

Global Immigration alert

June 2025

United Kingdom

UK announces changes to the EU Settlement Scheme eligibility criteria

Executive summary

On 24 June 2025, the UK government published its [latest Statement of Changes to the Immigration rules](#). The main changes include updates to the EU Settlement Scheme (EUSS), specifically regarding the continuous qualifying period required to be eligible for EU Settled status (indefinite leave to enter or remain).

Background

The EU Settlement Scheme (EUSS) allows EU, EEA and Swiss citizens, who were living in the UK before the end of the post-EU exit transition period on 31 December 2020, and their eligible accompanying dependents to obtain the immigration status necessary to continue residing in the UK.

Under the EUSS, applicants who have been continuously residing in the UK for at least five years are granted settled status, while those who do not meet this requirement receive pre-settled status (which provides five years of limited permission to remain in the UK). Individuals granted pre-settled status can apply for settled status as soon as they become eligible.

In January 2025, the Home Office introduced a new process to automatically convert eligible pre-settled status holders to settled status, eliminating the need for a further EUSS application. However, pre-settled status holders must maintain their continuous residence in the UK to qualify for settled status, meaning they cannot be absent from the UK for more than six months in total within any given 12-month period. There are limited exceptions, such as a single period of absence of up to 12 months for an important reason or absences related to COVID-19.

Key developments

Following feedback from stakeholders regarding confusion among pre-settled status holders about permitted absences from the UK, some individuals may have inadvertently broken their continuous residence status, thereby becoming ineligible for settled status due to having exceeded the allowed absences.

To simplify the assessment of continuous residence, changes are being introduced to allow a pre-settled status holder to be granted settled status if they have been residing in the UK for at least 30 months within the most recent 60-month period. This can be any 30-month period within that timeframe.

Effective 16 July 2025, these changes will apply to both the automated conversion process and situations where a pre-settled status holder applies for settled status.

Impact on employers

Organisations that employ eligible individuals will benefit as they will be able to more easily retain these employees, who will gain further evidence of their right to work and reside permanently in the UK.

Key steps

EY will continue to monitor these developments. Should you have any questions, we encourage you to contact one of our immigration professionals.



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