DRAFT POLICY NOTE

THE SCOTTISH CHILD PAYMENT AMENDMENT REGULATIONS 2027

SSI 20XX/XXX

The above instrument was made in exercise of the powers conferred by sections 79 and 95 of the Social Security (Scotland) Act 2018 and all other powers enabling them to do so. The instrument is subject to *affirmative procedure*.

Summary Box

Insert one or two sentences to explain what the purpose of the instrument is.

The purpose of the instrument is to introduce a new £40 weekly rate of Scottish Child Payment for children under one.

Policy Objectives

Scottish Child Payment is a social security benefit that is unique to Scotland. It aims to reduce the depth and breadth of poverty, providing an income supplement to families on a low income, both in and out of work, as part of the Scottish Government's wider strategy to tackle child poverty. Scottish Child Payment is payable to eligible families in receipt of Universal Credit or certain other qualifying reserved benefits. For 2026-27, Scottish Child Payment pays £28.20 per week for each child under 16.

For some families, having a baby can be a trigger point for falling into, or deeper into, poverty. Increasing the Scottish Child Payment rate to £40 per week for each child under one will directly boost families' incomes. The rate for under-1s is expected to reduce relative and absolute child poverty in Scotland for families with a child under one. The Scottish Fiscal Commission has estimated that the families of around 12,000 children will receive this increased support once the payment is delivered.

UN Convention on the Rights of the Child (Incorporation) (Scotland) Act 2024 Compatibility

The Scottish Ministers have made the following statement regarding children's rights.

In accordance with section 23(2) of the United Nations Convention on the Rights of the Child (Incorporation) (Scotland) Act 2024 (the Act), the Scottish Ministers certify that, in their view, the draft Scottish Child Payment Amendment Regulations 2027 are compatible with the UNCRC requirements as defined by section 1(2) of the Act.

EU Alignment Consideration

This instrument is not relevant to the Scottish Government's policy to maintain alignment with the EU.

Consultation

Ahead of the announcement of plans for the under-1s rate during the Scottish Budget statement on 13 January 2026, the Scottish Government engaged with a wide variety of stakeholders. This engagement informed both budget decisions and the third and final Tackling Child Poverty Delivery Plan, 'Bringing Hope, Building Futures', and the positioning of the under-1s rate within it.

In developing 'Bringing Hope, Building Futures', the Scottish Government built upon the strategy and policy identified in the first delivery plan, 'Every Child, Every Chance', and the second delivery plan, 'Best Start, Bright Futures'. It was also informed by the wide range of evidence collected through progress reports, statistics, cumulative impact modelling, systems thinking and international reviews.

The Scottish Government undertook a call for evidence between February and April 2025 to further inform the third delivery plan. Stakeholders and organisations, or their representatives, were asked to provide evidence, data or information on policy options towards reaching the 2030 child poverty targets. The call was policy-focused and sought views of different proposed policy directions through open-ended questions. In total, 88 written responses to the call for evidence were received. These included responses from the third sector, local government, health and academia. Additionally, the Scottish Government and its partner organisations organised a series of engagement events, including with people with lived experience of poverty. The Scottish Government published a summary of consultation and engagement undertaken on child poverty alongside the delivery plan.

As there were no major outstanding policy decisions to consult on for the under-1s rate, there was no need for further formal written stakeholder consultation.

Scottish Commission on Social Security

To comply with the requirements of section 97 of the 2018 Act, Scottish Ministers have shared the draft regulations with the Commission for their scrutiny. The Scottish Government will publish its formal response to the Commission's report when laying these Regulations before the Scottish Parliament.

Impact Assessments

The following draft impact assessments have been developed on the draft SSI and are attached:

- An Equalities Impact Assessment
- A Consumer Duty Impact Assessment
- A Business and Regulatory Impact Assessment
- A Fairer Scotland Duty Impact Assessment
- An Islands Communities Impact Assessment Screening
- A Child Rights and Wellbeing Impact Assessment

There were no significant negative impacts or equalities issues identified in these assessments. The assessments identified positive impacts on children's rights, equalities and child poverty in Scotland.

Financial Effects

A draft Business and Regulatory Impact Assessment (BRIA) has been completed and is attached. The impact of this policy on business is limited and will have no adverse impact on the competitiveness of Scottish companies or the third sector within Scotland, the United Kingdom or internationally, including Europe and the rest of the world.

The Scottish Fiscal Commission produced an initial costing of the under-1s payment rate in its January 2026 benefit expenditure forecasts, based on early data and assumptions. It forecast spending of:

£3.5 million in 2027-28 (part-year)
£7.1 million in 2028-29
£7.3 million in 2029-30
£7.4 million in 2030-31

Scottish Government
Social Security Directorate

1 October 2026