



HOUSE OF LORDS  
Committee Office

House of Lords  
London  
SW1A 0PW

Tel: 020 7219 5358  
Fax: 020 7219 4931  
economicaffairs@parliament.uk  
www.parliament.uk/lords

Richard Hughes  
Chair of the Office for Budget Responsibility  
14T, 102 Petty France  
London  
SW1H 9AJ

12 February 2024

Dear Richard,

Thank you once again for taking the time to give evidence to the Committee. I was hoping you could clarify a few points.

- 1) The impact of immigration: Paragraph 4.48 and Table 4.3 of the Fiscal Risks and Sustainability Report 2023 indicates that net migration of 245,000<sup>1</sup> a year would reduce the national debt by 30 per cent by 2072-3. What impact will the ONS's new long-term projections of 315,000 per annum have on debt forecasts? And could you clarify by how much a lower net migration figure – say 100,000 a year – would reduce the national debt over the same period?
- 2) The impact of the speed of the green transition on the national debt: you mentioned that work is ongoing on this issue, but it would be useful to see the impact of the various scenarios that have already been modelled, and the assumptions that underpin them.
- 3) The impact of the Government making full expensing permanent at the Autumn Statement 2023: what modelling has been done on the investment impact of this measure on debt, and for growth in the long term?
- 4) The costs of the nuclear deterrent: could you clarify how the cost of the Dreadnought and Replacement Warhead programmes, including their in-service costs, are reflected in the long-term debt projections; and what assumptions have been made as to the in-service cost?

---

<sup>1</sup> OBR, [Fiscal risks and sustainability](#), July 2023



# HOUSE OF LORDS

Committee Office

House of Lords  
London  
SW1A 0PW

Tel: 020 7219 5358  
Fax: 020 7219 4931  
[economicaffairs@parliament.uk](mailto:economicaffairs@parliament.uk)  
[www.parliament.uk/lords](http://www.parliament.uk/lords)

Best wishes,

Lord Bridges of Headley MBE  
Chair of the Economic Affairs Committee