

The Rt Hon Theresa May MP,
10 Downing Street,
City of Westminster,
LONDON
SW1A 2AA

31st January 2019

Dear Prime Minister,

Plight of UK pensioners living in the EU27 in a No Deal scenario

Many of the 190,000 UK pensioners living in the EU27 face a desperate situation if there is No Deal. The solution to their most serious problems lies in the hands of the British government, and we call upon you to put their minds at rest by making a political commitment now:

1. to pay unilaterally for the healthcare of UK pensioners whilst replacement of the S1 scheme is negotiated bilaterally; and
2. to the indefinite uprating of the State pension for UK pensioners living in the EU27.

Healthcare

The existing S1 scheme under which the UK pays for the healthcare of its pensioners living in the EU27 will come to an end on March 29th if there is No Deal. The EU has today confirmed this. The announcement of this on your Government's website on January 28 has already caused widespread alarm among UK citizens who are currently dependent on the scheme for life-sustaining treatment and medication.

The end of the S1 will put these pensioners in an intolerable situation. UK pensioners receiving vital medical care on that date (eg chemotherapy for cancer) will no longer be able to get treatment under the scheme, and the rest with S1's will need to find some other way of paying for their treatment or medication. Many of them will be unable to get private health insurance either because it is refused because of their medical history or because they cannot afford a premium loaded because of their age/history. It is no exaggeration to say that people will die if payment under the scheme is not extended.

We welcome the Government's Healthcare (International Arrangements) Bill which empowers the UK both to make bilateral agreements to replace the EU scheme and to make unilateral payments. Government policy is to try to replace the existing scheme with bilateral agreements. However, no discussion of a bilateral agreement with the EU is possible at the moment and it is not realistic to negotiate twenty-seven bilateral agreements in less than two months. The only way of ensuring continuity of cover under the S1 scheme is for the UK to commit politically to continue, in the event of No Deal, making the payments it would have made if the S1 scheme were still in force.

You have said that Citizens' Rights were your Brexit priority. It is hard to think of a more pressing need than health care, but the Government's only announcements have been (i) that the S1 is coming to an end and (ii) that it hopes in time to be able to negotiate some replacements. Unless the UK commits now to extending S1 payments, thousands will be forced to leave their homes and return to the UK. Not only will this be difficult or impossible for them (UK house prices have always risen more than those on the continent, a problem that will be aggravated if a glut of homes go on forced sale at the same time), it will also add to the burdens of the beleaguered NHS. A reliable estimate is that the cost of treating these pensioners under the NHS in the UK would be roughly double what it costs the UK to pay for treatment in the EU27[1].

Nor is this just a question of getting healthcare: it also goes to the heart of the ability of UK pensioners to continue to live in their homes legally. This is because the EU27 is requiring British nationals to apply for EU Third Country National Long Term Residence. One of the conditions that has to be satisfied for this is to have health insurance. Hitherto where pensioners had to have health insurance as a condition of legal residence they could rely on the S1 form. In the absence of a unilateral commitment by the UK that will no longer be possible and many pensioners will lose not only their right to treatment but also their right to legal residence.

Pension increases

While the UK is in the EU it is obliged by law to uprate the pensions of those living in the Union. That legal obligation will fall away on March 29th if there is No Deal. So far the UK has committed to continuing to uprate pensions but only for another year. Afterwards it will uprate "subject to reciprocity". We are sending with this letter a copy of a paper that we have recently sent to the DWP which explains how misguided and harmful it would be not to continue to uprate the pensions of UK pensioners in the EU27. In a nutshell what that paper demonstrates is:

- It would be wholly unjust to move the goalposts after the event for those who retired, or planned to retire, to an EU27 country while the UK was in the EU. Those contributing and paying taxes while the UK was a member had a legitimate expectation that they would be paid their pensions, including increases, for the rest of their lives.
- In the only precedent, the ending of the Australia/UK agreement, all of those who had retired while it was in force continued to have its protection.
- Even the DWP does not see reciprocity as necessary for the payment of increases.
- Given that we are not aware of EU countries penalising their citizens who retire elsewhere in a similar manner, the requirement of "reciprocity" is wholly specious.

You have sought to reassure EU citizens living in the UK that their rights, including to healthcare and pensions, will continue to be honoured even if the UK leaves without a Deal. For your own citizens in the EU27, however, there have been warm words but little more. Both the commitments that we seek are within the gift of the UK, and if you really wish to protect us, you will make them without delay.

If you do unilaterally guarantee the S1 scheme until bilateral schemes are in place and if you ensure continuation of uprating, at a stroke you will end the anguish and uncertainty of nearly 200,000 hard-working Britons who have chosen to retire in the EU in good faith. At the same time, you could avoid the forced and traumatic return of many thousands of elderly and sometimes vulnerable people who will immediately become a burden on Britain's beleaguered health system and social services.

We look forward to receiving your reply at your earliest opportunity.

Yours sincerely

Jane Golding
Co-Chair, British in Europe

Fiona Godfrey
Co-Chair, British in Europe

[1] House of Commons Library Briefing Paper on the Bill, 9.11.18, para. 4.4.