



THE LONDON SCHOOL  
OF ECONOMICS AND  
POLITICAL SCIENCE ■



# **Investing in Children: Early findings on the difference the Scottish Child Payment makes to child well-being**

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## **Editorial note**

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## **Abstract**

Recent years have seen a divergence in welfare of Scotland compared to other UK nations. The Scottish Government has used its devolved powers on social security to introduce a package of five Family Payments, the centrepiece of which is the new Scottish Child Payment (SCP). Introduced in February 2021, and increased in value on two occasions since then, this benefit provides £27.15 per week for each child under 16 living in a low-income household. This policy aims to significantly cut Scotland's child poverty rate and has led to a wide gap between the support provided to families with dependent children north and south of the border.

In this paper, we share emergent findings from a mixed-methods research programme, which is exploring the impact of the SCP in comparative perspective. We share early evidence from both qualitative and quantitative analysis, both of which share the strategy of comparing families receiving the payment in Scotland to comparable families living in England (or in all other UK nations). The qualitative evidence comes from interviews with families in both Scotland and England, whilst the quantitative evidence comes from a comparison of measures of poverty (child material deprivation and household food insecurity) in Scotland and England, before and after the roll-out of the SCP. We reflect on the difference the SCP makes to childhood experiences and the implications of this payment for children's long term outcomes.

Key words: child benefits, child poverty, devolution, mixed methods

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## **1. Introduction**

Recent analysis by Unicef found that 69 million children live in poverty across some of the world's richest countries. Of 39 countries that Unicef ranked in terms of a combination of their child poverty rate, and its change in recent years, the UK was one of the very worst performers, and notably performed worst of all in recording a 19.6% increase in child poverty between 2012-14 and 2019-21 (Unicef, 2023). These are stark figures, which reinforce a broader picture in which the UK is an outlier among wealthy countries in both its high levels of child poverty and its policy approach. Policies like the UK's two-child limit, which restricts means-tested social security support to the first two children in a household, have been found to be highly unusual worldwide, underpinned by an approach to children's benefits in which financial support is made contingent on the behaviour of adults, rather than centred on the needs of the child (see Stewart et al, 2025).

The UK's child poverty landscape demands close interrogation. It will be especially important to monitor developments under the current Labour administration, which has committed to the first UK-wide child poverty strategy in many years, with Prime Minister Keir Starmer pledging that action to drive child poverty rates down will be a key tenet of his government, just as it was under his New Labour predecessors (Starmer, 2024).

Importantly, though, looking at child poverty through a whole-UK lens only tells us part of the story, because of the growing role played by the devolution of social security within the four countries (see Simpson, 2025). Significantly, the Scottish Government has used its increased devolved powers, granted following the unsuccessful Independence Referendum in 2014, to rollout additional social security provision, notably through targeted support for children.

This has included the flagship Scottish Child Payment (SCP), which provides means-tested, targeted support to children in low-income households (Social Security Scotland, 2023). One of a suite of what the Scottish Government describes as the ‘Five Family Payments’, the SCP is at one level designed to help families with the costs and needs that children bring, but is also framed within a broader narrative about adequate social security as both a human right and an investment in the future.

The SCP creates a context in which there is a significant divergence in the support available to families with children, dependent on which side of the Scottish border they live. A family with three children receiving Universal Credit in Glasgow would receive £4,165 more than their counterparts living in Newcastle, even before wider Scottish Government decisions (including to mitigate the benefit cap) have been taken into account.

These intra-UK policy differences create a quasi-natural policy experiment which provides a valuable opportunity to improve our understanding of the role and impact of targeted cash transfers for children. This is important at any time, but especially so in a context in which the UK Government has been reticent to use social security as a mechanism for supporting children and families out of poverty. In this article, we present new empirical evidence from mixed-methods research which sheds light on the impact of devolved differences in social security policy in the UK, and on the role of cash transfers in tackling childhood poverty and disadvantage. In doing so, we demonstrate that the SCP demands our attention.

## **2. Social security in Scotland and the Scottish Child Payment**

When the Scottish Government obtained devolved powers, it committed to forging a different approach to social security to that taken by the Westminster government (Scottish Government, 2017). A set of social security principles was developed, the first of which encapsulates the Scottish Government's view of the purpose of social security: 'social security is an investment in the people of Scotland' (Scottish Government, 2017 u.p.). As part of its approach, the Scottish Government reinstated statutory targets for child poverty reduction, including the commitment to reduce the percentage of children in relative poverty to below 10% by 2030. To help meet these targets, five family payments were introduced. The centrepiece of these is the SCP, which sits alongside three one-off Best Start Grants, paid during pregnancy and early childhood, and Best Start Food, a monthly payment on a card that can be used towards healthy foods in pregnancy and the first three years of life.

The Scottish Government considered five different options when developing the SCP (Scottish Government, 2019). These options were evaluated primarily in regards to their ability to target child poverty and secondarily in light of their simplicity, consistency, likely take-up and impact on employment and earnings. The outcome was to develop a payment tied to entitlement to Universal Credit. The policy's aims are set out in Box 1.

The SCP was first introduced in 2021. Initially set at £10 per week for children under six in families receiving Universal Credit or Pension Credit, the payment was increased in November 2022 to £25 per

week and extended to all under-sixteens in eligible families. It is paid every four weeks in arrears and rises every April in line with inflation. As of April 2025, it stands at £27.15 per week. There is no limit on the number of eligible children that a household can claim for. The introduction of the SCP thereby constitutes a significant divergence from the rest of UK policy, where the two-child limit restricts per-child payments within UC to two children only. To claim the SCP, applications are made to Social Security Scotland.

#### Box 1: Policy Aims of the SCP

- Achieve a minimum reduction in child poverty (relative, after housing costs) of 3 percentage points when the income supplement is fully rolled out. This provides a tangible, identifiable outcome which can be measured once the SCP is rolled out, and ensures that social security provides a substantial part of our reduction in poverty whilst being clear it cannot be the only solution.
- Reduce the depth of poverty and provide support to those who need it most. This ensures we support people across the lower deciles of the income distribution, rather than simply getting those closest to the poverty line over the threshold. This relates specifically to the priority groups identified in the TCPDP.
- Help to support a sustainable and lasting reduction in poverty for families with children. This ensures outcomes beyond redistribution, supporting people to access wider services and support should they want and require it – for example, fast-tracked access to a financial health check or employment support.

Source: Scottish Government (2020)

According to the impact assessment for the SCP, the Scottish Government anticipated that the policy would disproportionately benefit those groups most at risk of poverty, namely households with a disabled parent or child, minority ethnic households, larger families, lone parents, mothers aged under 25 and families with a baby (Scottish Government, 2020).

Preexisting academic research on the SCP is limited. The Scottish Government published an interim evaluation in 2022, largely based on qualitative interviews with 39 SCP recipients. The data was collected when the SCP was paid at a rate of £10 per child under six. The research found that the SCP reduced financial challenges and improved parental and child wellbeing but it was not set at a level sufficient to transform family finances (Scottish Government, 2022). More recently, the Scottish Government (2025) has published a report presenting findings from a mixed-methods evaluation of the five family payments. This reports that the SCP enables parents to buy essentials, improves children's health and reduces material deprivation, parental stress and debt, but that some still struggle financially, particularly given the cost of living crisis. The Scottish Government has also published a report exploring how the SCP interacts with the Scottish labour market (Scottish Government, 2024). The report concludes that the SCP does not negatively impact labour market outcomes at scale.

Commissioned by the Trussell Trust and Save the Children, the IPPR carried out descriptive data analysis and modelling and a small scale qualitative study on the SCP (Statham, Smith and Parkes, 2023). This research was also conducted when the SCP was set at £10 for each

child under six. This found that the SCP provided more financial security and flexibility (although these impacts were dampened by the withdrawal of the £20 Universal Credit uplift) and reduced mental pressure on parents. Economic modelling showed that the payment needed to be increased to £40 to have a significant impact on deep poverty.

As the first independent and comparative evaluation of the SCP, our ongoing mixed-methods research project will significantly extend the current research base. By comparing and contrasting experiences in Scotland to carefully defined comparable families living in England, we offer new insight into the policy's impacts. Our quantitative analysis also adopts a comparative approach, examining differences between Scotland and England to assess the potential effects of the SCP. In this first paper we present initial findings on the impact of the policy on financial well-being, material deprivation and parental stress. Future work will dig deeper into the effects of the policy, including an exploration of potential disincentives to work.

### **3. Why might the Scottish Child Payment affect family and child outcomes?**

There is a wide body of research showing that living in poverty is damaging to children, limiting their daily lives and making it harder for them to fulfil their potential, with long-term consequences for future life chances (Brooks-Gunn and Duncan, 1997; Lesner, 2018; Le Menestrel, 2019; Cooper and Stewart, 2021). Correspondingly, studies that examine policies that increase income through higher levels of child and family benefits have been found to have positive

impacts on children's well-being, including on health outcomes at birth, socio-emotional and cognitive development and achievement in school (Gennetian and Miller, 2002; Dahl and Lochner, 2012; Hoynes et al, 2015).

At least two core mechanisms link increased income to children's outcomes. First, where parents have more money they can spend more on things that support children's needs. For example, Gregg et al (2006) found that, as low-income families in the UK saw income rise under New Labour's tax credit system, they increased spending on fruit and vegetables, children's books and toys. Second, managing on a low income is stressful and takes both time and mental energy. Increases in income for families living in poverty have been causally linked to improvements in maternal mental health and reductions in maternal depression (e.g. Milligan and Stabile, 2011; Evans and Garthwaite, 2014), with knock-on consequences for children. In addition, it is increasingly clear that the stigma and deprivations created by poverty have direct effects on children's emotional well-being (Chzen and Main, 2022; Andersen et al, 2024).

Despite the strength of this evidence base, there is a persistent stated concern among some policymakers that cash benefits discourage work and result in welfare dependency. For example, the UK's two-child limit has been repeatedly justified by government on the grounds that otherwise parents might simply have additional children without thinking about the financial consequences: "Families in receipt of benefits [should] face the same financial choices as those supporting themselves solely through work" (Work and Pensions Committee, 2019, p.1). Claims have also been made that, while

income matters for children's experiences, "where income comes from is critically important. Income from benefits does not have the same effect as income from work" (HM Government, 2012, p.20). In practice, however, there is no evidence to suggest that income from benefits has different effects than income from work. There is also very mixed evidence that higher child benefits discourage work, or that cutting them increases participation or work hours (see extensive discussion in Waldfogel, 2025). It is an inherent feature of means-testing that the withdrawal of benefits as earnings rise creates high marginal effective tax rates over a part of the distribution, particularly affecting second earners. But there is little support for what economists call 'income effects', i.e. that an increased benefit income leads to reductions in work effort because less work is needed to reach the same level of income (Stewart et al, 2025).

Based on existing evidence we would therefore expect the SCP to reduce poverty and improve outcomes for children, with no reason to expect the majority of parents to respond by reducing work effort. Two potential caveats are worth mentioning, however, though both are beyond the scope of the current paper. First, the particular design of the SCP is rather unusual within modern means-testing structures. The decision to tie SCP eligibility to UC eligibility reduces administrative complexity but introduces a sharp cliff-edge: a family whose earnings take them above the UC threshold would immediately lose the full amount of the SCP, so a three-child family could lose £75 in benefits for £1 extra in earnings. Future work will look in more detail at the effects of this potential disincentive, and whether the link to UC should be revisited.

Second, the opportunity cost of funding for the SCP should be noted. The cost of the SCP is estimated at £500m by 2028-29, covered by Scotland's more progressive tax measures (McNulty, 2024). Given wider pressures on Scottish spending, some commentators have argued that the SCP may be crowding out other policies required to combat child poverty, including area-based investments and targeted support for families with more complex needs (*ibid*). Undoubtedly policies that help secure an adequate income are not the only thing families need. Yet at the same time the evidence base cited above tells us that other investments in children will be less effective if families are struggling to make ends meet.

One final point of context is important: this has been a time of rapid economic change, with a cost-of-living crisis quickly followed by further economic uncertainty linked to global events. Rather than making things better for families, the SCP may simply have made them less bad than they would have been. Comparing outcomes and experiences between Scotland and England is therefore of key importance, as this lets us disentangle the impact of wider factors and allows us to dig into the specific differences the policy is making to children and families in the current environment.

## **4. Methods**

### **4.1 Mixed methods**

The *Family Finances Project* is a two-year multi-method research programme exploring whether and how the SCP affects family finances and wellbeing. The research involves descriptive statistics, quasi-experimental quantitative analysis, and a programme of qualitative research with 60 parents to better understand the impact

of the SCP. In taking a multi-method approach, we draw very closely on lessons learned from an earlier study that many of us were involved in, which adopted mixed methods to examine the impact of the two-child limit and benefit cap on families with three or more children (Patrick et al, 2023). Through this research, we saw the great potential when these different approaches are brought into conversation with each other, and it can be especially important in cases such as this one – where the policy under examination is in its early stages and so there are inevitable time lags before the quantitative data can reveal impacts and trends. The great merit of qualitative research is that we can generate new understandings of policy impacts in real-time.

In the study discussed here, we have adopted an approach piloted in our previous study of ensuring that quantitative as well as qualitative researchers on the team undertake the qualitative interviews, supported by training within the team. This means that members from across the team have direct access to insights afforded by actually speaking to someone about the policy. It also aids cross-methods work, further embedding efforts to bring the different data sets into conversation with each other. It is also worth stating that there is an instrumental reason for adopting mixed-methods approaches, as the combination of statistical evidence with lived experiences data can help build a persuasive case for key audiences for policy analysis, including for policymakers and in the media. Certainly, our experience has been that there is much to commend the strategy.

## **4.2 Qualitative**

Qualitative research was employed to capture detailed, rich and complex data which reflects the realities of everyday life of people living in Scotland and England who receive support for children. A comparative approach was taken to help explore and identify the impact of the SCP in the context of wider pressures on household finances; in particular, the ongoing cost of living crisis. We compared and contrasted experiences in Scotland to carefully defined comparable families in England with similar financial challenges.

Individual interviews were conducted between January and October 2025 with participants living in Scotland and Northern England. The research team worked with gatekeeper organisations including local authorities and charities to recruit families who received Universal Credit (all families) and the SCP (Scottish families) and who had at least one dependent child living with them. We used a sampling frame to ensure we included some families in each of the categories that the Scottish Government anticipated would disproportionately benefit from the policy. We also sought to include parents living in urban and rural locations, and parents who were in and out of paid work. We interviewed a higher number of Scottish families ( $n=40$ ) to capture different experiences of receipt of the SCP, alongside 20 families in England. Table 1 sets out key characteristics of the sample.

The interviews were conducted over the telephone. Interview guides were used to explore parents' experiences of receiving Universal Credit and (for the Scottish parents) the SCP, and how the level of their benefit payments affected their lives. The interview guide covered the impacts of the policies on the participants' household

finances, mental health, children, and motivation and effort to find paid work. During the interviews, timelines were completed with the participants to capture the key events and changes in the participants' lives from January 2020 (approximately a year before the SCP was first introduced) and now. There was also space for participants to record their hopes, plans and fears for the coming two years.

Table 1: Key characteristics of the sample

	Scotland	England
Households with a disabled parent of child	15	11
Households without disabled parent or child	25	9
Lone parent	30	14
Coupled parent	10	6
Minority ethnic household	15	7
White household	25	13
Larger family (3+ children)	13	6
Smaller family	27	14
Parent under 25	8	5
Parent 25 or over	32	15
Family with a baby	5	3
Family without a baby	35	17
Rural area	8	5
Urban area	32	15
Household in paid work	15	7
Household not in paid work	25	13

With the participants' permission, all of the interviews were audio-recorded and transcribed verbatim. The data was coded in NVivo and analysed thematically. The research received formal ethical approval from the University of York and LSE. The fieldwork was underpinned by an ethic of care and particular attention was paid to informed voluntary consent (obtained via an online consent form prior to the interview or recorded verbally at the start of the interview), confidentiality and anonymity, prevention of harm and reciprocity. All

interviews have been anonymised, and in the following excerpts aliases are used.

### **4.3 Quantitative**

For the quantitative analysis we take a quasi-experimental approach, treating the SCP's introduction as a natural experiment affecting otherwise identical families north and south of the border, and applying a difference-in-difference (DiD) design. The analysis uses data from the Family Resources Survey (FRS), a nationally representative cross-sectional annual survey of private households in the UK (DWP, 2024 and earlier editions). The FRS is used to construct the Households Below Average Income (HBAI) dataset, which provides harmonised variables over time focused on living standards. We use data for 2016/17-2023/24 (DWP, 2025). To match our analysis most closely with the qualitative data, we focus on two needs-based measures of poverty: child material deprivation and household food insecurity.

We restrict our sample to children aged 16 and under, reflecting SCP eligibility criteria, and to households residing in Scotland or England. We exclude data from 2020 due to pandemic-related disruptions, in line with official guidance. This gives us a final sample of 50,945 children, comprising 44,856 in England and 6,089 in Scotland. We treat the individual child as the unit of analysis throughout and use the dependent child weight provided in the HBAI dataset (*gs\_indch*).

Our basic empirical specification is the following:

$$\text{Poverty Measure}_{it} = \alpha + \lambda_1 \text{Scot}_i + \lambda_2 \text{Post}_t + \delta(\text{Scot}_i \cdot \text{Post}_t) + \beta X_{it} + \varepsilon_{it}$$

where  $\text{Scot}_i$  is a dummy variable equal to one if the child resides in Scotland and equal to zero if they live in England.  $\text{Post}_t$  is a dummy variable equal to one if the child is observed after the expansion of the policy to all children under 16 on the 14th November 2022. The coefficient of interest is  $\delta$ , which captures the differential change in deeper poverty measures in Scotland relative to England following the introduction of the SCP.  $X_{it}$  is a vector of controls including dummies for lone parenthood, household head under 25, female-headed household, household disability status, ethnicity (five categories) and larger families, defined as those with three or more dependent children. We also include year fixed effects.

Material deprivation captures the inability to afford essential items and activities deemed necessary for an acceptable standard of living. The child material deprivation indicator is constructed from responses to whether the household can afford 21 core items with a focus on children's needs (e.g., fresh fruit and vegetables, a warm winter coat, participation in school trips). To reflect public perception of necessities, the material deprivation items in the FRS are periodically updated. In the 2023/24 survey, the sample was randomly split: 75% of respondents answered the updated questions, and 25% answered the previous set. From 2024/25, only the revised questions will be used. Although direct comparisons in the absolute measures between 2022/23 and 2023/24 deprivation measures are not recommended, our DiD framework instead compares the change in material

deprivation in Scotland versus England across time. Assuming that the updated questions are not systematically higher in one country compared to the other, relative to the previous set of questions, this provides a valid set up to compare whether the SCP rollout led to a change in material deprivation in Scotland compared to England.

Food security is measured at the household level via responses from the person most knowledgeable about food procurement and preparation. The measure is based on a series of questions about whether household members are having to miss meals, cut back on food intake or eat less balanced meals for financial reasons. This measure is not specifically child-focused and experiences may differ across household members (e.g. parents may go hungry to protect children's food intake). The food security questions have only been included since 2019/20 so our analysis starts at that point.

Table 2 presents descriptive statistics for the full sample by country. In Scotland there are fewer larger families and a higher proportion of children from white households than in England. Table A1 shows summary statistics before and after the rollout of the SCP by country of residence. While there are clear differences between children in Scotland and in England, there is no evidence of substantial compositional changes observed in the differences between children in Scotland and England before and after the introduction of the SCP. This suggests that compositional change is unlikely to affect the validity of our DiD estimates. We formally assess this using parallel trends analysis of covariates (Table A2).

Table 2: Summary Statistics, 2016/17 - 2023/24

	Scotland	England
Child Material Deprivation	0.151	0.205
Food Insecure Households	0.135	0.150
Larger families	0.252	0.320
Lone parent households	0.225	0.224
Young head of household	0.041	0.030
Female head of household	0.427	0.410
Disabled household	0.381	0.355
White households	0.918	0.766
<i>N</i>	6,089	44,856

Notes: (i) Mean values of each variable by country. (ii) We use the dependent child weight provided in the HBAI dataset.

Source: Authors' calculations using 2016/17-2023/24 HBAI data, 19th edition (DWP, 2025).

A key identifying assumption of the DiD approach is that, in the absence of the SCP, our indicators would have followed parallel trends in Scotland and England. We present the data visually at the start of the results section, showing similar pre-treatment trends across the two countries. To test the assumption more formally, we estimate event-study models that replace the post-treatment indicator with quarter dummies (see Table A3). Although a few pre-SCP coefficients are statistically significant, they are small, noisy, and lack a consistent pattern. These findings support the use of the DiD approach to estimate the causal impact of the SCP on poverty outcomes but highlight the need to control for characteristics and year fixed effects in our models.

## **5. Findings**

### **5.1 Qualitative**

In this section, we focus on the emerging findings from the qualitative interviews with parents receiving Universal Credit in Scotland and in England. We consider what parents in Scotland told us about the difference that the SCP makes to their families. We compare this with what parents in England told us about the struggle to get by in a social security system with lower financial support for children and what they would do with a sum equivalent to the SCP per child (roughly £100 per child per month).

#### *Investing in children's needs and development*

Overwhelmingly, parents receiving the SCP said that it made a significant difference to their families' lives in various ways. Parents had additional resources to meet the basic needs of the household, such as food and utilities and enabled them to invest in child-specific items and experiences. The child-specific items included essentials like clothing and shoes, food including fruits and vegetables, snacks, treats or food specific to children's dietary needs as well as other developmental, educational, health and well-being related needs:

*"So it's his money and his needs like maybe sometimes uniform, sometimes part of shoes, maybe sometimes he wants to go out. So, that's his money like, yeah, I use that for his needs and his, whatever he wishes for."*

*Grace, single parent, child aged 7 years, Scotland*

*"I pay for her toy fund, if she wants to eat, for example if she wants her McDonalds...sometimes I buy shoes from it if her shoes are worn out for example because of the weather, she needed the boots, so I bought her boots."*

*Josephine, single parent, child aged 4 years, Scotland*

Many parents spoke about being able to pay for children's sports activities or lessons to support their healthy development, such as swimming and martial arts lessons, soft play centres and sensory toys, football and gymnastics clubs. The SCP also enabled parents to pay for social activities, youth clubs, scouts and nature clubs, educational activities like language lessons, leisure and creative activities like crafting equipment, or being able to take children on outings or to the theatre:

*"[The SCP] has enabled to me get my son swimming lessons that I wouldn't have been able to afford otherwise, you know. So, it's gave me that extra bit of breathing space to get little educational-type things for my son that I normally wouldn't be able to afford. So, it has definitely been noticeable in my household, yeah, that extra money."*

*Olivia, single parent with a disability, child aged 9 years, Scotland*

Often the activities and experiences that parents were investing in supported children's emotional, social and mental health needs as well as their physical development. For example, one parent

explained that the SCP helped to pay for clubs that in turn helped her children's physical, psychological and social development:

*"Seeing my son actually going to those clubs, he's got great friendship groups in there. They do lots of activities. That is something that I wouldn't be able to do with them because they learn, they've got completely different groups of friends, they meet different people, they go to events. This is something that I wouldn't be able to do for him. I think even the martial arts, they teach you to be more resilient because it is not only that they just kick each other, there is more to it. The wildlife club, he loves the most."*

*Sidney, single parent, children aged 11 and 17 years, Scotland*

There were other ways in which parents were able to invest in their children's future well-being and security, for example, by making savings or opening a junior ISA.

*"I've got a savings account for my first daughter. I've still to sort one out for my baby, and I use money from the Scottish Child Payment to put into that, and then like, I kind of like to use the Scottish Child Payment like if there's anything kind of related I need, just because in my head, child payment goes on the child. You know, it just makes sense to me."*

*Bethany, parent in a couple, children aged 2 years and under 1, Scotland*

Generally, parents reported that the SCP is making a 'significant' difference to children and families in Scotland. But the extent to which parents felt it made a difference varied based on a number of factors including family circumstances. For some families, particularly larger families, where the SCP comprised a larger proportion of their disposable income, it made a really significant difference:

*"To be honest, that's really helped. That benefit is really helpful, to be honest. It's just covered the gap that like my two other kids were born after 2017. So, they don't get anything from Universal Credit. But that covers that gap. The Scottish child payment is like the most helpful thing. It's just helpful. It's really helpful."*

*Rosalind, parent in a couple, children aged 3, 7, 9 and 13 years, Scotland*

This was also the case for some younger parents. Alicia, who was receiving the lower rate of UC for parents under 25 years and had not yet started receiving the SCP for her youngest child, found the additional support provided by SCP significant:

*"It helped me feel a lot less stressed about money. £200 a month is a lot, it goes quite a long way."*

*Alicia, single parent under 25, children aged 1, 3 and 4 years, Scotland*

### *Surviving not thriving*

While some parents said they ‘ringfenced’ SCP for primarily child-related expenses, others said they used the money as part of an overall ‘pot’ to meet the essential needs of their family members, including paying for gas and electricity bills and food shopping. For these participants, the SCP was often a lifeline, which tided them over until their next Universal Credit payment. Gwen, a single parent with one child, explained that she liked getting the SCP every four weeks, as it meant that along with her twice monthly Universal Credit payments and Child Benefit payment, she had money coming in every week which meant she could buy food consistently. When asked what she'd spent her last SCP on, she explained:

*I had to buy dog food and I had to buy shopping. Like it was dire in that, actually my daughter said to me do we have any money mum and I was like yeah, of course we do, but we didn't. She went, because I've got money in my purse. She was looking for like snacks and there was really nothing.*

*Gwen, single parent, 1 child aged 11, Scotland*

During our interviews we discussed how families' financial circumstances had changed since January 2020. Many of the families had experienced significant financial hardship over the past few years due to benefit cuts, personal crises, the Covid pandemic and the cost of living crisis. The SCP, in the form of regular cash-based support, gave parents the agency to spend the money according to their children's and household needs and circumstances, including in

response to income or expenditure shocks. For example, Bethany, a younger parent in receipt of the lower rate of Universal Credit due to her age, reflected:

*"Just that extra help, like the extra £100 that we got with my first [child], that was like, kind of saved us a lot of times back then when we were struggling, and now it's just like, extra financial relief, you know? It's just, it's a good system because kids are too expensive. They need a lot of things, so it's helpful to have kind of money that you could dedicate to them or bills or whatever you need it to. You know, whatever's best for you at that time."*

*Bethany, parent in a couple under 25, children aged 2 years and under 1, Scotland*

Unsurprisingly, many parents referred to the increasing costs of essential items and expenses as a result of inflation in recent years, particularly food, gas, electricity, and fuel costs, which increased money worries and limited what they were able to get with the SCP. Several parents were keen to express their gratitude for the SCP but some also felt that while helpful and '100% needed', it was not enough to lift children out of poverty or meet the costs they had to meet children's needs in reality. Several participants like Hope, a single parent with two children, commented that more per child is needed, particularly in light of the cost of living increases:

*"I would say either double or triple because nowadays food costs more, again, raising a child is always going to be expensive, like there's always going to be things...But yeah, I would always say more is better, just make sure children are comfortable and parents aren't under stress because it is, not having money is hard. You feel like you're failing every day and you're like but I'm not, the children are alive, they're well. And again, if we're wanting to keep children healthy, we have to give them food that isn't food bank food, that isn't tinned hotdogs and tinned meatballs.".*

*Hope, single parent, children aged 9 and 17 years,  
Scotland*

Some also felt that it should be extended for those over 16, to make it consistent with other benefits for children and because their children's needs continue. William, a coupled father with three children, felt that the SCP had made a 'big difference' to his family and gave them 'a lot of that extra breathing, financial breathing room'. However, his oldest child no longer qualified for the SCP and another was approaching the cut off point but the family still needed the financial support:

*"I do think I've said this before, that if kids stay on for further education as in sixteen, seventeen, eighteen, they should maybe consider extending that. Because if a child wants to stay on at school some parents might not be in the position to afford that and a child might just go straight to work at sixteen rather than stay on in education due to financial costs. So I think extending that would benefit a lot of kids and therefore their parents because the financial impact of that would be, you know, there would be systems there. So if the government are serious about kids being in school longer and get better qualifications, then that would be a step in the right direction."*

*William, parent in a couple, children aged 12, 15 and 17, Scotland*

Children aged 16 and older become eligible for the Education Maintenance Allowance (EMA), which is currently paid at £30 per week, but only during term-time. Therefore, the amount overall that children receive is less than they would through the SCP. It is also conditional on children's attendance and participation in education and is paid to children directly, therefore is less reliable to support household expenditure. One parent spoke about this in detail: her son had 'aged out' and was now receiving the EMA. However, as the EMA went directly to him, he spent it as he liked and therefore she could not rely on this to meet their household needs to cover things like food and bills:

*"He's just a teenager, he'll spend it, he does not think. Like I think it's the cause of arguments in this house, I'm like, "You know I get zero money from you." He's like, "Do you want me to move out?" and it's like, "You can't afford to move out." [laughs] But yeah, it's just I was saying he just buys like occasional PlayStation games and I'm like, "I could have bought your dinner for that." [laughs]."*

Hope, single parent, children aged 9 and 17, Scotland

So despite the EMA, the withdrawal of the SCP when a child reaches the age of 16 years can cause families financial hardship and could be considered a premature age threshold as this support ends while parents are still financially responsible for their dependent children.

#### *Relieving parental stress*

By enabling parents to be able to meet their children's and wider family needs, some participants reflected that it reduced their worries about their finances, 'saving them' in difficult times and providing much needed relief from the pressures they faced in supporting their family. Some described the extra help as giving them a chance 'to breathe' or to 'have freedom' and choice over providing items and experiences for their children.

*"I think it's a lot better [having SCP], like it stops my worrying. Like kind of gives us that little extra top up if we need food, if we need nappies and wipes, and like gas and electric, and it just gives us like that benefit of the doubt."*

*Kay, parent in a couple under 25, child aged under 1 year, Scotland*

*"Well yes, I suppose we get to do more things. And before it was really d'you know like whatever was in the fridge would be in the fridge, and he wouldn't starve. But now he's got a lot more freedom and we can do a lot more activities together. And obviously when I'm not stressing about money obviously my mental health improves, so if I'm happy he's happy."*

*Sabrina, single parent, child aged 6 years, Scotland*

Having cash support to use for their household or for their children as needed, and being able to adapt their spending based on their changing circumstances such as increasing costs due to inflation or expenditure shocks, contributed to this sense of relief. Additionally, some parents reflected on feelings of guilt at frequently having to say 'no' to their children, but with the SCP, they were able to say 'yes' sometimes. It also enabled some parents to engage particularly older children in financial decision-making.

#### *Comparing findings from families in England*

In contrast to the Scottish families, the vast majority of the families in England we spoke to were barely getting by and were often only able to manage due to help from extended family members. Without the 'lifeline' that the SCP provided to the Scottish participants, the English participants desperately struggled to meet basic household needs including food, clothing and utilities:

*"You know because without this money [Universal Credit] I couldn't pay my rent but it's just not enough. You know I don't want to go on a luxury holiday, I don't want, well I do but [laughs] you know I don't want designer clothes and you know gorgeous handbags, I just want enough money to be able to feed my kids. And be able, and not have to rely on my parents to do my supermarket shopping."*

*Addison, parent in couple, children aged 4 and 9 years, England*

*"It's been tough. We're relying a lot on like food banks and I've borrowed a lot off my family. Like my mum and my dad. I've got into quite a bit of debt with like my gas and electric and stuff...I try not to let it affect him [son] but there has been times where he's come up and we've had like no electric or we've had no gas. Like over Christmas we couldn't really have the lights on because obviously like it was eating away at the electric so much. I think he has noticed and it has got to him a bit."*

*Amba, single parent, child aged 9 years, England*

Overall the families in England were less able to invest in child-specific activities and experiences, like sports clubs, lessons, social activities with friends and days out for the family:

*But also you know I struggle a lot in terms of not being able to do the extra, I don't know if I'd call it extracurricular clubs for my children. I really would wish to sign them up for those kind of things. It's okay everything they learn in school but I also believe that those extras they help, they also give children different skills in life. So if I was on top of being able to afford the food and everything in the else, I would wish to be able to afford those kind of stuff, signing them up for clubs.*

*Esther, single parent, three children aged 10 years, 2 years and 8 months, England*

*It's like if someone said do you and the kids want to come bowling this evening, we can't do things spontaneously. So everything has to be planned in advance, in those kind of scenarios, they're aware, they know that if a friend rang you up and said do you want to go to McDonalds for dinner tonight for example, no because I have to make sure mum's got paid, or mum's got money or whatever.*

*Jennifer, single parent, four children aged 16. 10, 8 and 7 years, England*

Echoing the sentiments of participants in Scotland, participants in England felt that having extra support at the value of the SCP would be a 'huge' help for their families in helping to provide for their children, including food, clothes, shoes, activities, school-related expenses and personal care. Some parents also felt it would reduce their worries about money by enabling them to provide essentials like

food and clothing for their children, and to support their growth and development:

*"Oh a massive difference. A massive difference. Like I know people don't think that's a lot, but that £25 is like another three meals. Like it would take that stress out of like worrying about where we're going to get food shopping from and stuff."*

*Amba, single parent, child aged 9 years, England*

Some parents also felt that having access to this type of support across the UK would be fair, given the widespread financial hardship. As one parent in England said in relation to the extra support given in Scotland:

*Well it's amazing for them, it's absolutely wonderful for them. But it is frustrating because it's like, well why can't we do more for people that need support also? And for children that need support? I've known of children that don't get breakfast, don't get tea and that the parents physically can't afford it. Some people don't have any support at all and the benefits is the only thing that they get. I'm in a very, very privileged situation that I have my dad and I have my mum and that they can afford to support me where I can't get what I need. But yes it's heartbreakingly really.*

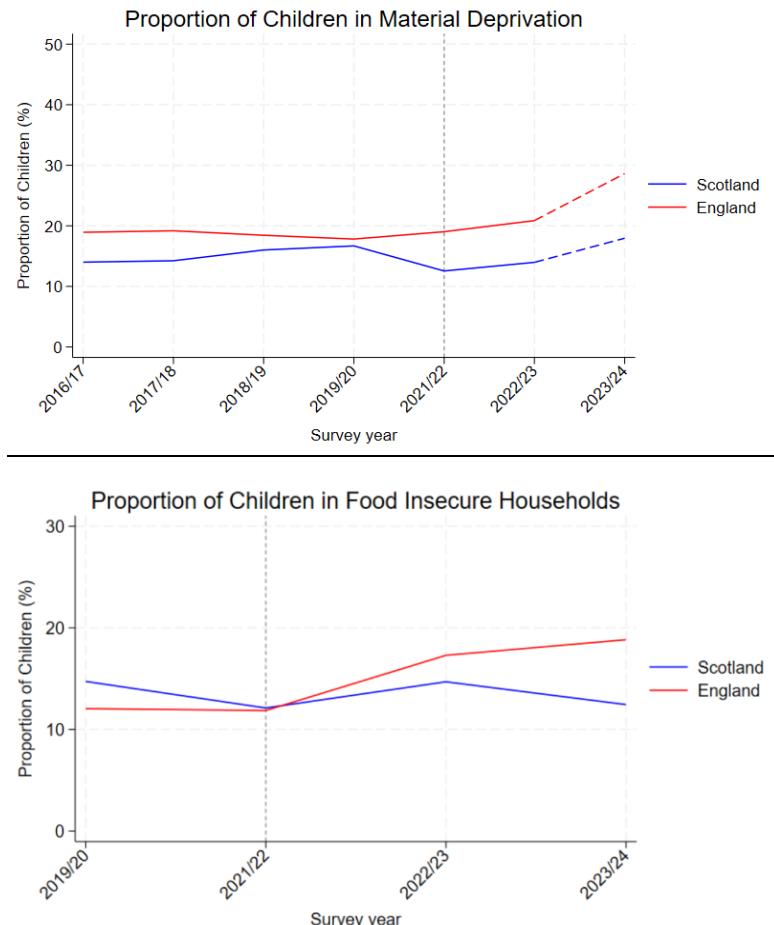
*Chloe, single parent, children aged 6, 10 and 11, England*

Our interviews with English parents, who receive lower social security for their children than their Scottish counterparts, show that families are unable to get by on current levels of support. Households often have to rely on extended family to meet basic necessities and households who do not receive such support go without. Parents are also unable to afford experiences and activities important to children's everyday experiences of childhood and life chances. Inability to meet basic needs and to afford activities also has negative emotional impacts, causing both significant parental stress and child distress.

## **5.2 Quantitative**

Figure 1 shows trends over time in both of our deprivation indicators. Child material deprivation is rising in both England and Scotland. However, after following fairly similar trends in the pre-treatment period, the rise appears to be steeper in England. In relation to food insecurity, the figure shows stability or even decline in Scotland while food insecurity in England has risen. Both figures point to divergence in the indicators between the nations after the introduction of the SCP.

Figure 1: Child material deprivation and children living in food insecure households by country.



*Notes:* (i) The figure presents the annual average proportion of children aged 16 and under who are materially deprived and living in food insecure households by country. (ii) Estimates are weighted using the dependent child weight provided in the HBAI dataset (*gs\_indch*). (iii) The dashed vertical line indicates the start of the post-SCP period (2022/23), following the expansion of the SCP to all eligible families with children under 16 and the increase to £20 per week per child. (iv) Data for 2020/21 are excluded due to pandemic-related disruptions in survey collection, which affected data quality and comparability. (v) The dashed line between 2022/23 and 2023/24 for material deprivation reflects changes in the deprivation questions; as a result, direct comparisons across these years should be interpreted with caution.

*Source:* Authors' calculations using HBAI 19th edition (DWP, 2025).

We use DiD models to test formally whether we are seeing divergent trends in the two nations, and whether any differences are robust to

the inclusion of control variables. Table 3 presents coefficient estimates from models assessing the impact of the SCP on child material deprivation (Panel A) and household food insecurity (Panel B), both with and without controls. The key coefficient of interest - the interaction term between Scotland and the post-policy period - captures the differential change in these needs-based poverty measures following the introduction of the SCP.

The results point to statistically significant reductions in both child material deprivation and food insecurity in Scotland relative to England, after the introduction of the SCP. These results are present and significant in the raw results (without controls) and increase in size when controls are included. The effects are considerable in size: they suggest that both material deprivation and food insecurity would have been between 8 and 9 percentage points higher in Scotland without the SCP. This translates to just over 70,000 fewer children in Scotland living in material deprivation and food insecurity than we predict would have been the case without the policy.

We conduct two main robustness checks to test these results further (see Appendix Table A4). Results remain consistent when we redefine the control group using the rest of the UK rather than England alone. When we exclude children from families with at least one child under the age of six between February 2021 and November 2022, the results increase in size to an effect of between 10 and 12 percentage points. This suggests our main estimates may be a slight underestimate, biased downwards by the inclusion in the pre-SCP group of some families who are already receiving small SCP payments.

Table 3: Difference-in-Differences Estimates

	<b>A: Child Material Deprivation</b>		<b>B: Food insecurity</b>	
Scotland * Post	-0.066*** (0.019)	-0.085*** (0.022)	-0.064*** (0.019)	0.088*** (0.021)
Scotland	-0.043*** (0.006)	-0.019*** (0.006)	0.003 (0.009)	0.017 (0.009)
Post	0.087*** (0.007)	-0.022 (0.014)	0.048*** (0.007)	-0.025 (0.013)
Young household head		0.110*** (0.015)		0.086*** (0.021)
Female household head		0.053*** (0.005)		0.043*** (0.006)
Ethnicity				
Mixed		0.090*** (0.015)		0.081*** (0.020)
Asian		0.108*** (0.007)		0.020** (0.007)
Black		0.178*** (0.011)		0.087*** (0.014)
Other		0.163*** (0.014)		0.055*** (0.016)
Disability in household		0.154*** (0.004)		0.140*** (0.006)
Lone parent household		0.209*** (0.006)		0.168*** (0.008)
Large family household		0.115*** (0.005)		0.071*** (0.006)
Constant	0.190*** (0.002)	0.006 (0.005)	0.137*** (0.003)	-0.012** (0.005)
Controls and year FE	No	Yes	No	Yes
N	50,945	50,945	27,511	27,511
R <sup>2</sup>	0.0073	0.1712	0.0036	0.1343

Notes: (i) This table shows estimates from equation (1). (ii) The *post* period is defined as children being observed after 14th November 2022, aligning with the rollout of the SCP to all children aged 16 and under. (iii) Controls include: a dummy variable equal to one if the child resides in a household with a head aged under 25 years; female head of household; ethnicity (five categories); disability status of the household; lone parent; and large family, defined as three or more dependent children in the household. (iv) Estimates are weighted using the dependent child weight provided in the HBAI dataset (*gs\_indch*). (v) The change in material deprivation between 2022/23 and 2023/24 reflects changes in the deprivation questions; therefore, direct comparisons across these years should be interpreted with caution. (vi) Data for 2020/21 are excluded due to pandemic-related disruptions in survey collection, which affected data quality and comparability. (vii) \* $p<0.05$ , \*\* $p<0.01$ ,  $p<0.001$ . (viii) Standard errors are in parentheses. (ix) Black includes Black African, Black Caribbean, Black British.

Source: Authors' calculations using 2016/17-2023/24 HBAI data, 19th edition (DWP, 2025).

Our quantitative analysis therefore provides strong backing for the conclusion emerging from the qualitative data: the SCP is having a very material effect on families in Scotland, reducing both food insecurity and material deprivation in households with children.

## **6. Conclusions**

Both our qualitative and our quantitative evidence are consistent in indicating that the SCP is making a significant difference to family finances and child wellbeing. Our qualitative data shows that parents were able to increase spending on items necessary to children's healthy development such as nutritious food, clothing and utilities. This is supported by our quantitative analysis which suggests that significantly more families are able to meet very basic needs as a result of the payments: our results suggest that both material deprivation and food insecurity would have been between 8 and 9 percentage points higher in Scotland without the policy, which corresponds to over 70,000 fewer children living in material deprivation and food insecurity as a result of the SCP's introduction.

In our qualitative interviews some parents told us that they were able to go beyond the basics to afford extra-curricular curricular and leisure activities. These are important for the here and now in the enjoyment they bring and the ability for children to take part in activities alongside their peers. Previous research indicates participation in these activities is likely to increase the life chances of children belonging to households that receive the SCP; studies have linked extra curricular activities to positive outcomes including higher

educational attainment, civic engagement and psychological flourishing (Guilmette et al., 2019; Mahoney & Vest, 2012).

In line with early research into the SCP (Scottish Government, 2022; Stratham, Smith and Parkes, 2023), our qualitative findings also show that the presence of the SCP can lower parental stress. This is also significant both to children's everyday experiences and their longer-term outcomes. Previous research shows reductions in benefits and subsequent decreased ability to cover essential costs can trigger emotional distress among parents and can result in more tensions and conflict within households (Andersen et al, 2024). These can in turn undermine parents' ability to provide a secure and comfortable emotional environment within the household (Wilkinson & Pickett, 2010). This may negatively impact children's health development by putting children at heightened risk of experiencing depression and anxiety, substance misuse, declining school performance, and other anti-social behaviours (Conger et al., 1999). Our early findings suggest that the presence of the SCP's ability to decrease stress will result in a calmer home environment for children and reduce the negative knock-on effects of parental emotional distress. Subject to data availability, we will explore this mechanism further through quantitative investigation of parental anxiety and life satisfaction using Annual Population Survey data.

The research findings also demonstrate the importance of giving cash payments directly to parents. Some detractors of the SCP argue that the money spent on the policy would be better spent on area-based investments and targeted support for families with more complex needs (McNulty, 2024). While we do not dispute the importance of

such measures, our findings show that the SCP instantly helps parents to meet their children's needs which is of critical importance given the erosion of benefits over the past 15 years and subsequent hardship it has caused. It also gives parents the immediate agency to spend on children as they see fit and recognises that they are best placed to choose the particular material items, services and activities their children need to thrive.

While the parents were unequivocal in the help the SCP provides, some families were still struggling to get by and were using the money as a lifeline to tide them over to their next Universal Credit payment. As the timing of the introduction of the SCP has coincided with the ongoing cost of living crisis and has been implemented following 15 years of austerity policies, the SCP is not at a high enough level to provide many families with the income they need to enable their children to go beyond surviving to thriving.

Our comparison interviews with English families are very striking in that parents report that if they had the money, they would spend it on similar items (such as food, clothes and extra-curricular activities) to Scottish parents. This demonstrates the inadequacy of social security provision in recent years in enabling parents to provide for their children's needs, and shows that parents prioritise spending on children. The comparison also demonstrates that the SCP makes a significant difference in enabling parents to meet their children's needs. This suggests without additional support in England, we are likely to see a divergence in outcomes for children between the two nations. Extra financial support for English households would decrease this burgeoning inequality.

This article reports on early findings that contribute to an emerging evidence base. Our future research will build on this further by applying quasi-experimental methods to evaluate the impact of the SCP. Using data from the FRS, we will analyse the effect of the SCP on household finances and mental health. In addition, data from the *Annual Population Survey* will be used to assess the policy's impact on labour market outcomes. A particular focus will be on whether the SCP creates work disincentives through cliff-edge effects. The quantitative findings will be interpreted in conjunction with rich, in depth qualitative data obtained from our individual interviews. Together they will offer a much-needed comprehensive understanding of the SCP's effects on families.

For now, our mixed methods research highlights that the SCP is a crucial measure in alleviating financial hardship. However, due to the extent of the cuts in social security provision over the past fifteen years and the recent socioeconomic shocks, there is still a lot more to be done to reduce both the breadth and the depth of child poverty. We end with the words of Olivia, who was unequivocal about both the positive impact of the SCP, and the need for more to be done:

*"I probably would say how a positive impact for me it's having on my household...certainly if they increased it that would make it; I think it would pull up a lot of parents including myself more out of the water...They've got a long ways to go to eradicating child poverty and this is just beginning."*

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## Appendix

Table A1: Summary Statistics for children observed before and after the SCP by country of residence, 2016/17 - 2023/24

	Scotland			England		
	All	Pre-SCP	Post-SCP	All	Pre-SCP	Post-SCP
Child Material Deprivation	0.151	0.147	0.168	0.205	0.190	0.277
Food Insecure Households	0.135	0.139	0.124	0.150	0.137	0.185
Larger families	0.252	0.244	0.295	0.320	0.313	0.353
Lone parent households	0.225	0.217	0.265	0.224	0.222	0.235
Young head of household	0.041	0.040	0.045	0.030	0.031	0.023
Female head of household	0.427	0.422	0.452	0.410	0.405	0.435
Disabled household	0.381	0.357	0.504	0.355	0.345	0.408
White households	0.918	0.919	0.915	0.766	0.771	0.739
N	6,089	5,471	618	44,856	38,772	6,084

*Notes:* (i) Mean values of each variable by country and SCP rollout, where post-SCP is defined as after the 14th November 2022. (ii) We use the dependent child weight provided in the HBAI dataset.

**Source:** Authors' calculations using 2016/17-2023/24 HBAI data, 19th edition (DWP, 2025).

Table A2: Parallel covariate trends test (all children)

	Larger families	Lone parent households	Young head of household	Female head of household	Disabled household	White household
Scot * 2017/18	-0.004 (0.020)	0.018 (0.020)	-0.007 (0.012)	0.027 (0.024)	-0.017 (0.023)	-0.022 (0.013)
Scot * 2018/19	-0.038* (0.019)	0.024 (0.029)	-0.009 (0.011)	0.002 (0.023)	-0.007 (0.023)	-0.004 (0.014)
Scot * 2019/20	-0.041* (0.019)	0.028 (0.019)	-0.011 (0.012)	0.030 (0.024)	-0.021 (0.023)	-0.000 (0.014)
Scot * 2021/22	-0.054* (0.025)	-0.042 (0.023)	-0.032* (0.013)	-0.027 (0.029)	-0.009 (0.029)	0.007 (0.016)
Scot * 2022/23	0.001 (0.024)	-0.031 (0.022)	-0.016 (0.0130)	-0.022 (0.028)	-0.019 (0.027)	-0.037 (0.020)
Scot * 2023/24	-0.010 (0.032)	0.053 (0.032)	0.005 (0.015)	0.031 (0.032)	0.078* (0.031)	0.012 (0.017)
Controls	No	No	No	No	No	No
N	50,945	50,945	50,945	50,945	50,945	50,945

Notes: (i) The table reports estimates of  $\delta$  from Equation (1), where the Post variable is replaced with a dummy variable for each year and regression are run with each covariate in turn as the outcome variable. (ii) The reference category is 2016/17. (iii) *Scot* is a dummy variable equal to one if the child resides in Scotland and zero if they reside in England. (iii) Estimates are weighted using the dependent child weight provided in the HBAI dataset (*gs indch*). (iv) Standard errors in parentheses. (v) \*p<0.05, \*\*p<0.01, \*\*\*p<0.001.

Source: Authors' calculations using HBAI 19th edition (DWP, 2025).

Table A3: Parallel trends test: outcomes variables

	<b>A:</b> Child Material Deprivation		<b>B:</b> Food Insecurity	
Scot * 14th February 2017 - 13th May 2017	0.010 (0.034)	0.014 (0.030)	-	-
Scot * 14th May 2017 - 13th August 2017	0.037 (0.033)	0.036 (0.030)	-	-
Scot * 14th August 2017 - 13th November 2017	0.001 (0.029)	-0.019 (0.027)	-	-
Scot * 14th November 2017 - 13th February 2018	0.045 (0.035)	0.061 (0.035)	-	-
Scot * 14th February 2018 - 13th May 2018	0.007 (0.031)	0.041 (0.030)	-	-
Scot * 14th May 2018 - 13th August 2018	0.066* (0.032)	0.062* (0.030)	-	-
Scot * 14th August 2018 - 13th November 2018	0.047 (0.035)	0.048 (0.034)	-	-
Scot * 14th November 2018 - 13th February 2019	0.053 (0.032)	0.040 (0.030)	-	-
Scot * 14th February 2019 - 13th May 2019	0.045 (0.032)	0.077* (0.031)	-	-
Scot * 14th May 2019 - 13th August 2019	0.069* (0.033)	0.065* (0.031)	-0.033 (0.052)	-0.059 (0.054)
Scot * 14th August 2019 - 13th November 2019	0.040 (0.032)	0.040 (0.029)	-0.036 (0.052)	-0.056 (0.054)
Scot * 14th November 2019 - 13th February 2020	0.104** (0.034)	0.104*** (0.030)	0.036 (0.054)	0.015 (0.056)
Scot * 14th February 2020 - 13th May 2021	-0.029 (0.029)	0.038 (0.028)	-0.088 (0.053)	-0.054 (0.055)
Scot * 14th May 2021 - 13th August 2021	-0.041 (0.030)	-0.003 (0.030)	-0.094 (0.052)	-0.082 (0.055)

Scot * 14th August 2021 - 13th November 2021	0.083 (0.048)	0.103* (0.043)	0.043 (0.063)	0.034 (0.063)
Scot * 14th November 2021 - 13th February 2022	-0.015 (0.041)	0.012 (0.036)	-0.007 (0.062)	-0.008 (0.060)
Scot * 14th February 2022 - 13th May 2022	0.078 (0.049)	0.085* (0.042)	-0.080 (0.060)	-0.092 (0.060)
Scot * 14th May 2022 - 13th August 2022	-0.008 (0.036)	-0.016 (0.035)	-0.047 (0.058)	0.078 (0.060)
Scot * 14th August 2022 - 13th November 2022	0.046 (0.056)	0.053 (0.054)	-0.142** (0.053)	-0.147** (0.055)
Scot * 14th November 2022 - 13th February 2023	-0.067* (0.031)	-0.052 (0.030)	-0.098 (0.056)	-0.101 (0.058)
Scot * 14th February 2023 - 13th May 2023	0.052 (0.047)	0.052 (0.045)	0.031 (0.066)	0.011 (0.068)
Scot * 14th May 2023 - 13th August 2023	-0.093* (0.038)	-0.096** (0.034)	-0.162** (0.057)	-0.182** (0.059)
Scot * 14th August 2023 - 13th November 2023	-0.065 (0.041)	-0.122* (0.052)	-0.184*** (0.054)	-0.256*** (0.061)
Scot * 14th November 2023 - 13th February 2024	0.034 (0.059)	0.081 (0.051)	-0.010 (0.074)	0.006 (0.071)
<i>Controls</i>	No	Yes	No	Yes
N	45,175	45,175	26,852	26,853
R <sup>2</sup>	0.0112	0.1762	0.0129	0.1414

*Notes:* (i) The table reports estimates of  $\delta$  from Equation (1), where the Post variable is replaced with a dummy variable for quartile. (ii) The reference category for child material deprivation is 14th November 2016 - 13th February 2017 and for food insecurity is 14th February 2019 - 13th May 2019. (iii) *Scot* is a dummy variable equal to one if the child resides in Scotland and zero if they reside in England. (iv) Controls are included for large families (3+ children), lone parenthood, young head of household (under 25), female head of household, disability within the household, and ethnicity (five categories). (v) Estimates are weighted using the dependent child weight provided in the HBAI dataset (*gs indch*). (vi) Standard errors in parentheses. (v) \*p<0.05, \*\*p<0.01, \*\*\*p<0.001.

*Source:* Authors' calculations using HBAI 19th edition (DWP, 2025).

Table A4: Difference-in-Differences Estimates, Sensitivity Analysis

	Dropping families with a child under 6 (Feb 2021 - Nov 2022)				Children from rest of the UK as the control group			
	<b>A:</b> Child Material Deprivation		<b>B:</b> Food insecurity		<b>A:</b> Child Material Deprivation		<b>B:</b> Food insecurity	
Scotland * Post	-0.087*** (0.020)	-0.102*** (0.023)	- 0.104*** (0.021)	-0.125*** (0.021)	-0.065*** (0.019)	-0.084*** (0.021)	- 0.062*** (0.019)	-0.086*** (0.050)
Scotland	-0.046*** (0.006)	-0.026*** (0.006)	0.019 0.006 (0.010)	0.019 (0.010)	-0.040*** (0.006)	-0.017** (0.006)	0.003 (0.009)	0.017* (0.009)
Post	0.101*** (0.008)	0.013 (0.017)	0.010 (0.010)	0.003 (0.016)	0.086*** (0.007)	-0.023 (0.013)	(0.009) 0.047*** (0.007)	-0.024* (0.012)
Young head of household		0.134*** (0.018)		0.088*** (0.026)		0.107*** (0.014)		0.086*** (0.020)
Female head of household		0.054*** (0.005)		0.039*** (0.007)		0.051*** (0.004)		0.043*** (0.006)
Ethnicity								
- Mixed		0.054** (0.017)		0.045 (0.025)		0.091*** (0.015)		0.080*** (0.020)
- Asian		0.109*** (0.008)		0.014 (0.009)		0.109*** (0.007)		0.022** (0.007)
- Black/African Caribbean/Black British		0.171*** (0.011)		0.099*** (0.016)		0.183*** (0.011)		0.087*** (0.014)
- Other		0.213*** (0.017)		0.084*** (0.020)		0.164*** (0.014)		0.058*** (0.016)
Disability status of household		0.152*** (0.005)		0.138*** (0.006)		0.154*** (0.004)		0.139*** (0.005)
Lone parent household		0.216*** (0.007)		0.178*** (0.010)		0.207*** (0.006)		0.169*** (0.008)
Large family household		0.118*** (0.005)		0.077*** (0.007)		0.114*** (0.004)		0.074*** (0.005)

Constant	0.190*** (0.003)	0.009 (0.005)	0.133*** (0.003)	-0.013* (0.005)	0.188*** (0.002)	0.001 (0.004)	0.136*** (0.003)	-0.011** (0.004)
Controls and year FE	No	Yes	No	Yes	No	Yes	No	Yes
N	40,557	40,557	20,002	20,002	60,680	60,680	33,065	33,065
R <sup>2</sup>	0.0103	0.1762	0.0069	0.1380	0.0071	0.1700	0.0034	0.1350

*Notes:* (i) This table shows estimates from equation (1) after dropping children from households with at least one child under age six between February 2021 and November 2022, when the SCP was restricted to this age group at £10 per week, and redefines the control group as all children living in the rest of the UK. (ii) The *post* period is defined as children being observed after 14th November 2022, aligning with the rollout of the SCP to all children aged 16 and under. (iii) Controls include: a dummy variable equal to one if the child resides in a household with a head aged under 25 years; female head of household; ethnicity (five categories); disability status of the household; lone parent; and large family, defined as three or more dependent children in the household. (iv) Estimates are weighted using the dependent child weight provided in the HBAI dataset (*gs\_indch*). (v) The change in material deprivation between 2022/23 and 2023/24 reflects changes in the deprivation questions; therefore, direct comparisons across these years should be interpreted with caution. (vi) Data for 2020/21 are excluded due to pandemic-related disruptions in survey collection, which affected data quality and comparability. (vii) \* $p<0.05$ , \*\* $p<0.01$ ,  $p<0.001$ . (viii) Standard errors are in parentheses.

**Source:** Authors' calculations using 2016/17-2023/24 HBAI data, 19th edition (DWP, 2025).