

Max Wilkinson MP
Member of Parliament for Cheltenham
Liberal Democrat Home Affairs Spokesperson
House of Commons
(via email)

11 May 2026

Dear Mr Wilkinson,

Thank you for your letter regarding comments by the Secretary of State for the Home Department, Shabana Mahmood MP, in a speech to the Institute for Public Policy Research¹ on 5 March 2026 in which she said:

“We will address the challenge posed by the impending settlement of the hundreds of thousands of low-skilled workers and their dependants who arrived between 2022 and 2024. That means applying any rule changes to those who are in the UK today but have not yet received settled status. If we do not, we will see a £10 billion pound drain on our public finances.”

As you highlight, the Home Office published a [research note](#)² that sets out the calculation underpinning the £10 billion figure. In the Methodology section, the note prominently states that:

“In this methodology note, the estimates produced for the fiscal lifetime cost of care workers and adult dependants for the 2022/23 cohort are applied to the Home Office settlement forecasts between 2026 and 2030 to produce an estimate of the lifetime fiscal cost of the cohort expected to settle.”

We contacted the Home Office who confirmed the £10 billion figure is an estimate of the lifetime net fiscal cost of this cohort under existing settlement rules. The reference to the 2022 to 2023 cohort in the research note reflects that these estimates are based on the current settlement rules.

The statement itself associated a cost with following current settlement rules, as opposed to stating a saving associated with implementing new settlement rules. While we agree that a clearer statement of the counterfactual, which is a scenario where no migrants from this cohort settle between 2026 and 2030, or an acknowledgement that this is not an estimate of the fiscal savings associated with delaying settlement, would have provided greater clarity, we recognise that in the context of an oral speech it can be hard to convey the detail and nuance of modelling.

¹ [Home Secretary's speech on immigration](#), Home Office, published 5 March 2026

² [Estimated lifetime net fiscal costs for care workers and their adult dependants](#), Home Office, 5 March 2026

If someone listening to or reading the statement was unsure, the research note provides an explanation that aids with interpretation. It also demonstrates a commitment to transparency and supporting understanding of the settlement changes that were under consultation.

Taking the speech and research note together, we consider that the Secretary of State's statement has met our expectations for public communication of statistics.

Yours sincerely,

A handwritten signature in black ink that reads "Penny Young". The signature is written in a cursive, flowing style.

Penny Young
Interim Chair