employment; income from social security; and reducing household costs. Priority family types can have particular needs, or face particular barriers, in accessing services. Many families will belong to more than one priority family type and face multiple intersecting barriers. Policies to address the drivers of poverty that are designed with awareness of the needs and circumstances of priority family types, and that take an intersectional approach¹, could be more effective at reducing poverty and avoid unintended consequences which can widen inequalities for some groups.

¹ See, for example, [Intersectionality: Revealing the realities of poverty and inequality in Scotland - Poverty & Inequality Commission \(povertyinequality.scot\)](https://www.povertyinequality.scot)

The Commission requested information from the Scottish Government on the implementation of its approach around the priority families for some key policy areas. We also worked with eight organisations who work directly with people from priority family types to organise workshops, and in one case a survey, with people who have experience of poverty. There were 111 participants in all the workshops combined, and 21 responses were received from the organisation that ran a survey. Organisations gathered their views on what policies they were aware of, how well they felt the policies were working, and what else they felt was needed to tackle child poverty. Organisations included those working with lone parents, parents with disabled children, minority ethnic parents, refugee and asylum seeking parents, young parents, and parents with babies under the age of one.

The Commission would like to thank all the participants in our workshops for taking the time to contribute to our work. We are also grateful to the organisations who we worked with to organise these workshops, and Scottish Government officials for providing information on how some of its anti-poverty policies are designed and delivered with the priority family types in mind.

The organisations the Commission worked with were:

- Amina – The Muslim Women’s Resource Centre
- Amma Birth Companions
- BEMIS
- Contact
- Fife Gingerbread
- Front Lounge
- Migrants Organising for Rights and Empowerment (MORE)
- One Parent Families Scotland

2 What progress has been made in 2023-2024 towards meeting the child poverty targets?

Summary

Limited progress has been made towards meeting the child poverty targets over the last year. The most substantial progress can be seen in raising income from social security, with increased take-up of the five family payments, including the Scottish Child Payment. This is very welcome and shows what can be achieved when there is commitment to, and funding for, significant change, and action is clear and focused. Progress in other areas is slow or not evident at all, and we are seeing the impact of budget cuts, or the failure to invest sufficient additional funding, in some of the key commitments in *Best Start, Bright Futures*, including in the areas of employability, childcare and affordable housing.

This lack of progress is underlined by the latest child poverty statistics for 2022-2023, showing that child poverty levels in Scotland were broadly the same as they were five years previously, when the first tackling Child Poverty Delivery Plan was published.

2.1 What do the child poverty statistics tell us?

The Scottish Government publishes [annual statistics on child poverty](#) in March each year that are the official measures of progress against the four statutory child poverty targets. Due to the time taken to collect, prepare, and quality assure these statistics, they are published around 12 months after the end of the financial year in which the data were collected. The most recently published data were collected during the 2022-23 financial year.

This means that the discussion in this report about progress on policies and actions relates to activity undertaken during 2023-24, while the statistics referred to relate to the 2022-23 financial year. Child poverty statistics for the 2023-24 interim target year – that we would expect to be influenced by the activity described in the rest of this report – will not be published until March 2025.

The Scottish Government produces both single-year estimates of child poverty (with the exception of ‘persistent poverty’ as it is by definition a multi-year measure) and multi-year rolling average figures. The single year figures represent the best estimate of child poverty at a given point in time for a given measure. These are the statutory measures that will be used for the formal assessment of whether the interim and final targets are met. The multi-year average figures are helpful to consider alongside the single year figures, as they smooth out some of the statistical ‘noise’ present in any single year and allow for a better determination of trends.

The table below provides the official single year (excepting persistent poverty) estimates for the four child poverty target measures since 2017/18 (the year prior to the publication of the Scottish Government's first Tackling Child Poverty Delivery Plan). No data is available for 2020/21 for three of the measures as a result of COVID-19 pandemic disruption (see Annex A of the [Commission's 2021-22 scrutiny report](#) for a further discussion of these issues).

	Statistics for each year(s)						Target levels (to be less than)	
	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023 (Interim)	2030 (Final)
Relative poverty (% of children, after housing costs)	24%	23%	26%	-	23%	26%	18%	10%
Absolute poverty (% of children, after housing costs)	22%	20%	23%	-	19%	23%	14%	5%
Combined low income & material deprivation (% of children, after housing costs)	14%	12%	12%	-	9%	12%	8%	5%
	2013-17	2014-18	2015-19	2016-20	2017-21	2018-22		
Persistent poverty (% children, after housing costs)	16%	15%	18%	13%	15%	14%	8%	5%

By the single year measure, three of the four target measures (relative and absolute poverty, and combined low income and material deprivation) appear to have moved further away from the targets rather than closer to them in the most recent 2022/23 data. In the case of the combined low income and material deprivation target measure some of this change is likely to result from a 'rebound' caused by recovery from the pandemic – during the pandemic some of the goods and services counted under the 'material deprivation' component of the measure (such as family holidays, or going on school trips) were not available to households due to restrictions, rather than resulting from lack of resource, having the effect of artificially lowering the poverty rate on this measure.

All four measures remain a substantial distance from the 2023/24 interim targets with one year remaining: eight percentage points (pp) for relative poverty; nine pp for absolute poverty; four pp for combined low income and material deprivation; and six pp for persistent poverty.

We would note that the 2022/23 single year estimates are subject to a high level of uncertainty, resulting from random sampling error. This arises in part from the declining number of families overall in the survey sample, and particularly families with children. This declining sample size has been a trend over many years but has become particularly marked following the pandemic. This uncertainty, and other issues related to the data, are discussed further in the Appendix to this report.

These data issues make drawing conclusions about progress challenging, particularly based on the relatively small changes that would be expected on a year-to-year basis. Nevertheless, reading the single year figures alongside [the multi-year averages](#) also published by the Scottish Government, the Commission observes that the trends for the four official child poverty target measures (described by the Scottish Government as being 'broadly stable' or in other similar language) do not demonstrate a convincing trajectory towards the interim (or by extension, final) targets on any of the four measures.

Progress for priority families

The focus for the Commission's report this year is on the priority family types. These are families at higher risk of poverty with around 90% of all children in poverty in Scotland living within these families. Later sections of this report will look at the extent to which policies have been designed and delivered with these priority families in mind, and what parents from these priority family types have told the Commission.

The tables below provide the most recent estimates of child poverty for the target measures and six priority family types (where available). These figures relate to multi-year periods only, in order to give the sample sizes needed for reporting. For the persistent poverty target measure for its most recent period of reporting (2018-2022), no data was able to be published by priority family types due to small sample sizes.

This illustrates a broader issue where less data is available for priority family types in more recent years. For example, in the Commission’s scrutiny report [from three years ago](#), priority family breakdowns were provided for 3 of the 6 priority family types for the persistent poverty target measure, and all but one of the priority family types for the three other target measures. The reduced sample size and other methodological challenges being encountered by surveys post-pandemic explain this worsening position. This continues to make assessment of the national-level impact of policies for individual priority family types difficult.

	2020-2023		
	Relative poverty	Absolute poverty	Combined low income & material deprivation
Interim target (2023/24)	18%	14%	8%
Final target (2030/31)	10%	5%	5%
All children	24%	21%	10%
Youngest child in the household under 1	-	-	-
Mother under 25 in household	-	-	-
Disabled household member(s)	27%	23%	18%
Minority ethnic household	43%	38%	13%
Lone parent in household	38%	33%	23%
3+ children in household	38%	35%	18%

More positively, the Scottish Government [has continued to publish](#) and expand on the statistics it produces on poverty rates among priority group families where it is possible to do so, including data on a longer time series and updated analysis on the intersections between priority groups (see Chapter 4 for further discussion on this). Overall, this continues to show a similar overall picture to that described in the Commission’s previous child poverty scrutiny reports – priority family households, where data is available, remain at higher overall risk of poverty. As the numbers surveyed in any given priority group are small, trends should be interpreted with caution. Hence, although for some groups under some measures there appears to have been either positive progress or a worsening position over time, we cannot be confident that these represent genuine change.

2.2 Progress on delivery of actions in *Best Start, Bright Futures*

Alongside the child poverty statistics, the Commission has looked at what progress has been made on some of the key actions in *Best Start, Bright Futures* during 2023-24. In doing this it has drawn on progress updates provided to the Scottish Government’s [Tackling Child Poverty Programme Board](#) that have been shared with the Commission, along with other published information. This consideration of progress is structured around the three drivers for tackling child poverty.

2.2.1 What progress has been made in the last year on increasing income from employment?

Raising income from employment is one of the key drivers for reducing poverty. *Best Start, Bright Futures* set out a number of actions around employability, childcare, transport and digital connectivity, aimed at supporting parents to move into employment or increase their income from employment. This section looks at progress on some of these key actions.

Employability support

What did parents say about employability support?

There was little discussion in the workshops about employability programmes. It was not clear whether many parents had experience of them. This could be partly influenced by the fact that a significant number of participants in the workshops were asylum seekers and would not have been eligible for employability programmes.

Some single parents were aware of local employability initiatives but felt that they were often not set up to take account of the specific needs and barriers experienced by single parents. Employability support provided by an organisation supporting single parents was spoken about positively.

The Scottish Government has committed to increasing investment in employability support, with a view to supporting up to 12,000 parents into employment. As the Commission set out in last year's report, in 2022-23 the Scottish Government made significant in-year cuts to its planned employability funding, reducing funding by £53m and delaying new planned activity. This was likely to have an impact on progress towards meeting the child poverty targets.

While this cut was restored in the 2023-24 Budget and funding increased by just over £9m to almost £127m², the Autumn budget revision then saw a £10m reduction to the employability budget, which the Scottish Government described as 'coming from a range of secondary activity'.³

Scottish Government funded employability support is currently provided through the No One Left Behind approach and through Fair Start Scotland.⁴ The [most recent statistics](#) published for No One Left Behind show that in just over three years (April 2020 – September 2023) 10,201 parents were supported under the approach, and of those 2,500 entered employment. Over a longer period of just over five years (April 2018 - September 2023), 12,615 parents were supported by Fair Start Scotland and 3,918 eligible parents entered employment.⁵ For those who entered Fair Start Scotland at a time that would allow them to have sustained a job for 12 months, the employment rate at 12 months was 19%.

Employment data for both programmes shows that parents from some of the priority family types are less likely to enter and sustain employment. We discuss this further later in the report.

While the numbers for both programmes were undoubtedly impacted by the pandemic, these figures suggest that without further action the Scottish Government will be very unlikely to meet its aim of supporting 12,000 parents into employment during the lifetime of this Delivery Plan. This is particularly the case given that the 2024-2025 Scottish Budget sets out a reduction in the employability budget to just over £99m⁶. The Scottish Government says that it has been able to protect levels of grant funding to Local Employability Partnerships, but that additional activity will not be taken forward.

² The £127m figure covers the employability and workforce skills, and Fair Start Scotland budget lines. Figures are taken from the 2024-2025 Level 4 Budget tables [Supporting documents - Scottish Budget: 2023 to 2024 - gov.scot \(www.gov.scot\)](#)

³ [Letter from the Deputy First Minister and Cabinet Secretary for Finance to the Convener of 21 November 2023 \(parliament.scot\)](#)

⁴ Fair Start Scotland services closed to new referrals in March 2024, with support for those who would previously have accessed Fair Start Scotland now being delivered through the No One Left Behind approach.

⁵ Job outcomes are only reported when enough time has been passed in pre-employment support (12 months) for outcomes to be achieved.

⁶ 2024-2025 Level 4 Budget tables [Supporting documents - Scottish Budget: 2024 to 2025 - gov.scot \(www.gov.scot\)](#)

Early Learning and Childcare

What did parents say about childcare?

Access to childcare was identified as an important issue by parents. There was generally high awareness of free childcare for three and four year olds. In one of the workshops, childcare was described as an area where parents felt that things had improved, but more needed to be done in relation to flexibility and affordability. Childcare continued to be a major challenge for parents with disabled children, who struggled to find childcare that would take their child due to their needs.

Access to affordable, accessible, flexible, high quality childcare is needed if parents are to be able to take up and sustain work. There are two main elements to the Scottish Government's commitments on early learning and childcare. The first is delivery of the current 1,140 hours of funded early learning and childcare for all three and four year olds and some eligible two year olds.⁷ The second is the commitment in *Best Start, Bright Futures* to develop funded offers for early learning and childcare for children aged one and two, starting with low-income households within this Parliament (by May 2026).

Take-up of the 1,140 hours of funded early learning and childcare for all three and four year olds continued to be estimated to be very high in 2023 (97%⁸), although slightly down on 2022 (99%). The proportion of all two year olds registered for funded early learning and childcare was 13% in 2023, a slight decrease from 14% in 2022. However, due to the work that the Scottish Government has done with UK Government to enable data sharing, for the first time it has been possible to estimate the two year old population eligible for funded early learning and childcare and use this to calculate take-up rates. The estimated take-up rate for eligible two year olds for 2023 was 52%. The Scottish Government has recognised that improvement is needed and is working with the Improvement Service to work with Local Authorities on maximising uptake. The Commission welcomes this work and hopes to see an impact on future take-up rates.

The funding allocated for early learning and childcare expansion for one and two year olds in 2023-2024 was small at just over £10 million, and the Scottish Government's work during the year focused on planning and building on early insights. Work has included [mapping of existing early learning and childcare provision for one and two year olds](#). It has also included developing an all-age childcare model as part of the Early Adopter Communities, discussed below in relation to school age childcare. This collaborative work is welcome.

There continue to be concerns in the childcare sector about the impact of further expansion and the sector's ability to deliver it. The Scottish Government's mapping work found much higher gaps in provision for one and two year olds than for older children, with more pronounced gaps in remote rural and island communities. Stakeholders raised concerns that there would not be enough capacity within settings to accommodate all one and two year olds who could be entitled to a place with an expanded offer. This is in the context of a decline in the childminding workforce of over 40% since 2016⁹, and concerns amongst private and voluntary nurseries about funding for the existing funded hours not covering costs.¹⁰

⁷ Some two year olds are also eligible for the 1140 hours if their parents get certain benefits, or if the child or parent has experience of care.

⁸ [Summary statistics for schools in Scotland 2023 - gov.scot \(www.gov.scot\)](#)

⁹ [Early Learning and Childcare Audit 2023 | SCMA News \(childminding.org\)](#)

¹⁰ [Seven out of ten nurseries in Scotland say they are under funded - NDNA](#)

In response to declining childminder numbers the 2023-2024 [Programme for Government](#) committed to scaling up pilots for recruiting and retaining childminders to grow the workforce by 1,000 more. This work is welcome and the Scottish Childminding Association has noted that there are small signs that targeted efforts to improve retention and increase recruitment into the childminding workforce are starting to have effect, although numbers are still declining.¹¹ The scale of this work is not, however, sufficient to address the challenges facing the sector.

The Commission continues to be of the view that the Scottish Government is not yet making the progress that will be needed to deliver its commitment to expand early learning and childcare. It is clear that there are significant challenges around capacity in the sector to deliver expansion. The funding and resources being allocated to expansion are not sufficient for the scale of the challenge. The budget allocated to the expansion in 2024-2025 is £31.7 million, an increase on 2023-2024, but still low in the context of the action that will be needed. Additional funding, resources, and work to address capacity issues in the sector will be needed to deliver on the Scottish Government's commitment. While good work is being done to understand the context and test action at a small scale, it is now two years until the commitment is due to be delivered. It is not clear that there is a realistic, deliverable, path from the current position to a meaningful expansion.

School Age Childcare

Best Start, Bright Futures committed the Scottish Government to building a system of school age childcare, offering care before and after school, and during the holidays, by the end of this Parliament (by May 2026). The 2023-2024 Programme for Government took an all-age childcare focus, saying that the Scottish Government would work with Local Government and other partners to develop the local infrastructure and services needed to provide childcare from nine months to the end of primary school in specific communities in six local authority areas. It said that access to funded childcare would be expanded for 13,000 more children and families by the end of this Parliament. Funding of £19.6 million¹² was allocated to school age childcare for 2023-2024.

School age childcare is currently being delivered through four Early Adopter Communities (in Clackmannanshire, Dundee, Glasgow and Inverclyde) and nine Access to Childcare Fund projects, with two additional Early Adopter Communities being established in Fife and Shetland. Through a joint initiative with the Scottish Football Association, the 'Extra Time Project' is also supporting local football clubs and trusts across some of Scotland's most deprived communities to provide before and after school activity clubs and holiday activity camps. One of the aims is to better understand how organised activities can form part of a future system of school age childcare. As of February 2024, information from the Scottish Government suggested that school age childcare services were being delivered to around 1,100 priority families. Through this work the Scottish Government has identified three cohorts of families who each have different childcare needs and potentially different outcomes associated with a funded or subsidised childcare offer.

As part of the work in the Early Adopter Communities, the Scottish Government has continued to consider how to define eligibility for a future school age childcare offer, and how this interacts with other support available, such as the childcare component of Universal Credit. It has been working with the UK Government to consider how to increase take-up of the childcare element of Universal Credit and the Tax-Free Childcare scheme.

¹¹ [Early Learning and Childcare Audit 2023 | SCMA News \(childminding.org\)](#)

¹² The 2023-2024 Budget figure was just over £41 million but this also included £21.75 million for holiday meal alternatives.

A lot of work has been done to understand local needs and start to co-design solutions as part of the early adopter communities. This is to be commended. But piloting in a small number of communities is not equivalent to building a system of school age childcare. As with the expansion of early learning and childcare, there still does not appear to be a clear path to delivery at scale, nor the funding or resources to support this. The 2024-2025 Budget allocates £20m for school age childcare, which suggests there is unlikely to be significant further progress over the coming year.

Transport

What did parents say about transport?

There was some discussion about the cost of transport and the impact that not being able to afford transport had on families. Free bus travel for children and young people was welcomed but some parents still could not take their children out because they could not afford their own bus fares.

The cost of transport was a major issue for asylum seekers. There was some limited awareness about the Scottish Government's commitment to fund free travel for asylum seekers.

Best Start, Bright Futures recognises the importance of affordable and accessible public transport which connects parents to essential services, employment centres and schools. The [Fair Fares Review](#), which was published in March 2024, considered both the cost and availability of public transport services and the discounts and concessionary schemes that are available. It included engagement with the Poverty Alliance, which held workshops with people with lived experience of poverty from communities across Scotland.

The Review offers less for families on low incomes than might have been hoped. While it does set out some potential actions that could benefit people on low incomes, most of these commitments are to develop policies or proposals, rather than commitments to the delivery of these proposals. The proposals and pilots being developed include actions relating to a bus flat fares pilot, free foot passenger travel on inter-island ferries for under-22-year-old island residents, free travel on rail services for companions accompanying eligible Blind Persons Concessionary Travel cardholders, and extending the National Ferry Concessionary Scheme to under-22-year-old island residents.

The Review reiterates the commitment the Scottish Government made in Autumn 2023 to provide £2 million funding in 2024-25 to provide free bus travel to people seeking asylum. Transport Scotland is developing a national pilot scheme to make use of this funding during 2024-25, though the details of this pilot are still being worked on. The Commission welcomes this commitment, which will support families experiencing some of the deepest poverty, and urges the Scottish Government to deliver it as quickly as possible, and on an ongoing basis beyond 2024-25.

More substantial action to support access to public transport for those on low incomes is relegated to the longer term. The Review recommends further policy development in the longer term to consider better targeting of public funds towards supporting access to public transport for those who need it most, including consideration of concessionary travel support for those experiencing poverty. A proposal to expand concessionary travel to unpaid carers has been rejected.

The first pathfinder pilot scheme to be implemented as part of the Review was a pilot project to provide all day off-peak rail fares from ScotRail services for a temporary period from October 2023 for six months, since extended until September 2024. While there was consensus amongst participants in the [Poverty Alliance workshops](#) about the benefits of removing peak fares, they highlighted that to best support people living on a low income, pathfinder projects would be better to focus on the cost, availability, and reliability of buses as this is the primary mode of public transport for low-income communities. The Commission agrees that this should be the focus.

2.2.2 What progress has been made in the last year on increasing income from social security?

Raising income from social security is another of the three drivers for tackling child poverty, and an area of notable progress and relative success. This includes the implementation of the five family payments, transfer of UK benefits, and maximising take-up of benefits.

Five Family Payments

What did parents say about the Five Family payments?

Across all parents and carers, the Scottish Child Payment was probably the most well-known of the Social Security Scotland benefits and the best understood anti-poverty action. Parents generally welcomed the Scottish Child Payment, with some saying £100 a month for each child made a real difference, especially for larger families. One single parent said:

“The Scottish Child Payment has helped so much. I have 3 children and felt like I was moving from one money crisis to the next. Now that I get a payment for my older son as well it’s been a bit of a lifesaver. I still struggle don’t get me wrong but if it wasn’t there well I’d be in really bad debt”

There were strong concerns, however, that the Scottish Child Payment and the other family payments were not available to all children in low-income families in Scotland, due to immigration status. This was seen as discriminatory and creating inequalities.

There has continued to be progress in increasing take-up of and eligibility for the five family payments delivered by Social Security Scotland. The latest [estimated take-up rate](#) (published November 2023) of the Scottish Child Payment for children aged under 6 shows take-up has risen from 87% for 2021-22 to 95% for 2022-23. The first take-up figures are also now available for children aged six to 15, showing an estimated take-up rate of 77% at the end of March 2023. As the Scottish Child Payment was only rolled out to older children from November 2022, the Commission would hope to see the take-up rate increase when the next take-up statistics are published.

The introduction of automation for the Best Start Grant Early Learning Payment and School Age Payment, in November 2022, is starting to have an impact on take-up rates, with an [estimated take-up rate](#) for Best Start Grant School Age Payment of 97% in 2022-23, a substantial increase from the estimate of 77% for 2021-22. The Commission welcomes the move to automation, meaning eligible children automatically receive the payments if they are in receipt of the Scottish Child Payment, without parents needing to apply. This reduces the amount of paperwork for parents and reduces the risk of children missing out because families do not realise they are eligible.

The Commission also welcomes the action that has been taken to extend eligibility for Best Start Foods. Legislation that came into effect in February 2024 removes income limits that are applied to qualifying benefits and expands eligibility for young parents. The Scottish Government estimates that this will make Best Start Foods available to around 20,000 more people.

Transfer of UK benefits

What did parents say about Child Disability Payment?

Parents talked about how important the Child Disability Payment is to families to be able to afford things like additional clothing, or special clothing required due to sensory needs, and special food. However, they said that, given the rising cost of living, it mostly helps pay rising costs of living expenses on food, electricity bills and heating bills.

Parents described challenges completing the Child Disability Payment form, as it is a long form with complicated questions, and they did not know how to 'navigate' the completion of the form for some severe health conditions. Parents from minority ethnic groups with a disabled child particularly struggled to find information and access financial support, and most had not been awarded Child Disability Payment.

Work has continued on the transfer of Department for Work and Pensions benefits to Social Security Scotland. The transfer of Disability Living Allowance for children, paid by the DWP, to the Child Disability Payment paid by Social Security Scotland was completed in 2023-2024. All disabled children and young people in Scotland who receive disability benefits are now being paid directly from Social Security Scotland.

Work has also started on Carer Support Payment, which is replacing Carers Allowance, with a pilot introduced in three areas in November 2023.

Income maximisation

What did parents say about accessing information and support about benefits?

Parents and carers across all groups highlighted challenges in knowing what benefits were available and what they were entitled to. This was particularly the case for parents and carers from minority ethnic groups, and especially those who faced language barriers, were asylum seekers, or had No Recourse to Public Funds.

They got information from a range of sources, including support organisations, other parents, online, midwives, health visitors, nurseries, schools, Job centres, and Citizens Advice. There appeared to be a lack of consistency in how information was made available to parents and it was clear that no one route would reach all parents.

The Scottish Government has continued to provide funding for Welfare Advice and Health Partnerships, integrating welfare and debt advisers in GP surgeries. An evaluation will be published in 2024. Data isn't currently available specifically for families with children, but early findings have highlighted that 13,000 people accessed the service between July 2022 and October 2023, with a financial gain of £17.9 million. Of these, 85% were first time users of the service.

The Scottish Government launched a new £1 million fund in 2023-24 to increase the accessibility and availability of advice within a range of settings. Projects supported by the fund are delivering holistic advice services, including debt advice, in education, health and other community settings. One of the aims of this fund is to support and develop partnerships between advice providers and other community-based services in order to increase the availability of advice within services people are already accessing. Again, data is not yet available for families with children, but the fund has been supporting 67 organisations across 25 local authority areas and has delivered advice to over 3,000 people. The total financial gain from June 2023 to January 2024 has been over £3.2 million.

The [Money Talk Team service](#) provided by Citizens Advice Scotland supported 35,920 clients between 1 April 2023 and 31 December 2023, of whom 7,989 were from priority family groups. Gains (financial gains or debt written off) of £6.3 million were made for 2,084 clients from the priority family groups, an average of £3,041 per client. In 2023-24 the Scottish Government invested £4.5 million in Citizens Advice Scotland for the provision of the Money Talk Team.

It is clear that no single route will ensure that information will reach all families, but the Scottish Government should consider the feedback from parents in this report to continue to improve the availability, accessibility and consistency of information and advice.

2.2.3 What progress has been made in the last year on reducing household costs?

The third key driver in tackling child poverty is reducing household costs, particularly housing costs which impact on the child poverty targets.

Housing

What did parents say about housing?

Housing was a key theme in discussions with parents. There were common issues raised across the workshops, which included discussions about availability, cost and quality of housing, and rent arrears.

Participants described problems with mould and damp, overcrowding, and being stuck in temporary accommodation. The housing crisis was seen as meaning that local authorities were unable to comply with their obligations to adequately house large families.

The Scottish Government's commitments to deliver 110,000 more affordable homes by 2032, with 70% for social rent, and to strengthen housing planning processes to ensure that larger family homes are delivered where they are required, are intended to contribute to meeting the child poverty targets.

The [latest statistics](#) for the Affordable Housing Supply Programme show that in the year to end December 2023, 9,680 affordable homes were completed, a decrease of five per cent on the previous year. This means that between 23 March 2022 and 31 December 2023, a total of 17,619 affordable homes were completed towards the target of 110,000 affordable homes by 2032.

As important as the number of homes completed are the numbers of approvals and starts of homes, as they indicate the trajectory of homes that will be completed in future years. In 2023 affordable housing supply approvals were the lowest since 2012, and starts were the lowest since 2013. Since 2019 there has been a year on year reduction in the number of approvals of homes for social rent, and since 2020 a year on year reduction in the number of starts of homes for social rent. In the last year the number of approvals for social rent decreased by 13% and the number of starts by 27%.

Funding for affordable homes in 2023-2024 was significantly less than in 2022-2023, and less than the previously published Capital Spending Review figure. Increased costs of construction and supply chain delays are some of the challenges being faced in delivering new homes. The [Scottish Housing Regulator](#) has noted that Registered Social Landlords need to balance investment in existing stock, including decarbonisation measures, with new housebuilding, and increased costs and below inflation rent increases mean Registered Social Landlords have reduced financial flexibility leading to a reduction in housebuilding.

The Affordable Housing Supply Programme budget for 2024-25 (£555.9 million) represents a further decrease (£196 million) compared to 2023-24 (where it was £751.9 million). This is also a decrease of £157 million on the previous published Capital Spending Review figure for 2024-25 (£713.1 million). [A Scottish Parliament briefing](#) has noted that the planned Affordable Housing Supply Programme budget has been cut by more than the overall capital budget, with a real terms decrease in the overall capital budget of 4.3% from 2023-24, compared to the 27% decrease in the Affordable Housing Supply Programme budget as a whole (though the capital component of the Affordable Housing Supply Programme budget was cut by slightly less, at 15%). In April the former First Minister announced an additional £80 million over the next two years for the programme. The Scottish Government has said that this takes the Affordable Housing Supply Programme budget in 2024-25 to “nearly £600 million”¹³, though this still represents a substantial decrease on both 2023-24 and Capital Spending Review figures. Given the slowdown in approvals and starts, alongside the budget reductions, the Scottish Government’s aim of 110,000 affordable homes by 2032 looks unattainable.

Digital connectivity

What did parents say about digital connectivity?

Parents were concerned that with so much information online, some families on low incomes do not have internet access, or the skills to access and make use of the internet.

There was some awareness that some people had received free internet and free devices, but not necessarily where this had come from. One parent described having been provided with MiFi internet access for eighteen months but said it had then stopped.

The Connecting Scotland programme was established by Scottish Government during the pandemic to help people get online, by giving people devices, free internet access and training. It provided packages of support to over 61,000 users by the end of 2022, including families with children. In *Best Start, Bright Futures*, the Scottish Government committed to expanding Connecting Scotland to bring 300,000 people online by the end of 2026, backed by £200 million. It said that the new programme would initially focus on digitally excluded low income families from the six priority groups. The Scottish Government has since told the Commission that this commitment now relates to 300,000 households by the end of 2026, instead of 300,000 people.

The [business case](#) for a revised model for Connecting Scotland was published in September 2023. The business case notes that the programme needs to adapt to be affordable. It recommends an option that it describes as a *Systems and capacity building activities plus partnership programme* option. This moves away from direct provision of devices and connectivity to individuals, to focusing on creating and delivering a strategic plan for tackling digital inclusion across Scotland in partnership with third sector, government and industry. The option also includes funding partnership programmes to provide direct support to citizens based on a one-to-many support model (e.g. device lending libraries or making devices available in community spaces). It aims to get between 4,000 and 16,000 people online at a cost of between £1.43 million and £2.05 million. This is a massive difference from the previous commitment of £200 million.

Given the change in model and limited funding it is difficult to see how the commitment to bring 300,000 households, or people, online will be delivered in a meaningful way.

¹³ [Boosting housing supply to tackle homelessness - gov.scot \(www.gov.scot\)](#)

Fuel Insecurity Fund

What did parents say about energy costs?

The challenges of high energy costs were raised by parents. Some parents described having to make choices between food and heating, and one parent had experienced their electricity supplier sending debt collectors to their home, causing distress and anxiety to them and their child. Energy costs were a particular concern to families with a disabled member because they often had higher energy use. Some parents were concerned that the Fuel Insecurity Fund was coming to an end. It was suggested that some families did not get access to fuel vouchers because of lack of information.

Other action to reduce household costs in 2023-24 included increasing funding for the Fuel Insecurity Fund to £30 million, to help households at risk of self-rationing or self-disconnecting their energy use. The Fund has now ended. Given the worries about energy costs raised by parents, the Commission is concerned about whether ongoing support will be available. The Scottish Government should assess the ongoing need for support with energy costs and evaluate the impact of the Fuel Insecurity Fund.

Free School Meals

What did parents say about free school meals?

When it came to discussing action on household costs, parents were particularly focused on school-related actions, such as free school meals and the school clothing grant, because of their direct impact on children. There were generally high levels of awareness of these actions.

While free school meals were considered useful for parents on low incomes, a number of issues were raised about their suitability, including food not being culturally appropriate or meeting dietary requirements, and some children with additional needs missing out because the school dining hall was too noisy. It was also suggested that teenagers do not like free school meals, and that it would be better to provide them with money as they do not eat in school.

The Scottish Government has continued to provide funding for free school meals during school holidays for children eligible for free school meals in term time on the basis of low income. The extension of universal free school meals for children in P6 and P7 continues to be delayed. The 2023-24 Programme for Government set out that the Scottish Government would work with COSLA to prepare schools and infrastructure for the expansion of universal free school meal provision to Primary 6 and Primary 7 pupils during 2026. To support local authorities with the infrastructure development, the Scottish Government provided an additional allocation of £16 million resource and £10 million capital funding in 2023/24.

The Scottish Government has said that the next phase of this roll out will be for P6 and P7s in receipt of the Scottish Child Payment from February 2025. A further £43 million in capital funding and £6 million resource funding is being made available by the Scottish Government in 2024-25.

In response to growing evidence about the impact of school meal debts, the Scottish Government has committed to providing £1.5 million funding to cancel school meal debt in 2024-2025. The Commission welcomes this and looks forward to seeing its impact.

2.3 What progress has been made in the last year on other key actions?

Pathfinders

Work on the Glasgow and Dundee Pathfinders has continued in 2023-2024. The Pathfinders aim to contribute to “a new approach to whole system change” focusing on innovation and testing, refining, adapting, and implementing new approaches to delivering person-centred solutions that may be scaled, or replicated in different localities. An [early process evaluation](#) of the first phase of the Pathfinders was published in May 2023. The evaluation found that families gave overwhelmingly positive feedback about the person-centred, holistic approach being taken by the Pathfinders. The ‘no wrong door’ model being used in both Pathfinders was seen to reduce barriers to accessing services, and increase people’s awareness of the support they may be eligible for. The evaluation found early signs that the Pathfinders might spark systems change.

At the same time the evaluation also emphasised the long term nature of delivering systems change. Many partners considered that whole systems change would take at least five to seven years of sustained commitment to embed, before longer term impacts on reducing child poverty would be visible. This was considered to require a commitment to long-term funding, and scaling up any approaches was also seen as requiring significant additional investment.

It is not clear from the evaluation whether there is a clear theory of change for each of the Pathfinders, that would link the Pathfinders to reductions in child poverty. This is important to understand what impact the Pathfinders are expected to have. In last year’s scrutiny report the Commission also said that it had not seen much evidence that serious consideration has been given to what scaling up means and how scaling up could happen if the Pathfinders prove successful. While long-term whole systems change could make a difference to tackling child poverty, without an understanding of how the Pathfinders are expected to impact on child poverty, and, if successful, a clear route to embedding change and scaling up, the Pathfinders will be limited in what they can contribute towards meeting the child poverty targets.

Disability Equality Immediate Priorities Plan

In addition to the commitments in *Best Start, Bright Futures*, the Commission also wishes to note here the lack of progress that has been made on the Disability Equality Immediate Priorities Plan. While not a part of the tackling child poverty delivery plan, the Disability Equality Immediate Priorities Plan is intended to recognise the disproportionate impact the cost of living crisis and the pandemic has had on disabled people. It could play an important role in supporting progress towards the child poverty targets and addressing the inequalities experienced by families with a disabled adult or child.

In the 2023-2024 Programme for Government, the Scottish Government committed to working with Disabled People’s Organisations to implement the Plan. The Plan was originally intended to be completed in 2023, but has not yet been finalised. The Commission supports the calls of Disabled People’s Organisations for the Scottish Government to implement the Plan as soon as possible and progress with the planned Disability Equality Strategy.

3 Does it appear to the Commission that such progress is sufficient to meet the child poverty targets?

Summary

While the Scottish Government's modelling suggests that its policies may have prevented an increase in the number of children in poverty, compared to a scenario where the Scottish Government took no action, the latest statistics demonstrate how far Scotland is from meeting its child poverty targets.

The deadline for the interim child poverty targets to be met was 2023-24. The statistics which tell us whether or not this has happened will not be available until 2025, but the activity that has already taken place in the last year will determine whether or not they have been met. If the interim targets were to be met, then it is clear that would be largely due to the Scottish Child Payment. The Payment is undoubtedly making a difference to individual families, but we are not seeing this reflected in the statistics so far. The full roll out of the Scottish Child Payment will not be captured by the latest data for 2022-23, but we would hope to have seen some impact already. Reaching the interim relative poverty target would now require an unprecedented eight percentage point reduction in a single year. Such a fall, while not impossible, appears improbable.

Of even greater concern is the path to reach the 2030 targets. Meeting the 2030 targets will require transformational change in relation to all the drivers of poverty. While some good work is taking place, this is not at the scale necessary to deliver the transformation required. In addition, existing commitments, such as the expansion of early learning and school age childcare, employability support, and the Affordable Housing Supply Programme, have been put at risk by a lack of funding needed to deliver them, and in some cases funding reductions.

In view of recent statistics and the scale and effects of actions taken over the last year, the Commission's opinion is that it is unlikely that the interim targets will be met. Furthermore, without immediate and significant action, the Scottish Government will not meet the 2030 targets.

Is the Scottish Government likely to meet the interim targets?

This report looks at the action taken in 2023-2024. The deadline for meeting the interim child poverty targets was this year. Due to the time taken to collect and prepare the child poverty statistics we will not have the data to know if they have been met until March 2025. On current evidence, however, it looks unlikely.

The Scottish Government [child poverty cumulative impact assessment update](#), published in February 2024, estimated the combined impact that a range of Scottish Government policies could have on the child poverty levels for two of the four target measures (relative and absolute child poverty). It projects that the relative child poverty rate may fall to around 16% by 2023-24 under the assumptions in the model. It estimates that Scottish Government policies will keep 100,000 children out of relative poverty in 2023-24 who would otherwise have been in relative poverty. The model projects that the rate of absolute poverty may fall to around 13% by 2023-24, with Scottish Government policies keeping 80,000 children out of absolute poverty.

If these estimates were reflected in next year's data, this would mean that the Scottish Government would meet the interim targets for relative and absolute poverty in 2023-24 (the modelling does not cover the persistent poverty and low income and material deprivation targets). However, the most recent available data for 2022-23, show there is still a very large gap between the latest single year statistics and the child poverty targets.

For the relative poverty target measure the reduction required is eight percentage points within one year to go from 26% to the interim target value of 18%. These single-year figures are subject to a large degree of uncertainty (see Appendix for a further discussion of these issues). However, looking at historic changes in relative child poverty from one year to another, the size of such changes are only very rarely greater than 3 percentage points from year-to-year. A fall of eight percentage points in a single year would be unprecedented. Even factoring in the presumption of a strong effect of the Scottish Child Payment acting to substantially reduce child poverty rates in 2023/24, such a fall, while not impossible, appears improbable.

In terms of actions taken so far by the Scottish Government, it has been clear that reaching the interim targets would rely significantly on the impact of the Scottish Child Payment. While the full roll out of the Scottish Child Payment will not be reflected in the latest data, we would have expected to see some impact. The range of uncertainty around the single year estimates is large, and there may be other reasons why we are not yet seeing the impact we would have hoped for from the Scottish Child Payment. Nevertheless when the Commission considers the most recent statistics and the action that has been taken over the last year, it looks unlikely that this will be sufficient to meet the interim targets.

We would note here, however, that whatever the impact on the overall statistics, the Scottish Child Payment is undoubtedly making an important difference to individual families, as parents have told us.

Progress towards the 2030 child poverty targets

Of even more concern is the path to reach the 2030 targets. As set out above, the Scottish Government has been relying primarily on the Scottish Child Payment to make progress towards meeting the interim targets. While other work is taking place, nothing that is currently being pursued is likely to have an impact on the scale of the Scottish Child Payment. If the impact of the Scottish Child Payment on reducing child poverty is more limited than expected then the gap between the current position and the 2030 targets becomes even more challenging to close.

The Commission has been clear that the 2030 targets can only be met by delivering a range of actions that work together to transform our economy and deliver fair work, create the conditions to support parents who are able to work, provide adequate social security for those who are not able to work, and reduce housing costs. In last year's report, the Commission said that it did not think the Scottish Government was close to being on track to deliver the kind of transformation that will be needed.

Nothing has happened in 2023-24 to change the Commission's view on this. We noted a lack of urgency, that was likely to be driven in part, although not entirely, by budget constraints. This continues to be the case. This is not to say that good work is not taking place. We would highlight Social Security Scotland's work to automate Best Start Grant payments, work to co-design childcare with early adopter communities, and the person-centred approaches being pursued by the Pathfinder areas as examples of actions that are making a difference to families' lives. Nevertheless none of these actions, in their current forms, are going to have the scale of impact that is needed.

The Commission has previously said that further transformative action, beyond that already committed to in *Best Start, Bright Futures*, would be needed in order to meet the targets. Not only is this not happening, but some of the existing commitments have been put at risk by reduced funding, or lack of funding needed to deliver them. The 2024-2025 Budget sees a reduced Affordable Housing Supply Programme budget, a reduction in employability funding, and limited funding to deliver commitments to expand early learning and childcare and school age childcare. The Connecting Scotland programme appears to have been scaled back with a new model and the Fair Fares Review looks unlikely to deliver any substantial action for those on low incomes.

The Commission recognises that the fiscal position was extremely challenging for the 2024-2025 Scottish Budget, and high inflation has meant that, while overall Scottish Government funding has risen in cash terms, the real terms increase is only 0.7%.¹⁴ Nevertheless, there were still choices to be made in how funding was used. The decision to fund a council tax freeze, for example, is one such choice. The Scottish Government allocated £147 million to fund the freeze, and recently also provided a further £63 million to councils freezing council tax.¹⁵ While the freeze will no doubt be welcomed by many households, much of the benefit goes to better off households. [Analysis by the Fraser of Allander Institute](#) suggests that almost 100% of households in the top income decile will benefit from the freeze, while only around 70% in the poorest decile will benefit, due to many paying no council tax as they are covered by the Council Tax Reduction scheme.

Considering the substantial level of investment required to fund the freeze, it is disappointing to the Commission how little households in poverty, particularly those with children, will benefit from this investment. [IPPR Scotland estimated](#) that the freeze would reduce the council tax that households pay by around £100 million (after council tax reduction is taken into account). Only £10 million or around 10% of this will benefit households in poverty, with only £3 million, or 3% of these savings being seen by households with children in poverty. Different choices could have been made about how that funding would be used, which could have had a bigger impact on child poverty.

¹⁴ [Scottish Budget: Tax and spending in 2024–25 | Institute for Fiscal Studies \(ifs.org.uk\)](#)

¹⁵ [Local government finance circular No. 2/2024: settlement for 2024-2025 - gov.scot \(www.gov.scot\)](#)

4 How is the identification of the Child Poverty Priority Family Types helping the Scottish Government to reach those at highest risk of poverty?

As part of its scrutiny of progress the Commission wanted to look more closely at how the Scottish Government is making use of the priority family types to develop its work on child poverty.

When the Poverty and Inequality Commission provided [advice to the Scottish Government on its first Child Poverty Delivery Plan](#), it identified that some children were at much greater risk of poverty and specific action might be needed to reduce their chances of being in poverty. It recommended that the Delivery Plan should recognise this and be clear how its proposed actions would support these children.

The Scottish Government's first [Tackling Child Poverty Delivery Plan](#) took forward this recommendation and was informed by analysis to identify types of households with children that were most at risk of poverty. The evidence showed the extent to which child poverty and equality overlap, with strong age, gender, ethnicity and disability dimensions.

From this, the Delivery Plan identified six groups of priority families and aimed to target actions towards these families:

- Lone parent families, the large majority of which are headed by women
- Families which include a disabled adult or child
- Larger families, with three or more children
- Minority ethnic families
- Families with a child under one year old
- Families where the mother is under 25 years of age

These family types do not cover all groups at higher risk of poverty, and about one in ten children in poverty live in a household with none of the characteristics above. There will also be many children living in families where one or more of these factors apply who do not live in poverty. There will be differences within groups that are not reflected in the data, for example, differences between different ethnic groups which are hidden as the available data cannot be broken down to that level. But taken together, these groups do cover the majority of households in poverty, making up almost 90% of children in poverty. Many of these family types experience structural inequalities that can trap them in poverty.

The Scottish Government has subsequently carried out and published further analysis about each of the priority family types and the issues and barriers that they face. The most recent [overview of the evidence](#) was published alongside the 2022-2023 progress report. It has also analysed [how the characteristics of the priority family types intersect](#). Most children who are from one of the priority family types are also in one or more other priority family types. For example 46% of children in relative poverty who are in a lone parent family also have a disabled adult or child in their household. This means that many families experience multiple intersecting factors and barriers that can trap them in poverty.

The table below reproduces the data published on this topic by the Scottish Government, looking at the proportion of children in relative poverty in each priority family type who are in only one, or multiple other priority groups during the 2014-2022 period. It also shows what other priority family groups that children in poverty in a given priority family group *are also* members of.

Priority family groups	Proportion of children in relative poverty in each priority family group who are in one, or multiple, other priority groups (2014-2022)					Proportion of children in relative poverty in each priority family group who are also in each of the other priority family groups (2014-2022)					
	In exactly one group	In exactly two groups	In exactly three groups	In exactly four groups	In exactly five groups	Lone parent	3+ children	Baby aged <1	Mother aged <25	Disabled member	Minority ethnic
Lone parent	23%	55%	18%	4%	0%	100%	24%	10%	12%	46%	12%
3 or more children	21%	55%	19%	4%	1%	28%	100%	15%	3%	43%	19%
Baby under 1	20%	34%	35%	10%	1%	27%	36%	100%	25%	30%	21%
Mother under 25	12%	44%	32%	11%	2%	51%	10%	38%	100%	43%	6%
Disabled household member	22%	57%	17%	4%	0%	39%	32%	9%	9%	100%	14%
Minority ethnic household	31%	46%	20%	3%	0%	22%	29%	14%	3%	28%	100%

The numbers of children in relative poverty in each priority family group surveyed are small and so the figures should be interpreted with some caution. However, it is clear that children in poverty who are a member of one of the priority family groups (which is the vast majority of children in poverty) are also more likely than not to be a member of at least one other group. For some groups this is particularly marked; for example, in the case of children in poverty in a household with a baby under 1, and also children in poverty in household with a mother aged under 25, just under half of both of these groups are also in households that are in three or more other priority family groups. This further reinforces the importance of policy recognising the high concentration of overlapping characteristics (and potentially compounding barriers) that affects these groups.

Best Start, Bright Futures reiterated Scottish Government’s commitment to ensure that actions delivered for the families at greatest risk of poverty. It said that the Scottish Government remained firmly focused on supporting the six priority family types and looking at the impact of interventions through the lens of the priority families. It recognised that by seeking to ensure that systems work for these families in particular, it should be possible to both drive down levels of child poverty and advance progress on equality and human rights for women, disabled people and people from minority ethnic groups.

Alongside the 2022-2023 progress report, the Scottish Government published [a review of the approach to reporting evidence by priority family types](#). This looks at how to use the concept of the priority family types, as well as the available evidence. The report sets out that the purpose in identifying these priority household groups is to better understand the particular factors that contribute to people’s experience of poverty, or that prevent their situation from improving. This can help make sure that policies and initiatives that aim to tackle child poverty are designed to be responsive to people’s circumstances, by recognising the additional challenges or barriers that some family types can face, and are as impactful as possible.

The report says that while analysis of the six priority groups is meant to provide a focus when designing interventions, the groups are not intended to be used as a means of targeting policies. The intention is not to define eligibility criteria for a policy aimed at a specific family type; rather the purpose is to tackle child poverty while helping policies understand the barriers and challenges that those most at risk of poverty face, and to design policy accordingly to address distinctive issues encountered by specific family types. It highlights the risk that targeting a particular group risks pigeon-holing everyone within that group and may also mean that people falling outwith the priority groups, but who are in poverty, do not get the support they need.

4.1 Why is the Commission looking at the priority family types in this report?

The Commission is keen to ensure that the focus on the priority family types is maintained, given their higher levels of poverty and the structural barriers they often face. As can be seen from the feedback from parents and carers, parents can face different barriers and have different experiences that relate to these characteristics. Many face multiple intersecting inequalities. It is important that reducing child poverty also reduces inequality, and that reducing child poverty overall does not mask growing inequalities for some family types. At a practical level, ensuring that policies and actions meet the needs of the priority family types, will mean that they are more effective in reducing child poverty as a whole.

The Commission does not have the detailed information or capacity needed to evaluate the impact on the priority family types of the actions that the Scottish Government has taken so far. Instead we wanted to understand more about how the Scottish Government was using the information that it has about the six priority family types to develop, implement and evaluate policies and initiatives to tackle child poverty. This would also allow us to highlight promising examples and potentially identify gaps.

The Commission's starting point was to review *Best Start, Bright Futures* to identify where actions had specifically referenced the priority families. In some cases these actions said they would have a particular focus on the priority families. Others did not have a particular focus on the priority families but indicated that they expected priority families to benefit from them. We also included actions which did not specifically reference the priority family types, but had a particular focus on groups that aligned with the priority family types, such as disabled people, women, or people from minority ethnic groups. From this we identified a number of areas to explore in more detail. These were:

- Employability support
- Adult learning and skills
- Early Learning and Childcare
- School age childcare
- Fair Work
- Income maximisation
- Affordable Housing and homelessness
- Heating and energy efficiency
- Pathfinders

The Commission asked the Scottish Government for more information about these areas, including:

- How an understanding of the priority family types is shaping action to address child poverty
- Whether data is being collected to understand whether actions are reaching the priority families and how this is being used to inform delivery
- To what extent an intersectional approach is being taken, reflecting that families may belong to multiple priority family types
- Whether parents facing intersectional barriers have been involved in helping to plan actions

The Commission would note that there may be good reasons not to use an understanding of the priority family types to inform policy development and analysis, for example, where addressing child poverty is only one aspect of a wider purpose of a policy or action. Where policy areas were not specifically using this concept, but were focusing on relevant protected characteristics, or household types that aligned to some extent with the priority family types, we also asked for that information.

4.2 How are policy areas across the Scottish Government using the priority family types concept?

From the information that we received from Scottish Government we identified that there are broadly five ways that the concept of the priority family types is being used in relation to action to tackle child poverty. These are in:

1. Development of policies and actions
2. Implementation of policies and actions
3. Taking a person-centred approach
4. Monitoring of the reach or impact of policies and actions
5. Describing who policies or actions are expected to reach

Development of policies and actions

While a number of policies and actions were described as having a focus on the priority family types, a relatively limited number appear to be explicitly using evidence about the needs of priority family types, and the barriers they face, to shape their development. The most developed example of this is work on school age childcare, which has a particular focus on the priority family types. While this work is not limited to only the priority family types, children and parents from the priority family groups have been involved in developing the work, through a People Panel, and through involvement in community tests of change. This approach has also been expanded to develop work around the extension of early learning and childcare.

There are a number of other policies and actions that to a lesser extent have identified particular needs of, or barriers faced by, the priority families. For example, the challenges of housing for larger families have been identified as a priority for the Affordable Housing Supply Programme. This has led to a commitment to further strengthen housing planning processes to strengthen the focus on housing needs by size and location to ensure that larger family homes are delivered where they are required.

Implementation of policies and actions

An understanding of the priority family types is more commonly being used in thinking about implementation of policies and actions. This is mainly being done in two ways. The first is where the priority family types are being used as a criterion/focus (often amongst others) for access to an action or for distributing funding. This includes where design and delivery of actions takes place at local level, but Scottish Government guidance has identified that the priority family types should be considered as part of design and delivery.

The priority family types are identified as one focus for the No One Left Behind employability approach, for example. Prioritisation of one or more of the priority family types was used as one of the criteria to assess applications for the Child Poverty Practice Accelerator Fund. New Discretionary Housing Payment Guidance sets out that, after applying bedroom tax and benefit cap mitigation, one of the priorities local authorities should consider is how funding can help tackle child poverty and support the six priority family types.

The second way the priority family types are being used in implementation, is in relation to promotion of and encouraging take-up of benefits and services. This is where evidence to understand the needs of and barriers faced by the priority family types has been used to identify that specific, more targeted, activities may be needed to reach one or more of the priority family types.

This approach has been taken particularly in relation to benefit take-up. Whilst the Scottish Government's Benefit Take-up strategy identifies 'seldom-heard groups'¹⁶, rather than the priority family types, there is significant alignment between the two concepts. There has been engagement with families with disabled children, young parents, single parents and parents with larger families, in relation to aspects of delivery, such as making sure application processes are accessible and exploring the best ways of making families aware of their entitlement.

Marketing activity has also been specifically designed to encourage parents in the priority family groups to access financial/employability advice and support. This activity was informed by qualitative research with parents from the six priority family groups.

Taking a person-centred approach

Some policies and actions identify that they are aiming to meet the needs of the priority family types through taking a person-centred approach. Person-centred approaches tend to start from a holistic understanding of the person and their needs, acknowledging the complexity and individuality of people's lives, and place an emphasis on building relationships and trust.¹⁷

Instead of taking a service-led approach where the offer to parents and families is defined by the service, policies such as the No One Left Behind employability approach and the Child Poverty Pathfinders aim to work with individuals and families on the support they need. In this way they aim to address the needs of, and barriers faced by, families from the priority family types.

While person-centred approaches can be very effective in meeting the needs of families, it is not always clear the extent to which their design is explicitly informed by structural barriers that might prevent parents from some family types being able to engage with or benefit from the approaches.

¹⁶ Details of groups that are considered seldom heard are included in the Scottish Government's Benefit Take-up Strategy [Social Security \(Scotland\) Act 2018: Benefit Take-up Strategy October 2021](https://www.gov.scot/publications/social-security-scotland-act-2018-benefit-take-up-strategy/october-2021/pages/100-to-110.pdf) (www.gov.scot)

¹⁷ [Covid recovery: learning from person-centred approaches - gov.scot](https://www.gov.scot/publications/covid-recovery-learning-from-person-centred-approaches/pages/100-to-110.pdf) (www.gov.scot)

Monitoring of the reach or impact of policies and actions

Probably the most common way that the priority families concept was being used was as part of monitoring and evaluating the reach or impact of policies and actions. A number of areas are collecting quantitative and qualitative data relating to whether the priority family types are accessing services and what their experiences are. In some cases this is part of regular monitoring data, in other cases this is being collected as part of a larger evaluation.

A [Shared Measurement Framework](#) has been developed for the No One Left Behind approach, for example, which collects data about parents from the priority family types who access employability services and about what their outcomes are. Monitoring and evaluation is being developed for the school aged childcare programme that will include data about the six priority family types. The majority of services funded by welfare and debt advice policy also collect data about the number of clients belonging to each of the priority family groups and the support provided.

Where addressing child poverty is not a primary focus of action, but one of a number of wider aims, the priority family types are generally not used for the purpose of data and evidence-gathering. However, some data relevant to priority family types may still be collected, for example in relation to protected characteristics. For example, for Scottish social security benefits, data is not specifically collected in relation to the priority family types, but some analysis can be carried out by age, gender, disability and ethnicity. Qualitative research as part of an [interim evaluation of the Scottish Child Payment](#) included interviews with recipients who were recruited based on the priority family types.

There is less evidence about whether the data and evidence that is being collected is being used to refine or re-shape actions and delivery. There may be a number of reasons for this. In some cases while there are plans to collect data and evidence, it is too early to have sufficient evidence from which to draw conclusions. In other cases action is being delivered by partners at a local level, so while data is available it is not clear how it may be being used to shape delivery.

Describing who policies or actions are expected to reach

In some areas, policies or actions are described as being expected to benefit parents from the priority families, although they are not being specifically designed with this intention. This is sometimes where a universal service is being provided which should reach all families, such as support on income maximisation through the Universal Health Visiting Pathway. Other times this is because the population targeted, such as young parents through the Family Nurse Partnership, or people on passport benefits in the case of Warmer Homes Scotland, is expected to contain people on low incomes from the priority family types.

4.3 To what extent is the Scottish Government taking an intersectional approach to child poverty?

The Commission also asked the Scottish Government about the extent to which it was taking an intersectional approach to its actions. A number of policy areas acknowledged the need to take an intersectional approach, and in some cases had already used data and evidence to identify some intersecting characteristics or barriers that were particularly relevant to their work. For example, delivery of some actions in the Fair Work Action Plan will take a targeted approach to addressing intersectional labour market inequalities, such as for racially minoritised women and young disabled people.

There has been some limited intersectional analysis of data. This includes occasional intersectional analysis of Social Security Scotland clients and approval rates, which look at combinations of protected characteristics. The latest [intersectional statistics](#) were published in 2021. A number of policy areas, including school age childcare, early learning and childcare, employability and the Pathfinders said that as part of their evaluation work they were considering what intersectional analysis of data might be possible in future.

The school age childcare and early learning and childcare policy areas noted that, following constructive challenge from the National Advisory Council on Women and Girls, they recognised the need to look at future policy development and delivery through an intersectional, as well as a place-based and communities of interest lens.

4.4 Reflections on using an understanding of the priority family types to support action to tackle child poverty

There appears to be variation in how an understanding of the priority family types is being used across Scottish Government. The Commission considers that there is more scope to make use of the concept to ensure that actions best meet the needs of those at highest risk of poverty.

1. Clarity about how to use the priority family types in policy making

The Commission recognises the Scottish Government's position that the priority family types are meant to provide a focus when designing interventions, but are not intended to be used as a targeting tool. Nevertheless, there are risks that this framing discourages recognition of circumstances where policies are not meeting the needs of particular priority family types, and where more targeted action might be required. The Commission suggests the Scottish Government gives further consideration to how to communicate the different ways that the priority family types can be used in policy making.

2. A greater focus on using evidence and engagement with families from the priority types in developing policies and actions

There were relatively limited examples of areas that appeared to be using evidence about the needs of the priority family types, and the barriers they face, to shape policies and actions. It was more common to describe the impact of a policy on the priority family types, after that policy had been developed, for example for the purposes of an equality impact assessment. While using the priority family types as a lens will not be appropriate for all actions, the Commission suggests that as new policies and action are developed to contribute to tackling child poverty, the Scottish Government should be more explicit about whether it is using this evidence to shape policies, and if not, why not.

3. Using monitoring and evaluation data to refine or re-shape actions and delivery

There is a lot of work taking place in relation to data collection and evaluation that includes collecting data about how policies and actions reach and impact on the priority family types. However there is less evidence about the extent to which this data and evidence is then being used to refine, or re-shape, actions and delivery. As we note in the report, it may be too early to see this for some of the policies, but, where regular monitoring data is available, the Commission would expect to see examples of how this is being used. The Commission suggests that the Scottish Government should set out how it will use monitoring and evaluation data to improve the effectiveness of policies and actions in reaching and benefiting the priority families.

For some actions where delivery is at a local level, the Scottish Government should consider how it can support local areas to not just collect the relevant data, but also to make use of it.

4. Involving families from the priority family types in development, delivery and evaluation of actions

There are some examples of involving families from the priority family types in the development of actions, or engaging with them on delivery. The Commission would highlight the work on school age childcare in particular. Involving priority family types in the development of actions from the start, can help design more effective actions. The Commission considers there should be a greater focus on co-design and that learning from existing work should be shared across Scottish Government.

5. Building increased competence and capacity in relation to intersectionality

There was some acknowledgement in the responses from the Scottish Government of the need to take an intersectional approach, but this was limited. The Commission suggests that the Scottish Government takes action to further build competence and capacity in relation to intersectionality.



5 What do we know about needs of, and barriers faced by, the priority family types, and what the Scottish Government is doing to address them?

In this chapter we explore some of the barriers and needs identified in our workshops with the priority families, and highlight some of the relevant activity the Scottish Government is taking in relation to the drivers of employment, social security, and cost of living. The Commission's intention here is not to try to evaluate the extent to which Scottish Government policies are meeting the needs of the priority families, but to illustrate where action is being taken that is making use of the concept to try to ensure that policies and actions meet needs.

The information used here about the issues priority families face is drawn primarily from our workshops with parents and carers, and is supplemented by the Scottish Government's analysis of wider evidence about the priority family types.

Seven organisations ran eight workshops for the Commission, to capture parents' and carers' views with 111 participants in total, and one organisation ran a survey (21 survey responses). These included organisations working with lone parents, parents with disabled children, minority ethnic parents, refugee and asylum seeking parents, young parents, and parents with babies under the age of one. While these organisations were particularly focused on some of the priority family groups, the parents and carers they work with generally belonged to more than one of the priority family types and were encouraged to feel able to share their views and experiences as a whole, not just in relation to any one characteristic or experience.

The workshops were broadly structured around three areas:

- Awareness of actions that the Scottish Government was taking to reduce child poverty
- Personal experience of these actions
- What more the Scottish Government should do to tackle child poverty

Organisations and parents also had flexibility to explore the areas of most relevance to them.

We aimed to make sure that the workshops with parents included parents from all the priority family types, and most parents belonged to more than one of the priority family types and experienced multiple intersecting inequalities and barriers. Despite this, we would note here that some voices and experiences have come out more and less strongly in the feedback from the workshops. In particular, while there were disabled parents in many of the workshops, there was no specific workshop run with disabled parents, and their experiences come out less strongly in the feedback than the experiences of families with disabled children. We recognise that this leaves a gap in the messages in our report about the experiences of families that include a disabled adult and recommend that the Scottish Government do further work to understand the experiences and barriers faced by families with a disabled member in relation to child poverty.

Asylum seeking and refugee parents, and parents with No Recourse to Public Funds, were well represented across a number of workshops and this means that their experiences are more strongly reflected in the workshop feedback. These are groups who can experience very deep poverty and are at highest risk of destitution. The Scottish Government is restricted in what action it can take to support these families due to much of the relevant powers being reserved to the UK Government. Nevertheless, these are children living in Scotland who are experiencing poverty and the Commission felt that it was important that their experiences are reflected in this report. Awareness of some actions to tackle child poverty may be lower for asylum seekers and those with No Recourse to Public Funds, as they are not eligible to benefit from them.

This should be borne in mind when reading the workshop feedback. The Commission will publish a separate report on these workshops later this year.

5.1 What do we know about the issues that the priority family types experience in relation to social security?

What does the Scottish Government's evidence base tell us about the priority family types and income from social security?

Minority ethnic families

- Generally, minority ethnic families are less reliant on income through social security, though reliance on benefit income varies widely by ethnic group.
- Asian Pakistani and Bangladeshi families have the highest reliance on benefit income of all ethnic groups.
- Asian Indian and Chinese households have a lower reliance on benefits than white households.
- Take-up of benefits may be an issue, but there is a lack of evidence.

Lone parent families

- More likely than other priority groups to have applied for Universal Credit or crisis grant to help with the cost of living.
- High anxiety and uncertainty when looking to claim benefits.
- Disproportionately impacted by cuts, conditionality, freezes and benefits caps and limits, particularly those who also have a disabled adult or child in the household, partly because of a higher reliance on benefits.

Families with a disabled person

- Disabled people experience a range of difficulties with benefits currently delivered by the UK social security system, including a lack of advice and support, lack of trust in the system, and a complex, inflexible or unsuitable application process.
- Disproportionately impacted by cuts, freezes and or changes to eligibility criteria, partly because of a higher reliance on benefits.

Families with 3+ children

- Since 2013, changes to the UK benefits system have reduced the real value of social security benefits paid to low-income larger families and restricted their access to the benefits system.
- Benefit cap puts a limit on the amount that a family can claim on social security in many circumstances. This disproportionately affects households with more children that are likelier to be bound by the cap.
- There is a 2 child cap on some benefits, such as the child element of Universal Credit, but this does not apply to the Scottish Child Payment.

Families with a child under one

- Insecure and unpredictable work can affect women's entitlement to Statutory Maternity Pay/ Maternity Allowance.
- Although Statutory Maternity Leave is available for 52 weeks, statutory Maternity Pay is only payable for 39 weeks.
- Many parents re-access or access social security payments following birth of child. While, in Scotland, support has positively impacted families, this is against the backdrop of damaging benefit restrictions by UK Government.

Families with a mother under 25

- Generosity of some social security benefits for under 25s is lower than for older age groups (e.g. Universal Credit and Local Housing Allowance).
- Mothers under 20 are considerably more reliant on state benefits and tax credits than are older mothers, making them disproportionately impacted by cuts or changes to eligibility criteria in benefits or support services.

This table is based on analysis carried out Scottish Government and is adapted from Scottish Government [priority family types slide deck](#)

The importance of social security to the priority family types was reflected in our workshops where social security, and access to it, dominated discussions. Many of the issues identified in the wider evidence base came up in our workshops with parents.

The issue of the benefits system (both UK and Scottish) being unfair and discriminatory towards some children and family types in Scotland was discussed at a number of workshops. Children from asylum-seeking families or those with No Recourse to Public Funds are not eligible for the Scottish Child Payment, or, in the vast majority of cases, the other family payments, such as the Best Start Grants and Best Start Foods. Across a number of the workshops this was highlighted as discriminatory, treating some children living in Scotland, some of whom were born in Scotland, differently to others. One participant said:

“Child poverty does not look at your immigration status or your skin colour, Best Start Food grant and Best Start Food should be for all children.”

The two child limit for Universal Credit and age discrimination in Universal Credit, with parents under the age of 25 receiving lower levels of benefits, were also highlighted as treating some children differently.

The difficulties in finding out about benefits, understanding eligibility, and applying was a major focus of discussion. Parents from minority ethnic groups and parents with disabled children found it particularly difficult to know what they were entitled to. This was especially the case for parents with a disabled child who were from minority ethnic groups, who struggled to find information and access financial support. In the workshop for parents with disabled children, most of the parents from minority ethnic backgrounds had not been awarded Disability Living Allowance or Child Disability Payment.

Even with the Scottish Child Payment, which was probably the best known benefit, there was still a lot variation in knowledge about it. Awareness appeared to be highest amongst single parents and lowest amongst parents with disabled children and minority ethnic parents. One parent said:

“The first time I heard about the Scottish Child Payment was from Amina, and it felt like a bonus, like an extra, since I know about child benefit but not Scottish Child Payment and I didn't know why it was there. It's a shame they don't backdate because I didn't know about it for a long time, I thought it was child benefit and missed out.”

Across many of the workshops the issue of language barriers was raised for those whose first language was not English. Language barriers may be particularly acute when applying for disability-related payments. One participant said:

“Because we may not use the right word or explain the condition our child has which is like living with a time bomb, and yet we don’t get support.”

Participants in the workshops felt that there was a lack of clear information in relation to social security for parents and carers who are asylum seekers or have No Recourse to Public Funds. Some participants with No Recourse to Public Funds in one of the workshops talked about receiving well-meant advice or referrals (e.g. from midwives) which turned out to be incorrect or not applicable to people with No Recourse to Public Funds. This made it difficult for them to trust any guidance they received.

At transition or crisis points, parents may be in the greatest need of access to benefits, but at these times it can be particularly difficult for parents to understand what they may be entitled to. Parents from priority family types identified a number of different transition points where they needed information. These included:

- at the time of relationship breakdown for single parents
- at the point of diagnosis or assessment for disabled children and adults, and at transition from child to adult services
- on arriving in Scotland for asylum seekers, and when people transition from the asylum process to achieving refugee status

One parent from a workshop with minority ethnic parents said:

“Some of the women are struggling because they have recently come to the UK, but I am born here and lived here all my life, but I’ve never heard about these benefits, and I think it’s because I never had to access it, only after separation.”

Another participant had navigated access to benefits at the point they received their refugee status, with the help of the Scottish Refugee Council, but then later became disabled and found that information wasn’t readily available about entitlements to benefits and support.

The feedback from parents suggests that further investigation is needed to understand take-up of social security by some minority ethnic groups, and identify whether they face additional barriers to accessing their rights.

While the sufficiency of benefits was an issue across all the workshops, for asylum seekers the issue is particularly acute, because of the very limited payments they receive from the UK Government and their lack of entitlement to other benefits. Parents described the hardships of budgeting such a small weekly allowance and that many were left with no money after buying food, so were forced to stay at home most of the time because they could not pay for buses or for any activities with their children. This left them feeling excluded from Scottish society.

What is the Scottish Government doing to address the needs of the priority family types in relation to income from social security?

The Scottish Government has taken some policy decisions that have aimed to address some of the caps and limits on UK social security that disproportionately impact the priority family types. The decision not to limit the Scottish Child Payment to the first two children in a family benefits larger families, and may be more likely to benefit minority ethnic families, as larger families are more common in some ethnic and religious minority communities. This policy decision also supports families who make up many of the other priority family types, due to the intersections between larger families and other priority family types, including families with a disabled adult or child, lone parents, and a baby under the age of one.

The decision to implement a policy of benefit cap mitigation through the Discretionary Housing Payment scheme from 1 January 2023, supports single parents who are particularly likely to have their benefits capped. As of November 2023, 73% of households that had their benefits capped were single parents. Again, due to the intersection between priority family types, this should support families who make up many of the priority family types, particularly larger families. It was not clear from our workshops whether or not parents were aware of this support.

While the priority family types have not been specifically used in developing social security policy, there has been engagement and research with groups who align with the priority families, including families with disabled children, young parents, single parents and parents with larger families as part of the policy development for individual benefits. Parents and carers from priority family groups have been involved in development of some of the work on the five family benefits. This included user research and testing application forms with young parents, and user research with single parents, including single fathers.

Stakeholder engagement and other evidence has informed the Scottish Government's [Benefit Take-up Strategy](#) and further research has been commissioned to understand more seldom-heard groups in order to develop tailored engagement and marketing approaches.

Five Family Benefits – Young Parents

In workshops with young parents it was recognised that existing advertising for the five family benefits states that parents may be eligible if they receive certain benefits or tax credits. Young parents may not be personally in receipt of qualifying benefits, but are still entitled to Best Start Foods and Best Start Grant. As a result of the workshops it was identified that a specific communications and engagement strategy was needed for young parents.

The Scottish Government's overarching approach to funding welfare, debt and income maximisation services is to support holistic advice services which are open to everyone, rather than any specific group of people. However, while it is not clear the extent to which there has been an analysis of the specific needs of priority families and assessment of the suitability of general services to meet their needs, there are examples of services or programmes that are more targeted at priority families, or aim to further increase the availability and accessibility of advice. These include:

- funding to One Parent Families Scotland for a range of specialist welfare benefit and debt advice services for lone parents
- funding for the Child Poverty Action Group to provide support and specialist training and events for Scottish advisers that covers issues faced by some of the priority family types
- a new £1 million Advice in Accessible Settings fund to increase provision of advice within services such as education, health and community settings
- support on income maximisation through the Family Nurse Partnerships, which is offered to first time parents aged 19 or under¹⁸, which should specifically reach some of the youngest parents.

¹⁸ The Family Nurse Partnership is being expanded to be offered to mothers aged 20 and 21, and care experienced mothers under 25.

Advice in Accessible Settings Fund

Data, feedback and case studies collected from organisations funded by welfare and debt advice policy prompted the development and launch of the new £1 million Advice in Accessible Settings fund in 2023-24.

The fund is supporting and encouraging partnerships between advice providers and a range of other community based services, including those specifically supporting families. Families receiving support from these services include lone parents, minority ethnic families and families with disabled children.

This year, the fund is supporting 67 different organisations across 25 local authority areas and has delivered advice to over 3,000 clients. Data up to the end January 2024 identifies 2,549 clients as belonging to at least one of the priority family groups.

Communications about income maximisation have been informed by an understanding of the priority family types, with research with the priority family types informing a marketing campaign and social media activity.

Developing communications about income maximisation

Scottish Government undertook qualitative research with the six priority family types to help it develop communications activity to encourage parents in the priority family groups to access financial/employability advice and support. The research identified a range of barriers and challenges to accessing support, some of which were universal, while others were only identified in specific family circumstances and experiences (including intersectional barriers).

This was used to develop a communications approach, including a marketing campaign and social media activity, to ensure all communications addressed universal barriers, while using targeting to deliver specific messages relevant to different audiences.

Evaluation of the marketing campaign, where parents and carers from the priority family types made up 80% of the research sample, found that 77% of parents in the priority family groups recognised the campaign and that 76% of these took action as a result of seeing the campaign.

What more did parents think was needed in relation to social security?

The importance of knowing what you were entitled to, and making this information accessible, was a strong message coming from all the workshops. There was no single answer as to how to do this, but access to information through universal services, such as schools, nurseries, GPs, health visitors and libraries was seen as important. The need for information to be shared at various stages of children's development, not just at birth, and at the kind of transition points identified above, was emphasised.

As the main source of information for many parents was support groups, community networks and other charities, some parents felt that these groups should be given funding to help them promote benefit entitlement. The need for information to be available in translation, in writing and in person, was emphasised as a way of overcoming the additional language barriers some minority ethnic parents face.

Given the complexity of entitlement for people with different immigration statuses, some groups identified the need for specific support for people achieving refugee status/ leave to remain/ permanent leave to remain, to make sure that their children got the benefits they were entitled to. It was suggested that a comprehensive website with relevant information and resources for people with different immigration statuses would be very helpful to understand what was available and eligibility.

Automation of benefits, so that families entitled to receive them do so without needing to apply, was also suggested in some workshops. For example, some parents felt that Child Disability Payment, and associated support, should be automatically awarded at diagnosis or assessment.

The importance of access to information and advice, and the barriers that the priority families can face, was one of the strongest messages from our workshops. There is not a single route for providing information and advice, but parents often get information from existing support groups and community organisations, rather than just formal advice services. In future development of income maximisation policy the Scottish Government should consider how this can be recognised and funded, how to address the particular barriers faced by some minority ethnic families, and the need for accessible provision of income maximisation services for families including a disabled person.

Some parents said that they wanted the Scottish Government to increase levels of benefits as they felt they were too low. There were also suggestions that the Scottish Government should lobby the UK Government for changes to UK benefits, and take action to mitigate some of the UK Government's decisions. This included compensating for the reduction in Universal Credit for parents under 25, reducing the impact of the benefit cap, and lobbying the UK Government to get rid of the two-child limit.

The Commission asks the Scottish Government to continue to press the UK Government to remove the two child limit and benefit cap, to equalise Universal Credit payments for those aged under 25, and to introduce an Essentials Guarantee to ensure that social security benefits adequately cover the cost of essentials.

5.2 What do we know about the issues that the priority family types experience in relation to employment?

What does the Scottish Government's evidence base tell us about the priority family types and income from employment?

Minority ethnic families

- While minority ethnic school leavers tend to outperform other pupils, this does not translate into better work outcomes.
- Can face discrimination when applying for a new job or promotions, and women may face additional barriers in accessing and navigating quality employment.
- More likely to work irregular hours so accessing suitable childcare can be a challenge.
- Tend to be paid less per hour, and more likely to be underemployed.

Lone parent families

- Limited options for increasing income from employment. The majority of lone parents are in paid employment already, but still in poverty.
- Lone parents tend to work fewer hours and have a lower hourly wage, reflecting the gender pay gap and also the greater weight placed on women to undertake unpaid work (incl. childcare).
- More likely to have low or no qualifications, and those with degrees more likely to work in low or medium skilled occupations.

Families with a disabled person

- Disabled parents are generally less likely to be in paid work, and if in paid work, more likely to be underemployed.
- Additional barriers accessing employment (including transport, application processes, discrimination).
- More likely to have low or no qualifications.
- Overrepresented in sectors most affected by lockdowns, who were stopped from working during the pandemic.

Families with 3+ children

- Parents in larger families likely to be out of the labour market for longer periods, which can limit their future employment opportunities.
- The challenges of organising and paying for childcare increase with more children, potentially making it less financially viable to work or limiting hours worked.
- At least one adult is already in paid work in the majority of families in this group.

Families with a child under one

- Most see a reduction in their income from employment – due to reduced income from parental leave or re-adjustment of working patterns.
- Current parental leave policies assume women need to undertake majority of childcare. For those fortunate to be eligible for maternity pay, this is still below the Living Wage.
- When ready to go to work, the labour market still needs to support sufficient well-paid, flexible options and work practices that foster gender equality and facilitate family life.

Families with a mother under 25

- Less likely to be in paid work.
- Women and young people are at higher risk of in-work poverty and have a lower average hourly rate of pay (National Living Wage not enforced until employee is at least 23).
- Strongly affected by social isolation and the absence of childcare to allow them to work or study during the pandemic.
- Difficulties in embracing further education whilst managing motherhood. 17% mothers under 20 have a qualification at Higher Grade or above compared with 50% early twenties and 80% 25 or older.

Table adapted from Scottish Government [priority family types slide deck](#)

While all families may face barriers to employment, the priority family types may face some additional or more specific and intersecting barriers to getting into employment or to increasing their income from employment. Our workshops included participants who were in full or part-time paid employment, and participants who were carers, were in education or training and were unemployed. They also included some participants who were unable to work because of their immigration status.

While many participants in the workshops who were not in paid work were keen to work if the barriers were addressed, in one workshop with black and minority ethnic women, some of the participants took the view that women with children being pressured into employment was not good for children and mothers, and therefore not good for tackling child poverty. It was suggested that it put a strain on family life, with children not getting enough attention, and could negatively impact on mothers' mental health.

Participants in the workshops talked about the challenges of balancing paid work and family responsibilities. This was particularly the case for single parents and parents with disabled children. Single parents described struggling to find flexible work that met their child's needs. The need for more flexible work and more understanding from employers about the challenges and stresses of combining employment with caring responsibilities was highlighted. One single parent said:

“I think the world of employment needs to change. More flexibility...and not just working from home by the way! Could people recognise that part-time does not mean part-trained or only junior levels.”

Participants raised concerns about the quality of jobs that were available to them, and that any flexibility tended to favour the employer, not the employee.

Parents with disabled children faced additional challenges in balancing paid work and caring responsibilities. This was particularly the case where schools were not able to meet their children's needs. Some participants described having to reduce their working hours, or leave their jobs, because their child was only attending school for two hours a day and the parent then had to pick them up and look after them. Many parents with disabled children are also single parents, with no-one to share these responsibilities.

Where parents had the right to work but No Recourse to Public Funds, they faced very specific pressures and precarity in relation to employment. Participants talked about feeling as if they have no choice but to accept any offer of employment, even if they were overqualified. They also spoke about being unable to take maternity leave or call in sick without fear of being let go from their jobs. The Commission asks that the Scottish Government considers how its action on fair work can best support those whose employment rights are most precarious due to their immigration status.

As we set out in Chapter Two, there was little discussion in the workshops about employability programmes. Some single parents were aware of local employability initiatives, but felt that they were often not set up to take account of the specific needs and barriers experienced by single parents.

Lack of suitable and affordable childcare was identified as a major barrier to employment by participants across the different workshops. It was a particular issue for single parents, some of whom identified a lack of childcare availability, either in terms of suitable services within the local area, or available places for children. Parents felt trapped in poverty by this.

Lack of suitable childcare for children with additional needs was also raised as a particular barrier. Parents with disabled children gave examples of childcare provision refusing to take their child because they couldn't deal with the child's needs. Others described having to pay extra for a childminder to ensure their child's needs are met at childcare and that their health plan is being carried out. One parent said that there needed to be:

“Understanding that children with additional needs have no provision or support and putting more funding in place to help support parents so they can earn and get much needed respite.”

Refugee and asylum seeking parents described experiences of discrimination in relation to employment. Some had experience of being discriminated against because of their name or their accent. Asylum seekers who were trying to pursue education were limited in the types of courses that they could take, even where the courses offered were inappropriate to their existing skills and knowledge.

What is the Scottish Government doing to address the needs of the priority family types in relation to income from employment?

The Scottish Government's No One Left Behind employability approach identifies the priority family types as eligible for support, as part of a wider offer that aims to deliver person-centred support. Evidence about in-work poverty has led to the extension of eligibility to parents who are in low-income employment. Data is collected through the No One Left Behind Shared Measurement Framework which includes information on the priority family groups accessing employability support. No One Left Behind is designed and delivered locally by Local Employability Partnerships, rather than by Scottish Government, but they are expected to make use of the data in planning support.

How has No One Left Behind been supporting parents from the priority family types?

Of the 44,631 people who started to receive support from No One Left Behind during the period April 2020 to September 2023 (year 2 onwards), 10,201 (23%) were parents. The number of parents has generally increased over time.

Of the 10,201 parents receiving support:

- 1,755 (17%) were disabled
- 6,019 (59%) were lone parents
- 1,468 (14%) were from a minority ethnic background
- 1,336 (13%) were parents aged under 25
- 2,410 (24%) were parents with three or more children
- 828 (8%) had a child aged under 12 months
- 1,357 (13%) had a disabled child or adult within the family

Employment data for parents is not currently broken down by the priority family type, but data by ethnicity and disability is available for all participants. The data shows that 22% of participants from a minority ethnic background entered employment compared to 33% of white participants and a smaller number (20%) were supported by a subsidy to do so compared to white participants (37%). Twenty-two per cent of participants with a disability entered employment compared to 35% of parents without a disability.

The data, and the feedback from single parents in this report, suggests more could be done to ensure that local employment initiatives understand the specific circumstances, needs and outcomes for the priority family types.

Data shows very high take-up (97%) of the 1,140 hours Early Learning and Childcare offer for all three year olds. The Scottish Government says it therefore has a high degree of confidence that most families, including the six priority groups, are using their entitlement. However, it also says that there are gaps in knowledge about potential variation in the hours these families are using and their experiences of the early learning and childcare offer. Take-up of the offer to eligible two year olds is 52% and the Scottish Government has identified that a key priority for the coming year is to work with councils and providers to maximise take-up.

An evaluation strategy is in place for the Early Learning and Childcare offer, which is trying, as far as possible, to gather data in relation to the priority families. It is anticipated that this data will inform what further work is required to respond to the specific issues and barriers faced by the priority family types.

Work to develop school age childcare has had an explicit focus on the priority family types, and children and parents from the priority family groups have been involved in developing the work through a People Panel and through involvement in community tests of change. Different approaches are being taken at a local level to meet the needs identified by children and families.

Access to school age childcare for disabled children has been identified as particularly challenging and Scottish Government is supporting services for children with additional support needs through the Access to Childcare Fund and Early Adopter Communities. Examples of how the Early Adopter Communities are trying to address these needs include working with providers to find alternative services where a child has not settled into a service, increasing staff to child ratios, and providing additional training to provide the right level of support for children.

Involving the priority families in the development of school age childcare

There has been significant involvement of children, parents and carers in the development of the School Age Childcare programme. This has included the development of the [Children's Charter](#), and co-design work with the People Panel which was targeted to the priority family types.

In Phase 1, over 100 parents, carers and childcare providers, from rural, urban and island locations, and representing all six priority family types, participated in engagement. In Phase 2 of the People Panel, the Scottish Government worked with parents, providers and other support organisations in a Glasgow community to explore how to move from discussing problems to collaborating on solutions.

The Scottish Government notes that developing the Equality Impact Assessment for the School Age Childcare programme highlighted gaps in the evidence base and in previous engagement with families. There was an under-representation of black and minority ethnic families in the cohort of parents engaged with across the People Panel, Access to Childcare Fund and Early Adopter Communities, along with other minoritised families, such as asylum seekers, refugee and migrant families, and gypsy and Roma communities.

In response the Scottish Government recognised the need to more actively target and involve minority ethnic families as policy was developed. It took the opportunity of the expansion of the Early Adopter Community projects to expand into communities in Glasgow that are more ethnically diverse, to better understand the needs of those using and delivering childcare services.

The Commission notes that Access to Childcare Fund projects and Early Adopter Communities include support for children with additional support needs. Given the difficulties accessing suitable childcare highlighted by parents of disabled children, the Scottish Government should set out how learning from these projects will be shared and applied across Scotland.

While Fair Work policy does not specifically use the priority families concept, it does have a particular focus on women, racialised minorities and disabled people. The Scottish Government has developed a [Fair Work Action Plan](#) (which brings together previously separate Fair Work, Gender Pay Gap, and Disabled People's employment action plans) and [Anti-Racist Employment Strategy](#). Through these actions the Scottish Government aims to support the creation of sustainable fair work opportunities for parents and to tackle structural inequalities preventing priority families from participating in the labour market.

Scottish Government has used data about the six priority families as part of the fair work evidence base. It points to specific actions, such as funding for [work on flexible working](#), the [Workplace Equality Fund](#), and the [Apt Public Social Partnership](#) to address the disability employment gap, as examples of where this evidence has shaped actions that could help address some of the barriers faced by these families. The Commission notes that funding for all three of these projects ended at the end of the 2023/24 year, and their future status is uncertain at present. Evidence that women are often over-represented in sectors with historically low pay and job insecurity, has informed action through the National Strategy for Economic Transformation to work to promote sectoral fair work agreements and collective bargaining in sectors with low pay and precarious work.

What more did parents think was needed in relation to employment?

Across the workshops parents highlighted the need for more flexible work that enabled them to balance parenting and employment. They identified a need for more understanding from employers about caring responsibilities, particularly for single parents and parents of disabled children.

While existing funded early learning and childcare was welcome, the need for more flexible, affordable childcare, and childcare that met the needs of disabled children, also came up repeatedly. One single parent summarised it as:

“Job that works around kids, with good wage to support us access childcare during holidays etc.”

There were also some more specific suggestions from participants about what was needed. One participant said that Scottish Government should help fund the expansion of provision of free holiday activities and food programmes to improve access to affordable, high quality childcare for all children who require it. Extending childcare provision to include children from birth was also suggested.

A group of asylum seekers suggested that there should be more apprenticeship opportunities, as this would allow parents to gain necessary work experience to obtain employment.

5.3 What do we know about the issues that the priority family types experience in relation to household costs?

What does the Scottish Government’s evidence base tell us about the priority family types and household costs?

Minority ethnic families

- More likely to try to increase income through paid employment – seeking more hours or an additional job – to address rising living costs.
- 13% of minority ethnic households with children in the UK are in unmanageable debt, compared to 9% for all households with children.
- Minority ethnic households with children in Scotland are overrepresented in the private rented sector and spend a higher proportion of their income on housing costs than other families.

Lone parent families

- Least wealthy household type in Scotland, probably translating into less disposable income.
- Particularly vulnerable to cost of living crisis and suffering the worst impacts.
- Many lone parents (70%) have no or low (under £250) savings and are more likely to be in debt or arrears.
- Least likely to be able to pay unexpected bills of £300.
- More likely to cut back on essentials.

Families with a disabled person

- Disabled families face higher living costs than non-disabled. Impacts of the current cost of living crisis particularly acute.
- Families with long-term conditions find it harder to afford childcare.
- For those with disabled children, specific barriers around finding the right childcare to support children’s needs.
- Less likely to have savings (among families with long term conditions).
- More likely to report a negative impact on their mental health as a result of the cost of living crisis.

Families with 3+ children

- The dramatic increase in living costs has clear impacts on larger households who already spend a greater proportion of their income on essentials.
- Early evidence that larger families are already struggling to maintain living standards. For example, families with 3+ children are more likely to experience food insecurity than smaller families. They are also more likely to have used a food bank.

Families with a child under one

- High cost of welcoming a baby into the family.
- Direct impact of cost of living crisis: increases to infant formula and nappies. Very limited, or non-existent, flexibility to cut back on baby essentials.
- There is a difference in public funding for childcare by age, with less support for children younger than 2, which may be a barrier to work for new parents.

Families with a mother under 25

- No additional costs directly associated with age, but young mothers are less likely to access various advice and support services which means they may miss out on cost saving opportunities.
- Adults under 25 are less likely to have savings, which, combined with low paid jobs, make it harder to meet living costs.
- Pregnant young women and young mothers (under 21) make up about 1 in 25 of all applications for homeless assessments in Scotland.

Table adapted from Scottish Government [priority family types slide deck](#)

In the context of the cost of living crisis, many families will be experiencing difficulties managing household costs, but this can be particularly difficult for some of the priority family types. Parents in our workshops talked about how the rising costs of living were putting additional pressure on family budgets. One parent said:

“Even though it looks like you’re getting more, the money goes to pay bills... Additional support is needed to address financial strain effectively.”

This was highlighted by parents receiving Child Disability Payment who described how it mainly helped paying rising costs of food, electricity and heating.

Research commissioned by the [Scottish Fuel Poverty Advisory Panel \(SFPAP\)](#) has shown that cross-over exists between households who are at heightened risk of fuel poverty and the child poverty priority families. [Research looking at energy rationing as a coping mechanism for dealing with fuel poverty](#) has found that, amongst others, families with two or more children are more likely to undertake energy rationing behaviours. In addition, [further research recently commissioned by SFPAP](#) which focused on the unintended consequences of decarbonisation technologies for the fuel poor has found that minority ethnic households, households with a disabled member, and parents of young children are particularly vulnerable to these unintended consequences.

High energy costs were discussed in most of the workshops. For parents with disabled children, costs of gas and electricity were a particular concern because they often had higher usage, particularly if children were only able to go to school for short periods. One parent said:

“Electricity and gas costs are major costs and when [a] child needs extra heating on, or for their equipment to be on, the heating supplement doesn’t even touch the sides either.”

The cost of heating was also raised as a particular concern in discussions amongst black and minority ethnic women and refugees. Refugee participants highlighted the burden of heating costs in Scotland’s cold climate, and higher costs for larger families. One participant said:

“I have four kids, my meter is running all the time.”

In one of the workshops with black and minority ethnic parents it was noted that some families didn’t get access to fuel vouchers because of a lack of information.

Housing was a key theme in the workshops. There were common issues raised across the workshops, which included discussions about availability, cost and condition of housing, temporary accommodation, and rent arrears.

The issue of overcrowding and the need for suitable social housing for larger families, which tend to be more prevalent in some minority ethnic communities, was discussed in one of the workshops with black and minority ethnic parents. Participants said that some overcrowded families had been on the waiting list for many years. The housing crisis was seen as meaning that local authorities were unable to comply with their obligations to adequately house large families.

Participants in a workshop including refugees, asylum seekers and those with No Recourse to Public Funds discussed difficulties in accessing suitable housing, especially for those with immigration status restrictions such as No Recourse to Public Funds. There were concerns about homelessness and the limited availability of support for families in securing stable accommodation. One participant said:

“I’m lodging and have no space for my baby. I don’t even think I can get homeless accommodation, even though my baby was born here.”

Housing was also a particular issue when asylum seekers received refugee status. Participants said they were expected to move on from existing accommodation but there was no housing available.

Parents were keen to talk about school related costs, such as uniform and school trips. The importance of children going to school and feeling that they had the same uniform and equipment as the other children was emphasised in some of the workshops. One participant said:

“It’s simple things, but that builds on a child’s self-confidence or esteem, if they feel good in themselves, they will excel in their education.”

A number of participants in different workshops described not being aware for some time about the school clothing grant, and their children missing out. This was particularly the case amongst black and minority ethnic women, and refugees and asylum seekers.

Some local authorities already automate payments of school clothing grants, based on housing benefit or council tax reduction. To reduce the number of children missing out the Scottish Government should reinforce the message that local authorities should automate payments.

Refugees and asylum seeker parents also talked about being unable to afford school trips that other children were going on and how this could be very upsetting for children. Some participants said their children didn’t even tell them about school trips because they knew the family couldn’t afford it. Some schools might have funding available to enable children to go, but parents didn’t know about it.

Concerns were raised in many of the workshops about digital access. Some participants were concerned that with so much information online, some families on low incomes do not have internet access, or the skills to access and submit information. The rising cost of living meant that families on low incomes were trying to reduce outgoings, and this might mean cutting things like Wi-Fi.

The cost of transport was raised as an issue in some of the workshops. Some participants described bus travel as expensive. Discussions about transport focused particularly on the cost of transport limiting children’s access to activities, as while children had free transport, parents could not afford to accompany them. Asylum seeker participants raised this in particular, because the amount of money they receive per week does not enable them to pay for the cost of travel. One participant said, “I am always home”.

While free bus travel for children and young people was welcomed by participants in the workshops, it was noted that many disabled children are unable to travel on buses and so do not benefit.

What is the Scottish Government doing to address the needs of the priority family types in relation to household costs?

The challenge of housing for larger families has been identified as a priority for the Affordable Housing Supply Programme, which says it will further strengthen housing planning processes to strengthen the focus on housing needs by size and location to ensure that larger family homes are delivered where they are required, including through the targeted purchase of appropriate ‘off the shelf’ properties. It is not clear at this stage what progress has been made with this.

More broadly local authorities have responsibility for assessing housing and housing service requirements locally and setting out in the Local Housing Strategy how these priorities will be met. They should demonstrate how engagement and consultation has been undertaken, and influenced the Strategy’s development, including with people with protected characteristics, and those whose views may not be readily heard through traditional engagement methods. The Scottish Government’s [guidance for local authorities on preparing Strategic Housing Investment plans](#) references the priority family types and some of their needs.

New Discretionary Housing Payment Guidance sets out that, after applying bedroom tax and benefit cap mitigation, one of the priorities local authorities should consider is how funding can help tackle child poverty and support the six priority family types, while remembering that each case must be considered on its merits.

The Scottish Government is making £2 million available in the 2024-2025 budget to progress free bus travel for people seeking asylum in Scotland. Around a third of asylum seekers are thought to be already eligible for concessionary travel through age or disability criteria, and the Scottish Government will work to establish the most appropriate way of extending this to all people seeking asylum.

The Connecting Scotland programme, which provided digital connectivity, devices and training, was not directed specifically at the priority families, and did not collect data about the extent to which they benefited. However, previous phases of the programme did focus on disabled people, families with children, and on supporting employability, amongst other priorities. The new model for the programme has moved away from direct provision of devices and connectivity, but the Scottish Government has said that the target groups for the revised programme include the six priority family types. It is not currently clear what this will involve.

What more did parents think was needed in relation to household costs?

Parents made a range of suggestions about action that could be taken to support families with household costs. These were mainly actions that would benefit all children, rather than focused on meeting specific needs relating to the priority family types.

Parents placed a lot of importance on ensuring that children had what they needed for school in terms of uniform and equipment, to prevent stigma and bullying. It was suggested that there should be more than one school clothing grant per year, as families should not be penalised for having fast growing children. One parent said:

“Allow some discretion when comes to help with clothing grants for example as I am just over the cut-off point per month to qualify. I struggle to get two uniforms and soon need to get a third for last child going to school.”

Another said:

“School uniform should be provided by the government for all children. Children have to go to school and so uniform should be provided at no cost to parent/carer. This would eliminate the stigma.”

Making sure that parents were aware of support with uniforms was also seen as very important. In one workshop it was suggested that it should be mandatory for schools and nurseries to let parents know they could get a grant for school clothing. It was also suggested that this should be paid automatically rather than families having to apply.

Expanding access to free school meals was also recommended by some participants. One suggestion was that school meals should be free for all parents on Universal Credit. It was also suggested that the Scottish Government should write off all existing school meal debt.

Participants said more help was needed with energy bills. It was suggested that more support was needed from the energy companies. Other ideas included that the Scottish Government should give everyone on benefits the winter heating payment, and that there should be targeted subsidies for low-income households.

Support with access to the internet was also a priority, both in terms of support with costs and access to training. One participant said:

“More families like mine, on a low income, need help to achieve digital access and access to digital devices, especially where children do not have access to a laptop or broadband.”

Another participant suggested making mobile ‘hot spots’ available free of charge and accessible to all.

Support with transport costs was a priority for asylum seeker participants who suggested that the Scottish Government should give support with bus fares and train tickets. Some recommended a bus card for child activities, to ensure they are able to take their children to activities that give them the opportunity of being socialised.

It was also suggested that there should be food vouchers for asylum seekers, and, if that was not an option, money should be given to organisations who support them to buy food that is culturally appropriate.

6 What further progress does the Commission consider is required to meet the child poverty targets?

Summary

Scotland is running out of time to meet our 2030 child poverty targets. We are half way to the 2030 deadline and should be well beyond the stage of pilots and planning. The Scottish Government's next progress report cannot just point to actions already taken nor propose more small scale tests of change. The Scottish Government needs to restore faith and renew optimism in its commitment to the 2030 child poverty targets.

The First Minister has said that the eradication of child poverty is the single most important policy objective for his government. In order to deliver this the Scottish Government needs to be much bolder. There are hard choices to be made about revenue raising and spending. The child poverty targets are not just the Scottish Government's targets, they are Scotland's targets, voted for by all the parties in the Scottish Parliament. It is now time for all parties to demonstrate their commitment to the targets and participate in a cross-party conversation about taking these hard choices in the interests of children in Scotland.

Scotland is running out of time to meet our 2030 child poverty targets and it is clear that without action now we will fail to do so. Frequent messaging that Scottish Government actions are estimated to “have lifted” or “will lift” 100,000 children out of poverty¹⁹ might create the impression that fewer children are now in poverty. In fact, in 2017-20 the relative child poverty level was 24%, and in 2020-23 it was 24%, with around 240,000 children in relative poverty in both time periods. The Scottish Government's modelling estimates that 100,000 children may have been kept out of poverty due to Scottish Government policies, but this is compared to a theoretical situation where it took no action. Although it is good that this bleak alternative has been avoided, it cannot be cause for undue satisfaction while almost a quarter of a million children in Scotland are living in poverty.

Over the past few years, the Commission's message has been clear and consistent about the need for significant action and additional funding. This has not happened. Although current policy is based on an accurate diagnosis of the situation and many of the right kinds of measures are being taken, the pace of change is punishingly slow. Several policy targets and commitments – such as numbers of new affordable homes, number of parents supported into employment, expansion of childcare, and number of households brought online – appear to be in the process of being scaled back or diluted, if not explicitly then in practice, because of the lack of funding and priority given to them.

At the same time there have been some notable successes in relation to devolved social security. Reforms in this area have been justifiably praised, and this shows what can be achieved when there is commitment to significant change, action is clear and focused and the Scottish Government decides to ‘go big’ and move quickly.

¹⁹ e.g. [Meeting of the Parliament: 25/04/2024 | Scottish Parliament Website](#); [Meeting of the Parliament: 02/05/2024 | Scottish Parliament Website](#)

We are half way to the 2030 deadline and should be well beyond the stage of pilots and planning. The Scottish Government's next progress report cannot just point to actions already taken nor propose more small scale tests of change. The new First Minister, appointed as the Commission was finalising this report, has said that the eradication of child poverty is the single most important policy objective for his government.²⁰ This commitment is hugely welcome and the Scottish Government now needs to restore faith and renew optimism in its commitment to the 2030 child poverty targets. The policy agenda must be reinvigorated, and the Scottish Government needs to send a positive message that the 2030 targets are taken seriously in allocating resource.

In order to do this the Scottish Government needs to be much bolder. There are hard choices to be made about revenue raising and spending. The child poverty targets are not just the Scottish Government's targets, they are Scotland's targets, voted for by all the parties in the Scottish Parliament. It is now time for all parties to demonstrate their commitment to these targets and participate in a cross-party conversation about taking these hard choices in the interests of children in Scotland.

Recommendation 1: The Scottish Government should convene and lead a national cross-party and civil society agreement to develop a shared six year strategy to meet the 2030 child poverty targets.

This cross-party approach should consider the choices that need to be made around tax and spending, in particular:

- Where to raise revenue through tax, beyond more changes to income tax rates and bands
- What evidence tells us the most effective policies are, alone and in combination
- What the appropriate eligibility and entitlement criteria are for policies and services to have the greatest impact on poverty
- How to distribute spending within the existing budget
- How to accelerate public services reform
- How to implement a full Minimum Income Guarantee, including for disabled people
- How to accelerate roll out of childcare in a way that best supports those on low incomes
- How to improve accessibility and quality of jobs

This should be completed in time to form the basis of the final national Child Poverty Delivery Plan, due to be published by spring 2026.

The Commission will do everything it can to help generate the political climate which will support agreement over actions required to make significant inroads into child poverty. If it would be helpful, the Commission would be willing to take a lead in convening this national poverty convention, in partnership with key stakeholders.

Current fiscal constraints are significant but the Scottish Government still has choices to make about how it uses its budget. We have seen this with the Scottish Government's decisions to freeze Council Tax, to not means test the Pension Age Winter Heating Payment, and to not increase the age of entitlement for concessionary travel gradually upwards till it is in line with the state pension age.

²⁰ [Meeting of the Parliament: 07/05/2024 | Scottish Parliament Website](#)

Recommendation 2: The Scottish Government should reprioritise funding to ensure that the necessary resources are made available to deliver both its existing commitments and future actions to tackle child poverty.

This will require the Scottish Government to reprioritise budgets across portfolios and consider the eligibility criteria for different services and support.

To inform its work on prioritising funding, the Scottish Government should undertake a distributive impact analysis of all key policy areas and identify who is using and benefiting from policies and actions, particularly amongst the priority family types.

While re-prioritising existing funding must play an important role, there is also the need to raise revenue. The Commission's report on taxation outlines several immediate and longer-term reforms which could transform the fiscal landscape.

Recommendation 3: The Scottish Government should act quickly on the recommendations set out in the Commission's report [How better tax policy can reduce poverty and inequality](#).

In this report we have heard from parents from the priority family types about their experiences, and the barriers they face, and some of their ideas about how to improve existing systems and services. It appears that not all actions and services intended to tackle child poverty are reaching or meeting the needs of all of the priority family types. Ensuring that an understanding of the experiences and needs of the priority family types, and the intersecting barriers that they face, informs the development and delivery of actions is an important tool in maximising their impact and tackling inequalities.

Recommendation 4: The Scottish Government should clarify and further develop how the priority family types are used to inform policy development, implementation and monitoring in policy areas related to the three key drivers of poverty.

The Commission makes some more detailed comments on how this should be done in Chapter Four.

In addition, the Scottish Government should review the evidence and ideas from parents in this report and consider what further action it can take in response to these.

Appendix: Child poverty statistics and modelling

This Appendix provides further explanation and commentary on the Commission’s assessment of progress based on the official statistical measures of child poverty, and its relationship with modelling published by the Scottish Government.

Overall progress from the child poverty statistics

The Scottish Government publishes [annual statistics on child poverty](#) in March each year that are the official measures of progress against the four statutory child poverty targets. Due to the time taken to collect, prepare, and quality assure these statistics, they are published around 12 months after the end of the financial year in which the data were collected.

The most recently published data were collected during the 2022-23 financial year. Child poverty statistics for the 23/24 interim target year – that we would expect to be influenced by the activity described in the main body of this report – will not be published until March 2025.

Despite this, the proximity to the interim targets and the required trajectory in reducing poverty that would now be needed to meet them given past trends, allow the drawing of broad conclusions about the likelihood of meeting the interim targets.

The current trajectories for the statutory child poverty target measures suggest it is improbable that the 23/24 interim targets will be met for any of the four measures. This in turn suggests a pessimistic appraisal in relation to whether the final 2030 targets will be achieved as further, larger, reductions in poverty will be required that seem increasingly unlikely as we approach the final target year without substantial reductions in child poverty being observed to date. There are a range of contextual factors and methodological caveats to be considered alongside the above statements, discussed further below.

As has been the case in previous years, and as documented in the Commission’s past scrutiny reports, the Scottish Government produce both single-year estimates of child poverty (with the exception of ‘persistent poverty’ as it is by definition a multi-year measure) and multi-year rolling average figures. The single year figures represent the best estimate of child poverty at a given point in time for a given measure. These are the statutory measures that will be used for the formal assessment of whether the interim and final targets are met. The multi-year average figures are helpful to consider alongside the single year figures, as they smooth out some of the statistical ‘noise’ present in any single year and allow for a better determination of trends.

The table repeated below provides the official single year (excepting persistent poverty) estimates for the four child poverty target measures since 2017/18 (the year prior to the publication of the Scottish Government’s first Tackling Child Poverty Delivery Plan). No data is available for 2020/21 for three of the measures as a result of COVID-19 pandemic disruption (see Annex A of the [Commission’s 2021-22 scrutiny report](#) for a further discussion of these issues).

	Statistics for each year(s)						Target levels (to be less than)	
	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023 (Interim)	2030 (Final)
Relative poverty (% of children, after housing costs)	24%	23%	26%	-	23%	26%	18%	10%
Absolute poverty (% of children, after housing costs)	22%	20%	23%	-	19%	23%	14%	5%
Combined low income & material deprivation (% of children, after housing costs)	14%	12%	12%	-	9%	12%	8%	5%
	2013-17	2014-18	2015-19	2016-20	2017-21	2018-22		
Persistent poverty (% children, after housing costs)	16%	15%	18%	13%	15%	14%	8%	5%

As the Commission has noted in its scrutiny reports from previous years, the statistics underpinning the child poverty target measures are considered Official Statistics, and, for three of the four measures, are Accredited Official Statistics. This indicates compliance with high standards of trustworthiness and quality in their preparation. As with all statistics drawn from survey data, they are subject to a range of sources of error, some of which significantly limit the strength of conclusions that can be drawn in relation to progress against the child poverty targets.

By the single year measure, three of the four target measures (relative and absolute poverty, and combined low income and material deprivation) appear to have moved further away from the targets rather than closer to them in the most recent 2022/23 data. In the case of the combined low income and material deprivation target measure some of this change is likely to result from a ‘rebound’ caused by recovery from the pandemic – during the pandemic some of the goods and services counted under the ‘material deprivation’ component of the measure (such as family holidays, or going on school trips) were not available to households due to restrictions, rather than resulting from lack of resource, having the effect of artificially lowering the poverty rate on this measure.

All four measures remain a substantial distance from the 2023/24 interim targets with one year remaining: eight percentage points (pp) for relative poverty; nine pp for absolute poverty; four pp for combined low income and material deprivation; and six pp for persistent poverty.

Last year, the Scottish Government implemented a new approach to quantify and visualise error that arises from random sampling error in these statistics. The Commission welcomed this development. This approach is repeated in [this year’s child poverty summary update](#). In common with last year’s data, the 2022/23 single year estimates show a high level of uncertainty resulting from random sampling error. This arises in part from the declining number of families overall in the survey sample, and particularly families with children. This declining sample size has been a trend over many years but has become particularly marked following the pandemic.²¹

This results in ‘confidence intervals’ for each single year poverty estimate²² that are very wide. These confidence intervals serve to illustrate the degree of variability in the poverty statistics that we might expect to result from random error, with narrow confidence intervals suggesting a more precise estimate, and wide intervals suggesting imprecision (and in turn implying lower confidence in the estimate of poverty to which they relate).

²¹ For the relative, absolute and combined low income and material deprivation indicators there were 375 families with children in the 2022/23 survey sample, compared to upwards of 600 in 2019/20 and other pre-pandemic years.

²² Where it has been possible for the Scottish Government to calculate one. See the Scottish Government’s explanation for more details on this. [Measurement uncertainty \(data.gov.scot\)](#)

The issue of wide confidence intervals is particularly the case for the two most recent years where they can be upwards of 10 percentage points on either side of the central, ‘best estimate’ of child poverty. This means that, in the case of the 2022/23 relative child poverty estimate of 26% with a confidence interval of 15% to 37%, we cannot be especially confident in the 26% figure. The confidence intervals imply that we should not be surprised if it fell between 15% and 37%. This is notable as while the best estimate is in the middle of these values, the range includes both the 2023/24 interim target value of 18% at the lower end, and a poverty rate more than twice the interim target at the higher end.

The ‘persistent poverty’ indicator is one of the four target measures for which confidence intervals are not provided by the Scottish Government due to a lack of an appropriate methodology to do so. It is drawn from a longitudinal study (that is, one that follows the same group of people over time) where data from past years can be subject to revision in successive publications, due to factors like households dropping from and then re-entering the study. This can result in revisions that are consequential for the overall trajectory of persistent child poverty in Scotland. For example, when first published in 2022, the persistent child poverty estimate for Scotland in 2016-2020 was 10%. In the 2023 publication the following year the 2016-2020 estimate was revised upwards to 16%, but then again revised downwards in the most recent 2024 publication to 13%. While the Commission takes the position that the most recently published version of these figures are the most appropriate to use and the best measure of persistent poverty, it is not possible to determine how likely they are to be subject to future revision which may, as it has in the past, make a material difference to any assessment of progress.

All the above-mentioned issues, combined with other sources of error (e.g. other changes in survey methodology over time) serve to make drawing conclusions about progress challenging, particularly based on the relatively small changes that would be expected on a year-to-year basis.

Reading the single year figures alongside [the multi-year averages](#) also published by the Scottish Government, the Commission observes from the official statistics that:

- The trends for the four official child poverty target measures (described by the Scottish Government as being ‘broadly stable’ or in other similar language) do not demonstrate a convincing trajectory towards the interim (or by extension, final) targets on any of the four measures.
- The official single year measures are subject to a large degree of uncertainty, meaning that true progress in poverty reduction as a result of Scottish Government policy could be masked by random variance or other error pushing the observed figure upwards, and resulting in an apparent neutral or worsening net position.
- However, the above point cannot be presumed to be the case as the statistics and their associated confidence intervals are also consistent with no meaningful change in poverty, or indeed an increase in child poverty.
- Similarly, a lack of progress observed in the official single-year statistics between years should not be interpreted as evidence of no progress of policy in reducing poverty, as true reductions in poverty could have occurred (potentially large ones), but this would not necessarily be apparent in the statistics.
- Substantial gaps remain between the Scottish Government’s ‘best estimates’ of child poverty on all four measures and the interim targets with only one more year of data remaining to report next year. There is now no time left for policy intervention not already actioned to take effect, as the 2023/24 data that will be published next March has already been collected.

Relationship between child poverty statistics and Scottish Government modelling

It is worth briefly considering the consistency of the Commission's assessment above with the [recent modelling work published](#) by the Scottish Government in February 2024.

This 'Cumulative Impact Assessment' model publication is an update of [two previous](#) Scottish Government model publications that have estimated the combined impact a range of Scottish Government policies have had on child poverty levels for two of the four target measures (relative and absolute child poverty). The characteristics of this type of model are, as described by the Scottish Government, best suited to generating estimates of the expected total size of impact of a combination of anti-poverty policies compared to a counterfactual of no intervention, rather than placing weight on its output in terms of the precise child poverty rates it projects to occur in the future. However, the most recent update does estimate that the Scottish Government's policy package, compared to a counterfactual, may reduce relative child poverty by 10 percentage points and absolute child poverty by eight percentage points by 2023/24 (a projection that, in the estimation of the model, would meet the interim targets). As it was also referred to earlier this year when [the former First Minister stated that](#) the modelling suggested "the Scottish Government's interim targets on reducing child poverty are within reach" it is worth looking at the applicability of the modelling in this context.

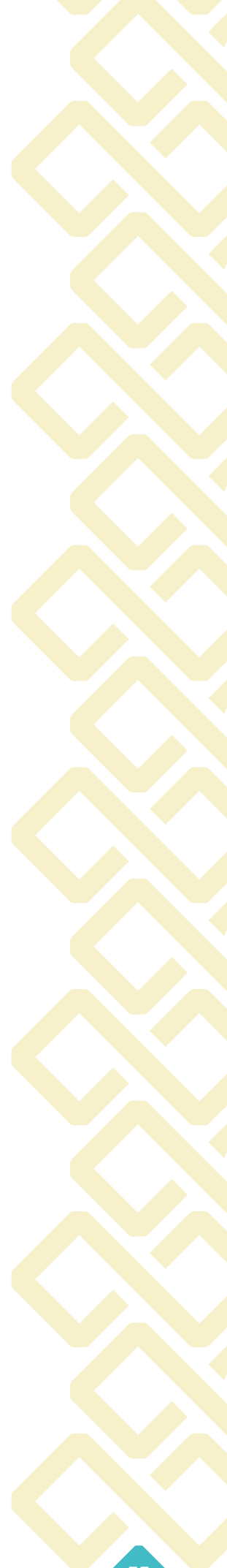
The latest modelling continues to illustrate the important contribution that policy makes in reducing child poverty. While the Scottish Government has not been able to model all policies, and arguments can be made over the detail of the underpinning policy assumptions entered as model inputs, Scottish Government policy has undoubtedly made a difference to lift families with children out of poverty in Scotland. If the model served no other purpose than to provide a rough approximation of the scale of this impact, it would still be valuable.

As noted in previous Commission reports, the principle of the Scottish Government conducting and regularly publishing such analytical work is to be welcomed. In the interests of transparency, to build the credibility of the modelling, and to aid scrutiny, the Scottish Government should determine an appropriate regular schedule to publish these modelling updates (e.g. annually alongside its own annual Tackling Child Poverty progress report), rather than publishing on a seemingly ad-hoc or discretionary basis. This would avoid a potential vulnerability of an ad-hoc approach where models may be selected for publication only after an assessment of the favourability of their results. Were this to be the case, such a process would risk introducing bias in the evidence available in the public domain on this issue and may erode trust in this kind of analysis.

The projected improvement in poverty reduction in the most recent February 2024 modelling compared to previous iterations appears to the Commission to result in most part from a technical procedural updating of model input data, which changes the baseline used for the model (with knock-on effects to its calibration, and subsequent output of poverty projections), rather than reflecting a substantively improved estimate of the effect of Scottish Government anti-poverty interventions. It follows from this that improved modelling outcomes of this nature should not be interpreted by the Scottish Government or others as demonstrating that policy actions are having a greater effect than previously thought, nor do they support greater confidence that the interim targets will be met than was the case previously.

The Scottish Government modelling has important differences in the way it estimates household incomes when compared to the official sources used to measure performance against the child poverty targets – among the most consequential is that the model simulates benefit receipt without the known under-reporting of benefits that affects household surveys (such as those used for the four official child poverty target measures). This is an advantage. However, it is important to remember that the official target measures are set in legislation and performance against them is assessed with reference to survey sources, not modelling.

The Commission has concluded in our main assessment of the statistics earlier in this report that it is improbable that any of the four child poverty interim targets will be met. The Scottish Government’s modelling does not alter this overall conclusion for the reasons given above. However, it (and other similar exercises produced by other parties) remain an important supplementary source of evidence and are particularly helpful to provide indication of anticipated policy impact in a context where such impact is hard to identify in the year-to-year movement of national level statistics.





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