# UK housing market slowdown persists amid rising supply and policy uncertainty



The latest data from Rightmove reveals a subdued autumn in the UK housing market, with the usual seasonal uplift in seller asking prices notably muted this October. The average price of newly listed properties in Britain rose by just 0.3%, or £1,165, reaching £371,422. This increment falls well short of the 10-year average October bounce of around 1.1%, indicating that despite typical seasonal trends, market conditions are constraining sellers’ ability to push prices higher.

Rightmove attributes this slower price rise to a higher volume of properties available for sale, which reached a decade-high level of choice for buyers. This abundance of supply has diluted sellers’ pricing power, forcing many who are serious about selling to moderate their price expectations. Colleen Babcock, a property expert at Rightmove, explained that while the market has shown resilience overall in 2025, it lacks the momentum and positive sentiment usually seen in autumn to fuel a stronger price bounce. Additionally, speculation around potential tax hikes in the forthcoming Budget has caused some prospective movers, particularly in the south of England and in the higher-end market, to adopt a ‘wait and see’ approach.

This market caution is especially evident in London and southern England, where average asking prices have fallen annually by 1.4%, dragging down the national average. These declines are compounded by the higher stamp duty rates introduced in England in April, which continue to weigh on the southern regions’ market activity. Data from the UK House Price Index for October 2023 corroborates this trend, showing a 3.1% monthly price fall in London and a 3.6% annual decline, reflecting the capital’s lowest price growth rates in the country.

Mortgage dynamics play a crucial role in this environment. Rightmove’s mortgage expert, Matt Smith, noted that average mortgage rates, particularly two-year fixed rates, have decreased compared to last year, with some rates falling below 6% for the first time since mid-2023. This reduction in mortgage costs, combined with flat house prices and eased lending criteria, should, in theory, improve buyer affordability. However, many potential buyers remain cautious, partly due to inflationary pressures and the looming autumn Budget, which is expected to clarify economic policies and possible taxation changes affecting property purchase and ownership costs.

Estate agents in London, such as Marc von Grundherr of Benham and Reeves, observe that while initial buyer interest remains strong, fewer are committing to purchases, particularly international buyers. Though mortgage rates have somewhat stabilised, the high inflation environment is delaying further cuts, leaving buyers hesitant. Von Grundherr anticipates that once the uncertainties tied to the Budget announcement subside, the London market is likely to gather momentum once more, following historical patterns where the capital tends to outperform the rest of the country when confidence returns.

Despite the general market sluggishness, certain buyer segments are showing sustained motivation. James Nightingall, founder of HomeFinder AI, pointed out that first-time buyers continue to display a level of activity akin to last year’s October, often aiming to complete property moves by the end of the year. This demographic’s determination contrasts with the broader market’s more cautious stance.

In summary, the UK housing market heading into late 2024 is characterised by a cautious but resilient mood. Sellers face challenges due to increased supply and subdued buyer urgency, exacerbated by uncertainty over tax policies and inflation. At the same time, improved mortgage affordability and pockets of buyer demand hint at potential for recovery once clarity on economic policy is provided in the upcoming Budget. Market watchers remain hopeful that once current apprehensions clear, the typical autumn uplift may finally materialise, restoring some momentum to house prices and transactions across the country.

### 📌 Reference Map:

* Paragraph 1 – [[1]](https://www.independent.co.uk/money/rightmove-london-britain-budget-england-b2848208.html), [[4]](https://www.cnbc.com/2024/10/21/asking-prices-for-uk-homes-barely-rise-in-october-rightmove-says.html), [[6]](https://www.reuters.com/world/uk/uk-housing-market-loses-momentum-ahead-budget-rightmove-says-2025-10-19/)
* Paragraph 2 – [[1]](https://www.independent.co.uk/money/rightmove-london-britain-budget-england-b2848208.html), [[4]](https://www.cnbc.com/2024/10/21/asking-prices-for-uk-homes-barely-rise-in-october-rightmove-says.html), [[6]](https://www.reuters.com/world/uk/uk-housing-market-loses-momentum-ahead-budget-rightmove-says-2025-10-19/)
* Paragraph 3 – [[1]](https://www.independent.co.uk/money/rightmove-london-britain-budget-england-b2848208.html), [[3]](https://www.gov.uk/government/news/uk-house-price-index-for-october-2023), [[5]](https://www.gov.uk/government/statistics/uk-house-price-index-for-october-2023/uk-house-price-index-summary-october-2023)
* Paragraph 4 – [[1]](https://www.independent.co.uk/money/rightmove-london-britain-budget-england-b2848208.html), [[2]](https://www.rightmove.co.uk/press-centre/house-price-index/october-2023/), [[7]](https://www.reuters.com/world/uk/asking-prices-uk-homes-barely-rise-october-rightmove-says-2024-10-20/)
* Paragraph 5 – [[1]](https://www.independent.co.uk/money/rightmove-london-britain-budget-england-b2848208.html), [[6]](https://www.reuters.com/world/uk/uk-housing-market-loses-momentum-ahead-budget-rightmove-says-2025-10-19/), [[7]](https://www.reuters.com/world/uk/asking-prices-uk-homes-barely-rise-october-rightmove-says-2024-10-20/)
* Paragraph 6 – [[1]](https://www.independent.co.uk/money/rightmove-london-britain-budget-england-b2848208.html)
* Paragraph 7 – [[1]](https://www.independent.co.uk/money/rightmove-london-britain-budget-england-b2848208.html)

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## Bibliography

1. <https://www.independent.co.uk/money/rightmove-london-britain-budget-england-b2848208.html> - Please view link - unable to able to access data
2. <https://www.rightmove.co.uk/press-centre/house-price-index/october-2023/> - In October 2023, Rightmove reported that average new seller asking prices increased by 0.5% to £368,231, marking the smallest October rise since 2008 and well below the typical 1.4% increase. The number of sales agreed was 17% lower than the previous year, indicating a more subdued market. Buyers remained active for well-priced properties, but sellers were advised to set competitive prices from the outset to attract attention. Additionally, average fixed mortgage rates had fallen for 11 consecutive weeks, with the average two-year fixed rate now below 6% for the first time since June.
3. <https://www.gov.uk/government/news/uk-house-price-index-for-october-2023> - The UK House Price Index for October 2023 revealed a 0.7% decrease in average house prices since September, with an annual decline of 1.2%, bringing the average property value to £288,000. In England, the average property value stood at £306,000, with a monthly decrease of 0.8% and an annual decrease of 1.4%. Regionally, London experienced the lowest monthly price growth, with a fall of 3.1%, and the lowest annual price growth, with a fall of 3.6%.
4. <https://www.cnbc.com/2024/10/21/asking-prices-for-uk-homes-barely-rise-in-october-rightmove-says.html> - In October 2024, Rightmove reported that asking prices for UK homes rose by just 0.3%, significantly below the typical 1.3% monthly increase. The number of homes available for sale was 12% higher than the same time the previous year, marking the highest per real estate agent since 2014. While buyer demand remained strong, some were holding off for clarity on potential tax changes in the upcoming government budget and anticipated reductions in borrowing costs by the Bank of England.
5. <https://www.gov.uk/government/statistics/uk-house-price-index-for-october-2023/uk-house-price-index-summary-october-2023> - The UK House Price Index summary for October 2023 indicated a 1.2% annual decrease in average house prices, bringing the average property value to £288,000. In England, the average property value was £306,000, with a monthly decrease of 0.8% and an annual decrease of 1.4%. Regionally, London experienced the lowest monthly price growth, with a fall of 3.1%, and the lowest annual price growth, with a fall of 3.6%.
6. <https://www.reuters.com/world/uk/uk-housing-market-loses-momentum-ahead-budget-rightmove-says-2025-10-19/> - Ahead of the upcoming budget announcement by Finance Minister Rachel Reeves in November 2025, the UK housing market has shown signs of slowing down. Rightmove data indicates that average asking prices increased by just 0.3% in the four weeks to October 11, falling well short of the seasonal average of 1.1%. Year-over-year, prices declined slightly by 0.1%. Rightmove's property expert Colleen Babcock noted a lack of momentum and positive sentiment in the market, partly due to buyer caution amid speculation about potential property-related tax increases in the forthcoming budget, especially affecting high-end properties in southern England.
7. <https://www.reuters.com/world/uk/asking-prices-uk-homes-barely-rise-october-rightmove-says-2024-10-20/> - In October 2024, asking prices for UK homes saw a minimal increase of 0.3%, significantly less than the typical 1.3% rise for the month, according to Rightmove. This slight rise comes amid an influx of properties onto the market, which saw a 12% increase in available homes compared to last year, the highest since 2014 per real estate agent. Buyers' demand remained strong, yet some were holding off for potential tax changes in the upcoming government budget and anticipated reductions in borrowing costs by the Bank of England. Year-on-year, prices saw a 1.0% increase. Rightmove's director, Tim Bannister, noted that despite awaiting the budget and possible further Bank Rate cuts, the market outlook remains positive moving into 2025. Following the Bank of England's first rate cut in over four years in August, mortgage rates have steadied, with recent increases observed. Finance Minister Rachel Reeves' October 30 budget is awaited for further economic direction, with potential tax increases and the expiry of stamp duty thresholds in March.