

# Scottish Government Debate: Supporting Scotland with Cost of Living and Reducing Child Poverty

## Briefing

April 2023



**One Parent  
Families Scotland**  
*changing lives, challenging poverty*



## Progress on tackling child poverty

The latest UK government statistics show that 29% of children in the UK live in poverty. When broken down by country we see that 24% of children in Scotland live in poverty, with the equivalent figures for England and Wales being 31% and 28% respectively.<sup>1</sup> As a result of recent tax and benefit policies introduced by the Scottish Government, the Institute for Fiscal Studies concludes that “amongst the poorest 30% of households, those with children will see their incomes boosted by around a sizeable £2,000 a year” compared to families in England and Wales.<sup>2</sup>

Child poverty should soon be falling in Scotland as a result of the roll out of the Scottish Child Payment to older children and increases to its value. As well as this increased investment in the SCP, we also welcome the commitment to mitigate the unjust Westminster government benefit cap, a high percentage of those affected being single parents. The continued roll out of free school meals to eventually cover all primary school children will not only have health benefits to children but also reduces costs to hard pressed families. The three Best Start Grants and Best Start Foods payments provide much needed financial support for low income families and are significant improvements on the previous UK benefits.

These policies indicate that actions taken through the devolved powers of the Scottish Parliament will make a significant difference to families in poverty.

With one in four children still living in poverty, it is vital that the Scottish Government build on the success of these policy actions to inject more resources and urgency with additional targeted interventions for families at the greatest risk of poverty. Only by doing so will the government achieve its statutory targets on reducing child poverty. Child poverty statistics underline deep inequalities for children in specific demographic groups. For example, 38% of children in single parent families and 55% of children with mothers under 25 are in relative poverty.<sup>3</sup>

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<sup>1</sup> <https://www.gov.uk/government/collections/households-below-average-income-hbai--2>

<sup>2</sup> [Scottish Budget changes to tax and benefit system widen gap with rest of the UK, with higher taxes and more redistribution to poorer families | Institute for Fiscal Studies \(ifs.org.uk\)](#)

<sup>3</sup> <https://www.gov.scot/publications/tackling-child-poverty-priority-families-overview/>



## Single parent families and child poverty

Single parents are one of six priority groups included in the Scottish Government's Tackling Child Poverty Delivery Plan, in recognition of the fact that 2 in 5 of all children in poverty in Scotland are in single parent households.<sup>4</sup>

Between 2003 and 2020 the risk of living in very deep poverty (less than 40% of median income after housing costs) has increased by a third for single parent families, to reach 19%<sup>5</sup>.

The high rate of child poverty (38%) amongst single parent families is the result of the challenges of being the sole earner and carer for the household and being faced with structural barriers, including:

### Gender inequality

90% of single parents are women<sup>6</sup>, and as such the barriers and inequalities faced by single parents are inextricably linked to the issue of gender equality. Among the key drivers for women's economic inequality – which, in turn, impacts on women's social and cultural inequality – are a lack of quality (fairly paid) family and carer friendly employment opportunities and flexible, affordable, high quality childcare which allow them to balance childcare with paid work. These issues are particularly important to women because women still perform the bulk of childcare and household responsibilities, and these inequalities are particularly sharply felt by single mothers because of their sole childcare responsibilities.

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<sup>4</sup> <https://www.gov.scot/publications/tackling-child-poverty-delivery-plan-second-year-progress-report-2019-20-annex-c-child-poverty-lone-parent-families/pages/4/>

<sup>5</sup> [Going without: deepening poverty in the UK | JRF](#)

<sup>6</sup> [https://www.healthscotland.scot/media/3133/child-poverty-in-scotland\\_priority-groups\\_lone-parent-families\\_briefing.pdf](https://www.healthscotland.scot/media/3133/child-poverty-in-scotland_priority-groups_lone-parent-families_briefing.pdf)



## Labour market inequality

Scotland's labour market is not working for single parents, according to One Parent Families Scotland research commissioned by JRF (2021)<sup>7</sup>. The research found that there is limited availability of job opportunities that would allow single parents to meet their caring responsibilities and exit poverty, especially in regions where single parents are more likely to live.

JRF analysis finds that single parents in work are consistently the family type most likely to face in-work poverty and are more likely to be working in a low-wage sector and on lower hours<sup>8</sup>.

Women make up 74% of the part-time workforce in Scotland, and 38% of women in paid employment are working part-time, compared to 13% of men.<sup>9</sup> 48.2% of single mothers in paid work in the UK are in part-time work<sup>10</sup>. Part-time opportunities tend to be within lower-paid jobs and sectors which are female-dominated and often undervalued, such as the care sector.<sup>11</sup>

The lack of quality, flexible job opportunities is also a key reason for single parents' lower rate of employment – the latest national statistics show that just 59.5% of lone parents in Scotland are in paid work.

## Childcare

We will soon be publishing a joint position paper with Close the Gap on childcare, which details the importance of childcare to women's lives, especially women who are single parents.<sup>12</sup> The paper highlights that the lack of affordable and flexible childcare has a direct

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<sup>7</sup> <https://opfs.org.uk/policy-and-campaigns/policy-research/employment-employability-and-education/freeing-low-income-single-parents-from-in-work-povertys-grip/>

<sup>8</sup> <https://www.jrf.org.uk/report/uk-poverty-2020-21>

<sup>9</sup>

<https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/dataset/headlinelabourforcesurveyindicatorsforscotlandhi11>

<sup>10</sup>

<https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/articles/familiesandthelabourmarketengland/2021>

<sup>11</sup> <https://www.swbg.org.uk/content/publications/Women-Work-Wealth-in-a-changing-economy-report.pdf>

<sup>12</sup> Close the Gap and One Parent Families Scotland (forthcoming) A Childcare System for All: Putting gender equality at the centre of Scotland's childcare policy.



impact on child poverty, while also reinforcing women's social, economic and labour market inequality because women continue to be more likely to carry out the bulk of unpaid childcare.

For the 90% of single parents who are women, these inequalities are only intensified. The Office of National Statistics (2020) finds that employment is lower than the average among single parents with young children, with just 49% of those with children aged 0-2 and 50% of those with children aged 3-4 in paid work, compared to 77% of those with children aged 5-10 and 79% with children aged 11-15. The employment rate 'gap' between single parents and other household types has risen from 6.2 to 9.3 percentage points over last three years. This data underlines the link between single parents' sole childcare responsibilities and their lower employment rates.

Research by One Parent Families Scotland and the Joseph Rowntree Foundation<sup>13</sup> found that a consistent experience of single parents is a lack affordable and wraparound childcare.

Coram's Childcare Survey 2023 found a major gap in provision of childcare for under 2s and disabled children in Scotland, as well as school age childcare.<sup>14</sup>

This reflects the findings of our 2022 cost-of-living research, in which single parents told us that the biggest issues facing them with childcare were: affordability; childcare which was not reflective of actual need (for example, flexibility and times of day); and lack of childcare availability, either in terms of suitable services within the local area or available places for children.<sup>15</sup>

To address child poverty in single parent families, improving and expanding upon the provision of affordable, flexible early years and school-age childcare will be essential.

## UK social security system

Despite this picture, decisions continue to be made by the UK Government to cut and reform social security in ways which disproportionately impact on women and, in particular, single mothers. Women are twice as dependent on social security as men due to structural gender

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<sup>13</sup> <https://opfs.org.uk/policy-and-campaigns/policy-research/employment-employability-and-education/freeing-low-income-single-parents-from-in-work-povertys-grip/>

<sup>14</sup> <https://www.familyandchildcaretrust.org/childcare-survey-2023-report-landing-page>

<sup>15</sup> <https://opfs.org.uk/policy-and-campaigns/policy-research/living-without-a-lifeline/>



inequalities, and analysis from the House of Commons library shows that from 2010 to 2020, 86% of net 'savings' raised through cuts to social security and tax credits will come from women's incomes.<sup>16</sup> For those who are the sole earner and lone parent in their household, this is having a particularly stark impact, pushing many women and children into poverty.

For example, as of February 2020, 72% of households affected by the benefit cap were single parent families<sup>17</sup>, and analysis from the Resolution Foundation finds that single parents under 25 are the household type most likely to face a fall in income when moving from legacy benefits to Universal Credit.<sup>18</sup>

## Single parent families and the cost-of-living crisis

Our 2022 research, 'Living Without a Lifeline: Single parenting and the cost-of-living crisis', found that three in five (61.1%) single parent participants were finding it either extremely difficult to afford or could no longer afford electricity, while 58.1% said the same about gas, and 43.7% said the same about food. More than one in five participants said they could no longer afford to buy clothes (21.2%), pay for travel (22.3%) or childcare (21.2%).<sup>19</sup>

The research underlined that, while single parents who were not in paid work were finding it even harder to cover costs, in-work poverty was also a significant problem. 40.9% of those in paid work said they were finding it extremely difficult to afford food or could no longer afford, while over half said the same of electricity (56.2%), gas (52.8%) and travel (55.2%).

Research by the Joseph Rowntree Foundation (JRF) found that single parents were more likely to be food insecure amid the cost-of-living increases – with as many as 70% going hungry and skipping meals compared with 55% for couple parents.<sup>20</sup>

Research by the Institute for Fiscal Studies (IFS) says that a decade of austerity-driven cuts

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<sup>16</sup> [GM \(engender.org.uk\)](https://engender.org.uk)

<sup>17</sup> Department for Work and Pensions, 2020. [Benefit Cap Data to February 2020.](#)

<sup>18</sup> Resolution Foundation, 2019. [A fraying net: The role of a state safety net in supporting young people develop and transition to an independent, healthy future.](#)

<sup>19</sup> <https://opfs.org.uk/policy-and-campaigns/policy-research/living-without-a-lifeline/>

<sup>20</sup> [Joseph Rowntree Foundation \(2022\). Not heating, eating or meeting bills: managing a cost of living crisis on a low income.](#)



to benefits has left single parents among the most exposed to soaring inflation.<sup>21</sup>

## Recommendations

Priority actions which the Scottish Government should take are:

### Childcare

- A universal funded entitlement of 50 hours per week for children aged 6 months and above that is free at the point of use for all families.
- Urgent work should be carried out on how childcare can be provided more flexibly, alongside a funded or subsidised out of school care entitlement to develop an integrated childcare offer from 0-12 years.

### Labour market

- Support the public sector to create more quality, flexible vacancies (flexible in terms of offering hours that suit single parents and options such as job sharing; quality in terms of protecting them from poverty through fair wages which keep pace with inflation), directly and through procurement and economic development.
- Support employers in the private sector to create more quality, flexible vacancies.

### Employability support

- Offer bespoke, holistic initiatives through Fair Start Scotland, No One Left Behind and Parental Employment Support Fund for single parents to move into, stay and advance in employment such as a Scotland-wide employability pathway specifically for single parents.
- Provide fully funded opportunities for single parents to attain their first level 3 qualification, prior to their return to paid work and for those already in work.
- Employability Programme providers should guarantee to fully fund childcare costs for single parents undertaking their first level 3 qualifications.

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<sup>21</sup> [Pre-pandemic relative poverty rate for children of lone parents IFS](#)



## Social security

- Target support through the Scottish Child Payment at priority groups facing the highest levels of poverty, such as young parents (affected by the lower rate of Universal Credit for under 25s).
- Raise the thresholds of entitlement to free school meals and school clothing grants to all children whose parents receive Scottish Child Payment. This will support parents entering work and taking on more hours so that they don't lose out on vital supports.
- Raise the qualifying earnings limit for the new Scottish Carers Assistance payment to ensure that carers can work at least 16 hours at National Living Wage.

## Tax

- Use income tax powers to ensure the highest earners make a fairer contribution in the next Scottish budget. IPPR Scotland has estimated a new income tax band for higher earners could generate £257 million and lift 20,000 children out of poverty.<sup>22</sup>
- Pursue more radical tax reform, including overhauling Council Tax and exploring new ways to tax wealth. This could raise substantial additional money, ensuring those with the highest incomes pay more while protecting those on the lowest.

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<sup>22</sup> [Humza Yousaf's tax pledge could help to lift 20,000 children out of poverty, leading think-tank finds | IPPR](#)



## One Parent Families Scotland

Established in 1944, One Parent Families Scotland (OPFS) is the leading charity working with single parent families in Scotland. We provide expert advice, practical support and campaign with parents to make their voices heard to change the systems, policies and attitudes that disadvantage single parent families.

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