



Help to Buy: ISA scheme Quarterly Statistics

15 December 2016

Data from 1 December 2015 to 30 September 2016

Key points:

- Since the launch of the Help to Buy: ISA, 27,222 property completions have been supported by the scheme.
- 38,595 bonuses have been paid through the scheme with an average bonus value of £530.
- The highest proportion of property completions with the support of the scheme is in the North West, Yorkshire and the Humber and South West, with a lower proportion in the North East and Northern Ireland.
- The mean value of a property purchased through the scheme is £169,045, compared to an average first time buyer price of £183,000 and a national average house price of £218,000.
- The median age of a first time buyer in the scheme is 27 compared to a national first time buyer median age of 30.

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Date of next publication:

30 March 2017

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 by geographical area. It is the third Official Statistics release concerning the Help to Buy: ISA and covers the period 1 December 2015 to 30 September 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, building societies and credit unions. The scheme enables people saving for their first home to receive a 25% boost to their savings from the government when they buy a property of £250,000 or less (with a higher price limit of £450,000 in London). This means that for every £200 saved, first time buyers can receive a government bonus of £50. The maximum government bonus is £3,000.

The scheme will be open to new savers until 30 November 2019. Help to Buy: ISA account holders can, however, continue saving into their account until 30 November 2029 when accounts will close to additional contributions. The Help to Buy: ISA government bonus must be claimed by 1 December 2030.

Detailed information on the Help to Buy: ISA can be found at:

<https://www.helptobuy.gov.uk/help-to-buy-isa/how-does-it-work/>

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 38,595 bonuses paid through the scheme to end of September, which supported 27,222 property completions. The total value of the bonuses paid in this period was £20.5 million which were used to finance properties worth £4.6 billion in total.

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

	Bonuses	Total property completions ^{1,2}	Value of bonuses (£m)	Value of properties (£m)
2015				
December	-	-	-	-
2016				
January	-	-	-	-
February	392	254	0	42
March	1,681	1,225	1	200
April	3,161	2,220	1	363
May	4,079	2,958	2	499
June	6,205	4,366	3	739
July	6,395	4,86	4	829
August	8,515	5,957	5	1,016
September	7,627	5,379	4	914
Total to end September	38,595	27,222	20	4,602

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

² Total property completions 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

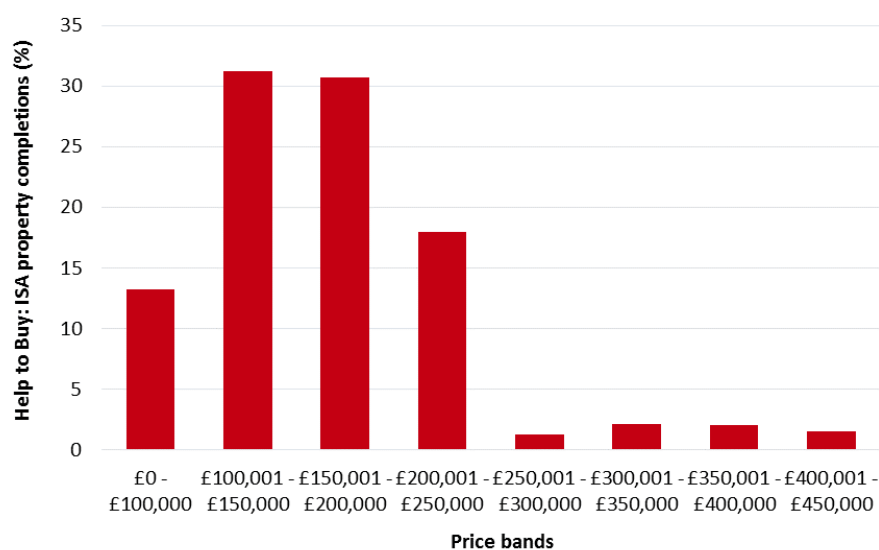
Table 2 below shows the number of property completions supported by the scheme broken down by property value.

The mean value of a property completion in the Help to Buy: ISA scheme to the end of September 2016 was £169,045, compared to the average first time buyer price of £183,000 and the average UK house price of £218,000³. 75% of completions were in the lower value bands of £200,000 or less. 18% 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 September 2016, by property value

Price band	Bonuses	Total property completions	Percentage of total completions (%)
£0 – £100,000	4,521	3,596	13
£100,000 – £150,000	11,696	8,490	31
£150,000 – £200,000	12,328	8,354	31
£200,000 – £250,000	7,346	4,894	18
£250,000 – £300,000	480	341	1
£300,000 – £350,000	810	568	2
£350,000 – £400,000	816	564	2
£400,000 - £450,000	598	415	2
All properties	38,595	27,222	100

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



³ Source: <https://www.gov.uk/government/statistics/uk-house-price-index-summary-september-2016>

Age breakdown

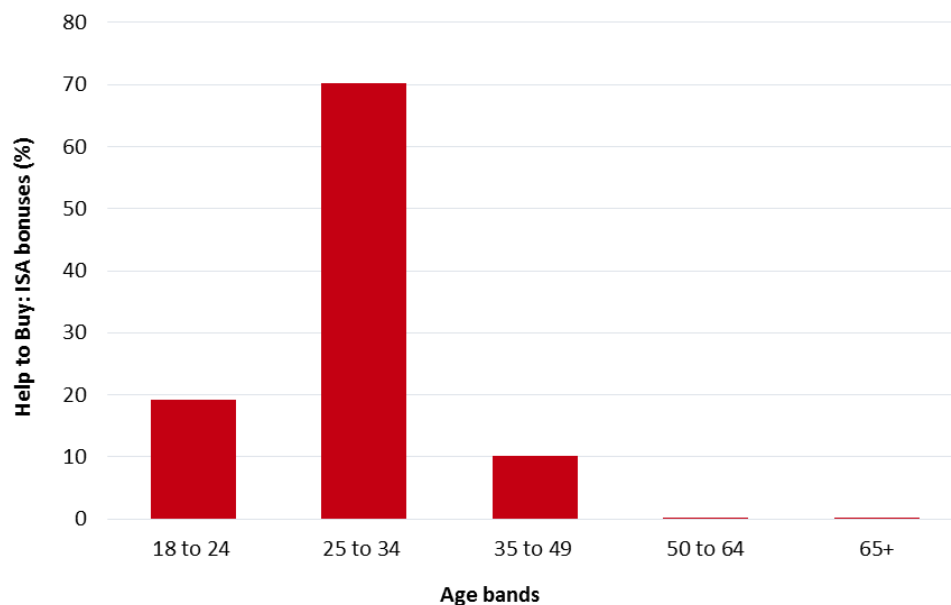
Table 3 shows the number of bonuses paid, broken down by age of first time buyer.

70% of first time buyers that have been supported by the scheme were between the ages of 25 to 34. The median age of a first time buyer in the scheme is 27 compared to a median first time buyer age across the market in the same period of 30.⁴

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

Age	Bonuses	Total property completions ⁵	Percentage of total bonuses (%)
18 to 24	7,414	5,054	19
25 to 34	27,110	19,115	70
35 to 49	3,908	2,934	10
50 to 64	116	88	0
65+	7	6	0
Unknown	40	27	0
Total	38,595	27,222	100

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



⁴ The Council of Mortgage Lending industry data for median age of first time buyers www.cml.org.uk/cml/statistics

⁵ 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 England⁶ as well as in the devolved administrations. It also shows a regional breakdown of the mean property value.

Scotland accounted for 9% of property completions, Wales accounted for 5% of property completions and Northern Ireland accounted for 2% of property completions.

79% of bonuses paid were in England and this supported 82% of total property completions through the scheme. London and the South East received 16% of total bonuses bonuses paid and made up 17% 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 South West.

Table 4: Number of bonuses and mean bonus paid, property completions and mean property value, by region⁷

Region	Bonuses	Percentage of total bonuses (%)	Mean bonus paid (£)	Property completions	Percentage of total completions (%)	Mean property value (£)
Scotland	3,087	8	515	2,386	9	137,544
Wales	1,779	5	521	1,314	5	140,749
Northern Ireland	692	2	527	511	2	127,563
England	30,534	79	530	22,320	82	174,538
South East	2,953	8	535	2,150	8	187,385
London	3,114	8	534	2,354	9	310,758
North West	5,328	14	528	3,905	14	146,221
South West	3,698	10	534	2,619	10	178,481
Yorkshire and the Humber	4,102	11	529	3,010	11	142,113
West Midlands	3,423	9	530	2,508	9	154,780
East Midlands	3,519	9	530	2,560	9	149,960
North East	1,719	4	524	1,269	5	134,517
East	2,679	7	528	1,945	7	181,132
Other	2,503	6	554	1,691	3	184,880
Total	38,595	100	530	27,222	100	169,045

⁶ 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

⁷ 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 from December 2015 to September 2016, by local authority

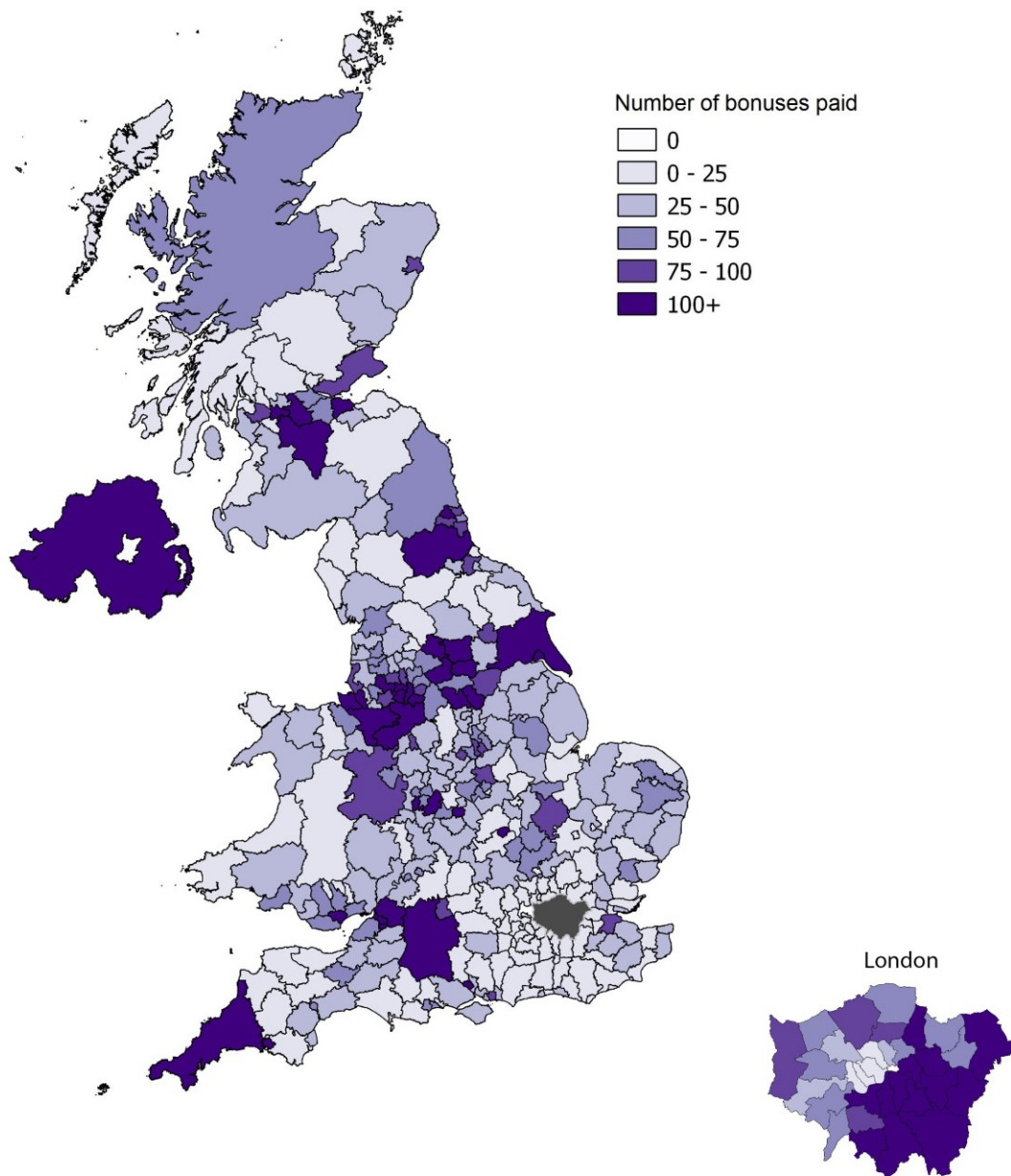
Accompanying tables are available to download alongside this release:

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



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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.

Data sources

This publication, and all publications of this scheme hereafter, will use the new official UK House Price Index (UK HPI) which replaces the existing, and previously used, house price indices published by the Office for National Statistics (ONS) and Land Registry for England and Wales.

An explanation of the change in House Price Index by the ONS is published here:

<https://www.ons.gov.uk/economy/inflationandpriceindices/articles/introducingthesingleofficialhousepriceindex/2016-03-30>

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

Enquiries

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