



SKILLED WORKER JUSTICE ALLIANCE

Analysis • Evidence • Scrutiny

Evidence Note 02

Technical Analysis and Workforce Impact Assessment of Proposed Retrospective Settlement Reforms

Topic: Addressing the Earned Settlement Policy (CP1448)

Category: Note & Evidence

Identifier: SWJANE02

Published: 12 February 2026

Author: Movement Research Unit (MRU); Skilled Worker Justice Alliance (SWJA)

Executive summary: The impact of "Earned Settlement" on UK skilled migration	1
Does prolonged immigration status insecurity increase attrition and weaken workforce stability?	3
What resources are currently being put into training and integrating people on Skilled Worker visas? How might employers face losses	6
How does extended uncertainty regarding their immigration status affect families integration and financial situation?	11
Summary of responses to the Skilled Worker Justice Alliance's survey on the impact of the proposed changes to the settlement route for Skilled Workers already in the UK	13
Annex A - Employer sunk costs	21

Executive summary: The impact of "Earned Settlement" on UK skilled migration

It is estimated around 1.35 million people already on routes to settlements could face default longer qualifying periods due to the government's proposed changes.¹ The majority of these are people on worker routes as a main applicant or dependant. Below we lay out why retroactive changes to the earned settlement for this group would be negative for the UK workforce, employers, and economy, the UK's fiscal balance, and the migrant workers themselves.

Workforce instability and retention risk:

- Prolonged immigration uncertainty is a key driver of attrition, among migrant nursing staff without permanent status, 60% report that doubling

¹<https://www.ippr.org/articles/far-from-settled-the-governments-earned-settlement-consultation>



SKILLED WORKER JUSTICE ALLIANCE

Analysis • Evidence • Scrutiny

the residency requirement to ten years would likely affect their decision to remain in the UK.²

- A December 2025 survey of 95 UK employers by Migrate UK³ found that:
 - 79% of employers think that extending the settlement route to 10 years would make it more difficult to attract overseas skilled workers,
 - 92% say it would lower retention, and drive workers to consider relocating to the US or EU, and
 - 85% say the Skilled Worker visa's current five-year pathway to Indefinite Leave to Remain (ILR) is a “critical factor” in attracting overseas talent.
- Migrant workers on a Skilled Worker visa already with only 47% of migrant care workers intending to remain in the sector for five years.⁴
- This instability directly threatens a social care sector currently facing an 6.4% vacancy rate (around 2.8 times the national average vacancy rate⁵) and 41% first-year turnover.⁶
 - Non-UK nationals make up 25% of the total workforce in the adult social care sector⁷. As such it's very likely that these proposed changes will further impact an already struggling social care system, with only 47% of migrant care workers currently intending to remain in the sector for five years before these proposed changes.⁸

Significant fiscal losses from attrition:

² <https://www.rcn.org.uk/news-and-events/news/uk-almost-50000-nursing-staff-could-leave-uk-under-proposed-new-visa-rules-rcn-warns-201125>

³ <https://www.onrec.com/news/opinion/uk-employers-warn-government-proposed-ten-year-settlement-route-risks-talent-shortages>

⁴ <https://www.workrightscentre.org/media/rr1hkkek/the-forgotten-third-migrant-care-workers-views-on-the-care-sector.pdf>

⁵ <https://www.skillsforcare.org.uk/Adult-Social-Care-Workforce-Data/workforceintelligence/Trackers/Trackers.aspx>

⁶ <https://www.workrightscentre.org/media/rr1hkkek/the-forgotten-third-migrant-care-workers-views-on-the-care-sector.pdf>

⁷ <https://www.workrightscentre.org/media/rr1hkkek/the-forgotten-third-migrant-care-workers-views-on-the-care-sector.pdf>

⁸ <https://www.workrightscentre.org/media/rr1hkkek/the-forgotten-third-migrant-care-workers-views-on-the-care-sector.pdf>



SKILLED WORKER JUSTICE ALLIANCE

Analysis • Evidence • Scrutiny

- The UK Exchequer loses substantial revenue when skilled workers exit early; a migrant who remains permanently has a lifetime net contribution of +£931,000, compared to just +£174,000 for one who leaves within a few years⁹.
- Migrant workers on the main Skilled Worker visa are projected to have a substantially positive lifetime fiscal contribution of £689,000 per person¹⁰, adding £47 billion to public finances over their lifetime.

High employer sunk costs:

- Employers face heavy financial losses when sponsorship is cut short, having invested an estimated £20,020 (care sector) to £24,640 (education sector) per worker by the seven-year mark.^{11 12 13}
- In the health sector, initial recruitment and induction alone cost between £10,000 and £12,000 per nurse.¹⁴

Economic barriers for families:

- Extended routes to settlement create severe financial hardship, with a family of four facing an estimated additional £24,000–£42,500 for a family of four on a 10-15 year route to settlement compared to a 5 year route, based on current visa fees.¹⁵
- Home office fees, combined with the "No Recourse to Public Funds" (NRPF) condition for visa holders, leave an estimated 50% of low-income migrant families subject to NRPF in destitution.¹⁶

Housing and integration hurdles:

⁹<https://www.gov.uk/government/publications/the-fiscal-impact-of-immigration-in-the-uk>

¹⁰https://assets.publishing.service.gov.uk/media/6938108633c7ace9c4a41e42/The_Fiscal_Impact_of_Immigration_Final_1_.pdf

¹¹<https://explore-education-statistics.service.gov.uk/find-statistics/employer-skills-survey/2024>

¹²<https://www.davidsonmorris.com/skilled-worker-visa-fees/>

¹³<https://www.ein.org.uk/blog/immigration-skills-charge-rising-30-16-december-2025>

¹⁴<https://myhealthcarerecruit.com/2018/01/30/much-cost-recruit-international-nurse/>

¹⁵<https://www.gov.uk/government/publications/visa-regulations-revised-table>

¹⁶<https://www.jrf.org.uk/deep-poverty-and-destitution/families-with-no-recourse-to-public-funds-are-trapped-in-hardship>



SKILLED WORKER JUSTICE ALLIANCE

Analysis • Evidence • Scrutiny

- Visa holders face structural disadvantages in the mortgage market, often requiring deposits 10–25% higher than citizens and those with permanent residency,¹⁷ and facing loan-to-value caps as low as 75% (vs 90% for those with permanent residency).¹⁸
- A prolonged temporary status keeps families in the less secure private rental sector¹⁹ and discourages long-term investment in local communities. Private rental accommodation tends to be more expensive than accommodation for first-time mortgagors and as such those housed in the private rented sector tend to spend a significantly larger proportion of their income on housing costs (30-35% vs ~20%)²⁰

Does prolonged immigration status insecurity increase attrition and weaken workforce stability?

Across sectors and types of evidence, prolonged immigration status insecurity is consistently associated with higher attrition, lower progression incentives, and threats to workforce stability.

The proposed changes lead to long periods of provisional status, extending it to between 10 -15 and even longer for those with irregularities in their paperwork. Research shows that during this period, dependency on a sponsor creates disincentives to change jobs, even when a move would come with better pay, progression opportunities, or working conditions.²¹

- Migrants on a Skilled Worker visa have to make a new “change of employment” application each time they change employers, which entails fees (if you will be in the UK for up to 3 years - £885 per person, and for

¹⁷ <https://firsttimefinance.co.uk/uk-mortgage-deposit-visa-holders/>

¹⁸ <https://www.accordmortgages.com/criteria/foreign-nationals>

¹⁹ <https://migrationobservatory.ox.ac.uk/resources/briefings/migrants-and-housing-in-the-uk/>

²⁰ <https://www.gov.uk/government/statistics/english-housing-survey-2023-to-2024-rented-sectors/english-housing-survey-2023-24-rented-sectors#housing-costs-affordability-and-resilience>

²¹ <https://freemovement.org.uk/briefing-the-implications-of-the-earned-settlement-proposals-and-what-they-might-mean-in-practice/>



SKILLED WORKER JUSTICE ALLIANCE

Analysis • Evidence • Scrutiny

more than 3 years - £1,751 per person)²² and a risk to their residence right if they are unable to find new work within 60 days.²³

- Worker exploitation risks will also be higher as migrants will be hesitant to try and negotiate better pay or conditions due to perceived threat of employers rescinding sponsorship.²⁴
 - The rules around change of employment make it harder for employees to move out of exploitative working conditions. Of a sample of care workers attempting to switch sponsors, only 42% succeeded with only 5% managing to find another sponsor in the 60-day window.²⁵

Evidence from Denmark further shows that a 2007 tightening of permanent-residence criteria for refugees – adding stricter employment and language conditions – reduced the rate of employment among those affected, likely because many with weaker records give up when the goal of settlement feels unattainable.²⁶ This suggests that in the short-term retroactive application of tightened requirements to reaching ILR in the UK could have negative effects on employment in the migrant workforce.

Employers are aware of the consequences of changing and punitive visa and settlement rules. A December 2025 survey of 95 UK employers by Migrate UK²⁷ found that:

- 79% of employers think that extending the settlement route to 10 years would make it more difficult to attract overseas skilled workers,
- 92% say it would lower retention, and drive workers to consider relocating to the US or EU, and

²² <https://www.gov.uk/skilled-worker-visa/how-much-it-costs>

²³ <https://www.workrightscentre.org/media/rr1hkkek/the-forgotten-third-migrant-care-workers-views-on-the-care-sector.pdf>

²⁴ <https://freemovement.org.uk/briefing-the-implications-of-the-earned-settlement-proposals-and-what-they-might-mean-in-practice/>

²⁵ <https://www.workrightscentre.org/media/rr1hkkek/the-forgotten-third-migrant-care-workers-views-on-the-care-sector.pdf>

²⁶ https://cream-migration.org/publ_uploads/CDP_14_23.pdf

²⁷ <https://www.onrec.com/news/opinion/uk-employers-warn-government-proposed-ten-year-settlement-route-risks-talent-shortages>



SKILLED WORKER JUSTICE ALLIANCE

Analysis • Evidence • Scrutiny

- 85% say the Skilled Worker visa's current five-year pathway to Indefinite Leave to Remain (ILR) is a “critical factor” in attracting overseas talent.

Employee-side evidence supports employer perceptions, most critically in the **health and care sector**. Before the end of new overseas recruitment in July 2025, this sector was the largest recipient of Skilled Worker visas between October 2024 and March 2025, accounting for just over one-third of grants. Existing workers continue to be tied to sponsorship, and retrospectively applied “earned settlement” proposals would extend their path to ILR from five years to 10 or even 15 years, prolonging uncertainty, dependency, and vulnerability to exploitation.

- In a 2018 systematic review of 31 qualitative studies of the migration motivations of health professionals, political factors such as ease of obtaining ILR and citizenship were cited in more than 1/3 of reviewed studies as factors facilitating or hindering integration. The impacts of uncertainty were most severe during the “adaptation phase”, the period between entering the UK and full professional integration, where workers reported that financial worries, immigration difficulties, social isolation, and delays in the registration and employment process led to deskilling, devaluation and demotivation. Immigration restrictions on family members contributed to feelings of social isolation.²⁸
- For **nurses**, the proposed earned settlement changes will likely affect retention.
 - The Royal College of Nursing (RCN) surveyed more than 5,000 migrant nursing staff in November 2025 and found that 60% of those without ILR said proposals to double the ILR qualifying period (from five to ten years) would be “very likely” to affect their decision to remain in the UK.²⁹
 - Although the proposed changes wouldn't affect certain bands of NHS nurses, it would apply to contracted nurses and those working in other settings, such as social care.³⁰ 42% of nurses in the adult social

²⁸ <https://pmc.ncbi.nlm.nih.gov/articles/PMC6020357/>

²⁹ <https://www.rcn.org.uk/news-and-events/news/uk-almost-50000-nursing-staff-could-leave-uk-under-proposed-new-visa-rules-rcn-warns-201125>

³⁰ <https://www.rcn.org.uk/news-and-events/Press-Releases/home-secretary-ilr-policy-a-betrayal-of-those-who-have-kept-our-social-care-system-afloat>



SKILLED WORKER JUSTICE ALLIANCE

Analysis • Evidence • Scrutiny

care sector are of non-British nationality, with the NHS only counting for 7% of filled posts in the adult social care sector³¹.

- The same is likely true for **care workers**: A November 2024 Work Rights Centre report³² found that only 47 percent of migrant care workers intended to stay in the sector for five years, driven by what they perceive as a punitive visa system that ties their legal status to specific sponsors, creating a power imbalance that can trap them in precarious working conditions.
 - In line with that, 39 percent of workers experiencing rights violations at work did not report them out of fear of visa curtailment or deportation.
 - This instability impacts a sector with a vacancy rate of 8.3%, a first-year turnover rate of 41%, and 430,000 additional roles needed by 2035.
 - The report concludes that systemic immigration insecurity is a serious threat to workforce stability. Proposed changes extending the path to settlement would exacerbate this by extending workers' vulnerability and dependency on sponsors.
- For **doctors**, a similar pattern is emerging.
 - 2023 research by the General Medical Council showed that among doctors who qualified outside the EEA, 28% cited visa requirements as a systemic reason for considering leaving the UK.³³
 - In written evidence submitted to the Home Office Select Committee, the Royal College of General Practitioners (RCGP) warns that the UK is losing both international and domestically trained GPs:³⁴
 - As of 31 October in one recent year, at least 456 UK-trained GPs had applied to the GMC for Confirmation of UK Training (CUKT), which is needed to practise abroad.

³¹ <https://www.workrightscentre.org/media/0gzillbbb/the-forgotten-third-migrant-care-workers-views-on-the-care-sector2.pdf>

³² <https://www.workrightscentre.org/media/rr1hkkek/the-forgotten-third-migrant-care-workers-views-on-the-care-sector.pdf>

³³ https://www.gmc-uk.org/cdn/documents/identifying-groups-of-migrating-doctors-research-report_pdf-105936062.pdf

³⁴ <https://www.rcgp.org.uk/getmedia/fc916a2b-dcd2-4f92-8004-d64ead6fa23b/RCGP-Written-Evidence-Home-Affairs-Inquiry-Routes-Settlement.pdf>



SKILLED WORKER JUSTICE ALLIANCE

Analysis • Evidence • Scrutiny

- Internationally, other countries compete aggressively for UK-trained GPs. In Australia, successful applicants to the skilled-nominated visa can obtain permanent residence, and data from the Australian Medical Council and RACGP show around 500 UK-trained GPs applied to work in Australia in 2024.
- The RCGP concludes that if the UK does not “get the path to settlement right”, it risks driving away international GPs in whom the NHS has already invested heavily, and that further attrition due to more attractive settlement pathways overseas would undermine workforce planning, widen capacity gaps in general practice, and “cause a financial hole in the public purse”.
- They also note that international GPs often feel compelled to accept any job offering sponsorship, regardless of fit, simply to maintain legal status.

Higher education (HE) would also be significantly impacted:

- Universities UK (UUK) and the Universities and Colleges Employers' Association (UCEA) report that the HE sector is under acute financial strain (with a UUK analysis estimating HE institutions in England now receive £6.4bn a year less in real terms for teaching home students compared to a decade ago³⁵), and highly reliant on international staff, who made up a third of academic staff and 10-15% of professional service staff over the past five years. Institutions report that, due to the cumulative cost and unpredictable future settlement rules, some international staff are already opting out of visa renewals. This makes it harder for Universities to fill vacancies in critical areas like life sciences and clean energy, and threatens the UK's reputation as a global hub for research and innovation.³⁶

³⁵ <https://www.universitiesuk.ac.uk/latest/insights-and-analysis/how-teaching-funding-student-england-has>

³⁶ <https://policymogul.com/committee-publication/27601/universities-and-colleges-employers-association-and-universities-uk-rts4243->



SKILLED WORKER JUSTICE ALLIANCE

Analysis • Evidence • Scrutiny

What resources are currently being put into training and integrating people on Skilled Worker visas? How might employers face losses

Migrant workers on the main projected to have a net positive contribution, adding £47 billion to public finances over their lifetime.³⁷ Indeed the Home Office's previous projections regarding changes to the Skilled Worker visa tightening the visa requirements and making it harder for migrants to enter the UK found that the changes would have an overall negative impact on UK GDP with an estimated NPSV (Net Present Social Value) of between -£5.4bn over the appraisal period of five years.³⁸

This is useful context to consider alongside the resources currently devoted to training and integrated those on Skilled Worker visas as outlined below:

Lost tax income:

- The government's own modelling views skilled migrants as a long-term investment. The Migration Advisory Committee (MAC) uses lifetime models that project tax paid over several decades and compare them to public-service costs such as healthcare, infrastructure, and children's education. For the fiscal case to be net-positive, a migrant has to remain in the UK, stay employed, and ideally see their salary grow.³⁹
 - The MAC estimates that the lifetime net contribution of those who remain in the UK is +£931,000, whilst it is only +£174,000 for those who leave the UK.⁴⁰
 - As discussed above, prolonged dependency on fiscal sponsors disincentivises seeking better-paid opportunities, undermining the professional progression and salary growth that drive a net-positive fiscal contribution.

Sunk employer cost:

³⁷ [The Fiscal Impact of Immigration: Static and Dynamic Estimates for the UK](#)

³⁸ https://assets.publishing.service.gov.uk/media/6937e67eb612700b2cb73679/Spring_2025_Immigration_Rules_Impact_Assessment_Skilled_Worker_and_Care_Worker_003.pdf

³⁹ <https://www.gov.uk/government/publications/the-fiscal-impact-of-immigration-in-the-uk>

⁴⁰ <https://www.gov.uk/government/publications/the-fiscal-impact-of-immigration-in-the-uk>



SKILLED WORKER JUSTICE ALLIANCE

Analysis • Evidence • Scrutiny

- Recruitment costs:
 - A detailed breakdown for overseas nurse recruitment (visa fees, Immigration Skills Charge, professional exams, relocation, agent fees, initial accommodation) estimates a per-nurse cost of around £10,000–£12,000.⁴¹
 - Nuffield Trust analysis confirms that overseas recruitment costs for nurses tend to fall in this range, and that when spread over a full NHS career they average roughly £1,000 per year, about 3% of mean annual nurse salary. If spread only over the nurse's time with the recruiting organisation, the cost per year rises to around £1,500.⁴²
- Sponsorship and compliance costs:
 - Employer-side costs related to hiring migrant workers have escalated due to the 32% increase in the Immigration Skills Charge (ISC) and the rising administrative burden of compliance.⁴³ For a medium or large sponsor, the ISC for sponsoring a single worker increased from £1,000 to £1,320 per year in December 2025, while for small sponsors (which includes most GP practices), it increased from £364 to £480.⁴⁴
 - For a large sponsor, five years of Skilled Worker sponsorship now implies £6,600 in ISC (5 × £1,320), plus at least one Certificate of Sponsorship (CoS) at £525 per initial grant, and another at extension if a new CoS is required.
 - Under a 10-year earned-settlement model, a typical pattern would involve a second five-year sponsorship block, pushing total ISC to £13,200 for a single worker (10 × £1,320), before any CoS or legal costs.⁴⁵

Sunk cost by tenure group:

- 0–2 years:

⁴¹ <https://myhealthcarerecruit.com/2018/01/30/much-cost-recruit-international-nurse/>

⁴² https://www.nuffieldtrust.org.uk/sites/default/files/2021-10/1633336126_recruitment-of-nurses-lessons-briefing-web.pdf

⁴³ <https://knowledge.dlapiper.com/dlapiperknowledge/globalemploymentlatestdevelopments/2025/Uk-Immigration-update-December-2025>

⁴⁴ <https://committees.parliament.uk/writtenevidence/155995/pdf/>

⁴⁵ <https://committees.parliament.uk/writtenevidence/155995/pdf/>



SKILLED WORKER JUSTICE ALLIANCE

Analysis • Evidence • Scrutiny

- If attrition occurs in the first two years, employer sunk cost consists mainly of recruitment and sponsorship costs (e.g. £10,000–£12,000 per recruit in the health sector), plus initial induction and compliance.
- During this time, workers are also still adapting to UK systems, and productivity is likely to be below that of experienced local staff.
- Attrition during this period means employers never recover the initial outlay, and—where there are staff shortages—are forced to pay again to recruit a replacement from overseas.⁴⁶
- **3–5 years:**
 - At this stage, recruitment costs have largely been balanced out: Nuffield Trust estimates show that when spread over a typical overseas nurse's NHS career, overseas recruitment equates to around 3% of annual pay, implying that by the mid-career point the bulk of the initial investment is recouped.
 - At the same time, workers contribute near-full or above-average productivity, often taking on supervisory or specialist responsibilities,⁴⁷ and the MAC's fiscal model finds that Skilled Workers are substantially net-positive for the UK economy in this period⁴⁸.
 - Attrition cost between years 3 and 5 is therefore dominated by the loss of high-productivity, high-tax years, both for the employer and the Exchequer.
- **5+ years:**
 - Initial recruitment spend is likely to be fully recouped, and employers now benefit from peak productivity, firm-specific knowledge, and lower supervision needs.
 - The MAC's breakeven analysis shows net fiscal contribution from Skilled Workers continues to rise as they remain longer.⁴⁹ In terms of

⁴⁶ https://www.nuffieldtrust.org.uk/sites/default/files/2021-10/1633336126_recruitment-of-nurses-lessons-briefing-web.pdf

⁴⁷ https://www.nuffieldtrust.org.uk/sites/default/files/2021-10/1633336126_recruitment-of-nurses-lessons-briefing-web.pdf

⁴⁸ https://assets.publishing.service.gov.uk/media/6938108633c7ace9c4a41e42/The_Fiscal_Impact_of_Immigration_Final_1.pdf

⁴⁹ <https://www.gov.uk/government/publications/the-fiscal-impact-of-immigration-in-the-uk>



SKILLED WORKER JUSTICE ALLIANCE

Analysis • Evidence • Scrutiny

overall value to the system, a worker's contribution is typically higher during their second five years in the UK than during their first. By this point, the initial high costs of recruitment and training have already been absorbed, and the employee has built expertise specific to the UK context.

- Their long-term presence also creates broader benefits for the entire team, such as the ability to mentor newer staff and provide more stable, consistent care for patients.
- The risk of sunk cost here is particularly high for RQF 3-5 workers (i.e., those with sub-degree qualifications) who have already who have already invested years in the UK and are now at or approaching leadership level and who may find the 15-year prospect untenable, leading to the loss of some of the most experienced international staff.⁵⁰
- **Overall, this implies that a move to a 10–15-year settlement horizon could significantly disincentivize long-term investment.**
 - Employers face higher risk that workers will leave before they can secure permanent residence.
 - Employees might hesitate to commit to longer-term roles or specialist training pathways knowing their status will stay provisional for much longer.

Sunk training cost:

- Based on our calculations in Annex A, the estimated sunk cost for employers per Skilled worker varies from £5,945 -£7,265 for workers in the UK up to 2 years to £20,020-£24,640 for workers in the UK for 7 years. If the earned path to settlement is retroactively applied and these workers then leave the UK this could present a significant economic loss to UK employers.

⁵⁰ <https://freemovement.org.uk/briefing-the-implications-of-the-earned-settlement-proposals-and-what-they-might-mean-in-practice/>



SKILLED WORKER JUSTICE ALLIANCE

Analysis • Evidence • Scrutiny

Sector	Tenure band	Estimated sunk cost per Skilled Worker (training + sponsorship)
Health & social care	0-2 years	≈ £5,945
	3-5 years	Incremental 3-5: ≈ £8,130 Cumulative 0-5: ≈ £14,075
	5+ years (assume 7 sponsored years total)	Incremental 5-7: ≈ £5,945 Cumulative 0-7: ≈ £20,020
Education	0-2 years	≈ £7,265
	3-5 years	Incremental 3-5: ≈ £10,110 Cumulative 0-5: ≈ £17,375
	5+ years (assume 7 sponsored years total)	Incremental 5-7: ≈ £7,265 Cumulative 0-7: ≈ £24,640
Tech (Information & communications)	0-2 years	≈ £6,425
	3-5 years	Incremental 3-5: ≈ £8,850 Cumulative 0-5: ≈ £15,275
	5+ years (assume 7 sponsored years total)	Incremental 5-7: ≈ £6,425 Cumulative 0-7: ≈ £21,700



SKILLED WORKER JUSTICE ALLIANCE

Analysis • Evidence • Scrutiny

How does extended uncertainty regarding their immigration status affect families integration and financial situation?

Extended insecurity in immigration status affects families not just psychologically but through specific, measurable channels: housing and home-ownership, debt burdens, access to safety nets, education costs, and the ability to plan and invest.

In their written evidence on the proposed “earned settlement”, the British Medical Association (BMA) emphasises that financial security linked to settlement is central to enabling doctors and other migrant workers to **establish stable lives and to feel genuinely “settled”**. Without settlement and citizenship, long-term planning for housing and family life also becomes significantly harder.⁵¹

- They argue that, for families, extended routes to settlement create prolonged uncertainty that:
 - Limits participation in local communities and social networks.
 - Constrains involvement in civic or community activities.
 - Affects children’s education, as parents hesitate over long-term choices of school, activities, or relocation.
 - Increases household stress and anxiety from repeated visa renewals, administrative burdens, and financial pressure.

Longer routes to settlement are also a significant risk factor for **precarity and debt**. As reported by the Institute for Public Policy Research (IPPR) and the Greater Manchester Immigration Aid Unit (GMIAU), with Praxis, adults on the current **10-year route to settlement** have to apply for limited leave to remain every 30 months over 10 years, with total fees per adult exceedingly around £12,800, and about £11,000 per child.

- They give the example of a family of four needing to pay nearly £50,000 just in Home Office fees. In their sample, 82% of those who borrowed to pay fees were still in debt and 30% could not keep up repayments.⁵²
- The Migration Observatory notes that families arriving on Skilled Worker or family routes can face over £40,000 in immigration-related costs over time.⁵³

⁵¹ https://committees.parliament.uk/writtenevidence/155995/html/#_ftnref9

⁵² <https://www.ippr.org/articles/a-punishing-process>

⁵³ <https://migrationobservatory.ox.ac.uk/resources/briefings/family-migration-to-the-uk/>



SKILLED WORKER JUSTICE ALLIANCE

Analysis • Evidence • Scrutiny

- If their paths are extended to 10–15 years, this would incur even larger cumulative visa charges over time (an estimated additional £24,000–£42,500 for a family of four, based on current visa fees⁵⁴), a reliance on loans to meet fee deadlines, with prolonged indebtedness, and less money available for savings, education, or business investment.
- IPPR notes that households most at risk of poverty within the immigration system include care workers sponsored on the Health and Care route, given their low salaries. Extending the settlement period will keep these families in poverty for longer.⁵⁵

Families subject to **No Recourse to Public Funds (NRPF)** are particularly vulnerable to poverty. The Joseph Rowntree Foundation reports that around half of low-income families with NRPF fall into destitution, going hungry and lacking basic essentials because they cannot access benefits when incomes fall or unexpected expenses arise.⁵⁶

- Coram Family and Childcare’s 2025 work show that, although some reforms have extended Free School Meals or limited childcare support to parts of the NRPF population, the underlying exclusion from the wider safety net means working migrant families still face higher rates of food, housing and energy insecurity than comparable low-income British families.⁵⁷
- If Skilled Worker families are kept on time-limited visas for 10–15 years before settlement, many will remain in this NRPF-exposed group for much longer, leading to:
 - prolonged exposure to poverty risk for children;
 - reduced capacity to absorb shocks, leading to higher rates of arrears, overcrowding, and informal borrowing;
 - and lower ability to invest in human capital (e.g., paying for further training, or extracurricular activities for children).^{58 59}

⁵⁴ <https://www.gov.uk/government/publications/visa-regulations-revised-table>

⁵⁵ <https://www.ippr.org/articles/far-from-settled-the-governments-earned-settlement-consultation>

⁵⁶ <https://www.jrf.org.uk/deep-poverty-and-destitution/families-with-no-recourse-to-public-funds-are-trapped-in-hardship>

⁵⁷ <https://www.coramfamilyandchildcare.org.uk/news/on-the-outside/>

⁵⁸ <https://ippr-org.files.svdcn.com/production/Downloads/10-year-route-march23.pdf>

⁵⁹ <https://www.jrf.org.uk/deep-poverty-and-destitution/families-with-no-recourse-to-public-funds-are-trapped-in-hardship>



SKILLED WORKER JUSTICE ALLIANCE

Analysis • Evidence • Scrutiny

- Note that the government is also consulting on whether NRPF should apply to those with ILR, making access to the social security system conditional on citizenship, which could drive even more families into poverty.⁶⁰

Visa-dependent families also face distinct disadvantages in the **housing and mortgage market**.

- Visa-holder mortgage applicants in the UK typically face stricter criteria, with many lenders requiring at least 6–12 months of remaining visa validity and applying tighter limits until borrowers obtain indefinite leave to remain.⁶¹
- Typical deposit expectations are also 10–25%, higher than for borrowers with ILR or citizenship.⁶²
- Some lenders explicitly cap loan-to-value (LTV) ratios or require ILR for higher-LTV lending (e.g. one major lender requires evidence of indefinite leave for over 90% LTV and caps LTV at 75% where ILR is absent in some scenarios).⁶³
- If Skilled Worker status is extended over a decade or more, with settlement only at the end, families can spend years in a higher-deposit, tighter-criteria mortgage segment, or be shut out of ownership entirely. The concrete consequences include:
 - Delayed or forgone home-ownership, keeping families in the private rented sector, where rents may be higher and security of tenure weaker.
 - Reduced ability to move to areas where their skills are most needed.
 - Higher long-run housing costs, meaning less disposable income for savings, further training, or children's education.

The earned-settlement proposals also interact with partner income thresholds. Commentaries warn that requiring partners to earn at least £12,570 for 3–5 consecutive years will be particularly challenging for those who are primary

⁶⁰ <https://www.praxis.org.uk/news/explainer-earned-settlement>

⁶¹ <https://www.tembomoney.com/learn/mortgage-visa-requirements-uk#what-are-the-visa-requirements-for-a-mortgage-in-the-uk>

⁶² <https://firsttimefinance.co.uk/uk-mortgage-deposit-visa-holders/>

⁶³ <https://www.accordmortgages.com/criteria/foreign-nationals>



SKILLED WORKER JUSTICE ALLIANCE

Analysis • Evidence • Scrutiny

caregivers, work part-time, are pursuing vocational training, or are concentrated in lower-paid sectors like hospitality and retail.⁶⁴

- The Migration Observatory warns more broadly that high income thresholds “may result in family separation and longer settlement routes,” with some family members meeting criteria and others not.⁶⁵
- This can lock families into extended periods of separation, or force them to maintain precarious living arrangements across borders.

Of the approximately 1.35 million people already on settlement routes who would face longer qualifying periods, 23% (or 309,000) are children who are mostly dependants on work routes to settlement.⁶⁶

- The increase in settlement times for these children will result in difficult uncertainty for families and introduce significant barriers to these children entering higher education.

Summary of responses to the Skilled Worker Justice Alliance’s survey on the impact of the proposed changes to the settlement route for Skilled Workers already in the UK

The below is an analysis of the responses to a survey run by the Skilled Workers Justice Alliance of some of their members on the impact of the changes proposed in the earned settlement consultation. The survey responses demonstrate the significant impact that retrospective changes to routes to settlement would have on existing Skilled Workers, and how these impacts will affect workforce stability and have a marked human impact on individuals. The survey was completed by 106 workers in the UK on Skilled Worker visas. Key survey findings are:

Professionally, respondents are embedded in recognised shortage sectors and often occupy specialised, technical or UK-specific roles. Many describe filling gaps that

⁶⁴ <https://www.lewissilkin.com/insights/2025/12/24/the-earned-settlement-proposals-minimum-mandatory-requirements>

⁶⁵ <https://migrationobservatory.ox.ac.uk/resources/commentaries/family-fortunes-the-uks-new-income-requirement-for-partner-visas/>

⁶⁶ <https://www.ippr.org/articles/far-from-settled-the-governments-earned-settlement-consultation>



SKILLED WORKER JUSTICE ALLIANCE

Analysis • Evidence • Scrutiny

are not easily substituted by domestic labour, particularly where positions require sector-specific expertise or qualifications developed within the UK system. Prolonged insecurity is widely reported to discourage normal job mobility, delay progression and increase dependence on continued employer sponsorship. Rather than fostering a dynamic labour market, extended conditionality appears to entrench risk-averse behaviour, weaken negotiating power and reduce workforce flexibility.

Financially, respondents describe having structured major life decisions – property purchases, pension contributions, educational investment and long-term savings – around the five-year pathway as presented on arrival. Retrospective change therefore affects not only future plans but sunk investments made in good faith. Housing access, mortgage eligibility and creditworthiness are directly shaped by immigration status, meaning prolonged uncertainty has tangible consequences beyond visa timelines. Families describe being unable to plan with confidence, delaying milestones such as home ownership or children.

The human impact is particularly pronounced within families. Parents describe children who are fully integrated into UK education and social life, many of whom have only known the British system. Academic subject choices, university pathways and career ambitions have been structured around remaining in the UK. Settlement uncertainty is already affecting educational planning, university affordability and long-term aspirations. Respondents report anxiety, loss of motivation and fear that sustained academic effort may ultimately be undermined by factors outside their control. In some cases, parents shield children from the uncertainty entirely due to its emotional weight.

Further key survey findings are:

Economic resilience

- 83% of respondents have an employment income between £26,200 - £50,269, with 9% over £50,270.
- Over 80% of respondents said their employer would need to relocate work or recruit new staff should the settlement changes mean they need to relocate, and 78% said their employer would incur additional human resource or operational costs.



SKILLED WORKER JUSTICE ALLIANCE

Analysis • Evidence • Scrutiny

- **Half of respondents** reported **‘providing specialist, technical, or professional expertise to UK organisations or projects’**.
- **All respondents** considered the proposed changes to have **some impact on their career progression**, with **81%** assessing the impact as either **‘Extreme hindrance’** or a **‘significant impact’**.
- Considering costs related to long-term residency and visas already incurred, over 90% of people surveyed have spent over £25,000 and 42% of respondents have spent over £100,000.
- In the situation where the qualifying period was extended by 5 years, half of those surveyed estimated they would have to pay over £20,000 in visa application and IHS fees alone (Q20).
- 85% of respondents (Q22) said proposed changes to settlement requirements for Skilled Worker visa holders would put their finances under extreme or significant pressure.
- **62%** said **immigration policy certainty** played an **‘Extremely Important’** role in their **decision to work in the UK** and a further 28% ranked it ‘Very Important’.
- **67%** of survey respondents reported it being **‘likely’ or ‘extremely likely’** that they would look to **leave the UK** should **residency requirements be increased** to 10 years and if leaving 45% of respondents would do so within a year.
- **67%** of respondents indicated that they **would have not moved to the UK** but instead moved to a **different country with clearer long-term settlement prospects** had it been made clear to them that attaining settlement (Indefinite Leave to Remain, ILR) after 5 years is not guaranteed at the time they made the initial decision to work in the UK.

Extended impact of retrospective changes to policy

- **49%** of respondents have low or no confidence that there will be consistency of settlement policy before they become eligible to apply.

Human impact

- 75% of respondents expect if the proposed changes to routes to settlement are made they will affect ‘overall sense of stability or stress levels’.
- 90% of respondents with partners on dependant visas felt settlement changes would extend the timelines for their partner’s UK settlement, 79%



SKILLED WORKER JUSTICE ALLIANCE

Analysis • Evidence • Scrutiny

expected increased cumulative costs from prolonged dependant status and 64% identified that the long-term stress caused by settlement changes would affect family harmony.

- Of respondents with **children on dependant visas** **82%** reported their children had **established community and social ties** in the UK, **76%** have been **educated in the UK** for a prolonged time and for **71% English** is their **main or strongest language**. Over half of the children were at a critical exam period.
- All responses from Skilled Workers with children on dependant visas assess that if change to settlement policy meant their child(ren) had to leave the UK it would have a negative impact on their emotional and mental wellbeing. 94% felt there would be significant disruption to education continuity and 88% recognised the loss of language and cultural familiarity.
- 12 of the 17 responses from Skilled Workers with children on dependant visas felt their children having to leave the UK would have 'severe and potentially long-lasting harm'.
- All respondents thought the proposed changes to settlement requirements would affect their child(ren)'s route to obtaining settlement.

You can read the full survey analysis by contacting contact@swjauk.com.



SKILLED WORKER JUSTICE ALLIANCE

Analysis • Evidence • Scrutiny

Annex A - Employer sunk costs

- The Employer Skills Survey 2024 provides detailed, economy-wide data on employer training investment:
 - Total training expenditure in 2024: £53.0 billion.
 - Spend per employee: £1,700; spend per trainee: £2,710 (all in 2024 prices).
- By sector, training spend per employee is:
 - Health & social work: £1,390.
 - Education: £2,050.
 - Tech (Information & communications): £1,630.
- These are not specific to migrants, but they are averages that can be used as annual per-head training cost estimates for Skilled Workers in each sector.

Sector	Tenure band	Training cost assumption	Sponsorship cost assumption (assuming large employer)	Estimated sunk cost per Skilled Worker (training + sponsorship)
Health & social care	0–2 years	£1,390 per employee per year; 2 years → £2,780 training.	1 CoS at £525 + 2 years ISC at £1,320/year → £2,640 ISC.	≈ £5,945
	3–5 years (cumulative 0–5)	Additional 3 years training: 3 × £1,390 = £4,170.	Additional 3 years ISC: 3 × £1,320 = £3,960.	Incremental 3–5: ≈ £8,130. Cumulative 0–5: ≈ £14,075.
	5+ years (assume 7 sponsored years total)	Additional 2 years training: 2 × £1,390 = £2,780.	New CoS at £525 + 2 more years ISC = £2,640.	Incremental 5–7: ≈ £5,945. Cumulative 0–7: ≈ £20,020.



SKILLED WORKER JUSTICE ALLIANCE

Analysis • Evidence • Scrutiny

Education	0-2 years	£2,050 per employee per year; 2 years → £4,100 training.	1 CoS at £525 + 2 years ISC at £1,320/year → £2,640 ISC.	≈ £7,265
	3-5 years (cumulative 0-5)	Additional 3 years training: $3 \times £2,050 = £6,150$.	Additional 3 years ISC: $3 \times £1,320 = £3,960$.	Incremental 3-5: ≈ £10,110. Cumulative 0-5: ≈ £17,375.
	5+ years (assume 7 sponsored years total)	Additional 2 years training: $2 \times £2,050 = £4,100$.	New CoS at £525 + 2 more years ISC = £2,640.	Incremental 5-7: ≈ £7,265. Cumulative 0-7: ≈ £24,640.
Tech (Information & communications)	0-2 years	£1,630 per employee per year; 2 years → £3,260 training.	1 CoS at £525 + 2 years ISC at £1,320/year → £2,640 ISC.	≈ £6,425
	3-5 years (cumulative 0-5)	Additional 3 years training: $3 \times £1,630 = £4,890$.	Additional 3 years ISC: $3 \times £1,320 = £3,960$.	Incremental 3-5: ≈ £8,850. Cumulative 0-5: ≈ £15,275.
	5+ years (assume 7 sponsored years total)	Additional 2 years training: $2 \times £1,630 = £3,260$.	New CoS at £525 + 2 more years ISC = £2,640.	Incremental 5-7: ≈ £6,425. Cumulative 0-7: ≈ £21,700.

All rows assume:

- ESS training spend is a reasonable proxy for average annual employer training cost per employee in that sector.



SKILLED WORKER JUSTICE ALLIANCE

Analysis • Evidence • Scrutiny

- Skilled Worker visa holders receive similar training intensity to the sectoral average once employed.
- Medium/large sponsor ISC and CoS rates are stable at the cited levels.

Sources: ESS 2024 training spend per employee,⁶⁷ CoS rates,⁶⁸ and ISC rates⁶⁹.

⁶⁷ <https://explore-education-statistics.service.gov.uk/find-statistics/employer-skills-survey/2024>

⁶⁸ <https://www.davidsonmorris.com/skilled-worker-visa-fees/>

⁶⁹ <https://www.ein.org.uk/blog/immigration-skills-charge-rising-30-16-december-2025>