

Chancellor U-turns to agree to Halloween publication of economic vision

Chancellor [Kwasi Kwarteng](#) has bowed to pressure to bring forward the publication of his financial strategy and independent economic forecasts – to Halloween.

Completing another U-turn, Mr Kwarteng agreed to set out his medium-term fiscal plan alongside Office for Budget Responsibility (OBR) predictions on October 31.

The Chancellor had been resisting setting out the details ahead of November 23 after he set out his multibillion-pound package of tax cuts to be paid for by borrowing.

Commons Treasury Committee chair Mel Stride welcomed the move, saying the documents may result in a smaller rise in interest rates which is “critical to millions” of mortgage holders.

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But the senior Tory MP warned this would only be the case if

the plan “lands well with the markets” ahead of a Bank of England meeting on November 3.

Having been spooked by the scale of borrowing to fund £45 billion of tax cuts, financial traders will eagerly await the publication of the plans that have been brought forward following pressure from Conservative MPs.

In a letter to Mr Stride, the Chancellor argued it would be inappropriate to publish the OBR’s initial analysis, stressing the need to provide a “full and final assessment of the impact of policy measures”.

The select committee chairman said he “strongly” welcomes the U-turn, saying it could result in smaller interest rate rises at the Bank’s next Monetary Policy Committee meeting.

Mr Kwarteng had sparked confusion during the Tory party conference last week when he denied his own allies’ suggestions that he would be bringing forward the plans.

That came after he backed down on his widely-criticised plans to scrap the top rate of income tax on earnings over £150,000 during the Birmingham meeting of the party membership.

[Grant Shapps](#), the former transport secretary who is prominent among Liz Truss’s Tory critics, said the climbdown over the forecasts is a “belated but sensible move, given the urgent need to show markets the most transparent view of the UK economy”.

Liberal Democrat Treasury spokeswoman Sarah Olney said: “This is yet another screeching U-turn from a [Government](#) that’s lost control of the economy.

“The Chancellor needs to explain what he’ll do to tackle soaring mortgage costs caused by his botched budget. The Government’s silence on this mortgage misery is growing more deafening by the day.

“Without a clear plan to protect homeowners this risks ending up as Kwasi Kwarteng’s Halloween horror show.”

Meanwhile, Liz Truss was attempting a charm offensive to bridge the divides blighting her party as she faces mounting pressure to raise benefits in line with inflation.

As MPs file back into Westminster this week, the Prime Minister is expected to hold policy lunches with groups of colleagues and address the 1922 Committee of backbenchers on Wednesday.

With the Conservatives tanking in the polls, rebels want to ensure the Prime Minister does not deliver benefits claimants with a real-terms cut to their incomes.

The Government has been considering whether to link an increase to earnings rather than the currently much higher measure of prices.

Former chancellor [Sajid Javid](#) added his voice to the growing opposition.

“People are going through incredibly challenging times. We can all see that in our community. So I personally believe that benefits must stay in line with inflation,” he told BBC Radio 4’s Today programme.

Baroness [Philippa Stroud](#), Tory peer and chief executive of the Legatum Institute, added that benefit payments must go up in line with inflation as “you don’t build growth on the back of the poor”.

Work and pensions minister Victoria Prentis insisted no decision has been made with considerations needing to be made on average wage figures on Tuesday and inflation stats on October 19.

“It’s obviously a really worrying time for people on benefits because they know that inflation is rising, and they want us

to make this decision as soon as we possibly can so that they have the security of knowing how their benefits will be next year," she told Sky News.

The minister called for the Conservative Party to "focus a bit less on internal squabbling and a bit more on helping the country through some really difficult times".

In a move seen as a peace offering to critics who have accused Ms Truss of surrounding herself with allies, the Prime Minister handed a Government job to Greg Hands.

Mr Hands, a prominent backer of Tory leadership rival Rishi Sunak, was replacing sacked minister Conor Burns at the Department for International Trade.

Mr Burns, who was dismissed after a misconduct complaint, has vowed to clear his name and said he will "fully co-operate" with a Tory probe.

Parliament returns on Tuesday for the first sustained period since the Queen's death last month.

Ms Truss will be wary that the return of MPs to Westminster could bring about the opportunity for further plots against her plans.