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Major Overhaul to the Qualifying Criteria for Settlement: Earned Settlement

Overview:

The government is consulting on how the current settlement system should be reformed and how these reforms should be implemented¹.

Settlement refers to a person's right to live in the UK permanently without any immigration restrictions. It is generally known as indefinite leave to remain. The proposals include:

- Settlement will no longer be granted automatically after a fixed period. Instead, a migrant will need to earn it by demonstrating sustained good conduct, contribution and integration.
- Baseline Qualifying Period for indefinite leave to remain will be increased to 10 years with conditions that could add to or subtract from the baseline qualifying period.
- An earlier settlement could be available to those making outstanding contributions to the UK society, such as high talent, high taxpayers, those who have worked at a certain level of seniority in the public service or those who have volunteered extensively in the local community.
- Proposal to increase the qualifying period for settlement to those who claimed benefits payments and for those who contribute less to public life.
- A long qualifying period would be applied to those who entered the UK illegally.

¹ Home Office, A Fairer Pathway To Settlement. A statement and accompanying consultation on earned settlement. November 2025

- It is proposed that benefits should only be available to those who have achieved British Citizenship and not to those who have indefinite leave to remain.
- Migrants who are in the UK on the Health and Care visa or who are sponsored for roles skilled below RQF Level 6 will only qualify for indefinite leave to remain after 15 years.
- The baseline qualifying period for indefinite leave to remain will be increased to 20 years for those who are recognized as refugees.
- The changes are intended to apply to all those who have not achieved indefinite leave to remain, irrespective of whether they are on an existing route that leads to settlement.
- As a consequence of the proposed earned settlement system, there will no longer be a separate 10 year long residence route
- The changes will not apply to those who have been granted indefinite leave to remain.

Applicants for which the Qualifying Period of 10 years do not apply

The qualifying period of 10 years do not apply to:

- Spouses and dependents of British Citizens and
- British Nationals (Overseas) (BNO) from Hong Kong

However, the mandatory requirements for all applicants to qualify for settlement or indefinite leave to remain may still apply to them.

Earned Settlement: What is it?

The government defines the concept of earned settlement as a principle that recognizes the value of long – term contribution to the UK. Rather than granting settlement after a fixed period, earned settlement aims to reward those who actively support the UK's social and economic fabric through work, community involvement or other meaningful contributions.

The new model will increase the standard qualifying period for settlement to 10 years. However:

- i) Individuals will have the opportunity of reducing the baseline qualifying period for settlement of 10 years through contributions to the UK economy and society.
- ii) The baseline line qualifying period can be adjusted upwards or downwards according to
 - A person's character
 - Extent of integration and engagement with the British society
 - Contribution to the UK economy and
 - Residence in the UK

Mandatory Requirements for all Applicants to Qualify for Settlement or Indefinite leave to Remain

The minimum mandatory requirements that all applicants must meet in order to be granted settlement are:

- i) Suitability – An applicant must meet the suitability requirements under Part Suitability
- ii) Integration – To evidence this, an applicant must show that they have passed the English language test at B2 level and the Life in the UK test.
- iii) Contribution – An applicant must show that they have an annual earning of above £12,570 for a minimum of 3 to 5 years

Upwards and Downwards Adjustment of the Baseline Qualifying Period of 10 Years

It is proposed that the baseline qualifying period of 10 years could be adjusted upwards or downwards, depending on an applicant's circumstances.

In order to meet the qualifying period requirement, an applicant will need to have spent the required period of time in the UK in a route or routes, that lead to settlement

Considerations that will reduce the qualifying period

The following table sets out considerations that will reduce the qualifying period:

Pillar	Attribute	Adjustment to baseline qualifying periods
Integration	<i>Applicant has competency in English language at C1 Level under the Common European Framework of Reference for Languages</i>	Minus 1 year
Contribution	Applicant has earned a taxable income of £125,140 for 3 years immediately prior to applying for settlement	Minus 7 years
	Applicant has earned a taxable income of £50,270 for 3 years immediately prior to applying for settlement	Minus 5 years
	Applicant has been employed in a specified public service occupation for 5 Years	Minus 5 years
	Applicant has worked in the community (volunteering, etc)	Minus 3-5 years
Entry and residence	Applicant holds a permission as the parent/partner/child of a British citizen and meets core family requirements	Minus 5 years
	Not subject to consultation	Not subject to consultation
	Applicant holds a permission granted under the British National Overseas route	Minus 5 years
	Not subject to consultation	Not subject to consultation
	Applicant has 3 years continuous residence as the holder of a permission as a Global Talent worker or Innovator Founder	Minus 7 years
	Acknowledgement of specific and vulnerable groups having a reduction	Subject to consultation

Considerations that will increase the qualifying period

The following table sets out considerations that will increase the qualifying period

Pillar	Attribute	Adjustment to baseline qualifying periods
Contribution	Applicant has been in receipt of public funds for less than 12 months during route to settlement	Plus 5 years
	Applicant has been in receipt of public funds for more than 12 months during route to settlement	Plus 10 years
Entry and residence	Applicant arrived in the UK illegally e.g. via small boat/clandestine	Plus up to 20 years
	Applicant entered the UK on a visit visa	Plus up to 20 years
	Applicant has overstayed a permission for 6 months or more	Plus up to 20 years

Contribution and integration

The government recognises the proposals would mean that the income threshold at which an applicant might earn an income based reduction in the qualifying period for settlement is higher than the salary threshold that may apply to an overseas national initially seeking entry under the skilled worker route. Its view is that it is reasonable to reserve a shorter pathway to settlement for those who achieve some progression in their earnings and economic contribution post entry.

Non-Compliance Immigration Law and Claiming Benefits

Non-compliance with immigration law and claiming benefits will impact negatively on the qualifying period for settlement, even where the breaches have not led to a refusal of the applications.

Accordingly, applicants granted leave to remain, but who previously overstayed or who have claimed public funds, would have their qualifying period for settlement increased.

The Government is at present consulting on whether the increased period should be 5,10,15 or as high as 20 years. The proposals are:

- i) An increase in the qualifying period where the applicant originally entered the UK illegally or where the applicant originally entered as a visitor. This would mean, for example, that a person who entered the UK illegally could have a route to settlement as high as 30 years.
- ii) Increasing the qualifying period by 5 or 10 years where the applicant claimed public funds, irrespective of whether there has been a breach of their conditions of stay. The proposal is to apply the increased qualifying period even where there has not been a breach of conditions (for example, where the Home Office waived an individual's no recourse to public funds conditions)

Dependents and Children of Economic Migrants

Adult dependent children of economic migrants will no longer qualify for settlement at the point that the principal applicant is granted settlement, without having to meet any additional conditions. Their qualifying period will be separately determined according to their own attributes and circumstances. However, the proposal is that the system will continue to provide a window during which those who were originally given permission as a dependent child when they were under 18 can be granted settlement at the same time as their parents, even if they are over 18 at that point.

HM Forces and their Family Members

Currently, the Government is not proposing that HM Armed Forces and their family members should have a different pathway to settlement than they do today. It is stated that the Government is committed to upholding the Armed Forces Covenant and ensuring that those who serve or have served in the HM Armed Forces are treated fairly. This may mean that the earned settlement scheme will ultimately not apply to this cohort. However, there is no explicit statement in the consultation that HM Armed Forces and their family members will be exempt or excluded from the earned settlement scheme. At present, the Government is consulting and seeking views on this.

Conclusion:

The Earned Settlement Scheme will cause unfairness to those who are currently in the system, and who are already on the path to settlement. The 'battleground' will be to press for transitional provisions for those who are already in the system, to ensure that they will not be unfairly affected by the change in the qualifying periods for settlement and the additional requirements that they did not expect when they were first granted permission to enter or stay on a path to settlement.

The Earned Settlement Consultation Survey will close on 12 February 2026. It is important to respond, so that 'maximum pressure' could be put on the Government to introduce transitional provisions for the scheme.

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If you would like advice or assistance on any of the issues raised in this note/article, please contact Agnes Lai by email at

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