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Foreign National Policy FAQs

What is the definition of Settled and Pre-Settled status?

'Settled' status is if the customer has lived in the UK for >5 years and can stay in the UK for as long as they like. This is equivalent to Indefinite leave to remain.

'Pre-Settled' status is if the customer has lived in the UK for <5 years. The customer will be allowed to stay in the UK for 5 more years from the date they receive 'Pre-Settled' status. This is equivalent to Limited leave to remain. The customer can apply for 'Settled' status once they have 5 years continuous residence in the UK.

<https://www.gov.uk/settled-status-eu-citizens-families>

What if an EU national was living in the UK before 31st December 2020 but has not yet applied to the EU settlement scheme?

Unless there is another party on the mortgage who has permanent right to reside, EU settlement status, or is an Irish citizen, the customer will not be able to apply for a mortgage or any further lending until they have confirmation of their 'Settled' or 'Pre-Settled' status. This is because after 30th June 2021, a customer may lose their right to reside in the UK if they have not applied to remain in the UK under the scheme. According to current government guidelines they have until the 30th June 2021 to apply and it is taking up to 5 days for an application to the EU Settlement Scheme to be processed.

What if an EU national has moved to the UK after 1st January 2021 and wants to apply for a mortgage?

Anyone who enters the UK after 31st December 2020 and isn't eligible for the EU Settlement Scheme will be subject to the UK's new points-based immigration system and will need to apply for a visa. Our ability to lend to the customer will depend on whether the visa they obtain meets our Foreign National policy.

What about the pipeline process?

Any applications for EU, EEA or Swiss nationals submitted prior to 1st January 2021 should follow the policy at time of applying and continue to treat these customers as having permanent right to reside.

Any applications submitted from 1st January 2021 should follow the new policy.