

Response to the Scottish Government's consultation on mitigating the two-child limit

April 2025

About us

The Poverty Alliance is Scotland's anti-poverty network. Together with our members, we influence policy and practice, support communities to challenge poverty, provide evidence through research and build public support for the solutions to tackle poverty. Our members include grassroots community groups, academics, large national NGOs, voluntary organisations, statutory organisations, trade unions, and faith groups.

Do you agree or disagree with the Scottish Government's assessment that Social Security Scotland should deliver payments to mitigate the two-child cap in Scotland?

Agree

Along with colleagues across Scottish civil society, the Poverty Alliance have called – and will continue to call - on the UK Government to restore the link between reward and entitlement by ending the unjust two-child limit. This policy has been consistently evidenced as pulling children and families into poverty, and trapping them there.

Our social security system is a public service and a basic human right that should secure the wellbeing of everyone in society. However, rather than preventing and reducing poverty, it too often makes it more difficult for people to stay afloat. Strengthening our social safety net by addressing the inadequacies and insecurity of our current social security system must therefore be a priority. The decision to implement the two-child limit has removed support from many of the families who need it most, unjustly severs the link between what children need and what they are entitled to.

As children's experiences of poverty is inextricably linked to that of women, Engender have made clear that the two-child limit systemically discriminates against women. This is evidenced by the reality that 44% of households affected are headed by single parents, the overwhelming majority of which (92%) are women. The design of social security has highly gendered impacts, as women are twice as dependent on social security as men. Shrinking and inadequate entitlements are acutely experienced by disabled, BME and refugee women, unpaid carers and other marginalised groups who are at even greater risk of poverty and destitution. As such, mitigating this policy must be viewed as an equalities and human rights imperative.

Further to this, the two-child limit places women in a position of justifying their reproductive choices and family circumstances in order to receive social security. The widely discredited 'rape clause' can re-traumatise victim-survivors by forcing them to disclose sexual violence at a time and in a context not of their own choosing, on pain of falling into deeper poverty.

We therefore warmly welcome the Scottish Government's commitment to mitigating this policy. With Scotland's social security system already delivering vital support for families across the country, we agree that delivering this support through Social Security Scotland

(SSS) currently offers the quickest and most effective route to putting money in the pockets of families.

However, it must also be acknowledged that this mitigation is complex and will require those who are eligible being identified through a robust data sharing arrangement with the Department for Work and Pensions (DWP). We are therefore clear that a strong working relationship between SSS and the DWP must be in place to ensure that support is delivered to as many children and families as possible, as quickly and effectively as possible.

We hope that this robust data sharing would mean that the determination of entitlement is made without requiring an application, making it as simple as possible for families to access the support they are entitled to. It would be best practice if mitigation was automated, with eligibility identified by SSS, rather than relying on individual claimants being aware of mitigation and putting themselves forward for this additional support.

Further to this, SSS and the DWP's working relationship should include thinking about coordinated, sensitive messaging around two-child limit exemptions when applying for Universal Credit (UC). The design of the mitigation payment and its communication should consider how the payment interacts with the exemption processes - such as the 'rape clause' - to ensure that women avoid unnecessarily disclosing traumatic experiences *and* are not put off from applying for social security support.

Do you agree or disagree that to mitigate the two-child cap the Scottish Government should use the powers at s79 to top-up Universal Credit?

Agree

We agree that, in the context of this proposed approach, the Scottish Government should use the powers at s79 to top-up Universal Credit (UC). This offers the quickest route to putting money in families' pockets.

We also refer to the submissions of CPAG and Citizens Advice Scotland, that suggest other options for mitigation are through the Scottish Child Payment (SCP) and the introduction of Childhood Assistance. Currently, SCP is delivered as a "top up" to reserved working age means tested benefits. Mitigation could therefore involve increasing the level of SCP for third and additional children in a household born after 6 April 2017. The Scottish Government also has the ability to introduce Childhood Assistance, which allows assistance to be provided "*to help towards meeting some of the costs associated with having a child in the family*".

As the mitigation approach proposed relies on topping up UC, some families will miss out on support as they are not in receipt of UC, but would be if they were not subject to the two-child limit. Considering how the alternative approaches above could be utilised would mean that the 3,000 households – and 10,000 children – who CPAG estimate are missing out on UC because of the two-child limit are not left behind.

Whichever route for delivery is taken, we agree with others that the process for receiving support must be as simple as possible to ensure maximum take-up.

Do you agree or disagree that payment to mitigate the two-child cap should be disregarded as income by the UK Government?

Agree

Payments made to mitigate the two-child limit should be disregarded as income by the UK Government as is the case with SCP and other mitigating benefits.

If two-child limit mitigation is not disregarded, the payments could be deducted from families UC awards and may cause them to become subjected to the benefit cap, undermining the intention of the support.

Do you have any information you wish to share about any additional potential impacts of the proposed approach outlined in this consultation?

While restoring equal provision of support for all children is urgent and essential, it must be acknowledged that even if implemented at speed, mitigating the two-child limit at a devolved level is limited in what it can achieve for our children in the absence of fundamental reform.

Any meaningful strategy to tackle child poverty must involve removing this policy. Whilst achieving this in Scotland through mitigation is welcome, it will also be complex. As such, the most effective approach would be that the policy is removed by the DWP as part of a strategic approach to social security reform that has poverty reduction at its core. This would ensure maximum impact with minimum administration for families.

Therefore, as an anti-poverty network, the Poverty Alliance will continue to call on the UK Government to remove this unjustifiable barrier to improving the lives of children and families. We would urge the Scottish Government - through its changed relationship with this UK Government - to do the same.

For more information, please contact:

Chloe Campbell, Policy and Parliamentary Officer
chloe.campbell@povertyalliance.org