



Children's benefits in Scotland: clearing up confusion to maximise take up

February 2025

Strengthening Social Security:
research into the five family payments



Children's benefits in Scotland: clearing up confusion to maximise take up

Summary

Families are missing out on benefits they are entitled to because of confusion about eligibility. This briefing raises the alarm about several myths and misunderstandings concerning Scottish child payment that advisers commonly hear from families.

The evidence for this briefing comes from 26 semi-structured interviews with frontline advisers from across Scotland between May and July 2024 as part of the Strengthening Social Security: research into the five family payments project. The briefing also contains evidence from CPAG in Scotland's Early Warning System, which collects and analyses case evidence from frontline workers.

The Strengthening Social Security project is funded by the Robertson Trust for two years until November 2025. Emerging project findings were published in July 2024, highlighting several gaps in Scottish child payment eligibility and receipt, as evidenced by the Early Warning System.¹

Since November 2024, the project team has been working with parents who have experienced difficulties accessing Scottish child payment and other Scottish payments. Early evidence from interviews with families indicates similar themes to those raised by advisers in this briefing.

Background

Scottish child payment was introduced by the Scottish Government in 2021 as part of its mission to reduce child poverty. It was designed as a 'top-up' to reserved benefits for low-income families in Scotland.² Scottish child payment was initially introduced for eligible children under six at a rate of £10 per week, per child, then doubled the following year. Scottish child payment was further increased to £25 per week for eligible children under 16 from November 2022 then uprated by inflation to £26.70 from April 2024. Unlike universal credit (UC) and child tax credit, which are restricted by the two-child limit, there is no cap on the number of children who can receive Scottish child payment.

To be eligible for Scottish child payment, a parent or carer must be normally living in Scotland, be responsible for a child under 16, and be in receipt of at least one penny of a qualifying benefit such as universal credit.³

The Scottish government estimates that 89% of eligible families already claim Scottish child payment.⁴ This briefing highlights several myths and misunderstandings which can result in families unknowingly missing out on their entitlements to Scottish child payment.

¹ CPAG in Scotland, *Scottish Child Payment: The Gaps*, 2024, available at: cpag.org.uk/news/why-some-families-miss-out-scottish-child-payment-and-other-benefits

² s79 Social Security (Scotland) Act 2018

³ Eventually, universal credit, and to a lesser extent pension credit, will be the only qualifying benefits for Scottish child payment as the DWP invites individuals to claim universal credit and ends their older legacy benefits as part of managed migration.

⁴ Scottish Government, *Take-up rates of Scottish benefits 2024*, 2024, available at: gov.scot/publications/take-up-rates-scottish-benefits-2024/

Facts about Scottish child payment

- Scottish child payment is an extra benefit which Scottish families can get in addition to child benefit and universal credit
- Scottish child payment is not affected by the two-child-limit, which only applies to universal credit, child tax credit and housing benefit

Myths about Scottish child payment that welfare rights advisers have heard from clients

- *Scottish child payment and child benefit are the same benefit*
- *Scottish child payment is the Scottish version of child benefit*
- *Scottish child payment is part of child benefit*
- *The child element of universal credit is the same as Scottish child payment or child benefit*
- *The two-child limit applies to Scottish child payment and child benefit*

Confusing Scottish child payment with child benefit

Among the 26 welfare rights advisers that CPAG has interviewed, it was reported that many of the families seeking advice had a lack of understanding that Scottish child payment is paid in addition to child benefit for families receiving a qualifying benefit in Scotland. Some Scottish families are missing out on either Scottish child payment or child benefit because they think they are the same benefit, or they are different benefits, but it is only possible to get one or the other and not both.

Some families in Scotland believe that Scottish child payment is the Scottish version of child benefit in the same way that adult disability payment is the Scottish version of personal independence payment for adults with a disability. The name 'Scottish child payment' does not highlight that it is an additional Scottish benefit. By comparison, the additional Scottish benefit for carers is called 'carer's allowance supplement.'

The following quotes are extracts from interviews with frontline advisers in the Summer of 2024. All the names have been changed.



'One of the big issues that we have is a lot of young, single mums, in particular, get confused between child benefit and Scottish child payment. They think it's the same provision... So, we go out and find they've got one and they haven't got the other.'

Gwen (adviser) - July 2024



'A few people misunderstood and thought Scottish child payment was an alternative to child benefit... You're informed through your afterbirth process about child benefit, but not so much Scottish child payment.... they already had child benefit in place [and] just assumed that they wouldn't be entitled to that, or that it was a Scottish version of child benefit.'

Chloe (adviser) - June 2024



'I had a few families where some had thought it was something alternative to child benefit, but if you were getting that, you didn't get that... And I had one that was really random, where they had claimed Scottish child payment, but they hadn't claimed child benefit... the wee one was about 10, 11 months old.... She had an older child... who she got child benefit for, but she just thought this was the new alternative thing.'

Anna (adviser) - July 2024



'I would say the last year-and-a-half, two years, Scottish child payment has been alright... They've been claiming it, to the detriment of other things... You're always hearing it on the adverts on the radio and stuff like that for Scottish child payment... whereas I don't think I've heard an advert for child benefit in my life.'

Charlotte (adviser) - June 2024

Families are not always clear about which benefits they receive and can use names such as 'child payments' or 'Scottish child benefit' rather than identifying each individual benefit by its official name. Families who speak English as a second language can find it particularly difficult to differentiate between the different benefits. Advisers describe how important it is to request to see bank statements to confirm receipt of benefits.



'When I go through income maximisation and I'm like... what about your Scottish child payment?' they're like... "Oh, I get my child payments." "...You get your child benefit but what about your Scottish child payment?" It's like, "Is that not the same thing?"

Danila (adviser) - June 2024



'I do case reviews for people and one of the things I have to say is, "You have to double check it's Scottish child payment," because people will say "I'm getting it" but it'll be child benefit they're getting, not Scottish child payment... they put the two together.'

Ryan (adviser) - July 2024



'I think sometimes there's a language barrier issue, where people think I'm talking about child benefit... You'll realise, later on, once you've seen a bank statement, "Oh, no, you're actually not getting Scottish child payment."

Skye (adviser) - July 2024



'There's a clear divide between parents that know all the benefits that are out there and they've got everything, and then you get other families... They don't know what they're claiming... You have to look at their bank statement to see where the money is coming in from to try to identify it.... A lot of people think it's child benefit when I speak to them, you have to explain, "No, they're separate benefits."

Frankie (adviser) - July 2024

One adviser raised how it has become harder to distinguish between the two benefits now that Scottish child payment has been increased with inflation since April 2024. Scottish child payment was £10 from February 2021 and then £25 from April 2022. Scottish child payment is currently £26.70 compared to £25.60 for the first child in child benefit. Both benefits are also paid on a four-weekly cycle.



'They'll give me figures that correlate to child benefit and vice versa and people will call it Scottish child benefit ... It used to be easier [when] it was £25 a week and now it's obviously gone up to such a similar figure to the child benefit... if it's set up by a midwife with no one actually engaging in the system it's just money they receive and they don't know what it is, how it works... I'm thinking mostly about people with language barriers.'

Alex (adviser) - July 2024

In one case from the Early Warning System, it appears that a family was wrongly advised by Social Security Scotland, which resulted in them missing out on child benefit.



'When a new mum contacted Social Security Scotland about claiming Scottish child payment and Best Start grant, she said she was told she could get Scottish child payment or child benefit, but not both. She claimed Scottish child payment and did not find out she could also get child benefit until a year later. As child benefit can only be backdated for up to 3 months, the family lost out on 9 months of child benefit.'

Early Warning System – June 2024

If child benefit is identified as missing, then there is a maximum possible backdate available of three months. If Scottish child payment is identified as missing, there is currently no provision for backdating in the legislation.⁵ The examples in this briefing show families that have missed out on money they were entitled to for several months, and sometimes even years.

Confusing universal credit with child benefit and Scottish child benefit

It is not as simple as families misunderstanding the difference between Scottish child payment and child benefit: the child element in the calculation of a universal credit award can also cause confusion.



'I would say most people are getting Scottish child payment and universal credit... it's child benefit we find that they're not claiming.... We have got a few cases where we've had folk whose babies are two, three, who think their child benefit is either with Scottish child payment or the child element in universal credit... Because it says 'child element', they've obviously seen it. Whereas if it was another legacy benefit... they don't see the child premium getting added... with tax credits and stuff like that. There was one, in fact she had a second baby, and... she hadn't claimed for either of them... She thought she was getting paid for the baby on universal credit.'⁶

Charlotte (adviser) - June 2024

⁵ The new Social Security (Amendment) (Scotland) Act 2025 contains provisions which allow the Scottish Parliament to make new regulations about backdating for each Scottish benefit.

⁶ The take-up rate of eligible children for whom Child Benefit is claimed was 90% as of May 2023. See further, HMRC, *Child Benefit Statistics: annual release, data at August 2023*, available at: gov.uk/government/statistics/child-benefit-statistics-annual-release-august-2023/child-benefit-statistics-annual-release-data-at-august-2023

Confusion about the two-child limit

Another common misunderstanding is that families cannot receive child benefit or Scottish child benefit for their third or subsequent children. The two-child limit only affects universal credit, child tax credits and housing benefit. However, some of the advisers interviewed described seeing families that were not claiming Scottish child payment or child benefit for all their children as they thought the two-child limit applied to all benefits. We are concerned that government statistics may not pick up on the true scale of missing benefit entitlement for children if families are not claiming child benefit for each of their children in larger families.



'They've got, maybe, four kids, they've got the two child elements on universal credit, but they've not applied for their younger two children for child benefit or the younger two children for Scottish child payment. They think it's the two-child [limit] across the board. We've had a few instances of that...'

Gwen (adviser) - July 2024



'They knew that there is a two-child rule, but they didn't know what it was to do with. They just thought it was all benefits. So, for years, they hadn't been claiming Scottish child payment or child benefit for their third child... People just hear snippets of information, 'two-child' sticks in their head and they think, "I can't claim now I've had a third child."'

Frankie (adviser) - July 2024



'There were a few who got mixed up with the two-child limit. That's been quite a common thing... They've heard of this two-child limit, they don't really know what it means, they're not claiming child benefit for any more than two kids, they're not claiming Scottish child payment for any more than two.'

Patrycja (adviser) - July 2024

When families do not claim child benefit for their third or subsequent children on the misunderstanding that the two-child-limit applies to child benefit, and they do not add their children to universal credit because there is no additional money available, this causes difficulties in evidencing responsibility for a child for Scottish child payment.



'So one of them recently had a baby, and they applied for Scottish child payment for their new baby... They hadn't added their new child to the universal credit claim because they knew they wouldn't get any more money for the child so they just thought, "Oh, well..."- "What was the [point]...?"- "Why add their name?"... The reason that they hadn't got Scottish child payment, they were told, was because the child wasn't on the universal credit claim...'

Meryl (adviser) - June 2024

Conclusion

It is concerning that Scottish families are missing out on benefits that they are entitled to due to common myths and misunderstandings about eligibility. Advisers are coming across clients who have missed out on Scottish child payment and/or child benefit for a number of years, which they are unable to recover due to the lack of backdating for Scottish child payment and the maximum of 3 months available for child benefit. Taking into account the misconceptions identified in this briefing, Social Security Scotland and the DWP should work together to implement strategies that ensure families claim and receive everything they are entitled to.



Recommendations:

- 1.** Social Security Scotland should work with the DWP and HMRC to review and update take-up and communications strategies to ensure harder to reach families have accurate information regarding benefit entitlement.
- 2.** Social Security Scotland should inform all Scottish child payment recipients that Scottish child payment is paid in addition to child benefit and the child element in UC.
- 3.** Ensure staff at Social Security Scotland, the DWP and HMRC are familiar with the different benefits and their entitlement criteria, with a view to actively ensuring families can differentiate between the benefits they are entitled to.
- 4.** The Scottish Government should use the regulation making powers contained in the Social Security (Amendment) (Scotland) Act 2025 to introduce backdating for Scottish child payment.
- 5.** The Scottish Government should act on its previous commitment to review the potential for Social Security Scotland to automate delivery of Scottish child payment for those in receipt of a qualifying benefit.⁷

⁷ Scottish Government, *Maximising the take-up of the Scottish Child Payment: position paper*, 2020, available at: gov.scot/publications/maximising-take-up-scottish-child-payment-position-paper/



The Forsyth Building, Suite 4.2
5 Renfield Street
Glasgow
G2 5EZ

**For more information about the
Strengthening Social Security project contact**

Matilda Bryce mbryce@cpagscotland.org.uk or
Rosie Mears ramears@cpagscotland.org.uk