Liz Truss does not rule out real-term benefits cuts but guarantees pension hike

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<u>iz Truss</u> has refused to rule out real-term cuts in welfare payments despite saying pensions would rise in line with inflation.

The <u>Prime Minister</u> declined to commit to the annual uprating of benefits in line with inflation, as millions feel the pain of the soaring costs of energy and food.

Ms Truss defended plans to cut the top rate of income tax for the nation's wealthiest as part of her controversial £45 billion package of tax cuts, but did not rule out cuts to public services.

She was clear that pensions will rise in line with inflation, saying she has "committed to the triple lock" protecting them against price increases.

But she refused to give the same guarantee for benefits in April, despite prices having risen by 9.9% compared to a year ago and the Bank of England expecting inflation to peak at 11%.

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Not ruling out rowing back on Boris Johnson's promise to maintain the raise in benefit payments in line with inflation, she said Work and Pensions Secretary Chloe Smith is "looking at".

"She will make a determination on that and we will announce that this autumn," Ms Truss said during an interview on the BBC's Sunday With Laura Kuenssberg.

She also refused to rule out real-term cuts to the funding of Government departments, which would force ministers to consider paring back services and staffing levels.

"I'm not going to write future budgets on your show," Ms Truss said.

"I believe in outcomes rather than inputs, so I believe in what people see and what people feel."