



From the Secretary of State
for Work and Pensions

DWP Department for
Work and Pensions

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Dear Paul,

9th March 2015

Thank you for your letter of 5 March 2015 about SSAC's consideration of the Universal Credit (EEA jobseekers) Regulations this week.

I am glad the Committee found this discussion helpful and I note the number of helpful observations and recommendations that it has made, which I would like to address.

As the Committee is aware, Universal Credit (UC) is a radical new anti-poverty benefit, available for eligible claimants regardless of whether they are in work or not. I and relevant Cabinet colleagues have considered carefully the position of Universal Credit in the context of European law and our international obligations. I am satisfied that our classification of UC in this context is lawful and compliant with these obligations.

As you note, these changes potentially affect all EEA nationals looking to claim Universal Credit (whether new arrivals or otherwise). Government policy is that welfare support should be targeted towards those who are contributing to the UK economy through work. These changes reflect that policy intent. So under the amended regulations EEA workers and the self-employed (and their family members) will continue to have full access to UC.

I also understand the Committee's concerns about potential hardship for families, particularly lone parents. As you will be aware, Government policy is to shape future EEA migration activity so that people do not migrate to the UK until they have a job (or if they still wish to do come without a job that they can fully support themselves until they find work). For those already in the UK there are a number of ways in which EEA nationals who have been working in the UK can still access UC. In particular those who have been working but lose their job can retain their worker status and so will continue to have full access to UC whilst they are exercising this right. In addition, those who have made sufficient contributions will still be able to claim contributions-based Jobseeker's Allowance or Employment and Support Allowance. Those who have been in the UK for a sustained period will acquire a permanent right of

residence and will be able to access UC. Other protections are also available for EEA nationals – for example a member of a married couple can still derive a right to reside from their husband or wife and access UC (this can be the case even where a marriage breaks down). Those who have previously worked and have children in school can potentially access an Article 10 right and claim UC. All of this is determined on an individual case-by-case basis and may be available before a family needs to access local welfare provision or local authority support under the Children's Act 1989

I would like to take the specific recommendations you make in turn.

Analysis

My officials have considered carefully the available data concerning different EEA nationals who come to the UK and I would like to thank the Committee for supporting the work that my officials continue to do to include new and emerging data. Throughout the last year, as different measures concerning EEA nationals have been introduced, the Committee has provided valuable insight about those affected by policy changes. I would therefore continue to share emerging analysis with the Committee so that we can utilise the important insight it adds and I have instructed my officials to work with the Committee in this regard.

Research

My officials are using a range of data sources and research to better inform policies affecting EEA nationals and I welcome the very positive comments the Committee makes to support this work. I agree that it is important to continue this work and to develop it further wherever possible. The gradual roll-out schedule of UC will enable DWP to conduct and evaluate learning and research in precisely the way envisioned by the Committee.

Exemptions and Easements

The Committee suggests that DWP should use emerging data and research to determine whether any exemptions to the policy are required. I agree that emerging evidence should be used to inform the practical application of the policy and I have asked my officials to ensure that we will apply the same principles for UC as they have done for some of the measures we have introduced over the last year. So, for example, the close monitoring of earlier changes led me to approve new exceptions to the three month residence requirement for those returning to the UK as a result of the Ebola virus and for returning armed forces members and posted workers.

Local Authorities

The Committee makes a number of important points concerning local authorities. The Government does, and will continue to, monitor the effects of different policies and the funding available to local authorities to fulfil their statutory duties. You will be aware that, in historical terms, the numbers of accepted applications for

homelessness assistance remains low¹ and that there has not been evidence of any significant increase as result of our previous reforms to migrants' access to benefits. The current evidence does not suggest that the changes to UC will notably alter this position. Nevertheless, we will continue to monitor this both at a Government level, and at a departmental level, through our Local Authority Insight Survey for example. The Department has conducted informal analysis as to the 'hotspots' in the UK where EEA nationals are living. I am happy for my officials to share this with the Committee if it would be helpful. More generally we will use this data in communications with local authorities as we roll-out UC more widely.

UC Guidance

I agree fully with the Committee that it is important that DWP has robust guidance for UC decision-makers so that EEA nationals claiming are dealt with efficiently and effectively.

The Committee was particularly helpful in supporting my Department shape a range of guidance and products last summer when we introduced the Genuine Prospect of Work assessment. Although not technically within the remit of the Committee, given the value added by members previously, and the importance of ensuring the groups mentioned by the Committee are treated in a way the policy intends, I would like to offer the Committee the opportunity to comment upon the guidance when it is amended to reflect this policy.

I would like to thank the Committee for the particularly effective and helpful way they have worked with my officials throughout the development of this policy, as well as for the extremely important issues they have raised in your letter. My officials will continue to work closely with you as the policy is implemented.

The image shows two handwritten signatures in black ink. The top signature is 'I. Duncan Smith' and the bottom signature is 'Iain Duncan Smith'.

Rt Hon Iain Duncan Smith MP

SECRETARY OF STATE FOR WORK AND PENSIONS

¹ DCLG Housing Statistical Release 11 December 2014