

DWP and the UK Overseas Territories

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UK's Overseas Territories

Introduction

The Foreign and Commonwealth Office (FCO) co-ordinates policy towards the Overseas Territories. Following an agreement in the National Security Council in July 2011 each Government Department is responsible for engaging with the Territories in its area of competence and expertise. This paper describes what action the Department for Work and Pensions (DWP) has taken on behalf of the Territories and how it will engage with them in future.

DWP is principally a domestic facing UK Government Department, but there are a few issues where the Department can provide advice and support.

International Labour Organisation

The DWP has responsibility for the UK's engagement with the International Labour Organisation (ILO). The UK as an ILO member is a major contributor and has a permanent seat on the ILO's Governing Body. DWP works through the FCO to manage relations between the ILO and the UK's Overseas Territories. The FCO is responsible for the Territories' international relations and DWP liaise with the Territories via FCO on ILO matters.

ILO Conventions

Under Article 35(4) of the ILO Constitution when the UK ratifies a Convention the DWP is required to bring its provisions to the attention of the Territories. Where the subject-matter of the Convention falls within the self-governing powers of the Territory, the Territory must then consider if it will accept the Convention. Once a decision is made, a declaration is communicated to the ILO, by the DWP, to inform the ILO of the decision. If the Convention is accepted then it is deemed to have been "extended" to that territory. The DWP provides information and advice to FCO when new ILO Conventions come into force.

ILO Core Conventions

Fundamental workers' rights are defined in the ILOs 1998 Declaration on Fundamental Principles and Rights at Work. The Declaration covers four fundamental rights: freedom of association and collective bargaining; elimination of forced and compulsory labour; elimination of discrimination in respect of employment and occupation; and the abolition of child labour. These are codified in the eight

‘core’ ILO Conventions¹. The UK actively promotes ratification and implementation of these core Conventions within the ILO as well as in other UN fora and the G20.

For some time, DWP has been trying to increase the number of Territories that have ratified the eight core Conventions, with particular regard to Convention No. 182 on the Worst Forms of Child Labour. At the 2008 Overseas Territories Consultative Council meeting all Territory leaders gave a commitment to have this convention extended to the respective territories by December 2009. While some progress has been made, there remain a number of Territories that are yet to agree formally to the extension of this Convention.

ILO Article 22 Reports

Every year, both the UK and the Territories are required under Article 22 of the ILO constitution to submit periodical reports on the application of a selection of the Conventions they are signed up to. DWP work with the FCO in order to commission the reports from the Territories and submit them to the ILO.

The reports form the basis of the ILO’s monitoring and assessment of compliance with International Labour Standards. DWP will continue to advise the Territories to ensure that there are no incomplete or late reports and will provide guidance on issues of particular concern. DWP has and will continue to defend the Territories in international fora where they have to demonstrate that they are meeting the standards expected in the Conventions. DWP will also offer feedback to the Territories when their reports are discussed.

Many of the problems the Territories face in providing reports are due to issues of capacity and gaps in knowledge on staff turnover. DWP aims to ensure that the Territories have all the necessary procedural information to complete their reports and also seeks to enrol Territory officials on relevant long distance training provided by the ILO Secretariat. For Territories with persistent problems in reporting, for example on the build up of an unsustainable backlog of reports, the DWP has sought and will continue to seek direct technical assistance from the ILO Office.

Other areas of ILO related work

The DWP is occasionally asked to provide advice to the Territories on technical issues relating to the drafting of labour related legislation to ensure consistency with ILO Conventions. We have provided procedural advice to the Territories on labour disputes that have been referred to the ILO; such requests are very rare and although DWP’s scope to intervene is limited it will continue to provide this advice. More generally, DWP will raise issues and seek advice from FCO relating to Territories membership of the ILO.

¹ **Conventions:** No. 29 Forced Labour; No.87 Freedom of Association and Protection of the Right to Organize; No. 98 Right to Organize and Collective Bargaining; No. 100 Equal remuneration; No 105 Abolition of Forced Labour; No 111 Discrimination (Employment and Occupation) ; No 138 Minimum Age Convention; and No.182 Elimination of the Worst Forms of Child Labour

DWP officials liaise with FCO colleagues on policy issues that may directly impact on the Territories, such as Recommendations and/or Conventions that contain provisions which specifically mention the Territories. The UK is occasionally required to provide reports to the ILO on such Conventions and Recommendations, and DWP will continue to coordinate the UK's response with FCO and DFID. Other assistance to the Territories includes practical information on attending the International Labour Conference and meeting other representatives, should they choose to attend as part of the UK delegation.

Contact for International Labour Organisation: Mark.Lipczynski@dwp.gsi.gov.uk

EU issues – Gibraltar

Gibraltar is the only Overseas Territory located within the EU and as such the Government of Gibraltar is subject to certain EU obligations, including EU working directives. The DWP will take into account implications for Gibraltar in negotiations in EU legislation and advise Gibraltar accordingly.

Services to Overseas Territories – Social Security Benefits

DWP's International Pension Centre (IPC) deals with benefit claims for: State Pension; Bereavement Benefit; Industrial Injuries and Disablement Benefits; contribution-based Employment and Support Allowance; contribution-based Jobseeker's Allowance; Maternity Allowance and Incapacity Benefit for people living in the Overseas Territories.

IPC - Gibraltar

IPC is also responsible for the issue of the forms which provide full healthcare cover for UK pensioners moving permanently to another EEA Member State, or territories treated as a Member State for social security purposes, as in the case of Gibraltar.

How Overseas Territories customers can help IPC help them

Citizens in the Territories can assist the IPC by having a record of their national insurance number and by informing IPC as soon as possible about any change in their circumstance, such as change of address, banking details, marriage, divorce, or widowhood.

Pensions

The State Pension can be paid to an entitled person anywhere in the world including the British Overseas Territories.

The UK has reciprocal arrangements in place to pay index-linked pensions in Bermuda and the Sovereign Base Areas of Cyprus. The UK applies the EC Regulations to Gibraltar as though it is another EEA country. However, it does not pay these annual increases to State Pensions in all the Territories. The Government's policy regarding arrangements for paying annual increases to State Pensions is governed by the country in which pensioners permanently reside and not their nationality.

There are no plans to change the current arrangements for index-linked pensions and the Government is not currently in a position to enter into any new arrangements

DWP acknowledges that this is an issue for the Territories and continues to keep in view any representations received about the policy.

Method of Pension Payments

Until 2011, DWP could only pay pensions into bank accounts in certain countries overseas. For customers in some of the Territories, the only available method of payment has been a payable order (Government cheque) sent through the postal system. This has meant that some people resident in the Territories have experienced delays in receiving their pension payments.

Payable orders are not a cost-effective method of payment and some overseas banks will no longer accept cheques. Therefore the Department has recently announced that it will be phasing out order payables from 2012 and will in future make all payments into a bank account wherever possible. Those who cannot be paid into a bank account (either because they cannot open/operate an account, or because political, economic, or infrastructure circumstances that prevent payment being made this way), will be paid by cheque from our overseas banking provider. Payments are made in local currency wherever possible because this is most convenient for the vast majority of our overseas customers

DWP is confident that these changes will ensure that, in future, pensioners receive their payments by safer and more efficient methods.

Access to health services

Generally, there are no provisions or agreements in place for UK pensioners to access healthcare in the Territories. This means that UK pensioners should register for healthcare in the territory where they live in the same way that any other residents or citizens would.

The UK does have a number of bilateral healthcare agreements with some of the Territories (Anguilla, British Virgin Islands, Falkland Islands, Gibraltar, Montserrat, St Helena, and the Turks and Caicos Islands). However, these agreements cover only those requiring treatment during a temporary visit to the territory. Some also include provision for a limited number of referrals from the territory to the UK for planned

treatment (for residents of the territory). UK pensioners resident in the Territories (with the exception of those resident in Gibraltar – see below) are not entitled to the European Health Insurance Card (EHIC) issued by the UK.

EU issues - Gibraltar

The EU's social security regulations (Regs (EC) 883/2004 and 987/2009) also coordinate healthcare in the EU and apply to also to Gibraltar. UK state pensioners living in Gibraltar are entitled to access healthcare in the same way as other residents of Gibraltar. They would, however, also be entitled to use a European Health Insurance Card (EHIC) issued by the UK, for necessary treatment during a temporary visit to other EU/EEA member states.

The Health and Safety Executive (HSE) and the Overseas Territories

When the Territories approach HSE for urgent advice or support HSE aim to offer relevant assistance within resource constraints. Other Territories requests for HSE expertise are considered where resourcing arrangements can be agreed, including the consideration of the case for cost recovery.

An example of where the HSE are helping a Territory is providing support to the Falkland Islands Government (FIG) in terms of health and safety legislation for its offshore oil and gas activities, under the terms of a Letter of Understanding (LoU). The support is provided at cost, within tight resource constraints. It includes: policy advice; offshore safety case assessment; investigations; and inspections of the installations involved. This work is all cost recovered by HSE directly from FIG.

Annex A

International Pension Centre (IPC) Contact Details

There are a variety of channels available to IPC customers to make contact, make a claim or to report a change in circumstance.

Self Service (Web)

The Internet site Directgov provides an efficient online self service channel that is attractive, easy to use and meets customer needs. Customers can currently use this to make general enquiries across a range of DWP benefits via the Benefits Adviser Service (BAS) e.g. in order to:

- get benefit advice themselves/ family or for someone else by answering questions anonymously online about their savings, income and outgoings; or
- check which benefits they may be able to get.

Claims to State Pension for customers abroad can also be accessed via Directgov or customers can choose to download and print a claim form.

www.direct.gov.uk/prod_consum_dg/groups/dg_digitalassets/@dg/@en/@over50/documents/digitalasset/dg_181245.pdf

Alternatively customers can claim online at:

www.direct.gov.uk/en/Pensionsandretirementplanning/StatePension/Basicstatepension/DG_10014671

Telephone

State Pension Contact Centre

The contact centre provides a telephony service from 8 am – 8 pm Monday to Friday and handles on average 50,000 calls per month.

Contact number is: **+44 191 2187777**

E-mail

Customers can e-mail general enquiries using the e-mail facility on the Directgov website. When submitted these are directed to the appropriate IPC team.

Post

IPC has its own PO Box address for customers to submit their postal claims, enquiries or details of any change of circumstance.

DWP and the UK Overseas Territories

The Pension Service

International Pension Centre

Earlsway

Gateshead

NE92 1DE