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Bob Doris MSP  
Convener  
Social Security Committee  
The Scottish Parliament  
Edinburgh  
EH99 1SP

8 September 2020  
*Sent via email*

Dear Convener,

The Scottish Fiscal Commission has now published its [Supplementary Costing: Scottish Child Payment](#). This publication sets out our forecasts of a new payment being launched by the Scottish Government, the Scottish Child Payment. Legislation to enact this payment has been introduced to the Scottish Parliament today, 8 September 2020.

We estimate that the Scottish Child Payment will cost £11 million in 2020-21, a £10 million reduction compared to our forecast earlier this year to accompany the Scottish Budget. The main reason for this reduction is that the start date has been delayed because of COVID-19.

In light of the impact of COVID-19, the Commission has changed its views of how many children may be eligible for support. We now expect 155,000 children under six to receive the Scottish Child Payment in the launch year (2020-21). Once it is fully rolled out to all children under 16, we expect between 325,000 and 360,000 children to receive the Scottish Child Payment.

Our assessment that the impact of COVID-19 is likely to increase eligibility for the Scottish Child Payment also derives from our outlook for the Scottish economy, presented in our Fiscal Update publication last week.<sup>1</sup> We have also increased our take-up assumptions. We expect there to be greater awareness of the financial support available as unemployment increases and many people's earnings will be lower.

We are committed to being independent, transparent and accessible. Alongside the main report, we have provided spreadsheets with data for all the report's tables and charts, including our eligibility and take-up assumptions.

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<sup>1</sup> Scottish Fiscal Commission (2020) Fiscal Update – September 2020 ([link](#))

We look forward to discussing this policy costing at the Social Security Committee on 1 October 2020.

Yours sincerely



Dame Susan Rice