



February 2026

Insuring Expensive Jewellery

Don't Let Valentine's Gifts Go Uninsured



House-Price Outlook 2026: Forecast Suggestions

Signs that the housing market is starting to find its feet again, helped by gradually improving affordability.

Buying Together: Financial Planning For Couples

Buying a home with a partner is a big step – a few clear decisions upfront can make everything smoother later down the line.

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Featured **This Month**

February is a month for balancing heart and home – setting plans in motion and protecting what matters.

We cover flexible mortgage lending changes, 2026 price forecasts, buy-to-let hotspots and couples' financial planning, along with a timely Valentine's reminder to review your jewellery insurance.

Working **With Us**

Welcome to our monthly newsletter! With over 30 years' experience in mortgages and protection, we offer whole-of-market guidance to help you make confident financial decisions. Our personalised advice and ongoing support are here to ease your stress and keep you informed as your needs evolve.

If you have any queries, please don't hesitate to contact us.

Insuring Expensive Jewellery

Many contents policies will cover valuables up to a "single item limit". If your item is worth more than that limit, you could be left funding most of the replacement cost yourself.



Read more on **page 10**



3

Buying Together: Financial Planning For Couples



6

House-Price Outlook 2026: What The Forecast Suggests Next



8

Mortgage Rule Changes: More Flexible Borrowing Options



12

Buy-to-Let Hotspots: Where Yields Are Highest

Buying Together: Financial Planning For Couples



Buying a home with a partner is a big step – you're combining money, plans and risk in one place. So a few clear decisions upfront can make everything smoother later down the line...

Agree The Budget Before The Mortgage Quote

It's easy to get dazzled by a lender's "maximum" figure. A more useful number is the payment you'd still feel comfortable with if life got a bit tight – a rate change at the next remortgage, a surprise bill, or one of you switching jobs.

Have the budget chat before you get emotionally attached to a postcode. Look at your take-home pay, list the non-negotiables (existing debt payments, childcare, travel costs), then settle on a monthly housing figure that leaves breathing room. If you start there, you'll usually land on a price range that feels manageable rather than stretched.

Be Clear On Who Pays What (And When)

Money is where most couples' intentions can start to blur – not just with deposits, but with the day-to-day costs of owning a home together.

Have the practical talk early:

- Who's contributing what towards the deposit, fees and moving costs?
- Will mortgage payments be split evenly, by income, or to reflect who's invested more upfront?
- If one of you pays for upgrades or renovations later, does that change ownership shares, or is it simply shared?

If you already live together, look at how you currently divide rent and bills – then decide if that pattern still works once you own, or if it needs to change when a deposit and equity come into play.

A joint account can keep shared costs tidy, but what really matters is having an agreement you both understand and stick to.

Don't Assume You'll Qualify For Every Scheme As A Couple

If you're thinking about First Homes or similar options, check the rules before you plan around them.

With the First Homes scheme, if you buy as a couple, both of you need to be first-time buyers. If one partner has owned a property before – even years ago – that can rule you out. It's one of those details that's easy to miss until you're already invested in a particular home.

The same principle applies more widely: affordable housing schemes can have strict eligibility rules, and they don't always bend for "but we're buying together".

Protect Unequal Contributions With A Declaration Of Trust

If your deposits aren't equal (or one of you is putting in family money), consider protecting that difference formally.

A declaration of trust is a legal document that sets out who owns what share of the property

and what happens if you sell. It can also record how mortgage payments are being handled and what happens if one person covers major costs later. It's especially useful where:

- one partner is putting in a larger deposit,
- one is moving equity from a previous sale,
- or family help is involved and everyone wants clarity.

Your conveyancer will also ask how you want to hold the property. That choice links closely to how you want ownership and inheritance to work, so it's worth discussing properly.

Small Changes That Can Improve Joint Affordability

If you're close to the edge on affordability, the biggest improvements often come from reducing monthly commitments.

A few moves that can help in the months before applying:

- Pay down high-interest debt where you can (credit cards and overdrafts tend to weigh heavily).
- Avoid taking out new finance (car finance, buy-now-pay-later, big credit applications).
- Make sure your credit files are tidy and your addresses match across accounts.
- If one income is variable (self-employed, commission, freelance), get paperwork organised early so you can show a consistent picture.

It's also sensible to talk through "what changes next year?" If one of you plans to go part-time, start a business, or take parental leave, build that into the plan now – because lenders and budgets both care about future reality, not just today's numbers.

Insurance: The Quiet Essential People Leave Too Late

Buildings and contents insurance protect the home. They don't protect the mortgage if one of you dies.

That's why many couples look at life insurance alongside a joint mortgage. One key detail: a joint life policy typically pays out once (usually on the first death) and then ends, while two single policies can pay out separately.

There's no universal "right" set-up – it depends on your budget, whether you have dependants, and whether your aim is to clear the mortgage fully or simply reduce the pressure on the surviving partner.

The point is to avoid the situation where the mortgage relies on two incomes, but there's no plan for what happens if only one income remains.

Pre-Offer Checklist

Before you put an offer in, make sure you've covered the basics:

- You agree a monthly payment that still works if costs rise.
- You're clear on deposit contributions and how you'll split ongoing costs.
- You've checked any scheme eligibility as a couple (not just individually).
- You've discussed protecting unequal deposits via a declaration of trust.
- You've considered life insurance to protect the mortgage.

If you want tailored help, a mortgage adviser can sense-check affordability, lender criteria and your options before you commit – get in touch with a member of the team!





House-Price Outlook 2026: What The Forecast Suggests Next

After the lurches of recent years, 2026 is shaping up to be a “steady does it” kind of market. Most forecasts point to small, single-digit growth rather than a big bounce – a sign that the housing market is starting to find its feet again, helped by gradually improving affordability, but still held back by stretched budgets in many areas.

The HomeOwners Alliance (HOA), for example, expects UK house prices to rise by around 2% in 2026, and suggests the strongest gains are more likely in lower-priced regions such as Northern Ireland and the North East, with pricier markets like London lagging. It also flags that buyer choice has been higher than usual, which tends to keep a lid on runaway prices^[1].

Why Modest Growth Is The Base Case

A few forces are pulling in opposite directions – which is exactly why the “modest growth” outlook keeps cropping up.

Affordability is slowly improving: Not because homes have suddenly become cheap, but because the worst of the mortgage-rate shock has eased and incomes have had time to catch up a little. If mortgage rates drift down further, it can lift demand at the margins (especially for first-time buyers). But even with that support, affordability still acts as a speed limiter: if monthly payments feel uncomfortable, buyers either reduce budgets or sit tight.

Supply is doing more of the heavy lifting:

Compared with the ultra-tight market of the pandemic years, there’s been a better choice of homes for sale in many areas. When buyers have

options, sellers have to price realistically – and that usually means gentler price growth.

The labour market matters more than ever:

With higher borrowing costs still in the system, buyers are more sensitive to job security and wage growth. If wage rises cool and employment softens, that can cap what people are willing (or able) to pay.

Put simply: 2026 looks like a year where the market can move forward, but not sprint.

How The Main Forecasts Compare

Forecasts differ, but the clustering is striking: most sit between 1% and 4%.

- **Nationwide:** expects annual house price growth to remain broadly in the 2% to 4% range in 2026, arguing that easing affordability pressures should help underpin demand^[2].
- **Savills:** has a mainstream house price forecast of 2% for 2026, while noting better medium-term prospects and stronger performance in some northern and more affordable markets^[3].
- **Rightmove:** predicts new seller asking prices will rise by 2% by the end of 2026, and expects lower-priced areas (such as parts of northern England, plus Scotland and Wales) to do better than London and southern England^[4].
- **Halifax:** expects a 1% to 3% rise in 2026, while acknowledging headwinds such as slowing wage inflation. Halifax’s latest index also showed annual growth running at 0.3% in December 2025, underlining how subdued the market looked heading into the new year^[5].

A quick note on what these numbers mean: some are based on achieved sale prices, some on asking prices, and all are national averages. Local markets can behave very differently – even two similar homes on the same street can sell at noticeably different levels depending on timing, condition and competition.

What This Means For First-Time Buyers

If you’re buying your first home, modest growth can be a double-edged sword – but it often tilts slightly in your favour.

More negotiation power: When price growth is slow and there’s decent choice, buyers are less likely to feel forced into bidding wars. That can mean more room to negotiate on price, repairs, or completion dates.

Less fear of “missing out”: In a fast-rising market, waiting can feel risky. In a flatter market, taking a bit more time to find the right property – and the right mortgage – is usually less punishing.

But deposits and affordability still bite: Even if prices rise only slightly, the monthly payment is what makes or breaks most budgets. Small changes in mortgage rate (or the size of your deposit) can have a bigger impact on affordability than a 2% change in house price.

What This Means For Movers And Sellers

For movers, the key is to think in cash terms as well as percentages.

Don’t bank on big uplift: If you’re selling to buy your next place, modest growth often means your sale price may not leap ahead – but it can also mean the home you’re buying isn’t racing away either.

Pricing becomes decisive: In a market with more choice, buyers tend to walk away from anything that feels overpriced. The homes

that move fastest are usually the ones priced sensibly from day one.

Chains can be more sensitive:

When budgets are tight, surveys and down-valuations can matter more. Building a bit of flexibility into timelines – and having a Plan B – can reduce stress.

The Bottom Line

The broad message for 2026 is calm rather than dramatic: most forecasters see UK house prices rising modestly, with affordable regions likely to outperform and higher-priced areas more constrained. If you’re planning a move, it’s a year where preparation and affordability checks matter at least as much as the headline “house price forecast”.

If you want help sense-checking your options – from affordability to mortgage choices – get in touch with a member of our team today!

Source Data

[1] HomeOwners Alliance – UK House Price Predictions 2026

[2] Nationwide – Nationwide House Price Review and Outlook for 2026: Slight easing in affordability pressures helps underpin buyer demand

[3] Savills – Savills raises its total return forecast for 2026–2030 to 7.8% in UK Cross-Sector outlook

[4] Rightmove – Our 2026 UK House Price Predictions

[5] Halifax – Halifax House Price Index (December 2025 release)



Mortgage Rule Changes: FCA Pushes For More Flexible Borrowing

Mortgage rules don't usually make the evening news. But the Financial Conduct Authority (FCA) is signalling reforms that could genuinely change who gets a fair shot at a mortgage – and how lenders assess applications in a world of freelance income, portfolio careers and later retirements.

In late 2025, the FCA set out a clear direction of travel: a mortgage market that still protects borrowers, but is less “one size fits all” and more in step with modern working lives and life stages^[1].

What The FCA Is Trying To Fix

For years, the mortgage system has largely been built around a traditional picture: stable monthly pay, steady outgoings, and paying the mortgage down before retirement. That doesn't fit everyone anymore.

A growing number of people have variable pay (self-employed, contractors, gig-economy workers, commission-based roles). Others are buying later in life, or carrying a mortgage into retirement. At the same time, many borrowers who could manage payments in reality can still struggle to pass strict affordability checks, especially when lenders apply stress tests conservatively. The FCA's view is that the market can stay safe while becoming more realistic – provided lenders remain disciplined about lending standards and support customers properly.

The Proposed Changes

The FCA's latest roadmap groups its planned work into four areas: expanding access for first-time buyers and “underserved” borrowers, improving later-life lending, enabling innovation, and protecting vulnerable consumers^[2]. Within that,

three themes matter most for everyday buyers:

1) Stress Tests That Allow More Judgement

A mortgage “stress test” is basically the lender asking: could you still afford this if rates rose or your costs increased? It's a sensible safety check – but the FCA thinks there's room for lenders to apply it more proportionately, rather than defaulting to the same blunt approach for every applicant.

The regulator points to its reminder to firms in March 2025 that existing rules already allow flexibility in how stress tests are designed. Since then, many lenders have adjusted their approach, which the FCA says has eased affordability pressure and, in some cases, enabled borrowers to access materially higher loan amounts than before.

2) A Proper Review Of Later-Life Lending

More people are taking mortgages later, and some will still have one when they stop working. That raises practical questions: what counts as “affordable” when income changes at retirement, and what products genuinely offer fair value?

The FCA plans a focused market study on how later-life lending should develop – looking at how the market can adapt and innovate so customers can

access products that meet their needs and represent fair value. The FCA said it expects to publish the market study's terms of reference in the first quarter of 2026^[3].

3) Digital Advice And Smoother Mortgage Journeys

The FCA also wants to see a market where technology can help people get the right information at the right time – without forcing every interaction into a full, formal advice process. That doesn't mean “robots replacing advisers”. In practice, it could mean clearer digital prompts, better personalised information, and simpler ways to check options and make changes – while keeping advice for people who need it, or want it.

Who Could Benefit

First-time buyers may feel the impact first if lenders become more confident using tailored affordability assessments. Where a buyer's budget is being squeezed by high rents and rising living costs, even small improvements in affordability calculations can make the difference between “just short” and “approved”.

Gig-economy workers, contractors and the self-employed could also benefit if lenders become more comfortable assessing variable income, and if the rules better support products that reflect non-standard working patterns.

Borrowers nearing retirement may see more consistent options and clearer standards if later-life lending rules and product design become more joined up.

The Risks And The Watch-Outs

A more flexible market is not automatically a better one for every borrower.

If stress tests are loosened too far, there's a simple danger: people can take on larger loans that feel manageable today but become painful if rates rise again or income drops. That's one reason the FCA keeps stressing “rebalancing risk” rather than removing it – and why consumer protection remains a core theme of the roadmap.

It's also worth saying: even with reform, lenders won't stop checking income, spending, credit history and stability. These changes are more about how the checks are applied and whether they reflect real life – not about waving people through.

What Happens Next

The FCA says it will begin consulting the public on proposed rule changes from early 2026, with an aim to have the first rule changes in place later in the year. That consultation process matters: it's where details get tested, edge cases get aired, and safeguards are shaped.

For borrowers, the practical takeaway is this: 2026 could be the year lenders start offering more products and assessments designed around how people actually earn and live – especially at the first-time buyer end of the market, and for people whose income doesn't arrive in a neat monthly payslip.

If you're thinking about buying or remortgaging, it's worth speaking to a mortgage adviser who can translate lender criteria and help you work out what's realistically achievable.

Source Data

[1] Financial Conduct Authority (FCA) – Building The Mortgage Market Of Tomorrow

[2] Financial Conduct Authority (FCA) – FS25/6: Mortgage Rule Review: Feedback To DP25/2 And Roadmap

[3] Financial Conduct Authority (FCA) – FCA Sets Out Plans To Help Build Mortgage Market Of The Future





Insuring Expensive Jewellery

Don't Let Valentine's Gifts Go Uninsured

Rings, watches and fine jewellery are easy to overlook on a home-insurance policy - and that's where people get caught out.

A Valentine's gift can be tiny in size but huge in value. Many contents policies will cover valuables up to a "single item limit". If your item is worth more than that limit and you haven't told your insurer, you could be left funding most of the replacement cost yourself.

The Single Item Limit Trap

Most contents policies place a cap on what they'll pay for any one item, even if your overall contents cover is much higher. This cap (the single item limit) is commonly around £1,500-£2,500, varying by insurer and policy^[1]. So if your watch is worth £5,000 and your policy limit is £2,000, you shouldn't assume you'll get £5,000 back after a theft.

That doesn't mean expensive jewellery can't be insured under standard home cover - it usually can - but it often needs to be treated differently.

Why You Need To Declare High-Value Items

Insurers typically split valuables into two buckets: Unspecified valuables: covered automatically, but only up to set limits (including the single item limit).

Specified items: higher-value pieces you list individually, usually with a value attached. If you've got jewellery worth more than the single item limit, it may need to be listed separately (often called "specified" or "named" on the policy),

usually for an additional premium^[2].

What Happens If You Don't Tell Your Insurer

The most common problem isn't that your claim is automatically rejected - it's that the payout is restricted.

If you claim for a loss and the item wasn't specified, the insurer may pay only up to the single item limit, even if you can prove the item's true value. That gap can be painful, especially with jewellery where replacement costs can be higher than expected.

There's also a second risk: if your policy information isn't accurate (for example, your total contents value is now much higher because you've acquired several expensive items), insurers can reduce a payout in some circumstances. Rules vary by provider, so it's about preventing awkward surprises rather than trying to game the system.

Guidance is straightforward: if a valuable is worth more than the single item limit, tell your insurer, or you may find you're underinsured when you need to claim.

Cover Outside The Home: "Personal Possessions" Matters

A lot of jewellery is worn outside the house - engagement rings, watches, bracelets you never

take off. Standard contents insurance often focuses on what's in the home. If an item is lost or stolen while you're out, it may not be covered unless you have an add-on such as personal possessions (sometimes called "cover away from home" or "all risks").

This is where people get caught twice: an item might be underinsured at home due to the single item limit, and not properly covered outside the home at all. Industry guidance notes that cover away from home is often an optional extra, and higher-value pieces may still need specifying^[2].

Practical tip: if you're adding personal possessions cover, check:

- whether it covers loss as well as theft/damage,
- whether cover applies worldwide or only in the UK,
- any unattended exclusions (e.g., left in a gym locker or car),
- and whether there's a separate single item limit for items away from home.

How To Value Jewellery Properly

Insurers need a value to insure against - and "what I paid for it" isn't always enough.

Keep the paper trail.

- Hold onto receipts, invoices and certificates (especially for diamonds and branded watches).
- Take clear photos: the item, the hallmark, any serial number, and a shot of you wearing it (helpful for ownership).

Get a valuation when it's worth it.

For high-value items, an independent valuation can make the difference between an easy claim and a drawn-out argument. Some insurers also expect valuations to be updated periodically for more expensive pieces, particularly where prices can shift over time.

Store documents safely.

Keep digital copies somewhere secure (cloud storage or emailed to yourself) so you're not relying on paperwork that could be lost in a burglary or fire.

A Quick Checklist Before You Assume You're Covered

- Find your policy's single item limit (it'll be in the wording or summary).
- Make a list of anything that could exceed it: rings, watches, earrings, bracelets, handbags, even high-end tech.
- Decide what needs specifying and update the policy.
- If you wear it out, consider personal possessions cover.
- Keep proof of ownership and a sensible valuation trail.

Valentine's gifts are meant to be worn and enjoyed - not locked away because you're worried about losing them. A five-minute policy check now can save a nasty shock later.

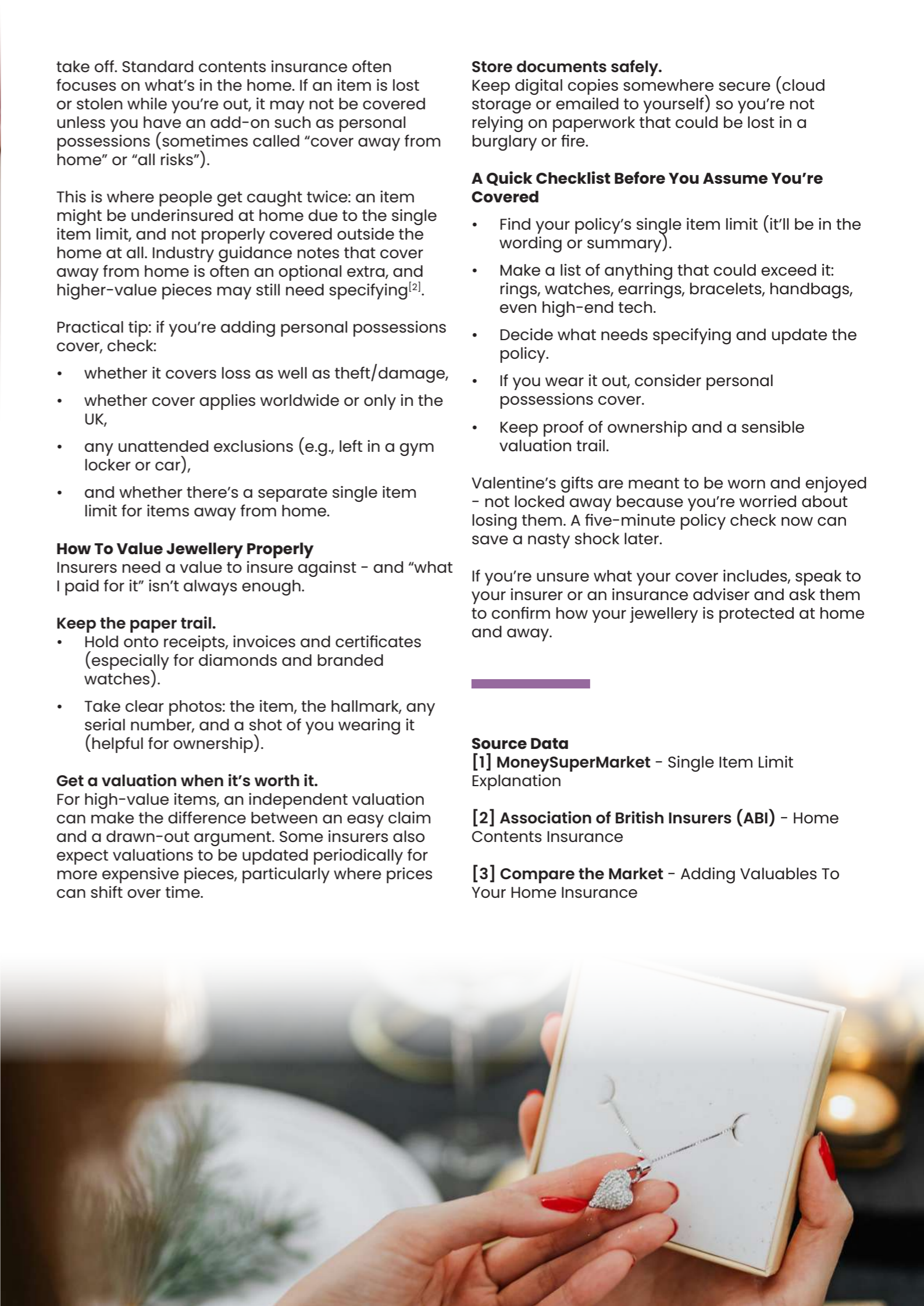
If you're unsure what your cover includes, speak to your insurer or an insurance adviser and ask them to confirm how your jewellery is protected at home and away.

Source Data

[1] MoneySuperMarket - Single Item Limit Explanation

[2] Association of British Insurers (ABI) - Home Contents Insurance

[3] Compare the Market - Adding Valuables To Your Home Insurance



Buy-to-Let Hotspots: Where Yields Are Highest

Buy-to-let in 2026 is still a tale of two markets. In much of the South, higher purchase prices keep yields relatively tight. In parts of the North and Midlands, lower entry prices – combined with resilient tenant demand – are pushing headline yields higher, even as the market adjusts to higher mortgage costs and tighter regulation.

That doesn't mean every "high yield" postcode is a bargain. Yields can look generous on paper and disappoint in reality once you factor in voids, repairs, licensing, letting fees, insurance and the tax position. But if you're clear on the numbers and choose the right area, there are still pockets where the rental maths stacks up.

Why Higher-Yield Areas Tend To Be Northern And Midlands-Led

High yields usually come from one of two things:

- Strong rents relative to purchase price (often because prices are low rather than rents being sky-high).
- Consistent tenant demand (so you avoid long gaps between tenancies).

Northern cities and some Midlands towns often tick both boxes. They typically have: large renter populations (including young professionals), universities and colleges driving student demand,

major employers (NHS, logistics, manufacturing, ports), and regeneration projects that steadily lift an area's profile.

The Headline Yield Leaders For 2026

Recent yield round-ups put some of the strongest gross returns in Hull (9–11%), Liverpool (8–10%) and Bradford (8–9.5%), with other northern names such as Sunderland and Middlesbrough frequently appearing in the top tier^[1].

These figures are best treated as "up to" numbers rather than a promise. They tend to reflect the right property type, the right street, and a rent that's achievable without long void periods.

A useful sense-check is to compare those headlines with larger housing datasets. Zoopla's yield analysis, for example, puts Hull at around an 8% gross yield, which is still strong – but shows how different sources and methods can produce different answers^[2].

What Makes These Places Work

Hull often scores well because prices are relatively low, while demand stays steady thanks to local employment, port activity and student populations. High yields here can be very postcode-specific: some areas are consistently lettable; others look cheap for a reason.

Liverpool has a deep rental market – students, graduates, and city-centre workers – and strong demand for well-located flats and terraces. It's also a city where the wrong unit can underperform (for example, poorly managed blocks, or developments with heavy competition from similar new builds).

Bradford can offer very strong yields because entry prices can be low, but it's one where investors need to be especially picky. Micro-location matters, tenant profile varies by neighbourhood, and local licensing rules can shape costs and compliance.

Don't Buy A Yield – Buy A Plan

Before you chase the highest percentage, it's worth stepping back and checking what you're actually buying.

1) Gross Yield Isn't Your Profit

The yield figures you see in round-ups are typically gross (rent divided by purchase price).

Your real result depends on:

- mortgage rate and fees,
- insurance and service charges (especially for flats),
- repairs and compliance costs,
- letting/management fees,
- void periods and arrears risk.

A slightly lower-yielding property with stable tenants and low running costs can beat a "headline yield" deal that needs constant maintenance.

2) Regulation And Local Rules Matter

Licensing and planning restrictions can change the economics quickly, particularly for HMOs and some targeted landlord licensing areas. If your strategy depends on running a shared house or maximising occupancy, make sure local rules support it.

3) Tenant Demand Is The Non-Negotiable

High yields usually rely on the property being easy to let. Look for:

- strong transport links,
- proximity to universities/colleges or major employment hubs,
- a good spread of local amenities,
- and evidence the rent you're assuming is realistic for that street and property type.

"Opportunities" Beyond Traditional Hotspots

It's not just the North that's interesting. Parts of the prime market have been under pressure, and that can create opportunities for investors who are thinking longer-term and prioritising quality assets.

Knight Frank reported that prime central London prices fell 4.3% over the 12 months in its late-2025 snapshot, a reminder that even premium markets can go through price resets^[3]. At the same time, the mainstream market softened at the end of 2025: Nationwide's index recorded a 0.4% monthly dip in UK house prices in December 2025^[4].

That doesn't suddenly make central London a high-yield play – it generally isn't. But it does underline a wider point for 2026: investors don't have to follow yesterday's hotspots. Some will prioritise yield in cheaper regions; others will prioritise long-term capital value and scarcity in prime areas. The right answer depends on your goals, time horizon and risk appetite.

A Checklist Before You Buy

- Stress-test the mortgage payment at a higher rate than today.
- Run a "real world" budget (voids, repairs, fees, compliance).
- Check local licensing rules early, not after completion.
- Validate achievable rent with comparable lets, not just asking rents.
- Consider whether the area offers both rentability now and a plausible longer-term story (regeneration, jobs, universities, transport).

If you're considering purchasing a buy-to-let, it's worth speaking to a mortgage adviser and tax professional to sense-check affordability, lender criteria and the post-costs return. For any queries, please contact our team!

Source Data

[1] Property Investment Contact – Best UK Rental Yields 2026 | Top 15 High-Yield Buy-to-Let Areas

[2] Zoopla – The Highest Yielding Areas For Buy-To-Let Property In The UK

[3] Knight Frank – Budget Clarity Brings Short-Term Relief In Prime London Markets

[4] Nationwide Building Society – UK House Price Growth Ends 2025 On A Softer Note



Need a Hand with Your Mortgage Plans?

Whether you're thinking about remortgaging, moving home, or just want to explore your options, we're only a call or email away.

Happy with our service?

The best compliment you can give is a recommendation. If you have friends, family or colleagues who could use expert mortgage advice, we'd love to help them too.

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