

North Lanarkshire Council Report

Wellbeing and Tackling Poverty Committee

Does this report require to be approved? Yes No

Ref RB/ KS

Date 25/04/25

Response from Chief Secretary to the Treasury – Two Child Benefit Cap

From Chief Officer (Legal and Democratic)

E-mail swank@northlan.gov.uk

Telephone 07919 730272

Executive Summary

At the meeting of North Lanarkshire Council on 19 December 2024, it was agreed that the Convener of the Wellbeing and Tackling Poverty Committee write to the Chancellor of the Exchequer, requesting that the 'two child' benefit cap as soon as financial circumstances allow.

Recommendations

It is recommended that the report:

- (1) note the response from the Chief Secretary to the Treasury, copy attached in Appendix 1 to the report.

The Plan for North Lanarkshire

| | |
|--------------------|-------------------------|
| Priority | All priorities |
| Ambition statement | All ambition statements |
| Programme of Work | Resilient People |

1. Background

1.1 On 19 December 2024 the Council agreed the undernoted Motion:-

“Council notes that the UK Government budget on 30 October delivered the biggest funding settlement for Scotland since devolution which allows the Scottish Government to invest in Scotland’s public services, including Councils.

Council believes that the ‘two child’ benefit cap is a regressive policy which penalises some of the most disadvantaged families in our communities.

Council agrees that it is right that Governments must work to create the economic conditions that would allow for the reversal of such a policy, rather than delivering unfunded spending commitments.

Council instructs the Convener of Wellbeing and Tackling Poverty to write to the Chancellor of the Exchequer in this regard, calling on the reversal of the 'two child' benefit cap as soon as financial circumstances allow.

Council agrees the response should be emailed to all elected members upon receipt and thereafter be included in a report to the first available meeting of the Wellbeing and Tackling Poverty Committee”.

2. Report

- 2.1 The Convener of Wellbeing and Tackling Poverty Committee wrote to Chancellor of the Exchequer on 16 January 2025.
- 2.2 The Convener of Wellbeing and Tackling Poverty Committee received a response dated 24 March 2025 from the Chief Secretary to the Treasury, copy attached in Appendix 1 to the report.

3. Measures of success

- 3.1 Ensure the implementation of Council decisions.

4. Supporting documentation

Appendix 1 – Letter from Chief Secretary to the Treasury dated 24 March 2025.



Rachel Blair
Chief Officer (Legal and Democratic)

5. Impacts

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| <p>5.1 Public Sector Equality Duty and Fairer Scotland Duty Does the report contain information that has an impact as a result of the Public Sector Equality Duty and/or Fairer Scotland Duty? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, please provide a brief summary of the impact?</p> <p>If Yes, has an assessment been carried out and published on the council's website? https://www.northlanarkshire.gov.uk/your-community/equalities/equality-and-fairer-scotland-duty-impact-assessments Yes <input type="checkbox"/> No <input type="checkbox"/></p> |
| <p>5.2 Financial impact Does the report contain any financial impacts? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, have all relevant financial impacts been discussed and agreed with Finance? Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the impact?</p> |
| <p>5.3 HR policy impact Does the report contain any HR policy or procedure impacts? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, have all relevant HR impacts been discussed and agreed with People Resources? Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the impact?</p> |
| <p>5.4 Legal impact Does the report contain any legal impacts (such as general legal matters, statutory considerations (including employment law considerations), or new legislation)? Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, have all relevant legal impacts been discussed and agreed with Legal and Democratic? Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the impact?</p> |
| <p>5.5 Data protection impact Does the report / project / practice contain or involve the processing of personal data? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, is the processing of this personal data likely to result in a high risk to the data subject? Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, has a Data Protection Impact Assessment (DPIA) been carried out and e-mailed to dataprotection@northlan.gov.uk Yes <input type="checkbox"/> No <input type="checkbox"/></p> |
| <p>5.6 Technology / Digital impact Does the report contain information that has an impact on either technology, digital transformation, service redesign / business change processes, data management, or connectivity / broadband / Wi-Fi? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, please provide a brief summary of the impact?</p> |

Where the impact identifies a requirement for significant technology change, has an assessment been carried out (or is scheduled to be carried out) by the Enterprise Architecture Governance Group (EAGG)?

Yes No

5.7 Environmental / Carbon impact

Does the report / project / practice contain information that has an impact on any environmental or carbon matters?

Yes No

If Yes, please provide a brief summary of the impact?

5.8 Communications impact

Does the report contain any information that has an impact on the council's communications activities?

Yes No

If Yes, please provide a brief summary of the impact?

5.9 Risk impact

Is there a risk impact?

Yes No

If Yes, please provide a brief summary of the key risks and potential impacts, highlighting where the risk(s) are assessed and recorded (e.g. Corporate or Service or Project Risk Registers), and how they are managed?

5.10 Armed Forces Covenant Duty

Does the report require to take due regard of the Armed Forces Covenant Duty (i.e. does it relate to healthcare, housing, or education services for in-Service or ex-Service personnel, or their families, or widow(er)s)?

Yes No

If Yes, please provide a brief summary of the provision which has been made to ensure there has been appropriate consideration of the particular needs of the Armed Forces community to make sure that they do not face disadvantage compared to other citizens in the provision of public services.

5.11 Children's rights and wellbeing impact

Does the report contain any information regarding any council activity, service delivery, policy, or plan that has an impact on children and young people up to the age of 18, or on a specific group of these?

Yes No

If Yes, please provide a brief summary of the impact and the provision that has been made to ensure there has been appropriate consideration of the relevant Articles from the United Nations Convention on the Rights of the Child (UNCRC).

If Yes, has a Children's Rights and Wellbeing Impact Assessment (CRWIA) been carried out?

Yes No



HM Treasury, 1 Horse Guards Road, London, SW1A 2HQ

Cllr Chris Costello
Ward 9
Airdrie Central
Civic Centre
Windmillhill Street
Motherwell
ML1 1AB

24 March 2025
Your ref: CC/**

Dear Cllr Costello,

Thank you for your letter of 16 January. I am replying as the Minister responsible for public spending.

As you note, the decisions we took at Autumn Budget and Spending Review Phase 1 resulted in an additional £3.4 billion in Barnett consequentials for the Scottish Government in 2025-26, bringing the Scottish Government's 2025-26 settlement to £47.7 billion. This settlement is the largest in real terms of any settlement since devolution, with the Scottish Government continuing to receive at least 20% more per person than equivalent UK Government spending in the rest of the UK.

Turning to your point on the two-child limit, this Government has an ambition to tackle child poverty, whilst recognising the need to balance the right approach with what is affordable given the challenging fiscal inheritance. Given this, the Government is committed to ensuring stability in our public finances when considering any additional spending commitments. This still means we can take action to tackle child poverty and that is why the Child Poverty Taskforce is developing the Government's plan to bring about an enduring reduction in child poverty in this Parliament, as part of a 10-year strategy for lasting change. The Taskforce is exploring how we can use all the available levers we have across Government to create an ambitious strategy to tackle child poverty. As part of this, the Taskforce has engaged with the Scottish Government.

As a down payment on the strategy, the Government has already taken action at Autumn Budget 2024, including with the Fair Repayment Rate which lowers the cap on deductions in Universal Credit to 15% of the standard allowance from April 2025. This will benefit 1.2 million households by an average of £420 per year, including 700,000 of the poorest families with children benefiting as a result of this change. In addition, the Government will provide £1 billion (including Barnett impact) to extend the Household Support Fund in England, and Discretionary Housing Payments in England and Wales. This will help individuals and families facing the greatest hardship, including supporting them with the cost of essentials such as energy and housing.

Thank you again for taking the time to share your concerns.

Yours sincerely,

A handwritten signature in black ink that reads "Darren Jones". The signature is written in a cursive, flowing style.

**RT HON DARREN JONES MP
CHIEF SECRETARY TO THE TREASURY**