

Responding today (22nd November 2017) to the Chancellor's Autumn Budget Statement, the Bishop of Birmingham, Rt. Revd David Urquhart, Convenor of the Lords Spiritual, said:

"The Chancellor's Budget has gone some way to deal with the immediate problems facing our economy, housing and NHS, but it could have gone much further to help the many at the sharp end struggling to get by.

"Across the country churches support and are in touch with those who experience poverty or financial difficulty as a result of low pay, illness, or debt. The Budget statement provided an opportunity to make a difference to the lives of the most disadvantaged at a time when the cost of living is rising. The country faces substantial financial challenges and the growth forecast downgrades are worrying. But whilst the Chancellor has limited room for manoeuvre, there is more that could have been done to alleviate the situation of those who are struggling to manage. Deficit reduction is important, but should be achieved in ways that promote fairness, generosity, and sustainability. Bishops frequently raise these issues in the House of Lords and in meetings with ministers, and will continue to do so.

"The country is in the midst of a housing affordability crisis, which is deepening household debt and feeding a sense of intergenerational unfairness. We all need to think big in response to this. The target for reducing rough sleeping is right, and I welcome the investment in pilots in my own region of the West Midlands. Help for first time buyers is also very welcome, as is the extra investment to increase housing supply and the removal of unnecessary barriers to housing development. But they need to be matched with attention to other policies that might drive a rise in homelessness. More can be done to improve access to genuinely affordable housing for families on low incomes, not only through investment in social housing, but going further than the Chancellor announced to help those on low incomes in private rented housing. This would help prevent the rise in rent arrears and numbers of vulnerable homeless people across the country, and would complement the Government's Homelessness Reduction Bill and other policies to reduce rough sleeping.

"Like many others in the church, I strongly support the principle of simplifying the benefits system and encouraging people into work through Universal Credit, but the overall system will need to be properly implemented and funded if it is to retain its credibility. The reduction in the waiting time and other changes to Universal Credit are welcome and will help to reduce the financial strain on new claimants. Though the waiting period could have been cut further, I hope that what was announced today will have an immediate effect, not least on the number of food bank referrals. Looking ahead, existing pre-planned cuts to the work allowance will still push many low income working families into poverty. This is why so many had called for these cuts to be reversed in today's Budget and it is disappointing that the Chancellor has not acted.

"I welcome the projected rise in employment. However children living in working families comprise two-thirds of those considered to be in relative poverty and those rates will only rise for low income and workless families unless necessary changes to Universal Credit and other benefits are introduced.

"The Chancellor mentioned the importance of helping families cope with the rising cost of living. It is disappointing that he did not take the opportunity to

review the freeze in working age benefits. Rising costs have already eroded the living standards of low income families who rely on benefits and tax credits to top up their earnings, and many more are likely to fall into poverty if no adjustment is made. Children's benefits at least ought to be given the same protection from rising prices as is given to the basic state pension.

“Tax avoidance by multinational companies affects the poorest countries in the world, as well as funds available for schools, hospitals and other public services here in the UK. The Government already has the power to require UK-based multinationals to publish their tax arrangements in every country. Now more than ever we need a corporate tax system that promotes trust and accountability here in the UK, and justice and proper investment overseas.

“The extra funding emphasis on research and development and on transport to connect city regions outside London is welcome, and I look forward to further details, including for my own West Midlands region, in the forthcoming Industrial Strategy document.”

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