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Rt Hon Sir George Howarth MP  
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13 October 2022

Dear Sir George,

As you may know, your email of 22 September to the Chancellor of the Exchequer on behalf of a number of your constituents about Statutory Maternity Pay (SMP), Maternity Allowance (MA) and the cost of living has been passed to this Department. I am replying as the Minister for Work and Pensions (Lords).

I should explain that maternity pay is not, and has never been, intended to replace a woman's earnings completely. SMP and MA provide a measure of financial security to help pregnant working women take time off work for a reasonable period around the expected date of birth to protect their own health and wellbeing and that of their baby. SMP and MA are not intended to assist with the costs associated with the birth of a new child.

The Secretary of State for Work and Pensions has a statutory obligation to review SMP, benefits including MA, and pensions annually. The review will commence shortly, and her decisions will be announced to Parliament in the normal way later this year. Any new rates of benefits/pensions will become payable from April 2023.

When considering calls to increase the level of maternity benefits generally, those must be balanced against limited resources as well as being mindful of the burden on employers and the needs of parents. Any changes would have to take account of economic circumstances and affordability for taxpayers and could not be made without consultation with businesses and other stakeholders, they would need to be considered carefully alongside reforms to tax and in the wider context of benefits and employment rights over the longer term.

The Energy Price Guarantee will ensure that a typical household in Great Britain pays an average £2,500 a year on their energy bill, for the next two years, from 1 October 2022. The consumer saving will be based on usage, however, a typical household will save at least £1,000 a year (based on current prices from October). People do not need to apply, and there is no need to contact their energy supplier.

This is in addition to the help the Government is making available to most domestic electricity customers in Great Britain, with £400 off their bills from October, through the expansion of the Energy Bills Support Scheme. This is a doubling of the £200 of support announced in February, and there will no longer be any repayments.

On 26 May 2022, the Government announced a range of cost-of-living measures to provide financial assistance to millions of households across the UK, including over £15 billion of additional support, targeted at those with the greatest need. This builds on the over £22 billion previously announced.

The £650 one-off Cost of Living Payment will target support at low-income households on means-tested benefits. This will support over 8 million households across the UK, with the first payment of £326 paid from mid-July. The second payment of £324 will be paid from mid-November. To be eligible for the second Cost of Living Payment, a person should be entitled to a payment (or later found to be entitled to a payment) of:

- Universal Credit for an assessment period that ended in the period 26 August 2022 to 25 September 2022; or
- Child Tax Credit, income-based Jobseeker's Allowance, income-related Employment and Support Allowance, Income Support, Pension Credit or Working Tax Credit for any day in the period 26 August 2022 to 25 September 2022.

Contributory and new-style benefits were not included because people claiming these benefits may have other financial resources available to them. However, low-income recipients can claim an eligible means-tested benefit alongside them. For example, claimants who require further financial assistance may be eligible for Universal Credit and, if their claim is successful, they may qualify for the second cost-of-living payment.

Those eligible will receive a one-off, disability Cost of Living Payment of £150 from 20 September.

The Government is also providing extra support to pensioners across the UK. Over 8 million pensioner households will receive an extra one-off £300 Winter Fuel Payment this year to help cover the rising cost of energy.

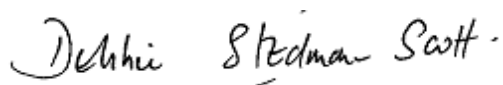
As a result of the cost-of-living measures, and the action already taken this year, the vast majority of households will receive cost of living support worth

£550. Pensioners will receive £850 and almost all of the 8 million most vulnerable households will receive at least £1,200 of support.

For those that are not eligible for the means-tested Cost of Living Payment, or for families that still need additional support, the Government is providing an additional £500 million to help households with the cost of essentials, bringing the total funding for this support to £1.5 billion. Further information is available at: [www.gov.uk/guidance/cost-of-living-payment](https://www.gov.uk/guidance/cost-of-living-payment).

I trust this clarifies the position.

Yours sincerely,

A handwritten signature in black ink that reads "Debbie Stedman-Scott". The signature is written in a cursive style with a horizontal line under the name.

**Baroness Stedman-Scott**

**Minister for Work and Pensions (Lords)**