



Department for
Business & Trade

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Our ref: MCB2026/00581
Your ref: sm/lc/pkyle

By email: Susanne.Millar@glasgow.gov.uk

09 February 2026

Dear Susanne,

Thank you for your correspondence of 27 November, regarding a motion passed by Glasgow City Council. Please accept my apologies for the delay in responding.

The Government takes its responsibility to support working families seriously, spending around £3 billion a year on maternity payments. The standard rates of Statutory Maternity Pay (SMP) and Maternity Allowance (MA) are reviewed annually, and I can confirm that from April 2026, both SMP and MA will be increased by April 2026's Consumer Price Index figure, from £187.18 to £194.32 per week. This means that both benefits retain their value against inflation. To provide further support to families in work, we have also increased the National Living Wage to £12.21 per hour, rising to £12.71 from April, and will continue to ensure Paternity Pay increases in line with inflation as a minimum.

However, the government recognises that more can be done. In the Plan to Make Work Pay the government committed to a Review of the Parental leave and Pay system. As you have noted, this Review launched on 1 July 2025 and will explore how the system can better support working families and reflect the realities of modern work and childcare, while still balancing the needs of businesses, and the Exchequer.

All current and upcoming parental leave and pay entitlements will be in scope of the review. We expect the review to run for a period of 18 months. The Review will conclude in early 2027 with a set of findings in which the Government will outline next steps for taking any reforms forward to implementation.

There are a number of areas where there are clear links and interdependencies with the parental leave and pay system – these include enforcement of employment rights, employment status and childcare provision.

Whilst we will carefully consider interdependencies with government's ongoing work in these areas, this will be limited to accounting for and considering any potential impacts from possible reforms to the parental leave and pay system. Specific reforms to areas outside of the parental leave and pay system will not be within scope of the review.

Tax-Free Childcare (TFC) is the UK wide government scheme helping eligible working parents pay their childcare costs. It aims to support working parents to work, return to work, and work more when they want or need to.

Generally, TFC is available to working families where each parent (if in a couple) expects to earn the equivalent of 16 hours per week at national minimum/living wage and no more than £100,000 per year. Full details on eligibility criteria are available on GOV. UK at www.gov.uk/tax-free-childcare/check-if-youre-eligible.

TFC cannot be used if parents are also receiving Universal Credit or Childcare Vouchers. It can however be used alongside DfE's Free Childcare for Working Parents (also known as 30 hours free childcare) in England and similar schemes in Northern Ireland, Scotland and Wales.

TFC is available for children up until 1 September after their 11th birthday, or up until 1 September after their 16th birthday for disabled children. This is because the scheme was designed to support parents with childcare during the primary school years, when wraparound and holiday childcare needs are greatest. The age limit aligns with the school year to ensure consistency for families.

Specific reforms to areas outside of the parental leave and pay system, like the criteria for TFC, is not within scope of the review.

I hope that this information is useful and thank you again for your correspondence.

With best wishes,



Kate Dearden MP

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