

Cabinet Secretary for Social Justice  
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Collette Stevenson MSP  
Convener, Social Justice and  
Social Security Committee

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Dear Collette,

I write to inform the Committee that the Scottish Government has today published updated economic modelling which estimates the cumulative impact of Scottish Government policies on child poverty.

This takes account of key changes since modelling was last published in June 2023, including the latest economic forecasts published by the Office for Budget Responsibility in November 2023, policy announcements made in the UK Autumn Statement and the Scottish Government Draft Budget and the latest household survey information, including an additional year of data (2021-22) from the Family Resources Survey.

The modelling shows the substantial impact that Scottish Government policies continue to have on child poverty in Scotland. It is estimated that our policies will keep 100,000 children out of relative poverty and 70,000 children out of absolute poverty in 2024-25, with poverty levels ten percentage points and seven percentage points lower respectively than they would otherwise have been.

It is also estimated that in 2024-25, Scottish Government policies will keep around 70,000 children out of deep poverty, an additional measure which indicates the impact on the poorest households.

Finally, the modelling shows the impact the UK Government could have on efforts to tackle child poverty in Scotland if key reforms were made to social security. Were the UK Government to adopt an Essentials Guarantee and reverse the two child limit, together with reinstating the family element in Universal Credit, this could lift an additional 40,000 children out of relative poverty in Scotland in 2024-25. The Scottish Government has repeatedly called upon the UK Government to implement much-needed reforms, with the Spring Budget on 6<sup>th</sup> March providing the opportunity to do so.

While it is clear that Scottish Government policies are making a considerable difference, we will continue to do everything within the scope of our powers and budget to tackle child poverty. However, it is only with the full economic and fiscal powers of an independent nation that Ministers can use all levers other governments have to tackle inequalities.

The modelling is available to view at [this link](#), and I trust that this will be of assistance to you and the other members of the Committee.

Yours sincerely,

**SHIRLEY-ANNE SOMERVILLE**