

## News in Review

2 July 2025

*"Realistic pricing will remain key in the coming months"*



**Average asking prices dipped by 0.3% in June, according to Rightmove's June 2025 House Price Index. The dip suggests an unusual seasonal decline as sellers respond to heightened competition and affordability pressures. The £1,277 drop brings the average new seller asking price to £378,240, reversing the record highs seen in April and May.**

Rightmove noted that prices typically rise by 0.4% in June, making last month's fall notable. Regional differences are significant. Higher-priced areas such as London and the South have seen larger reductions, driven by increased supply and Stamp Duty costs. By contrast, more affordable regions including the North West, Wales and Yorkshire & The Humber have continued to see modest price growth.

Buyer demand remains resilient, up 3% year-on-year, while new listings are 11% higher than this time last year. With increased choice, the market is highly price-sensitive and properties priced correctly continue to attract strong interest. Rightmove data shows homes that attract an enquiry on the first day of marketing are 22% more likely to find a buyer than homes taking more than two weeks to receive their first enquiry.

*"Agents have been telling us that sellers need to set a competitive price to have a better chance of finding a buyer in the current market, and it looks like many are listening,"* said Colleen Babcock, Property Expert at Rightmove, adding *"Realistic pricing will remain key in the coming months."*

### **Rising costs and job worries dent UK consumer confidence**

UK household confidence weakened in June, with concerns over inflation and job security weighing on sentiment. S&P Global's latest consumer sentiment index fell to 45, down slightly from 45.2 in May, marking a two-month low. The index for household spending dropped from 38.2 to 37.4, while the measure of job security slipped below the neutral 50 mark to 49.2. Readings below 50 indicate a deterioration in confidence.

The data suggests households are holding back on major purchases, choosing to focus on essentials instead. With an increasing reliance on credit and little sign of inflation pressures easing, consumers appear to be taking a more cautious approach. The findings raise questions over the strength of the UK's consumer-led recovery, as households continue to feel the squeeze.

*"Pessimism among UK households shows no signs of improving,"* said Maryam Baluch, Economist at S&P Global Market Intelligence. *"Concerns about making ends meet have intensified due to high prices and job insecurity... which will limit willingness to spend and instead encourage greater financial caution, dampening economic growth."*

### **Heat triggers spending as summer starts early**

Britons dipped into their summer budgets earlier than usual, after warmer spring weather prompted a rise in seasonal spending. Research from TSB suggests a third of people surveyed started spending sooner this year.

While 70% of Brits save in advance for summer, only a fifth do so every month

and just 1% start more than six months ahead. Millennials are the most financially prepared, with 47% actively planning and saving, they're also expected to be the biggest spenders, with 28% anticipating summer outlays of between £1,000 and £2,000. Older generations are more likely to enjoy the season without much financial planning.

*"With the UK summer off to a scorching start earlier than usual this year, consumer spending has been heating up too,"* said Surina Somal, Everyday Banking Director at TSB. *"Millennials are the biggest spenders, while younger people are more likely to rely on credit, even after saving in advance."*

### **Government proposes Council Tax billing changes**

The government has proposed changing default Council Tax billing from 10 months to 12 months. Currently, Council Tax is automatically set up to be paid in 10 monthly instalments, from 1 April to 1 January, with no payments in February and March. However, under proposals published in June, the government has suggested 12 monthly payments become the default. Ministers said the change will assist households in managing their finances – although households will still be able to choose to pay over 10 months. The proposal is one of several up for debate in a Council Tax consultation published by the government in June. The consultation sets out how the government intends to modernise the administration of Council Tax *'to deliver a fairer and more efficient system for taxpayers and local government.'*

### **Here to help**

Financial advice is key, so please do not hesitate to get in contact with any questions or concerns you may have.