Stop families in temporary accommodation missing out on Scottish child payment

November 2026

Summary:

- **We are calling for the Scottish Government to make housing benefit a qualifying benefit for Scottish child payment.**
- Scottish child payment is a powerful tool that is reducing child poverty and improving the lives of low-income families across Scotland. However, there are families in temporary accommodation who are missing out on Scottish child payment simply by virtue of the kind of accommodation they are staying in.
- This is because their housing costs are covered by housing benefit, which is not a qualifying benefit for Scottish child payment, unlike universal credit.
- This issue disproportionately affects two of the priority family types in the Scottish Government's child poverty strategies: lone parents, including survivors of domestic abuse, who are overrepresented among families in temporary accommodation, and minority ethnic families, who spend longer there on average.
- The Social Security (Amendment) (Scotland) Act 2025 provides the powers to make housing benefit a qualifying benefit for Scottish child payment. Doing so would benefit approximately 3,700 children at a cost of £5 million.

There are thousands of families in temporary accommodation in Scotland, often facing high living costs and uncertainty.

4,965 families with children or a pregnant woman in Scotland are living in temporary accommodation as of 31 March 2026, including over 10,700 children. Families may be faced with homelessness and require temporary accommodation for various reasons including domestic abuse, being asked to leave, relationship breakdown, or termination of a tenancy. Temporary accommodation should be a stopgap until a family can move

to a permanent home, but due to chronic shortages of social and affordable housing, many families are trapped there for months or years.[1]

Families in temporary accommodation can also face additional costs due to the location and conditions of their accommodation. Research commissioned by Shelter Scotland found that families were often placed in accommodation far from children's schools and support networks, resulting in high transport costs. Some participants' temporary accommodation didn't have working heating, forcing them to buy expensive and ineffective temporary heating solutions. Similarly, a lack of adequate cooking facilities meant families had to rely on expensive microwave meals or takeaways. Items damaged by damp and mould needed to be replaced frequently, or parents had to pay long-term storage fees to keep their belongings safe. Some parents also described the burden of repeatedly purchasing essential household items, such as fridges and furniture, only to have to leave them behind when moving again.[2]

Scottish child payment is having a positive impact on eligible families across Scotland.

Scottish child payment is a payment of £28.40 a week (£40 a week for babies under one from 2027) to support low-income families with children under 16. It can only be paid to people who are getting universal credit or another qualifying benefit. Scottish child payment is a powerful tool helping to reduce child poverty and improving the lives of families across Scotland, like Nanda, a parent and participant in the Changing Realities project:

> *"The Scottish child payment helps me monthly to make things a bit easier. It is helpful for my children as it's a small way for me to meet their needs. I find it helps me on some weekends we can spend quality time together and do some cheap activities like the play centre. Even if we don't have much money, I want them to be happy and have fun."*

Parents report how the payment helps families pay for essentials, improves child wellbeing and supports parents into work by allowing them to pay for travel and childcare. The latest statistics show the impact of the payment, with child poverty in Scotland falling, while it has reached a record high across the UK as a whole.[3]

---

[1] Scottish Government (2026) Homelessness in Scotland: 2025-26

[2] Svirydzenka, N, Lakhanpaul, M, Williams, J (2025) In Their Own Words: Children's Experiences in Temporary Accommodation - Shelter Scotland

[3] The proportion of children in poverty in Scotland fell from 25% between 2020-2023 to 21% in 2022 to 2025. Across the UK as a whole 27% of children were still living in poverty in 2024/25. See: Department of Work and Pensions, Households Below Average Income (HBAI) statistics, March 2026 and Scottish Government, Poverty and Income Inequality in Scotland 2022-2025, March 2026.

Families in temporary or supported accommodation are currently missing out on the Scottish child payment.

Some families in temporary or supported accommodation miss out on this support because they have their housing costs paid by housing benefit rather than universal credit. Some families who get housing benefit will also be entitled to universal credit and will therefore be entitled to Scottish child payment, but families who only get housing benefit, for example because they have earnings or get maternity allowance, will miss out on Scottish child payment altogether.

For example, an adviser told Child Poverty Action Group about a young parent under the age of 25:

> *"She was pregnant, working full time so wasn't eligible for anything. And she was in temporary accommodation… so she had to pay the full amount for temporary accommodation. She then had her son, and she still wasn't eligible for universal credit or anything, so [that] meant that she wasn't eligible for Scottish child payment."*[4]

Another example shows the impact on a mum of three children, Mary, who moved to temporary accommodation following a relationship breakdown:

> *"Mary tried to claim universal credit and housing benefit but was told that she wasn't eligible for either because of her student status and student income, and therefore she also wasn't eligible for Scottish child payment. Eventually, Mary did start receiving housing benefit, but she wasn't eligible for Scottish child payment because housing benefit is not a qualifying benefit. If Mary was in standard rented accommodation, her housing costs would be included in her universal credit calculation, and she would receive universal credit and Scottish child payment instead."*[5]

Another mum who was affected, Sarah, had moved into temporary accommodation after experiencing domestic abuse:

> *"Sarah sought advice from her local Citizens Advice Bureau after her universal credit application was unsuccessful. Living in temporary accommodation with her child, she was facing a £29 monthly rent shortfall as well as rent and council tax arrears that had built up following a relationship involving domestic and financial abuse. Sarah told her adviser that she had been using her credit card to pay for essentials, including her energy bills. Despite caring for her child alone and*

[4] See: CPAG, Strengthening Scottish Social Security.
[5] Read Mary's story as a visual comic in an excerpt from CPAG, What it Means to Miss Out: Voices of parents and carers on strengthening Scottish social security, 2025.

experiencing acute financial hardship, Sarah was unable to access either Scottish child payment or universal credit."[6]

If these families were in permanent accommodation, they would get help to pay the rent from universal credit, meaning they would receive Scottish child payment. This creates a fundamental unfairness in the system for families who are already more likely to be in a vulnerable situation, such as survivors of domestic abuse, and who often face higher living costs related to their accommodation. The regular financial support provided by Scottish child payment would make a huge difference for these families.

Scottish Government now has the power to end this unfairness.

When Scottish child payment was introduced, housing benefit could not be included as a qualifying benefit.[7] But section 1 of the Social Security (Amendment) (Scotland) Act 2025 contains regulation making powers that would allow the Scottish Government to replicate Scottish child payment so it is not exclusively a top up benefit. This would allow the payment to continue to top up universal credit but also allow housing benefit to become a qualifying benefit.

The Scottish Government should now use those powers to ensure that families do not miss out on support simply because they are living in temporary or supported accommodation.

Recommendations:

The Scottish Government should use the regulation-making powers in the Social Security (Amendment) (Scotland) Act 2025 to make housing benefit a qualifying benefit for Scottish child payment. This would support families in temporary accommodation who are missing out on Scottish child payment simply by virtue of the kind of accommodation they are staying in. CPAG estimate that at least 3,700 children would benefit from this policy at a cost of £5 million.[20]

- Wider action is also needed to increase the value of Scottish child payment for all children and to provide further investment in social housing to ensure all children live in safe, secure and affordable homes.

[6] With thanks to Citizens Advice Scotland for providing this case study.
[7] Scottish child payment is a 'top-up' benefit (it tops up an existing benefit such as universal credit). The Scotland Act prohibits topping up a benefit that is specifically for housing costs, so housing benefit cannot be a qualifying benefit for Scottish child payment under the current legislative footing. Schedule 5, part II, F1, exception 5 of the Scotland Act 1998.

About Child Poverty Action Group

Child Poverty Action Group (CPAG) in Scotland works for the over one in five children in Scotland growing up in poverty. We collect evidence from families living in poverty and campaign for solutions to bring about a society where children have a fair chance in life free from hardship. We provide training, advice and information on social security to frontline workers to make sure families get the financial support they need.
cpag.org.uk/scotland

About Shelter Scotland

Shelter Scotland exists to defend the right to a safe home and fight the devastating impact the housing emergency has on people and society. We work in communities to understand the problem and change the system. We run national campaigns to fight for home. We believe that home is everything.
shelterscotland.org

About Children and Young People's Commissioner Scotland

'Established by the Commissioner for Children and Young People (Scotland) Act 2003, the Commissioner is responsible for promoting and safeguarding the rights of all children and young people in Scotland, giving particular attention to the United Nations Convention on the Rights of the Child (UNCRC). The Commissioner has powers to review law, policy and practice and to take action to promote and protect rights. The Commissioner is fully independent of the Scottish Government.' cypcs.org.uk

About Citizens Advice Scotland

Citizens Advice Scotland (CAS) is the membership body that represents The Citizens Advice network, Scotland's leading advice charity. Advisers across all corners of the country work in Citizens Advice Bureaux (CAB) to provide free, impartial and confidential advice. Each year our network helps hundreds of thousands of people, putting millions of pounds back in people's pockets. By looking at a person's complete circumstances, CAS has an unparalleled insight into the scale and complexity of what's happening in communities throughout Scotland. cas.org.uk

Contact

For more information or to discuss the contents of this briefing in more detail please contact: Kirsty McKechnie, Early Warning System Project Manager, Child Poverty Action Group (CPAG): kmckechnie@cpagscotland.org.uk