



Department
for Work &
Pensions

Guy Opperman MP
Minister for Employment

Monique Hawkins
Interim Co-CEO and Policy and
Research Officer, the3million

31 May 2023

Dear Monique Hawkins,

Re: EU Settlement Scheme refusal decision correction exercise.

Thank you for your letter dated 22 March 2023 regarding the Home Office exercise in January to update UKVI accounts of EU Settlement Scheme (EUSS) applicants refused status between 27 June 2021 and 19 April 2022.

It has been a priority for the Government to ensure that EU citizens' rights and status are protected after EU exit and over 5.5 million individuals have been granted status. The Home Office remain confident in their digital services, which are tested and designed to be highly resilient. The majority of EU Settlement Scheme applicants have experienced no technical issues when using the online services, and embracing technology and the benefits it provides has enabled the Home Office to issue over 6 million grants of status to 31 December 2022.

The Department for Work and Pensions and the Home Office are working with other relevant government departments and with the EU and member states to understand how the update impacts DWP claimants to ensure the situation is managed quickly pragmatically and in line with our legal framework. Only a small proportion of DWP claimants are expected to have received benefit payments after their EUSS application had been refused. We have contacted DWP benefit claimants impacted by the update to give them an opportunity to provide evidence of entitlement before any action taken to stop payments or close claims.

Please find below the responses to your questions.

Question 1: Identification of the DWP impacted cohort.

DWP has been working with the Home Office to identify benefit claimants impacted by the update to digital statuses. All individuals need a valid immigration status to access public funds benefits and services in the UK. DWP has a duty to taxpayers to review claims where there is a doubt over entitlement.

DWP is prioritising cases where there is a current claim to benefits, and has to date identified fewer than 500 individuals within this cohort who may currently be receiving payments where there is a doubt over their current entitlement following the update to the Home Office system.

Overpayments are only generated after decisions on entitlement are taken, which is after all necessary checks have been carried out and claimants have been provided with multiple opportunities to provide any evidence of entitlement. As overpayments have not yet been generated on all impacted cases, the department is not currently able to provide information on the total value of overpayments for this cohort.

Question 2: DWP compliance process

Before engaging in any claimant contact, DWP officials reviewed all of the information available to ensure that only those where entitlement could not be established were contacted. This included checks against Home Office and DWP data to confirm if the claimant had another valid immigration or nationality status, or could be linked to a further EU Settlement Scheme application, or ongoing appeal or administrative review.

From Friday 3 March, DWP officials began to contact those where ongoing entitlement could not be established to discuss their benefit claim. Benefit claimants were given 14 days to provide evidence of ongoing entitlement before any claims were suspended. Where payments are suspended, claimants are notified and provided with a further 30 days to provide evidence of entitlement before claims are closed. Where a decision is ultimately taken to close a claim, as the individual is found to not have entitlement, claimants are able to request a mandatory reconsideration or can appeal the decision in line with standard processes. These rights are communicated to the individual in the decision letter.

In communications to the impacted cohort DWP has provided claimants with the types of evidence which could be used as evidence of ongoing entitlement which include a new application to the EU Settlement Scheme, or ongoing appeal or administrative review.

Question 3: Recovery of overpayments

Current legislative provisions allow for any amount of Universal Credit paid in excess of entitlement to be recovered. For the other impacted benefits, current UK legislation specifies that an overpayment is only recoverable where there has been a failure to disclose or misrepresentation by the claimant. DWP does not intend to recover overpayments for the other impacted benefits in connection with the update to EU Settlement Scheme statuses.

The Department has a well-established process for working with individuals to support them to manage any debts. Where a debtor is unable to afford their repayments, DWP will work with the individual to negotiate an affordable and sustainable repayment plan that does not cause undue financial hardship.

DWP has processes in place to support vulnerable claimants and to signpost them to alternative support available. The department engages with, and where appropriate can help direct claimants to agencies – including local authorities and social services – who have a duty of care and can provide appropriate support. The department is also committed to ensuring staff who engage with claimants identify and signpost claimants to other financial support organisations as relevant.

Question 4: DWP communications with impacted benefit claimants

DWP benefit claimants impacted by the update have been contacted and given an opportunity to provide evidence of entitlement before any action taken to stop payments or close claims. Contact has been made through telephone calls, and written communication.

We have provided copies of the pre suspension letter (Annex A) and suspension letter (Annex B).

Question 5: Further communications with all those impacted by the correction exercise

Your letter was shared with the Home Office who have provided the following response to your final question:

Individuals were notified by the Home Office of the decision to refuse their applications at the time the decision was made, and the decision letter clearly set out the reasons for the decision, the rights of redress and the timeframe for those redress procedures. There has been no change to that situation or the status or rights of these individuals as a result of the update to their digital status. As explained above, DWP is writing to claimants whose benefits may be impacted. The Home Office is monitoring customer reaction through calls to the Settlement Resolution Centre, but has not detected any significant customer concerns.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Guy Opperman', with a large, stylized flourish underneath.

**Guy Opperman MP
Minister for Employment**