

The Bishop of Birmingham, Rt Revd David Urquhart, has issued the following response to the Chancellor's Autumn Statement:

Bishop David said: "The political turbulence of the past year and lower growth forecasts have meant the Chancellor has been given limited economic room for manoeuvre. But I welcome the emphasis in the Autumn Statement on long term stability, investment in innovation, in our national infrastructure and on supporting regional growth. To be a nation living within its means is an aspiration worth keeping, even if the revised figures for deficit reduction mean that the goal of its achievement has been moved slightly further away.

The Government is to be commended for wanting to address the situation of those who are 'just managing' and for its emphasis on work as being an important route out of poverty. The increases in the National Living Wage and a partial reversal of planned cuts to Universal Credit announced in today's Autumn Statement are welcome and will offer some help. But at a time when the cost of living is set to rise, more on the lowest incomes will still struggle to get by and they might benefit from more targeted assistance than further increases in the tax free personal allowance, which mostly benefits better off families, as the recent report by the Centre for Social Justice points out.

As the Joseph Rowntree Foundation have highlighted, the four-year freeze on working-age benefits is looking increasingly out of date, especially with rising inflation. It is likely to impact especially on working families with children, as will the two-child limit on new claimants for tax credits and Universal Credit. The Autumn Statement leaves these in place, but a rethink in both areas might be a good way to relieve some pressure on those who find themselves just managing and for whom the tax free childcare proposals only go part of the way. Again, this policy would go further to ensuring that our economy works for everyone than the announced freeze in fuel duty, which benefits rich and poor alike.

Addressing the twin issues of rising personal debt and sustainable credit must also be a priority, and ones that I am looking closely at in my work on the House of Lords Select Committee on Financial Exclusion. A 'breathing space' scheme for those families with problem debt would offer a year long period of protection so families can stabilise their finances and agree affordable debt repayment plans. This proposal from the Children's Society is certainly worth Government attention.

The Chancellor is right to stress the urgency of addressing the unaffordability of housing and I welcome news of a Housing White Paper. The £1.4 billion for 40,000 new affordable homes is good to hear. But there must be a greater focus on social rented homes to support the most vulnerable in society, for whom home ownership is not a realistic prospect in the immediate future. I hope that the announced £2.3 billion in support for infrastructure around new building will focus as much on shared spaces for communities to meet as it does on necessary schools and medical facilities. The end to letting agent fees will both be a relief to tenants and may lead to competition to keep these fees down in the longer term and I hope they will be introduced quickly, as the extension of the Right to Buy pilot for Housing Associations is likely to increase demand in the private rental sector.

The rate relief for rural businesses is a good development that will help make micro-business more sustainable. It will be helpful to know how the extra investment in our digital infrastructure will be used to ensure that rural and other hard to reach areas achieve even basic coverage.

It remains good news that we continue to meet the target of 0.7% of GDP for overseas aid, and I congratulate the Government on its ongoing commitment to addressing the needs of the world's poorest.

I look forward to responding in further detail when the House of Lords debates the Autumn Statement next week."

Notes to editors

- Bishop David is Convenor of the Bishops in the House of Lords and is their lead on economic and financial policy matters. He also serves on the House of Lords Select Committee on Financial Exclusion: <http://www.parliament.uk/business/committees/committees-a-z/lords-select/financial-exclusion/>
- The House of Lords will debate the detail of the Chancellor's Autumn Statement on Tuesday 29th November. The Bishops of Birmingham and Portsmouth are expected to take part in the debate.

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