**HOUSE OF LORDS**

**DEBATE ON SPRING STATEMENT, 15 March 2018**

My Lords, my first duty today is one of great joy: to welcome on behalf of this Bench, and I am sure the whole House, the right reverend Prelate the Bishop of Lincoln, and to congratulate him on a fine maiden contribution. Its quality was no surprise to me. He is remembered with great respect in the Diocese of Portsmouth, which I now serve and where my colleague and friend was parish priest and archdeacon. I know that his erstwhile congregation in Petersfield was delighted that he was able to visit them last year.​

I know, too, that serving in Lincoln is a particular delight for him, not just because the diocese is full of wonderful people, but because his grandfather played football for Lincoln City. As a Black Country boy and lifelong supporter of Wolverhampton Wanderers, I understand the ups, which I am presently enjoying, and the more frequent downs of being a football fan, but I strongly suspect that playing and indeed supporting Lincoln City demands a very special kind of fortitude, resilience and above all hope. That, I also know, is the state of mind with which 18,000 ever-hopeful souls travel to Fratton Park, Portsmouth, of a Saturday. I applaud that, because hope is of course central to Christianity, anchored as it is in our sure and present hope in Christ.

The Chancellor’s Spring Statement was certainly characterised by hopefulness. In his own words, he is “positively Tigger-like” about our prospects, yet I cannot help but recall that Tigger’s boundless optimism does not match the facts before him. Tigger might even be accused of wishful thinking. As we have heard repeatedly, the Chancellor spoke about seeing light at the end of the tunnel. That, I think, was in relation to managing the deficit. If we achieve that then he held out the possibility that more money might become available for hard-pressed public services. That is an “if” of some considerable magnitude, and it is before we consider what sort of impact relatively modest increases would actually have, let alone the impact of the vast unknown unknowns of Brexit. Moreover, it relies on assumptions about the short term; the medium-term figures for the economy are less hopeful by a country mile, with the OBR expecting UK growth between 2017 and 2022 to be a full quarter, 24%, slower than growth in the euro area.

Furthermore, it is hard to see where the light at the end of the tunnel is for many people already struggling to make ends meet. The Chancellor said that wages were going up for those on the lowest incomes, but forecasts for pay and living standards are terrible. The OBR now expects pay to grow next year, albeit by only 0.4%. It does not expect any real pay growth ever above 1% a year during the forecast period, nor does it anticipate it reaching pre-crisis levels until 2025. Household incomes are little better—forecast to grow below 1% a year right through to 2023, leaving average incomes in 2021 £1,400 lower than forecast just two years ago, in March 2016. That is against a backdrop of significant cuts to working-age benefits yet to be implemented.

This is grim stuff. The facts and figures are stark, but it is on the impact for people, their well-being and dignity that we should properly concentrate. Some 1 million food parcels are given out by food banks every week. In my see city of Portsmouth, a quarter of children live in poverty. On the Isle of Wight, the figure nudges towards 30%. In some areas of the nation the numbers are worse.

I fear I risk sounding like one of the doom-laden prophets of the Old Testament, but I am, in fact, ever hopeful. Some of the consultations announced on Tuesday promised much, if they can be delivered, in terms of securing our tax base, not least by making companies that for all intents and purposes earn here pay tax here; that is a matter of simple justice. So too with the call for evidence on how we can achieve very ​necessary increases in productivity: the fact that we are only now calling for evidence does not suggest that we should expect to see anything concrete any time soon on what is a very pressing matter.

I am, however, as hopeful as any Lincoln City supporter. I hope that the commendable decision to return to a single Budget each year will result in properly worked out policies to ensure that work does not just pay but pays well enough to ensure a decent standard of living, as it should. That is truly a hope we can all embrace. I hope that business will be enabled to create secure jobs, that public services will have the resources they need to provide the services we want and, perhaps especially, that those who are vulnerable will be treated with decency and compassion. I hope that there is indeed light at the end of the tunnel, but we continue to travel this very long tunnel towards a light spotted at some unspecified distance ahead. I hope the end is close, but, with regret, I question whether the possibility of small increases in public expenditure, alongside depressed growth and flat-lining pay, offers much hope to the millions already struggling to make ends meet.