



Briefing for MPs on Earned Settlement Proposals

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This briefing has been written by a group of charities providing immigration advice and support services to migrant communities across the UK. It was produced with the support of the [NRPF Partnership](#).

Why MPs need to act now

- The proposals could affect over 2 million people living and working in the UK.
- Many could wait 15 years for settlement, while some could face substantially longer routes or no realistic route at all.
- The reforms would impact child poverty, family security, equalities, social cohesion, local authorities and strategic sectors of the economy.
- The Government has yet to publish its economic, equality or child impact assessments.
- The reforms will most likely be introduced through changes to the Immigration Rules, leaving limited opportunity for parliamentary scrutiny.
- MPs should ask ministers to publish evidence and address the risks before final policy decisions are taken.

The Government is expected to make final decisions on its proposed "earned settlement" reforms in autumn 2026. These reforms will fundamentally reshape the route to settlement for people already living and working in the UK, as well as for future arrivals.

The public consultation on these reforms closed in February 2026 after receiving more than 200,000 responses. More than six months later, the Government has not published its response, detailed policy proposals or impact assessments. While significant uncertainty remains about the detail of the plans, available evidence suggests they could have substantial social, equalities and economic implications.

Ministers have argued that settlement should be more closely linked to contribution, that access to indefinite leave to remain should be earned rather than automatic, and that rapid increases in the number of people becoming eligible for settlement could create additional pressures on public services and public finances. However, significant questions remain about whether the proposed reforms would achieve those aims in practice, as well as concerns about unintended economic, social and fiscal consequences that outweigh any anticipated benefits.

The Government has particularly justified the reforms by arguing that future settlement grants could create significant fiscal pressures because settlement allows access to public funds and social housing. However, analysis [reported](#) in the media suggests that Government claims of £10 billion in savings to the public purse are flawed. Ministers have not yet published the full evidence or methodology underpinning these claims, making independent scrutiny difficult.

Before decisions are finalised, MPs should urge ministers to:

- Publish all economic, equality, operational and child impact assessments to aid parliamentary scrutiny;
- Explain the evidence underpinning the reforms, including fiscal assumptions;
- Address concerns about the impact on children, families, the economy, social cohesion, poverty, homelessness, local authorities and vulnerable groups.

Key concerns

1. Unequal impacts

The proposal to link settlement to “contribution” (defined primarily in terms of earnings) risks reproducing existing labour market inequalities. Available evidence suggests the effects of these proposals would not be evenly distributed. [Analysis](#) by IPPR found that the longest settlement pathways are likely to fall disproportionately on people from Africa and South Asia. IPPR has warned that these disparities risk creating outcomes that echo some of the inequalities exposed by the Windrush scandal. In separate [analysis](#), IPPR also found that four of the top five nationalities likely to be affected by the reforms were former British colonies: India, Nigeria, Pakistan, Zimbabwe and the Philippines.

There are also concerns about the gendered impacts. [Women](#) are less likely to meet income thresholds because of the gender pay gap, caring responsibilities and higher rates of part-time work. These inequalities are particularly [pronounced](#) for Black, Asian and minority ethnic women. An earnings-based model risks reproducing existing labour market inequalities in the immigration system.

Survivors of domestic abuse may have interrupted employment, periods of financial dependency or immigration breaches linked to coercive control. Unless the rules contain clear and accessible protections, these circumstances would lengthen their route to settlement or prevent them from qualifying. A system intended to reward compliance must not penalise people for circumstances arising directly from abuse.

Available [evidence](#) also suggests that victims of trafficking and modern slavery will be disproportionately harmed by these proposals. Many survivors experience periods of unlawful status, gaps in employment or education and criminalisation directly linked to their exploitation and the control exercised by traffickers. Even after escaping exploitation, trauma can severely limit their ability to work, study or meet integration requirements. Delaying settlement will prolong insecurity, hinder recovery and increase the risk of re-trafficking.

Even if safeguards and exemptions are introduced, it is difficult to see how a system based so centrally on income could account for people whose ability to work is affected by disability, ill health, caring responsibilities, exploitation, experiences of abuse or any other factor. Unless robust safeguards and exemptions are introduced, some groups will find it significantly more difficult to secure permanent status.

2. Children, poverty and family security

The potential impact on children is among the most significant aspects of the proposals. [Research](#) analysing government data has estimated that delaying settlement and, consequently, access to public funds for some households, could leave up to 90,000 children experiencing prolonged poverty by 2029.

Longer routes to settlement would also require families to pay visa and immigration fees for substantially longer periods. For many households, this means money being diverted away from children's everyday needs, activities and opportunities. Existing long settlement routes have also been [associated](#) with an increased risk of housing insecurity and homelessness.

The earned settlement proposals will reach well beyond migrant workers, and this is often lost in the government's narrative. Partners of British citizens may find that [unless they meet the new earning requirement](#) they cannot settle at all, leaving them in a prolonged cycle of temporary leave. Partners of settled residents face an even longer wait, with a minimum of ten years before they can qualify.

Children who were born or have grown up in the UK would spend much of their childhood in families with temporary immigration status despite having little or no connection to any other country – either because parents are on a very long settlement pathway or have no realistic prospect of settlement. By linking parental earnings to settlement routes, the proposals risk entrenching inequalities, with the child of a banker earning over £125,140 on a three-year route to settlement and the child of a care worker on a 15-year route. This would have long-term consequences for [family stability and mental health](#), their sense of belonging, social cohesion, educational opportunities and progression into adulthood.

The Government has [confirmed](#) that economic and equality impact assessments will be published in due course, but has so far not confirmed whether it will publish its child impact assessment. Given the scale of potential impacts on children and the government's commitment to conducting Child Rights Impact Assessments, this should be a priority.

3. Growth, retention and public services

Available [evidence](#) suggests the reforms could have unintended economic consequences. In a 2025 [survey](#) of over 5,000 migrant nursing staff, the Royal College of Nursing found that 60% of respondents without settled status said extending settlement pathways would be very likely to affect their decision to remain in the UK long-term. Other [surveys](#) have shown similar findings for the adult social care workforce.

Employers, trade unions and economic commentators have raised concerns that extending settlement pathways may make the UK less attractive relative to competitor countries that offer shorter, more predictable and affordable routes to permanent status. As well as negatively impacting the delivery of vital public services and strategic economic sectors, reduced recruitment and retention among experienced workers would create risks not only for NHS and social care staffing, but also for other employers who have invested heavily in recruitment, training and sponsorship.

There may also be unintended regional implications. Because [earnings](#) remain significantly higher in London and the Southeast than many other parts of the country, an earnings-based settlement system could make settlement substantially harder to access outside those regions, potentially sitting uneasily alongside wider growth and devolution objectives.

4. Complexity, cost and deliverability

The proposed system would be substantially more complex than the current settlement framework. Determining eligibility could require the Home Office to assess earnings histories, benefit use, caring responsibilities, exemptions and compliance factors across long periods of time, potentially involving data-sharing between multiple departments.

This raises questions about operational feasibility and long-term cost. Immigration decision-making is already experiencing significant [delays](#) in some routes. The introduction of a significantly more complex settlement system could increase pressures on Home Office capacity and create additional costs across government. Ministers should therefore publish operational assessments setting out how the system would be administered and what additional resources would be required.

[Evidence](#) suggests that longer, more complex settlement routes, which leave more people struggling to secure their status, could result in increased demand for local authority support.

Reported policy options: what they would and would not resolve

Recent media reports have suggested the government may be considering amendments to the original proposals.

Exemptions for care workers: Exempting existing care workers from the longest settlement routes would reduce some immediate risks and would be welcome. Realising the Prime Minister's ambition to deliver a social care service, as well as ongoing care sector reforms including the Fair Pay Agreements, necessitates such a change of approach. However, this would not address broader concerns relating to retrospectivity, child poverty, family security, unequal impacts or the implications for other sectors facing recruitment challenges. Nor would it address the position of other lower-paid skilled workers, people already on existing 10-year routes, family migrants, dependent partners, or children growing up in households affected by longer routes to settlement.

Ending retrospective application: Reports that the government may not apply changes retrospectively would be a very positive step, building on the commitment made to British National Overseas visa-holders from Hong Kong. People who arrived in the UK under one set of rules should not have those rules fundamentally altered after they have already made major life decisions on that basis. However, application of these reforms to future arrivals alone would not address concerns about the impact of longer settlement routes on the economy, future migrants, employers, public services and local communities.

Settlement with No Recourse to Public Funds: The consultation document included the option of settlement with a continuing "No Recourse to Public Funds" condition. This would represent a major departure from the established understanding of settlement as both secure immigration status and access to the welfare system when needed. This option would also leave unresolved the government's stated concern about the fiscal impact of future settlement grants because access to public funds would be delayed by a year to the point of naturalisation rather than permanently prevented. This option would benefit higher-paid migrants who are unlikely to need access to state support. However, it risks creating a two-tier model of permanent status and may not address many of the underlying concerns raised by the consultation.

Our recommendation:

Considering the potential consequences of these proposals and the extent to which they conflict with government policy objectives around economic growth, devolution, social cohesion, child poverty and care, we recommend that the earned settlement proposals are entirely withdrawn. Instead, five years should be the upper limit for all settlement routes (including those currently longer than this standard). The Government should explore an alternative approach which explicitly aims to encourage settlement and citizenship as positive policy objectives. At a minimum, ministers should:

1. Ensure that any changes to settlement policy are not applied retrospectively to people already living and working in the UK.
2. Reject proposals to impose a "no recourse to public funds" condition on those granted settlement.
3. Publish all economic, equality, operational and child impact assessments before final decisions are taken, and provide an opportunity for full parliamentary scrutiny prior to implementation.
4. Reduce settlement application fees so that they cover the processing costs only.
5. Scrap the proposal to penalise the use of benefits, overstaying and irregular entry to the UK.
6. Retain the existing private life rules for children and young people born or growing up in the UK.
7. Design a model that accounts for the unequal earnings of women, part-time workers, disabled people, carers and those experiencing ill health, and includes robust safeguards for children, young people and vulnerable groups, including survivors of abuse.

What MPs should do now:

Before final decisions are announced, we urge MPs to

- Write to the Home Secretary seeking publication of the specified assessments and evidence ahead of any decision
- Table written parliamentary questions asking whether each assessment exists, when it was completed, when it will be published and if MPs will have the opportunity to scrutinise this information before any new announcement is made
- Seek an urgent question or ministerial statement before any Statement of Changes is laid
- If publication has not occurred by the deadline, ask the opposition business managers to table a motion for return and commit publicly to supporting it
- Oppose implementation until the evidence has been published and the House has debated the reforms.