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Asking prices for UK homes show record rise

Asking prices for homes coming on to the market in Britain rose by a record 2.3% in February, according to the property website Rightmove. The listing site said it was the biggest monthly increase in the 20 years it has kept records and meant the average advertised cost of a home was up by £7,785, to £348,804. Over the past 12 months, asking prices have gone up by 9.5%. While the number of new property listings increased by 11% during the month, the number of people looking to buy a property rose by 16%, the website said. "This new record means that average asking prices have now risen by nearly £40,000 in the two years since the pandemic started, compared to just over £9,000 in the previous two years," a spokesperson said. The figures show a widening gap between the number of buyers and sellers that property experts say will maintain house price inflation this year well above annual salary increases. First-time buyers are expected to lose out in the race to buy the few properties on the market. Wealthier buyers, many of whom have saved large deposits during the pandemic, are among those caught by the "fear of missing out", which Rightmove said would continue to drive prices higher over the coming months.

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Gulf between 3.1% state pension rise in April and inflation is widest since the triple lock was introduced over a decade ago

Retirees in Britain face the worst disparity in their state pension payments when set against inflation since the triple lock was introduced over a decade ago, findings warn. In April, state pension pay-outs will rise by 3.1%, and be based on Consumer Price Index figures from last September. Official figures revealed that inflation was running at 5.5% in the year to January. Pensioners would currently see a real term loss of 2.4% in the amount of state pension income they receive from the Government, and the problem could worsen with forecasts of inflation peaking at around 7.25% in April, according to experts at Quilter. The basic state pension will rise by £4.25 to £141.85 per week, or around £7,370 a year, in April. The full flat rate will rise by £5.55 to £185.15 per week, or around £9,630 a year. Since the triple lock was launched in 2010, there have only been 22 months when inflation stood above the uprating of the state pension for the previous April and five of those months were in 2021, says analysis by Quilter. The previous biggest disparity was 0.6% back in November 2017, when inflation ran higher than the state pension uprating for 11 months, but only on average creating a disparity of 0.4% over the period, the financial firm found.

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Second review of state pension age

The government has launched a second review into the state pension age via a consultation launched earlier this month. Baroness Neville-Rolfe has been appointed to prepare an independent report and make recommendations to the government on it. She will look at what metrics should be used when setting the state pension age in future. The call for evidence will gather information to inform the independent report from a number of sources. This could include experts in the fields of longevity and aging, older people and labour market, intergenerational fairness and the fiscal challenges associated with an aging population, who will be particularly interested. The Pensions Act 2014 requires the government to review the state pension age every six years. This consultation closes at 11:45pm on 25 April 2022.

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New taxes rake in £50bn for HMRC ahead of National Insurance rise

New levies imposed on businesses over the last decade have raked in more than £50bn for the Treasury, as the UK's tax burden rises to its highest level since the 1950s. The bank levy, apprenticeship levy, soft drinks tax and a range of other charges have all contributed to the public purse, according to analysis by Thomson Reuters. It comes as National Insurance is set to rise in April, adding 1.25 percentage points to the tax levied on employers and on their workers' pay packets. These new taxes have proven themselves to be a successful way to bring in billions of pounds in a relatively short space of time. The new National Insurance surcharge is sure to be a success from a public purse perspective, but will add considerable financial and compliance stresses to both businesses and individuals. The extra National Insurance fee, which will be known as the health and social care levy from 2023-24, is set to raise around £17bn per year, outweighing even the largest of the previous new taxes.

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HMRC’s NFT seizure ‘a warning’ to investors and tax cheats

The UK tax authorities have confirmed their first ever seizure of a non-fungible token (NFT) following a probe into an alleged £1.4million VAT fraud. Her Majesty's Revenue & Customs (HMRC) said it had confiscated three NFTs, along with £5,000 in other crypto-assets, and arrested three people as part of a fraud investigation concerning around 250 sham companies. It claims the three suspects, who have not been publicly named, used a variety of 'sophisticated methods' to try and conceal their identities, such as false invoices, pre-paid unregistered mobile phones and virtual private networks. NFTs are tokens representing the ownership of a digital asset, which could be an artwork, an image, music, or even a tweet, that have their own unique signature and cannot be exchanged for another asset of the same type. But there has been increasing worries that these digital tokens, as well as cryptocurrencies, are being used by criminals to hide their illicit financial gains. Nick Sharp, the Deputy Director of Economic Crime at the HMRC, said: 'Our first seizure of a Non-Fungible Token serves as a warning to anyone who thinks they can use crypto-assets to hide money from HMRC.

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