

# **EXPLANATORY MEMORANDUM ON A UK/EU WITHDRAWAL AGREEMENT OR TRADE AND COOPERATION AGREEMENT GOVERNANCE DOCUMENT**

DECISION No 1/2024 OF THE SPECIALISED COMMITTEE ON SOCIAL SECURITY COORDINATION ESTABLISHED BY ARTICLE 8(1)(p) OF THE TRADE AND COOPERATION AGREEMENT BETWEEN THE EUROPEAN UNION AND THE EUROPEAN ATOMIC ENERGY COMMUNITY, OF THE ONE PART, AND THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND, OF THE OTHER PART, of 8 November 2024 as regards the amendment of certain Annexes to the Protocol on Social Security Coordination

Submitted by the Department for Work and Pensions 20 December 2024.

## **SUBJECT MATTER**

1. The Decision updates the annexes to the Protocol on Social Security Coordination with entries supplied by the EU Member States and the United Kingdom, that have been received since the previous update to these annexes. These updates do not amend the essential elements of the Protocol and are of technical and administrative detail.
2. Annex SSC-3 lists the countries that provide additional benefits to their pensioners and as a result receive a reduction of 20% (instead of the default 15%) in the charges they receive from countries who rely on a fixed sum (average cost) charging model to recover healthcare costs from other countries. These countries are Ireland, Spain, Cyprus, Portugal, Sweden and the UK.

## **SCRUTINY HISTORY**

3. Previous Council decisions establishing EU positions ahead of the Specialised Committee on Social Security Coordination (SSC SC) were examined by the EU Select Committees through EM 9013/23 (designation of the financial institution to serve as reference to determine the interest rate for late payments and the exchange rate for currency conversions) dated 15 May 2023 and EM COM(22)683 (use of the Electronic Exchange of Social Security Information for the transmission of data between institutions or liaison bodies) dated 20 December 2022. The House of Lords European Affairs Committee had no questions arising from either EM. The House of Commons European Scrutiny Committee had no questions arising from EM 9013/23 but reported to the House on EM COM (22)683 in Report 13, 22/23 as raising issues of political importance. We have also submitted an EM on EU Council document 9869/24 to the House of Lord European Affairs Committee on 24 October 2024.

## **MINISTERIAL RESPONSIBILITY**

4. The Secretary of State for Work and Pensions has overall responsibility for the SSC SC. The Secretary of State for Health and Social Care, alongside His Majesty's Revenue and Customs have policy interest.
5. The Paymaster General and Minister for the Cabinet Office (Minister for the Constitution and European Union Relations) has overall responsibility for UK policy relating to the UK's relations with the EU.

## **INTEREST OF THE DEVOLVED ADMINISTRATIONS**

6. The devolved governments and devolved administrations attend the SSC SC. At the fourth SSC SC, in June 2024, the SC co-chairs signed this decision. We shared the draft Explanatory Memorandum with devolved governments and devolved administrations where appropriate. No comments were received.

## **LEGAL AND PROCEDURAL ISSUES**

7. Article 7 of the TCA delegates certain powers to the Specialised Committee. Article 8 of the TCA establishes the Specialised Committee on Social Security Coordination and enables the Specialised Committee to adopt decisions, including amendments, and recommendations.

## **VOTING PROCEDURE**

8. The Council shall act by a qualified majority throughout the procedure.

## **TIMETABLE FOR ADOPTION AND IMPLEMENTATION**

9. The decision was formally adopted by the Council on 08 November 2024.

## **POLICY AND OPERATIONAL IMPLICATIONS**

10. The Decision updates the annexes to the Protocol with entries of the EU Member States and the United Kingdom, that have taken place since the previous update to these annexes. These updates do not amend the essential elements of the Protocol and, as such, there are no real-term policy changes.
11. Listing the United Kingdom in Annex 3 confirms the discount rates for reciprocal health costs. Ireland, Spain, Cyprus, Portugal, Sweden and the UK provide additional benefits to their pensioners. Resultingly, they receive a reduction of 20%, more than the standard 15%, in the charges they receive from countries who rely on a fixed sum (average cost) charging model to recover healthcare costs from other countries

## **CONSULTATION**

12. There is no consultation required.

## **FINANCIAL IMPLICATIONS**

13. There are no financial implications to Government.

*Andrew Western*

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**Andrew Western MP**

**Minister for Transformation**

**Department for Work and Pensions**