Home Affairs Committee (HAC) Inquiry – Routes to settlement - December 2025

Summary of evidence

International staff are essential to the UK's Higher Education (HE) sector, making up a large proportion of academic and professional services staff roles that cannot easily be filled domestically, in a sector already under severe financial strain. Higher Education Institutions (HEIs) report that, in an already high-cost immigration system compared with competitor countries, proposed longer or stricter routes to settlement and higher associated costs (visa fees, the Immigration Health Surcharge (IHS) and Indefinite Leave to Remain (ILR) fees) would significantly damage their ability to attract and retain global talent. These changes will increase the financial burden for individuals and HEIs, create greater uncertainty and add to the administrative pressure on employers.

HEIs believe that the prospect of permanent settlement strongly influences candidates' decisions to work in the UK. Many current international staff are already seeking alternative visa routes (such as the Global Talent route), accelerating ILR or citizenship applications, and some are leaving the UK or not renewing visas due to rising costs and uncertainty. Concerns are especially acute for those already part-way through the current five-year settlement route, who fear retrospective changes. HE employers report heightened anxiety, reduced morale, and family disruption among staff, as well as potential loss of researchers who no longer meet rising salary thresholds.

Longer settlement routes risk undermining the UK's global competitiveness in research and innovation, making it harder to fill critical vacancies and weakening the UK's reputation as a welcoming destination for highly skilled staff. HEIs warn that this could affect research output, investment, and student experience, particularly in disciplines where domestic expertise is limited.

Most HEIs argue that long-term contribution should be understood broadly - including research, teaching, innovation, mentorship, community engagement and wider societal impact - and that the current settlement requirements (e.g. five years' continuous skilled employment) already reflect substantial contribution on the part of migrant workers. HEIs proposed exemptions for roles in critical national priority areas (e.g. life sciences, digital, defence, clean energy, PhD-level SOC[1] codes), clarity for families, and strong transitional protections for existing visa holders.

Overall, the Universities and Colleges Employers' Association (UCEA) and Universities UK (UUK) urge the Home Affairs Committee to recognise the damaging impact of extended settlement routes and to ensure fair transitional arrangements, stressing that proposed changes risk deterring essential international talent across HE and beyond at a time when the sector's capacity to absorb further costs and uncertainty is already extremely limited.

1. Introduction

1.1 UCEA represents 169 Higher Education (HE) employers, providing them with advice and guidance on employment and reward matters.[2] UUK represents 142 universities and works with universities, the Government and stakeholders to continue improving the UK's world-leading higher education sector and promote the important role universities have in our society and globally.

[1] SOC – standard occupational classification code

[2] *The terms "HEI(s)" (Higher Education Institution(s)) and "university/universities" are used interchangeably throughout to describe UCEA's membership which consists of Higher Education providers which are active in teaching, research and scholarship including universities, colleges, and conservatoires, and associated organisations.*

1.2 UCEA and UUK welcome the opportunity to submit evidence to this Home Affairs Committee (HAC) inquiry to examine the Government's proposals to reform the eligibility criteria for ILR.

1.3 The key points to highlight from the evidence are as follows:

- The UK HE sector is now operating under acute financial strain. This context is crucial for considering changes to settlement rules, as HEIs have very limited capacity to absorb further increases in immigration-related costs or recruitment risks without consequences for jobs, provision and the UK's research base.
- HEIs reported they are currently experiencing difficulties in recruiting and retaining international talent due to the changes in the immigration rules over the last 18 months.
- Longer or stricter routes to settlement will make the UK less attractive - the proposals undermine the UK HE sector's competitiveness, and there is concern at senior level about HEIs' ability to recruit high-calibre staff from around the world in the context of the UK's stringent and costly visa system. This will make it more difficult to recruit high-calibre talent when compared with other countries that have more favourable visa rules and rights to settle.
- The significant input and long-term contributions to the UK through the work of those in academic, research, engineering, scientific, technical, the arts and other specialised roles should be recognised when considering pathways to settlement and earned settlement.
- Existing international HE staff are concerned about the impact of the proposals on their ability to stay in the UK. Some are already not renewing their visas due to high visa and immigration costs and uncertainty about longer ILR qualifying periods.

2 International staff and the HE sector

2.1 The recruitment of talented international staff helps to underpin the UK's reputation for world-leading HE which is integral to the global research eco-system. The success of the UK's HE sector is dependent on a large and varied base of skilled staff – many of whom are recruited from overseas. This includes world-leading experts and research leaders, but also early career researchers, laboratory technicians, language assistants and many other roles that cannot easily be filled by the domestic labour market and are not roles in which it is easy to upskill quickly. The ability of talented international staff to apply to settle in the UK after a period is an essential element of attracting and retaining such staff, and is therefore important for HEIs.

2.2 International staff have made up a third of all academic staff in UK HE over the past five years (2019/20 to 2023/24), with the number of international academic staff increasing by 17.2% over this period. Meanwhile, the number of UK nationals working as academic staff in UK HE has increased by 7.1% between 2019/20 to 2023/24. International staff have made up between 10 and 15% of all professional services staff in UK HE over the past five years, with numbers growing by 32.1% over this period. Meanwhile, the number of UK-domiciled non-academic staff has increased by 1.8%.

3 Financial challenges facing the HE sector

3.1 The UK HE sector is now operating under acute financial strain. This context is crucial for considering changes to settlement rules, as universities have very limited capacity to absorb further increases in immigration-related costs or recruitment risks without consequences for jobs, provision and the UK's research base.

3.2 With domestic tuition fees effectively frozen for over a decade, the real-term value of HEI income has been eroded year on year, leaving universities unable to cover the full cost of teaching or research. Analysis by UUK shows that the 'unit of resource' for teaching in

England – which includes both tuition fees and direct government grants – is now 64% lower than it was in 2015-16. This means that HEIs in England today receive £6.4bn a year less in real terms for teaching home students compared to a decade ago.

3.3 While the Government has recently announced it intends to link English tuition fees to inflation from now on, this will only prevent the gap that has grown in funding the teaching of domestic students from growing further. Even after surpluses from international student income are taken into account, the sector still recorded a £4bn deficit last year – equivalent to 9.4% of total income (UUK analysis of TRAC data). The Office for Students (OfS) reports that 40% of English providers were already in deficit in 2023/24, underscoring the funding pressures currently facing the sector.

3.4 At the same time, international student recruitment – a key component of the sector's funding – continues to look uncertain. UUK International (UUKi) analysis shows that international student enrolments fell in both 2023/24 and 2024/25, resulting in a drop of over £1.1bn in fee income since 2022/2023. This downturn compounds existing domestic underfunding and leaves universities with even less capacity to absorb financial shocks. The proposed international student levy will intensify these pressures as it will directly reduce university income while undermining the UK's competitiveness as a study destination, risking deeper cuts to teaching and research.

3.5 Staffing represents around half of all HEI expenditure (HESA finance data), meaning that when income falls, workforce costs inevitably become the area where institutions are forced to make the deepest cuts.

3.6 As a result, HEIs have already taken significant steps to reduce costs. A recent UUK member survey found that:

- 86% of HEIs have implemented measures such as vacancy freezes, non-pay control, re-organisation and redundancies.
- 81% have adjusted the shape and size of the institution and closed academic programmes.
- 25% have already undertaken compulsory redundancies.

3.7 These decisions demonstrate that institutions have limited remaining capacity to absorb additional costs. Taken together, this means that any changes to ILR pathways which increase costs, administrative burdens or recruitment risks would not be absorbed in isolation: they would translate into further workforce reductions, course closures and diminished capacity to recruit and retain international staff.

4 International comparison and competitiveness

4.1 The UK's offer on cost and predictability of settlement also needs to be understood in international context, given that HEIs are competing in a global labour market.

4.2 By international standards, the UK already has one of the most expensive and burdensome immigration regimes among major research nations. Analysis commissioned by the Royal Society shows that the upfront cost of a five-year Global Talent visa (GTV)[3] – including visa fees and the IHS – is more than twenty times higher than the average cost of comparable researcher routes in 14 other leading science nations, including Germany, France, Spain and Japan. Even when the IHS is excluded, the UK's upfront visa fees remain significantly higher than in these competitor nations

[3] The Global Talent visa is a UK immigration category for talented and promising individuals in specific sectors wishing to work in the UK.

(although, as with the UK's Skilled Worker[4] and Global Talent routes, all systems apply eligibility criteria such as qualifications, salary thresholds or points tests).

4.3 For researchers and highly skilled workers who meet those criteria, leading competitor countries often offer relatively low-cost, stable and attractive pathways to long-term residence. Germany's EU Blue Card and related research residence permits, for example, have no equivalent health surcharge, lower application fees, and offer a clear route to permanent residence in as little as 21-33 months for highly qualified workers. Similarly, France's Passeport Talent – Chercheur route is priced at a fraction of UK costs, allows dependants to join at considerably lower cost, and provides a multi-year residence permit (up to four years) that can lead to long-term residence after around five years of continuous stay, without repeated, high-cost renewals. Australia offers multiple routes to permanent status that are attractive to global talent, including the Skilled Independent visa (subclass 189), a points-tested visa that grants permanent residence without employer sponsorship for invited skilled workers, and the National Innovation / Global Talent visa (subclass 858), which provides immediate permanent residence for a one-off government charge (typically in the region of AUD 4,000-5,000 for the main applicant) with no UK-style recurring health surcharge.

4.4 These competing offers underline the strategic risk for the UK. If settlement becomes longer, more expensive or less predictable, the UK will fall even further behind countries that are deliberately lowering barriers to attract international researchers. In a global market where talent has multiple options, HEIs are clear that the UK's already high costs mean any tightening of settlement routes will make it substantially harder to recruit and retain world-class staff.

5. Potential impact of changes to pathways to settlement

5.1 UCEA surveyed member HEIs on the potential impact of changes to pathways to settlement and ILR based on the HAC inquiry's terms of reference. Additionally, the potential impact was discussed by members of UCEA's Immigration HR Network (IHRN). Our submission to this call for evidence is based on the response to the survey from 18 HEIs representing a mix of pre-92 and post-92 institutions across the UK, as well as feedback from the discussions at the IHRN meeting.

5.2 ILR is an important to migrant workers (and sponsoring organisations) because if they have ILR there is no longer any time limit on their ability to stay in the UK and they are regarded as settled in the UK. ILR allows individuals to live in the UK permanently without the need for a visa or extensions of limited leave to remain.

6.Impact on recruitment and selection of longer or stricter routes to settlement

6.1 International staff play a critical role in delivering world-class research, innovation, and teaching, and in supporting the UK's strategic priorities across science, technology, health, and industrial growth. Responding HEIs therefore expressed significant concern about the detrimental impact of stricter routes to settlement on their ability to attract, recruit and retain international staff.

6.2 From the individual's perspective, HEIs stated that longer settlement routes will increase uncertainty and the financial burden, particularly the cumulative cost of visa fees and the IHS which is payable per year of the visa and for dependants. For example, a ten-year settlement route would see the IHS cost double to £10,350 per

[4] The skilled worker visa is a UK immigration route for foreign nationals who have a job offer from an approved sponsor to work in an eligible skilled occupation at Regulated Framework Qualification level 6 or above.

adult family member. UK visa costs are already some of the highest in the world and uncertainty about a longer settlement route is likely to make the UK a less attractive destination for talented global researchers and teachers who have alternative opportunities in countries with more affordable, predictable and transparent routes to settlement (see 4.3).

6.3 Skilled workers also incur other costs when relocating permanently to the UK, for example, applicants for ILR currently pay fees for settlement and naturalisation should they wish to become British citizens. ILR fees are currently £3,029 for each person applying and £1,605 for adult naturalisation. These cumulative costs can be prohibitive and may also deter highly skilled individuals from choosing the UK as a destination for long-term employment.

6.4 From HEIs' perspective a lengthened or more complex settlement pathway puts greater strain on resources, including administrative oversight, immigration compliance and financial sponsorship costs. Several institutions noted that further tightening of settlement routes could force them to limit the number of international researchers and academic staff they recruit. This would have direct consequences for the UK's research and innovation capacity, potentially reducing the calibre of staff available, undermining the viability of major research projects, and weakening the UK's ability to attract external investment.

6.5 Responding HEIs were very concerned that the proposed changes to settlement pathways would exacerbate the existing challenges in recruiting and retaining international staff. Comments included:

- There is already a shortage of qualified individuals in areas aligning with the Industrial Strategy such as AI, energy and advanced manufacturing.
- Following Brexit and the ongoing restrictive changes to the Skilled Worker (SW) visa, HEIs reported seeing an increase in the turnover of international researchers, particularly EEA[5] nationals, who are opting to leave the UK.
- The UK HEI sector is competing with key countries such as Australia and the US to attract top research talent – with the proposed changes to settlement period, we will become a much 'less attractive' option with regards to more restrictive immigration rules and cost.
- The skilled occupations typically sponsored by HEIs have higher salary requirements under immigration rules present financial challenges for HEIs, for example, since 22 July 2025 the 'going rate' for new HE teaching professionals (SOC[6] 2311) is £52,600 without any salary discounts.
- It is already difficult for HEIs to meet salary thresholds for sponsorship, particularly for early-career academics and postdoctoral researchers. If added to this the pathway to settlement is made longer or more complex, the UK risks becoming even less attractive to international talent. This could lead to a decline in applications and increased difficulty in filling critical vacancies.

7. Evidence of prospect of permanent settlement affecting candidates' decisions to work in the UK

7.1 Responding HEIs commented that it is difficult to quantify how the prospect of permanent settlement affects candidates' decisions to work in the UK. However, most responding HEIs strongly believed that the prospect of permanent settlement does

[5] EEA – European Economic Area

affect an individual's decisions to work in the UK and that the proposed changes are already having a negative impact.

7.2 HEIs stated that in their experience a secure route to permanent settlement was a key factor for international staff when deciding on a job offer. Permanent settlement offers long-term security and clearer rights. Stability will be a factor when candidates are comparing job opportunities in other countries.

7.3 HEIs reported an increase in requests from current SW visa holders to switch to or be reassessed under the GTV which offers a faster route to settlement and more flexibility. Several HEIs reported an increase in the number of staff on GTVs as opposed to SW visas. This shift reflects a perceived decline in the attractiveness of the SW route, owing to its increasing administrative complexity, continually evolving requirements, and financial implications (including institutional immigration related loan schemes).

7.4 HEIs commented that this shift suggests that the prospect of permanent settlement is becoming an increasingly important factor in employment decisions for international researchers and academics. Should routes to settlement become longer or less certain, HEIs anticipated this will have a measurable deterrent effect on future recruitment.

7.5 HEIs reported that another indicator that the prospect of permanent settlement affects candidates' decisions to work is the frequently asked questions from candidates about settlement in the UK. The current eligibility criteria allowing individuals to apply for ILR after five years is often a deciding factor in accepting employment in the UK. This is even more so for the GTV where there is a relatively straightforward three-year continuous residence pathway to ILR. This is often a deciding factor that steers applicants towards the GTV.

8. Impact of longer routes to settlement on migrant households and integration

8.1 HEIs reported that the proposal to increase the qualifying continuous residence period to ILR plus the lack of clarity or recognition for those on GTVs who may or may not be impacted, has caused significant disruption to staff who think they may be affected. Existing international staff are very anxious about the proposed changes. Consequently, HR immigration and global mobility teams have seen a significant increase in queries from staff seeking clarification, reassurance and help.

8.2 If the changes to pathways to settlement were to be applied retrospectively; HEIs strongly believed this would be detrimental to their international workforce from the mental health, wellbeing and financial perspectives. Retrospective application of the changes would have serious implications for current staff with an HEI describing any such move as catastrophic for morale, wellbeing and trust and one which would undermine UK's world-leading status and international reputation.

8.3 HEIs stated that applying changes to those already in the UK and on a qualifying period to ILR would be inherently unfair. Many SW visa holders applied for their visas based on the ability to apply for ILR for themselves and their dependants after five years. Individuals have adhered to their visa terms and conditions, and many have saved money, taken out a mortgage to establish a home in the UK and relocated their family based on knowing they will be able to apply for settlement after five years. HEIs reported that the anxiety within this population of the workforce is more heightened than ever.

8.4 UK visa and ILR costs are high when compared with elsewhere in the world, and the complex and frequently changing UK immigration rules are seen as off-putting and unwelcoming. International staff have made the often-difficult decision to come to live and work in the UK, even though they may have had attractive offers from elsewhere, in most cases because they intend to work and settle here permanently.

8.5 Other trends indicating the impact on migrant households already in the UK noted by HEIs included:

- Several HEIs reported an increase in international staff who have decided not to renew their visas due to the high visa and immigration costs and uncertainty around longer ILR qualifying periods. The concern is that the proposed ILR changes will only make this occur more frequently, causing a loss of high-calibre researchers to the UK.
- An increase in requests to switch to a GTV as ILR is quicker under this route. Whether GTV holders and/or their dependents will be impacted by the proposals is key.
- Although the changes to ILR pathways are proposals, staff are looking to apply for ILR or British citizenship if they are already eligible whereas they were previously delaying this to save money for their application. An HEI commented that this has resulted in more individuals using the HEI's international staff loan scheme to help with the immediate financial burden of making an application.
- HEIs reported receiving more applications for British citizenship letters for individuals that have held ILR for a long period due to uncertainty about changes to ILR requirements. British citizenship represents the highest level of status in the UK. It grants the right to live in the UK permanently and further benefits such as a British passport and the right to vote in elections.
- Several HEIs reported the high levels of concern across their international workforce, particularly following the SW changes on 22 July 2025, have meant in some cases that HEIs have unfortunately been unable to provide sponsorship extensions to existing individuals who no longer meet the uplifted salary threshold, resulting in family units losing their right to remain in the UK.
- International staff may not be able to meet a relevant minimum salary threshold to extend their SW visa to meet the 10-year qualifying period to ILR if the salary thresholds and going rates continue to rise more than the nationally agreed pay scale structures adopted by the majority of HEIs do, unless more generous transitional arrangements are afforded.
- Senior academics will normally be at a more advanced stage in their career often with older children who will be more affected by a longer ILR qualifying period. With longer ILR qualifying periods it is less likely that families will have been granted ILR by the time their children attend UK HEIs (often part of the attraction of moving their family to the UK), resulting in their having to pay higher international fees. An HEI commented this would impact disproportionately on international female academics.

9. Competitiveness and Retention

9.1 Most responding HEIs considered that the UK risks losing its position as a global leader in research and innovation if settlement routes are extended or made less accessible. The risks highlighted above together with frequent significant and unpredictable changes to UK immigration, impact staff recruitment and retention and the UK's international competitiveness. Talented individuals may choose countries with clearer and faster paths to permanent residence which would make it increasingly difficult to fill academic vacancies, particularly in disciplines where domestic expertise is limited.

9.2 Responding HEIs noted that successive UK governments have stated that they wish to make the UK a global hub for research and innovation, but changes such as this damage the UK's reputation and give the impression that there is little welcome or concern for the talented international staff they state they want to attract.

9.3 HEIs highlighted moreover that students (including international students paying high tuition fees) have high expectations regarding the quality of education and access to world-class academic expertise. If HEIs are unable to recruit and retain top-tier international staff due to restrictive settlement policies, this could impact student satisfaction, institutional reputation, and the UK's ability to remain competitive in the global education market.

9.4 HEIs saw the main risks as a decline in staff retention, increased recruitment challenges, and a loss of international competitiveness in research and innovation. Countries who enhance their visa and settlement offers for highly skilled researchers, promoting faster and more straightforward routes to permanent residence will be more attractive destinations for talent to settle. If the UK introduces longer or less predictable settlement routes, it risks losing both early-career and established researchers to these competitor nations. The impact on retention will be particularly critical in research-intensive fields where continuity and institutional knowledge are essential, for example, in long-term research programmes

9.5 An HEI highlighted that attrition within the UK is also a concern, for example, academics moving to other UK HEIs to switch to GTV and fast track ILR.

9.6 Several HEIs commented that to remain competitive in the challenging international research and innovation market they will need to review the financial support they offer to international staff for immigration costs, this is at a time when finances are strained.

10. Earned settlement and contribution-based approaches

10.1 HEIs made several suggestions for defining long-term contribution. As well as the basic requirement of regular employment and paying tax and NI contributions during the work visa period, several HEIs commented that five years' continuous service in the UK on a SW or other visa already represents a long-term contribution to the UK. Those already contributing to the UK should not be penalised by new policy changes applied retrospectively.

10.2 HEIs stated that the UK's HE sector is renowned for its contribution and influence on medical, technical, and scientific advances and to examining, informing and influencing societal and cultural changes. International staff at all levels in all specialisms within the HE sector make wide ranging and invaluable contributions to the UK and the wider world and should be valued, encouraged, and permitted, to settle in the UK and not dissuaded from doing so or made to feel that they have to defend and justify their contributions.

11. Defining long-term contribution e.g. through work in research, innovation, teaching, community engagement

11.1 Responding HEIs suggested that long-term contribution should be understood in broad and inclusive terms, encompassing not only direct economic benefit but also contributions to research excellence, innovation, teaching, knowledge exchange, mentorship, and community engagement. Many international researchers and academics contribute substantially to the UK's knowledge economy, support doctoral training, and foster partnerships that strengthen both local and national priorities. Therefore, long-term contribution should capture the integrated and cumulative effects of international researchers' and graduates' work — not only what they

produce directly, but also the multiplier that their networks, capabilities and social value help build over time.

11.2 Several HEIs believed that long-term contribution would have to be a measurable factor if individuals are expected to base major life/work decisions based on assessment of contribution. This could be based on overall duration of employment, time spent in study/research within the UK, qualification obtained within the UK, for example, a reduced period for those who have obtained a particular level of qualification from a UK institution. It was also suggested that as international students pay a substantially higher fee than home students this could be seen as a 'contribution'.

11.3 HEIs commented that as a principle the long-term contribution of international research and teaching staff should be recognised, not something subject to additional complex requirements or caveats. If someone is highly educated and has worked continuously for a period, contributing effectively it can be argued that they are training/coaching the UK's world-leading researchers and graduates of tomorrow. The issue is how to increase the number of skilled people needed for all potentially sponsorable roles. In this scenario a period of time that increases as the pool of those skilled people might be an option, as long as anyone moving to the UK understands that there will be no retrospective changes to their long-term options.

11.4 Another suggestion was that the Home Office could identify occupational SOC codes that would automatically qualify as meeting any requirement due to their importance to the UK economy or because they are in shortage.

12. Possible exemptions

12.1 Responding HEIs agreed there should be exemptions for certain categories of skilled workers, for example those working in critical national priority areas. Most HEIs agreed that researchers and skilled professionals working in critical national or strategic sectors such as life sciences, digital and technologies, defence, and clean energy, for example, should be considered for exemption from any extended qualifying periods or new contribution-based requirements because their work delivers long-term benefit to national priorities and should be supported through stable and accessible settlement routes. HEIs recognised there are issues with considering some roles more worthy or attempting to quantify the scale or value of staff contributions.

12.2 HEIs emphasised there would need to be absolute clarity from the Home Office on how to apply any exemptions. Any routes which enable shorter ILR qualifying periods should also apply to the visa holder's family to avoid complex scenarios where different members of the same family will have different longer qualifying periods as is the case under the current rules where GTV holders are eligible for ILR after three years but their dependants' qualifying period is five years.

12.3 HEIs highlighted that it is imperative that there are transitional agreements to protect existing visa holders to qualify for settlement based on the immigration rules in place when their visa was issued. Given the proposed changes would have arguably the most financial and personal impact than any previous change it would seem a necessity.

12.4 HEIs' suggestions for exemptions included:

- Based on categories of SOC Code – i.e. individuals sponsored under PhD level SOC codes.
- All PhD SOC code (and related fields) and their dependants should be exempt from any new contribution-based requirements or extended qualifying periods.
- SW visa holders sponsored on a role listed on the Immigration Salary List – given these are areas where the UK market would suffer if we were unable to attract international talent.
- Limit any changes to the SW route while retaining and expanding the global talent route which should retain current ILR rules.

13. Concluding comments

13.1 We ask the HAC to take this evidence into account in their consideration of the impact of the proposed changes to routes to settlement and in particular the negative impact on the ability of the UK's HE sector to recruit and retain high-calibre international staff. We understand that other sectors of the UK economy have similar concerns about the impact of the proposals on their ability to recruit and retain essential international staff.

13.2 It is essential that there are fair transitional arrangements for international staff who are already on the path to settlement and were promised specific conditions (5-year route) as a way to mitigate the impact of the proposed changes.