## Truss 'favours targeted help over support for all' to ease cost-of-living crisis

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he <u>Liz</u> Truss camp has said the Tory leadership frontrunner is leaning towards targeted support over help for all to ease the cost-of-living crisis, but maintained she is not "ruling anything out" at this stage.

As the contest enters its final week, the country is still in the dark about exactly how either candidate would act to take the sting out of sky-high energy bills this winter.

Various different possibilities have been floated in the media, with Mr Sunak's team warning that cutting <u>VAT</u> by 5% across the board would be "regressive" amid reports over the weekend his rival was considering the move as a "nuclear" option.

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The Sunday Telegraph said this was one of a series of possible strategies to ease the strain being drawn up by the Treasury for the new prime minister to look at when they take office.

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It was also reported by the <u>BBC</u> on Sunday that Ms Truss had "ruled out" direct support for everyone to assist with soaring bills.

But a source from the Foreign Secretary's team later said that – while she is more attracted to targeted assistance – she has not yet ruled anything out.

"Liz has been clear we need to lower the burden of taxation and focus on boosting energy supplies and this will be her priority as prime minister," they said.

"She's also been clear further support may be required to help. Her preference is to target this to those most in need, but isn't ruling anything out."

(PA Graphics) / PA Graphics It comes as <u>The Times</u> has released new polling suggesting nearly half of current Tory voters want Britain's energy industry to be renationalised.

The newspaper reported that 47% back returning energy companies to public ownership, while 28% oppose it and 25% are unsure, according to the YouGov survey.

The poll, carried out on Tuesday and Wednesday last week, also found that Labour's plan to temporarily freeze energy bills, valued by the party at £29 billion, is supported by 51% of Tory voters, with only 17% opposing the policy.

With the energy price cap set to rise by 80% by October, whoever emerges as Boris Johnson's successor on September 5 will have a mammoth task on their hands to steer the country through the winter. Regulator Ofgem warned the <u>Government</u> on Friday that it must act urgently to "match the scale of the crisis we have before us" as Britain faced the bleak news that the average household's yearly bill will rise from £1,971 to £3,549.

Headteachers and NHS bosses have warned that schools and hospitals, whose bills are not covered by the price cap, may have to cut staff to make savings.

Tory leadership contenders Rishi Sunak and Liz Truss (Danny Lawson/James Manning/PA) Paul Whiteman, the head of the NAHT school leaders' union, told The Mirror some of his members are finding "the only possible action they can take is to cut staff hours".

Rory Deighton, from the NHS Confederation, said: "The gap in funding from rising inflation will either have to be made up by fewer staff being employed, longer waiting times for care or other areas of patient care being cut back."

The Sunday Telegraph reported that one option on the table for addressing the crisis is a 5% cut to the the 20% headline rate of VAT, saving the average household more than £1,300 per year.

But The Sun suggested Ms Truss is being pressured by allies to slash the rate even further — down to 10%.

Mr Johnson has said that whoever succeeds him in No 10 will announce "another huge package of financial support".

The outgoing PM hinted at the scale of the options to ease the burden being teed up for either Ms Truss or Mr Sunak to consider in an article for MailPlus, as he insisted "we must and we will help people through the crisis".

Ms Truss has argued it is not "right" to announce her full plan before the contest is over or she has seen all the analysis being prepared in Whitehall. Mr Sunak has also said he favours "caution against providing definitive answers before getting into Downing Street", arguing it is "responsible" to first have "full command of the fiscal situation".

Meanwhile, Mr Johnson is said to be preparing a farewell message to mark his departure from office, in which he will insist Britain must push ahead with investment in green energy.

The Daily Telegraph cited a Government source as saying there is a "desire to say something" about how "everything we have done has kept us in a much better position in the medium and long term, through investing in nuclear and wind".

"Clearly we need to help people cope with bills this winter, but there is an even bigger need to address supply side and ensure we have homegrown affordable energy for people and businesses as soon as we can. Too many governments have ducked this," they said.