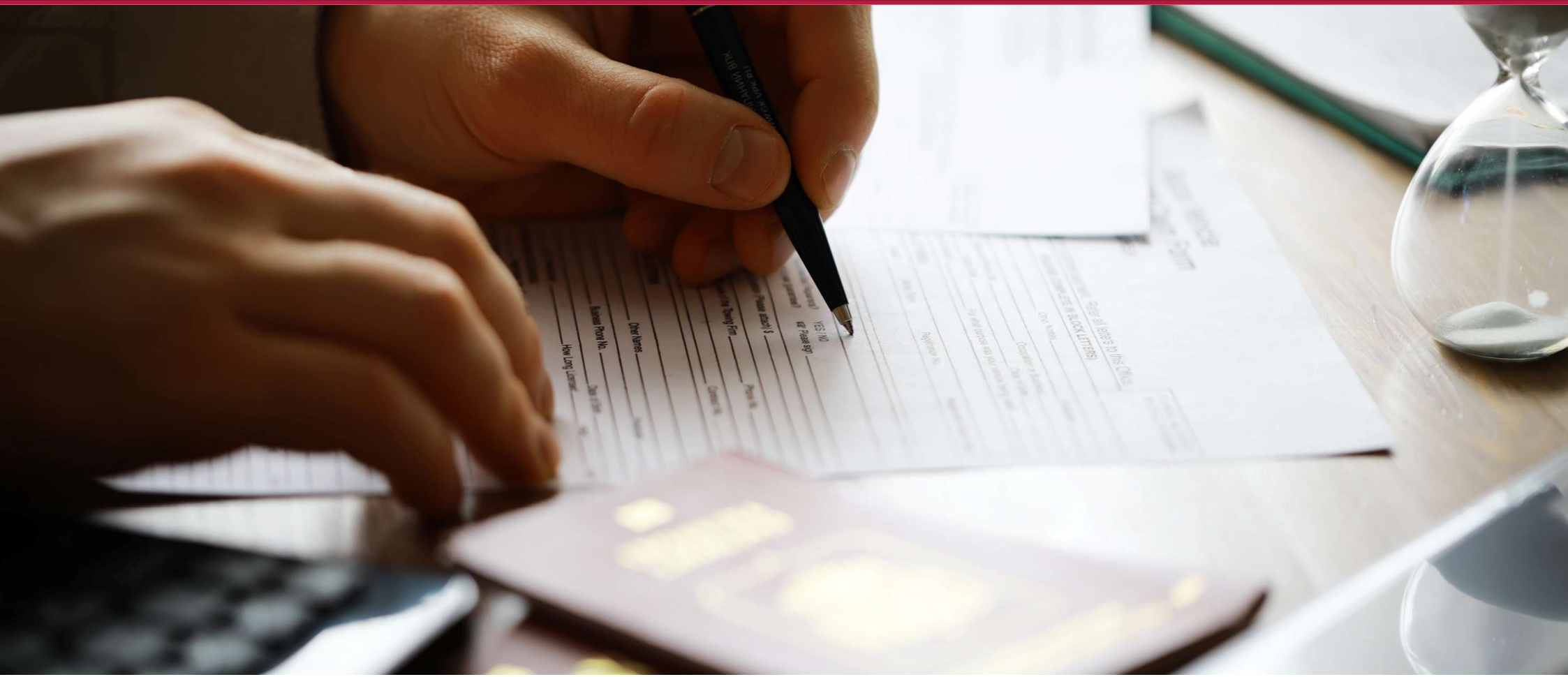
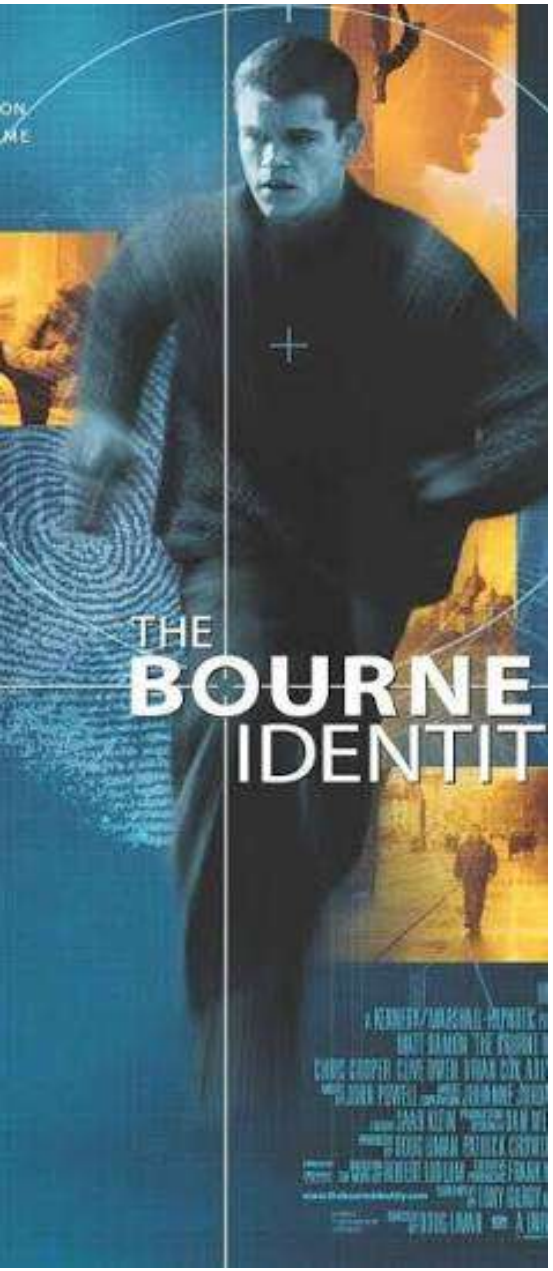
Navigating change: UK immigration updates every HR team needs to know

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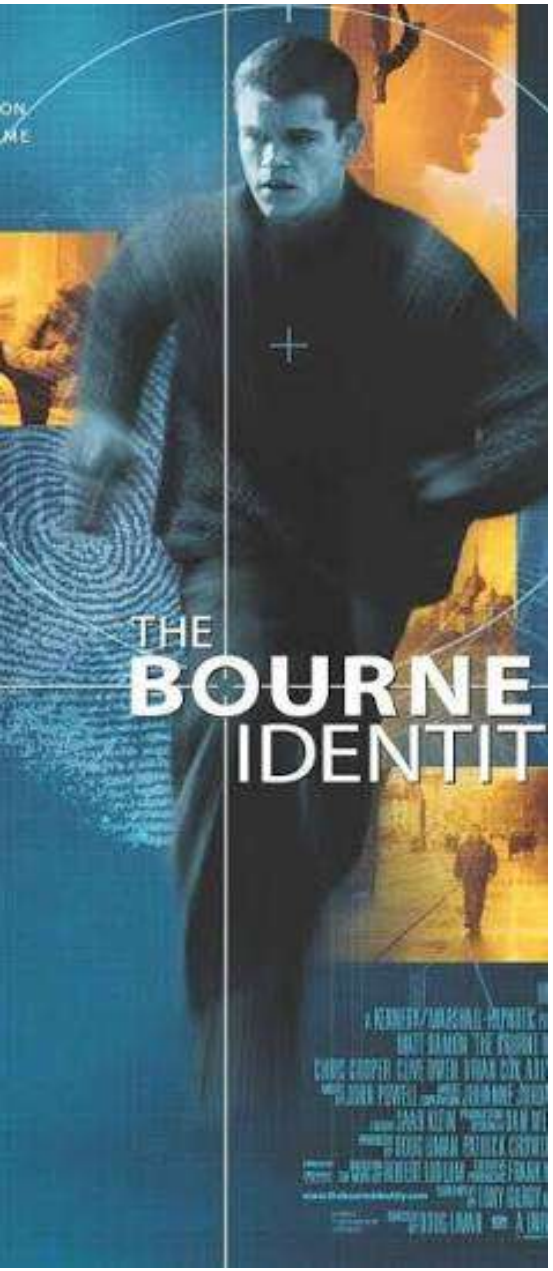


Right to work checks – October 2026 changes

Workforce: Look beyond direct employees - Specified contracting chains, online matching services and substitution arrangements attract additional statutory-excuse conditions, including contractual controls, audit rights and identity-continuity systems.

Extended liability: Do you have a defence? – Set of prescribed requirements to establish a defence including written T&Cs, substitutions controls and ID verification systems.

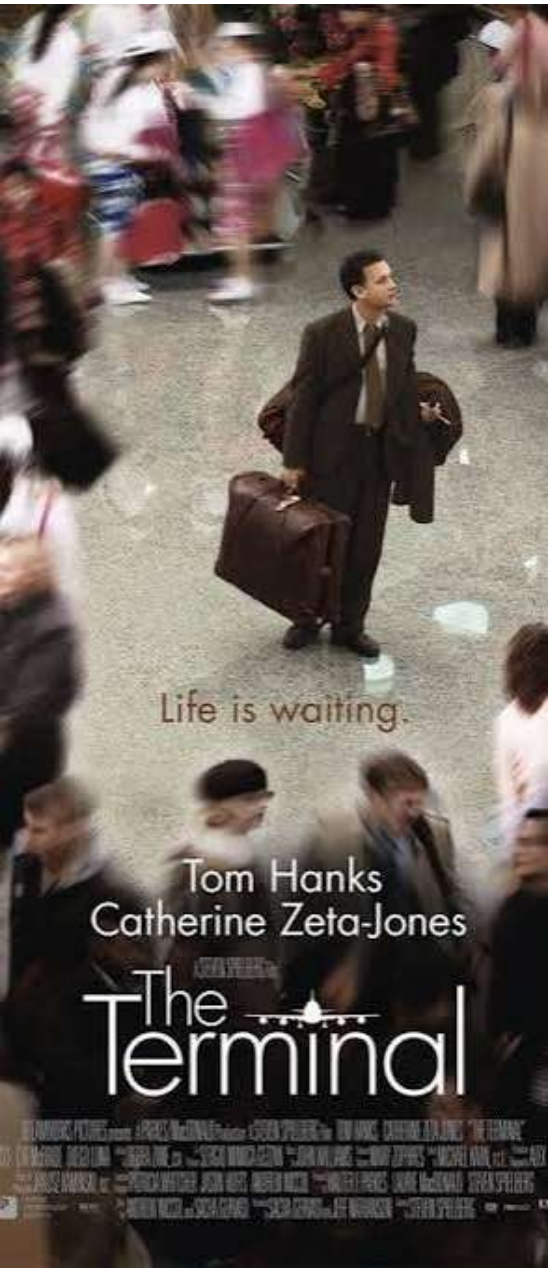
Evidence: Retain more than a "check completed" message - Where facial recognition is used, obtain the required confirmations and securely retain the prescribed images and confirmation for at least two years after employment ends.



Right to work checks – Takeaways

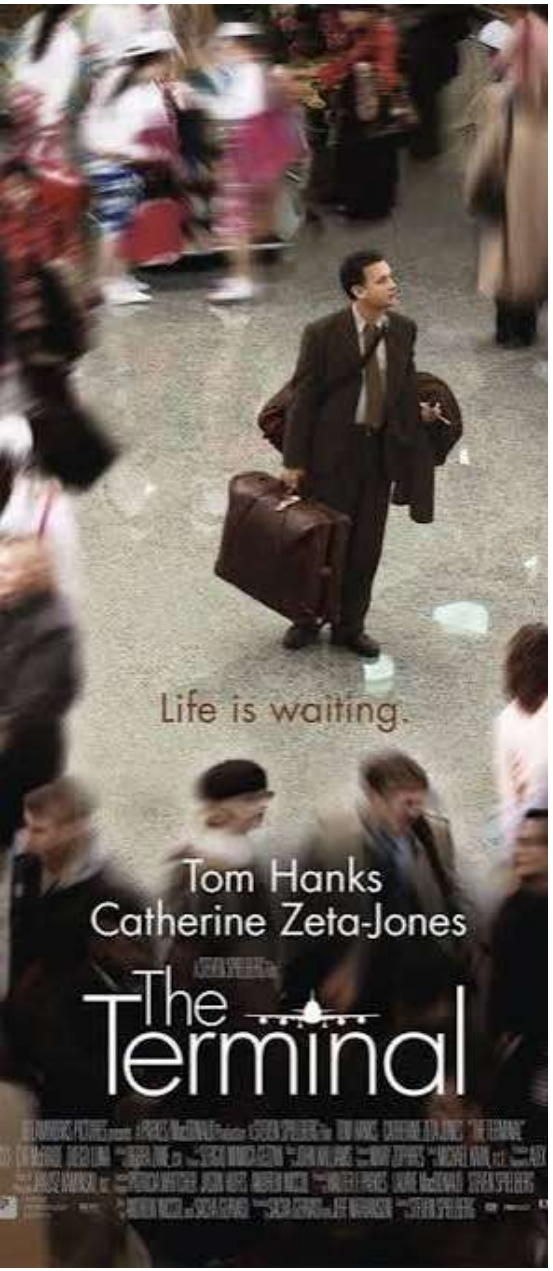
- Does HR's checking process reflect the new framework?
- Have procurement and legal teams checked in labour-supply and contractor agreements? Changes to previous contracts which would constitute a new contractual arrangements and engage new liabilities?
- Recommend maintaining evidence showing:
  - the organisation is the end user of the services
  - the supplier controls recruitment and deployment decisions;
  - the supplier bears responsibility for compliance with immigration laws;
  - the arrangement is a genuine outsourced service rather than labour supply

Refer to new Q&A section at Annex C of Employer's Guide to Right to Work checks

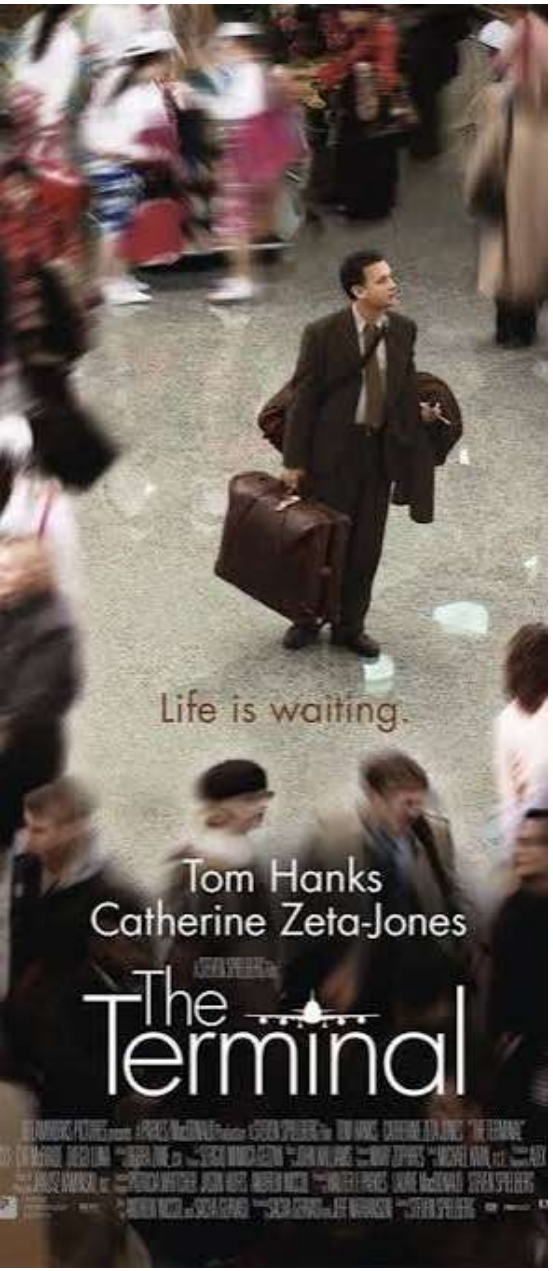


Earned Settlement

- **Standard qualifying period for settlement to increase from 5 years to 10 years** - accelerated or extended routes available depending on an individual's contribution, integration, compliance history and broader circumstances.
- **Enhanced eligibility criteria** - including meeting higher English language requirements (CEFR Level B2), demonstrating good character and meeting minimum earnings thresholds.
- **Individuals with adverse immigration or compliance histories face significantly longer routes to Settlement** - including those who have previously overstayed, breached immigration conditions, historical convictions or recently accessed public funds without entitlement.
- **Targeted transitional protections are proposed for certain existing migrants** - including some workers in the health, care and education sectors. In addition, Skilled Workers sponsored under the pre-April 2024 salary framework are expected to retain the ability to extend their permission under existing arrangements until 2035.



Minimum Residence	Who is this pathway for?	Must have	Must not have
3 years	People making an **exceptional economic contribution** to the UK	One of: • Earned £125,141 for 3 years (or 3 of the last 4 years) • Qualifies through the highest talent group	• Access public funds in the last 5 years • Committed a qualifying immigration breach
5 years	People making a **strong contribution to the UK**, including high earners, public service workers, people with a British connection.	One of: • Earned £50,271 for 3 of the last 5 years • Worked in an eligible public service occupation for 15 years • British connection • Meets all mandatory requirements	• Access public funds in the last 5 years • Committed a qualifying immigration breach
10 years	The **starting point for anyone playing by the rules and making a contribution to the UK**.	• Earned £12,571 for 5 of the previous 7 years • Meets all mandatory requirements	• Access public funds in the last 5 years • Committed a qualifying immigration breach
20 years	People whose immigration non-compliance or access to public funds prevents them from qualifying for an earlier pathway.	• Earned £12,571 for 5 of the previous 7 years • Meets all mandatory requirements	• None



Earned Settlement - Takeaways

- **Extension to settlement timelines** – Longer periods of immigration sponsorship may be required.
- **Career progression and earnings** - If settlement becomes linked to economic contribution, salary progression and professional advancement may become more relevant factors. Employers may need to consider how remuneration, promotions and skills development align with employee immigration objectives.
- **Retention risk** – If Settlement becomes harder to achieve or takes longer, some employees may reassess their long-term plans in the UK, potentially impacting retention of key overseas talent.
- **Workforce planning** – Audit SW worker populations, identify Settlement eligibility for different cohorts, review immigration budgets, develop communication pathways for affected employees.
- **Budgeting** – Additional visa applications and longer routes to Settlement will involve high costs, increased legal support requirement.



Shortage List and Transitional arrangements

- **Temporary does mean temporary** – Old immigration Salary List end s on 31 December 2026 and further changes likely to Temporary Shortage List. Currently eligibility dependent on the occupation being listed and the Certificate of Sponsorship being issued before 31 December 2026.
- **Check the individual occupation, not just the list's name** - The Immigration Salary List has occupation-specific removal dates, with many entries carrying a 31 December 2026 removal date.
- **Existing workers may need a different analysis** - Some recruitment and dependant outcomes depend on historic grants, occupation codes and continuity of permission. Do not assume the position for an existing worker matches that of a new overseas recruit.



Sponsor Compliance

Home Office focus areas

- Right to work compliance
- Reporting and Record keeping obligations
- Genuine vacancy assessments
- Salary compliance

Common mistakes

- HR systems not aligned with immigration records
- Failure to report role changes
- Errors/delays in carrying out right to work checks
- Promotions without immigration review
- Hybrid-working arrangements not documented



Sponsor Compliance

Recommendations

- Ensure Key Personnel and Senior Managers are familiar with sponsor licence obligations
- Audit right-to-work procedures annually
- Train hiring managers
- Regular checks on Key Personnel and corporate details on sponsor licence to ensure remains up to date
- Conduct post-acquisition immigration reviews
- Review contractor engagement practices



What's coming?

	Expected reforms/changes	Action points
Now – End of 2026	• 28.10.2026 - Finance Bill 2026-27 confirms that an employer's payment of the Immigration Skills Charge (ISC) or a Certificate of Sponsorship (CoS) fee is not treated as a taxable benefit in kind. • Further Home Office guidance, impact assessments and detailed Immigration Rules implementing the Earned Settlement framework.	• Review workers with UK immigration permission. • Identify employees potentially affected by longer settlement pathways
Q1-Q3 2027	• 01.01.2027 – New Graduate migrants granted permission for 18mths. • Introduction of the new Earned Settlement framework with new eligibility requirements. • 26.03.2027 - Stronger English language requirements	• Prepare for increase in employee queries regarding settlement eligibility, retention and future UK plans.



What's coming?

	Expected reforms/changes	Action points
Q1-Q3 2027 (cont'd)	• Changes to Skilled Worker salary requirements • 01.04.2027 – Increase to National Minimum Wage and applicable to Skilled Worker migrants	• Have insight into affected occupations affected by salary threshold reductions. • Be prepared for general salary threshold increase. • Review any PhD roles you have within the organisation.
Throughout 2027	• Closure of the Long Residence route • Ongoing focus on sponsor compliance, enforcement and illegal working • Changes to allow the 'highest skilled workers' to have a visa curtailment period of up to six months.	• Reassessment of Graduate recruitment and early careers strategies. • Increased demand for sponsorship from Graduate visa holders. • Need for licence and RTW audits, HR training and compliance reviews

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