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Lord Randall of Uxbridge House of Lords London SW1A 0PW

BY EMAIL ONLY

3 June 2020

Dear John,

I am writing following the debate on the Windrush Compensation Scheme on 6 May. Despite the unprecedented times in which we find ourselves, I was pleased we were able to have a wide-reaching discussion covering matters including, but not limited to, the Windrush Compensation Scheme.

During the debate, you raised your concern that individuals' UK State Pensions are frozen if they choose to leave the UK to live elsewhere. You highlighted the stories of two individuals who, after spending their adult lives living and working in the UK, found that on returning to Antigua their pensions were frozen and have remained at the same rate ever since.

As you noted in the debate, this is a matter for the Department for Work and Pensions (DWP) rather than the Home Office. My officials have therefore spoken with their counterparts in DWP. I understand that whilst the UK State Pension is payable overseas, it is only uprated annually if the individual is resident in an EEA country, or one with which the UK has a reciprocal social security agreement requiring this. UK pensioners in other countries have their pension frozen i.e. paid at the same rate as it was when they first became entitled, or the date they left the UK if they were already pensioners then.

The cost of uprating UK State Pensions would increase immediately by £0.6 billion per year if all pensions in payment were increased to current levels, and would increase in future years. Even if pension increases were paid going forward, the annual extra costs of uprating would converge to this amount in the medium to longer term.

Successive post-war Governments have taken the view that priority should be given to those living in Great Britain in drawing up expenditure plans for pensioner benefits. The Government has no plans to change this policy.

I would also like to take this opportunity to flag the latest data on the Windrush Compensation Scheme, which were published yesterday. They can be found at

https://www.gov.uk/government/publications/windrush-compensation-scheme-data-may-2020. The data show that up until the end of March 2020, more than £360,000 had been paid out in compensation as part of the ongoing work to right the wrongs experienced by the Windrush generation. The Home Office had additionally made offers of approximately £280,000 in the same period. Once the offers are accepted by the applicants, the payments will be made. More payments are being made on a weekly basis.

I am placing a copy of this letter in the House of Lords library.

Baroness Williams of Trafford