



The Spectator

'Terrible Tuesday' hits the UK

By Michael Simmons

The cost of living has jumped yet again. The price of energy, water, broadband, public transport and TV licences have all risen, along with council tax bills, capital gains and vehicle taxes, on what's been dubbed 'Terrible Tuesday'.

Ofgem's latest energy price cap hike – up 6.4 per cent – adds £111 to annual dual-fuel bills, bringing the average cost to £1,849. Analysts had expected a 5 per cent rise, but Ofgem blamed 'rising global wholesale prices' for the steeper increase.

Most English households, meanwhile, will experience a 4.99 per cent increase to their council tax bills – the maximum allowed by legislation. It's even worse in Scotland where most homes will experience rises of more than 8 per cent.

Water bills have risen, too. Thames Water customers face hikes of nearly a third, while the TV licence has gone up by £5. Vehicle tax for petrol and diesel cars also rises by £5 and electric cars will no longer be tax exempt.

The threshold at which stamp duty kicks in has dropped from £425,000 to £300,000 for first-time buyers, and from £250,000 to £125,000 for those who already own a home.

'Terrible Tuesday' may be just the beginning. The national insurance rise is being compounded by increases in the minimum wage for younger workers, making hiring less attractive for employers. Business surveys suggest firms are preparing to freeze hiring or cut staff altogether.