



Help to Buy: ISA scheme Quarterly Statistics

30 June 2016

Data from 1 December 2015 to 31 March 2016

Key points:

- Since the launch of the Help to Buy: ISA, 1,490 property completions have been supported by the scheme.
- 2,090 bonuses have been paid through the scheme with an average bonus value of £421.
- The highest proportion of property completions with the support of the scheme is in the North West and Yorkshire and the Humber, with a lower proportion in London and the South East.
- The mean value of a property purchased through the scheme is £163,821, compared to a national average house price of £292,000.
- The average age of a first time buyer in the scheme is 29 compared to a national first time buyer median age of 30.

Introduction	2
Help to Buy: ISA	2
Monthly figures	3
Property value	4
Age breakdown	5
Country and regional breakdown	6
Local authority breakdown	7
Background notes	9
Enquiries	10

Statistical enquiries:

HelpToBuyISASTatistics@hmtreasury.gsi.gov.uk

Media enquiries:

pressoffice@hmtreasury.gsi.gov.uk

Date of next publication:

29 September 2016

Introduction

This statistical release contains Official Statistics on the government's Help to Buy: ISA scheme, covering the number and value of bonuses paid, property completions by value, breakdown by age and breakdowns by geographical area. It is the first Official Statistics release concerning the Help to Buy: ISA and covers the period 1 December 2015 to 31 March 2016.

This release does not cover statistics regarding the Help to Buy: mortgage guarantee or the Help to Buy: Equity Loan scheme.

The quarterly release of Official Statistics for the Help to Buy: mortgage guarantee scheme can be found at:

www.gov.uk/government/collections/help-to-buy-mortgage-guarantee-scheme-quarterly-statistics

The quarterly release of Official Statistics for the Help to Buy: Equity Loan scheme can be found at:

www.gov.uk/government/collections/help-to-buy-equity-loan-and-newbuy-statistics

In order to provide context for users of the Help to Buy: ISA scheme statistics, comparisons are made to various Council of Mortgage Lending (CML) statistics, which cover the UK mortgage lending market as a whole. More information about CML statistics is available at:

www.cml.org.uk/cml/statistics

Help to Buy: ISA

The Help to Buy: ISA scheme was launched on 1 December 2015 with accounts available through banks and building societies. The scheme provides support to first time buyers saving up to buy their first home. First time buyers that choose to save through a Help to Buy: ISA will be eligible for a government bonus. The bonus size is calculated as 25% of the closing balance in the buyer's Help to Buy: ISA and paid when the home is purchased. The maximum government bonus is capped at £3,000 on £12,000 of savings. Accounts are available to each first time buyer and not limited to each household.

In order to be eligible for a Help to Buy: ISA government bonus, buyers have to meet eligibility criteria which are set out in the scheme rules. For example, the scheme is not available on buy-to-let property or a second home. The property can have a purchase price of up to £250,000, or £450,000 if in London.

The scheme will be open to new savers until 30 November 2019. Help to Buy: ISA account holders must claim their government bonus by 1 December 2030.

Monthly figures

Table 1 below shows the number of Help to Buy: ISA bonuses paid through the scheme alongside the number of property completions, the total value of bonuses paid and the total value of the properties purchased. There were 2,090 bonuses paid through the scheme to end of March, which supported 1,490 property completions. The total value of the bonuses paid in this period was £0.88 million which were used to finance properties worth £244 million in total.

Table 1: Number of bonuses paid, property completions, total value of bonuses and properties from December 2015 to March 2016

	Bonuses	Total property completions ^{1,2}	Value of bonuses (£m)	Value of properties (£m)
2015				
December	-	-	-	-
2016				
January	-	-	-	-
February	397	257	0.16	43
March	1,693	1,233	0.72	201
Total to end March	2,090	1,490	0.88	244

¹ Total property purchases include property purchase where confirmation of completion is still being awaited from the acting solicitor or conveyancer.

² Total property purchases is lower than the total bonuses paid as multiple bonuses can be used for a single property, i.e. a couple each with a Help to Buy: ISA buying a property together.

Property value

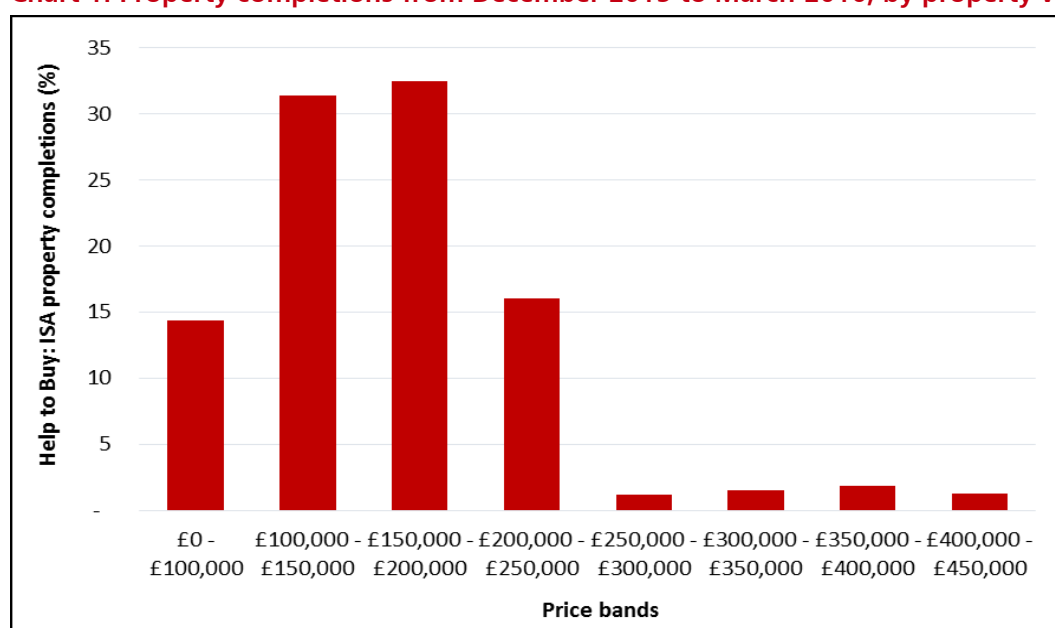
Table 2 below shows the number of property completions supported by the scheme broken down by property value.

The mean value of a property completion in the Help to Buy: ISA scheme to the end of March 2016 was £163,821, compared to the average UK house price of £292,000. 77% of completions were in the lower value bands of £200,000 or less. 16% of completions were on properties valued at between £200,000 and £250,000. This reflects the fact that most completions in the scheme have been on properties outside London, in regions where prices are typically lower.

Table 2: Bonuses and property completions from December 2015 to March 2016, by property value

Price band	Bonuses	Total property completions	Percentage of total completions (%)
£0 – £100,000	257	214	14
£100,000 – £150,000	630	467	31
£150,000 – £200,000	714	484	32
£200,000 – £250,000	368	239	16
£250,000 – £300,000	21	18	1
£300,000 – £350,000	32	22	1
£350,000 – £400,000	38	27	2
£400,000 - £450,000	30	19	1
All properties	2,090	1,490	100

Chart 1: Property completions from December 2015 to March 2016, by property value



Age breakdown

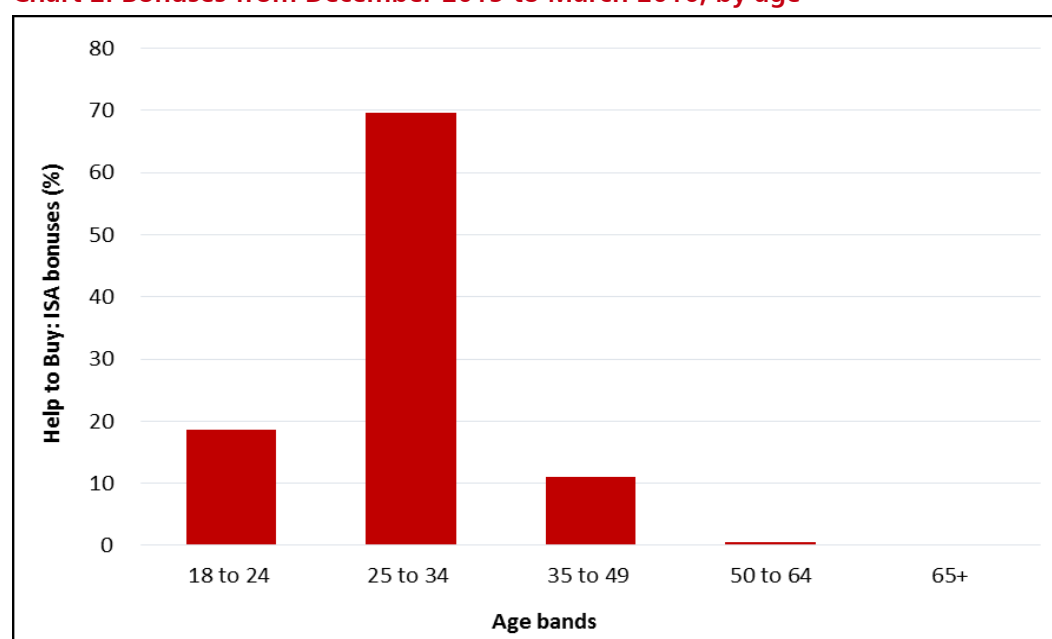
Table 3 shows the number of bonuses paid, broken down by age of first time buyer.

70% of first time buyers that have been supported by the scheme were between the ages of 25 to 34. The average age of a first time buyer in the scheme is 29 compared to a median first time buyer age across the market in the same period of 30³.

Table 3: Bonuses and property completions from December 2015 to March 2016, by age

Age	Bonuses	Total property completions ⁴	Percentage of total bonuses (%)
18 to 24	391	269	19
25 to 34	1,457	1,039	70
35 to 49	229	172	11
50 to 64	11	10	1
65+	-	-	0
Unknown	2	1	0
Total	2,090	1,490	100

Chart 2: Bonuses from December 2015 to March 2016, by age



³ The Council of Mortgage Lending industry data for median age of first time buyers www.cml.org.uk/cml/statistics

⁴ Property completions by age band is allocated by splitting the property in two to account for where multiple bonuses are used for a single property.

Country and regional breakdowns

Table 4 shows the regional distribution of the number of bonuses paid and property completions through the scheme in each region of England⁵ as well as in the devolved administrations. It also shows a regional breakdown of the mean property value.

Scotland accounted for 10% of property completions, Wales accounted for 7% of property completions and Northern Ireland accounted for 2% of property completions.

79% of bonuses paid were in England and this supported 78% of total property completions through the scheme. London and the South East received 14% of total bonuses bonuses paid and made up 15% of total property completions. At a regional level a higher proportion of property completions were supported by the scheme in the North West, Yorkshire and the Humber and Scotland.

Table 4: Number of bonuses and mean bonus paid, property completions and mean property value, by region⁶

Region	Bonuses	Percentage of total bonuses (%)	Mean bonus paid (£)	Property completions	Percentage of total completions (%)	Mean property value (£)
Scotland	196	9	423	152	10	136,781
Wales	143	7	422	100	7	141,131
Northern Ireland	31	1	422	25	2	132,434
England	1,641	79	421	1,166	78	170,481
South East	117	6	421	83	6	178,621
London	176	8	422	134	9	281,308
North West	299	14	422	213	14	145,206
South West	215	10	422	151	10	178,377
Yorkshire and the Humber	242	12	419	174	12	141,553
West Midlands	187	9	420	130	9	151,671
East Midlands	197	9	420	134	9	151,352
North East	93	4	416	67	4	141,914
East	115	6	422	80	5	178,251
Other	79	4	424	47	3	151,022
Total	2,090	100	421	1,490	100	163,821

⁵ The regions used in this publication are based on regions as defined by the ONS. ONS data regions can be found here: www.ons.gov.uk/methodology/geography/ukgeographies

⁶ Due to rounding, numbers may not add up to 100%.

Local authority breakdown

Map 1 overleaf shows the number of bonuses paid through the Help to Buy: ISA scheme by local authority from December 2015 to March 2016.

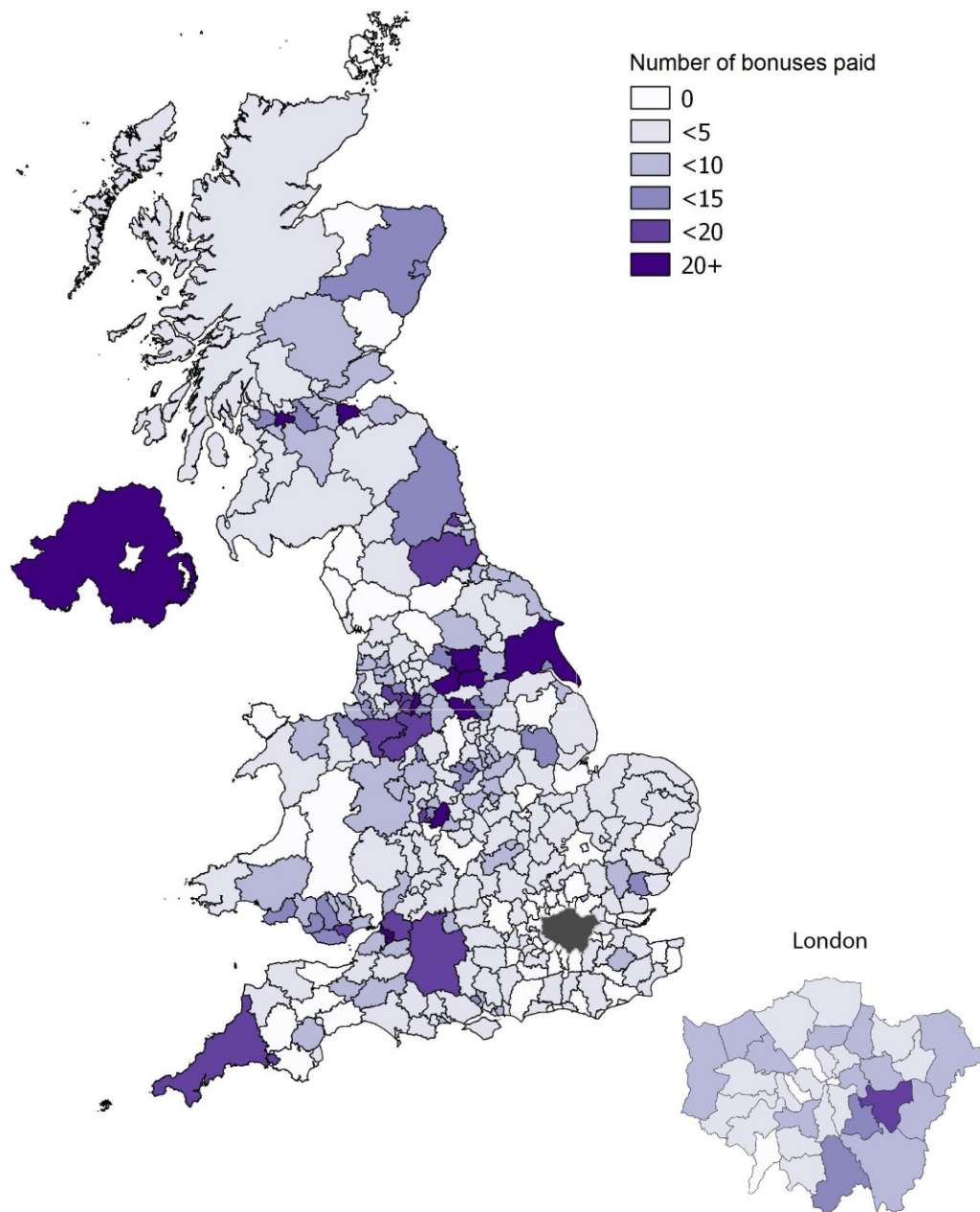
Accompanying tables are available to download alongside this release:

Table 5: Breakdown by local authority, England, Scotland, Wales and Northern Ireland.

Table 6: Breakdown by postcode district, England, Scotland, Wales and Northern Ireland.

Table 7: Breakdown by constituency, England, Scotland, Wales and Northern Ireland.

Map 1: Number of bonuses paid through Help to Buy: ISA by local authority, UK



NB: Contains Ordnance Survey data © Crown Copyright and database right 2014

Contains Royal Mail data © Royal Mail copyright and database right 2014

Contains National Statistics data © Crown copyright and database right 2014

Background notes

Data collection

UK Asset Resolution corporate services (UKARcs), who administer the scheme on behalf of HM Treasury, collect data from providers participating in the scheme in accordance with monitoring and reporting requirements set by HM Treasury.

Data quality

Both UKARcs and HM Treasury quality assure the data, using IT solutions and manual processes.

Audit and financial reporting

The scheme requires a rigorous audit regime to monitor and enforce compliance with the eligibility criteria and scheme rules. Providers are required to conduct internal audits, in addition to administrator audits carried out by UKARcs to seek assurance as to the provider's compliance with the scheme rules.

Mean and median

The following explanation uses property value as an example, but the median and mean are used in the same way throughout the publication. The median property value is the midway point of all the properties values included in the analysis. That is, if there were 101 property completion during a time period and they were ranked by value, the median property value would be the value in the middle i.e., that has 50 house prices above it and 50 house prices below it.

This differs to the arithmetic mean value, which equates to the average price – adding the property values together and then dividing this by the number of completions included in the analysis.

It can be useful to look at both the mean and median with property values. Extreme values at either end of the scale can skew the mean. Therefore the median can give users an additional way of interpreting the data.

Revisions policy

This policy has been developed in accordance with the UK Statistics Authority Code of Practice for Official Statistics and the Treasury Revisions policy:

www.gov.uk/government/uploads/system/uploads/attachment_data/file/191042/statistics_revisions_policy.pdf

There are two types of revision covered by the policy above, unscheduled revisions and scheduled revisions.

In line with the policy above, if a significant unscheduled revision is needed (for example from an error in the result of the compilation, imputation or dissemination process), the statistical release and accompanying tables would be updated with a correction notice as soon as is practical.

There should be relatively few scheduled revisions as the data is compiled from established administrative systems. Where there are scheduled revisions these will be indicated in the time series and highlighted in the release.

Users of the data

The data is used for monitoring the delivery of the Help to Buy: ISA scheme by users including the public, Parliament, financial and housing companies and markets. They are also used to inform wider government policy on housing.

User engagement

Users are encouraged to provide feedback on how these statistics are used and how well they meet user needs. Comments on any issues relating to this statistical release are welcomed and encouraged. Responses should be addressed to the "Public enquiries" contact given in the "Enquiries" section below.

The department's engagement strategy to meet the needs of statistics users is published here:

www.gov.uk/government/uploads/system/uploads/attachment_data/file/191041/statistics_user_engagement.pdf

Further information

Further information about the Help to Buy: ISA scheme can be found at:

www.help_tobuy.gov.uk/help-to-buy-isa/how-does-it-work/

Enquiries

Media enquiries:

office hours: 020 7270 5238

out of hours: 020 7270 5000

Email: pressoffice@hmtreasury.gsi.gov.uk

Public enquiries:

Email: HelptoBuyISASStatistics@hmtreasury.gsi.gov.uk