



HM Treasury

2021 mortgage guarantee scheme Quarterly Statistics

11 May 2023

Data from 19 April 2021 to 31 December 2022

Key points:

- From the scheme launch on 19 April 2021 to the end of December 2022, 35,503 mortgages have been completed with the support of the scheme.
- Of these, 86% were purchases by first-time buyers.
- The total value of mortgages supported by the scheme is £6.6 billion.
- Compared to total mortgage completions in each region, the scheme has supported a higher proportion of mortgages in the South East, North West and Scotland, and a lower proportion in London and Northern Ireland.
- The mean value of a property purchased or remortgaged through the scheme was £195,838 compared to a national average house price of £294,329.

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Statistical enquiries:

MHOS@hmtreasury.gov.uk

Media enquiries:

pressoffice@hmtreasury.gov.uk

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Introduction

This statistical release contains Official Statistics on the government's 2021 Mortgage Guarantee Scheme, covering the number of mortgage completions, types and values of properties, borrower incomes and breakdowns by geographical area. This is the seventh statistical release for the 2021 mortgage guarantee scheme covering data for the period between 19 April 2021 and 31 December 2022. Excel tables with all the data set out in this release are available at:

www.gov.uk/government/collections/official-statistics-on-the-mortgage-guarantee-scheme

The quarterly release of the earlier 2013-2016 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 the Official Statistics for the Help to Buy: ISA scheme can be found at:

www.gov.uk/government/collections/official-statistics-on-the-help-to-buy-isa-scheme

The release is compatible with the Help to Buy: Equity Loan statistics released by the Department for Levelling Up, Housing and Communities:

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

In order to provide context for users of the 2021 mortgage guarantee scheme statistics, comparisons are made to various UK Finance statistics, which cover the UK mortgage lending market as a whole. More information about UK Finance is available at:

<https://www.ukfinance.org.uk/data-and-research/data>

2021 mortgage guarantee scheme

The 2021 mortgage guarantee scheme opened on 19 April 2021, with the scheme being now extended until end December 2023, and is available across the United Kingdom. Under the scheme, the government offers lenders the option to purchase a guarantee on mortgage loans where the borrower has a deposit of less than 10%. The scheme can be used for mortgages on both new build and existing homes, and by first-time buyers, home movers and those remortgaging.

In order to qualify for a loan supported by the 2021 mortgage guarantee scheme, eligibility criteria have to be met which are set out in the scheme rules.¹ For example, the scheme is not available on buy-to-let mortgages or second homes, and the property value must be £600,000 or less.

The guarantee compensates participating mortgage lenders for a portion of net losses suffered in the event of repossession. The guarantee applies down to 80% of the purchase value of the guaranteed property covering 95% of these net losses. The lender retains a 5% risk in the portion of losses covered by the guarantee. This ensures that the lender retains some risk in every mortgage originated.

¹ www.gov.uk/government/publications/the-mortgage-guarantee-scheme

Monthly figures

Table 1 below shows the number of mortgage completions through the scheme alongside the total value of these loans, the value of the associated government guarantee and the total value of the properties. There were 35,503 mortgage completions from scheme launch on 19 April 2021 to the end of December 2022, which represents 1.9% of all residential mortgage completions in the UK from the beginning of April 2021 to the end of December 2022.² Since the last statistical release, there have been an additional 5,110 completions under the scheme from October until the end of December 2022. The corresponding value of these guarantees is £963 million while the overall value of loans supported by the scheme is £6.6 billion.³ These mortgages were used to finance properties worth £7 billion⁴ in total.

Table 1: Number of mortgage completions and value of guarantees, loans and properties from 19 April 2021 to 31 December 2022

	Completions	Value of Government guarantee (£m)	Value of mortgage loans (£m)	Value of properties (£m)
April 2021				
(Apr to Dec)	12,358	325	2,218	2,345
2022				
Jan	1,691	44	300	318
Feb	1,780	47	324	342
March	2,139	57	388	410
April	1,833	49	332	351
May	2,206	59	405	428
June	2,117	58	398	421
July	2,168	63	427	452
August	2,174	62	420	444
September	1,932	54	373	394
October	1,803	50	344	364
November	1,821	51	349	369
December	1,486	43	298	315
Scheme total	35,503	963	6,576	6,953

² Source: UK Finance data for regulated mortgage lending.

^{3,4} These figures are rounded.

Property value

Table 2 and Chart 1 below show the number of completed mortgages supported by the scheme broken down by property value.

The mean value of a property purchased or remortgaged through the scheme to the end of December 2022 is £195,838, compared to an average UK house price of £294,329.⁵ The median property value is lower at £172,000, reflecting that a higher proportion of properties in the scheme are in the lower value bands. 25% of all mortgage completions through the scheme to date are on properties in the lowest value band, and 63% are on properties worth £200,000 or less. Only 22% of mortgage completions are on properties valued at £250,000 and above.

Table 2: Mortgage completions from 19 April 2021 to 31 December 2022, by property value⁶

Price band	Total completions	Percentage of total completions ⁷ (%)
£0 – £125,000	9,052	25%
£125,001 – £150,000	4,960	14%
£150,001 – £200,000	8,457	24%
£200,001 – £250,000	5,011	14%
£250,001 – £350,000	5,263	15%
£350,001 – £500,000	2,277	6%
£500,001 – £600,000	483	1%
All properties	35,503	100%

Chart 1: Completions by property value from 19 April 2021 to 31 December 2022



⁵ Source: <https://www.gov.uk/government/statistics/uk-house-price-index-for-december-2022/uk-house-price-index-summary-december-2022>

⁶ The property value bands match those published by DLUHC for the Help to Buy: Equity Loan scheme, to allow comparability between the two schemes.

⁷ Due to rounding, numbers may not add up to 100%.

Property type

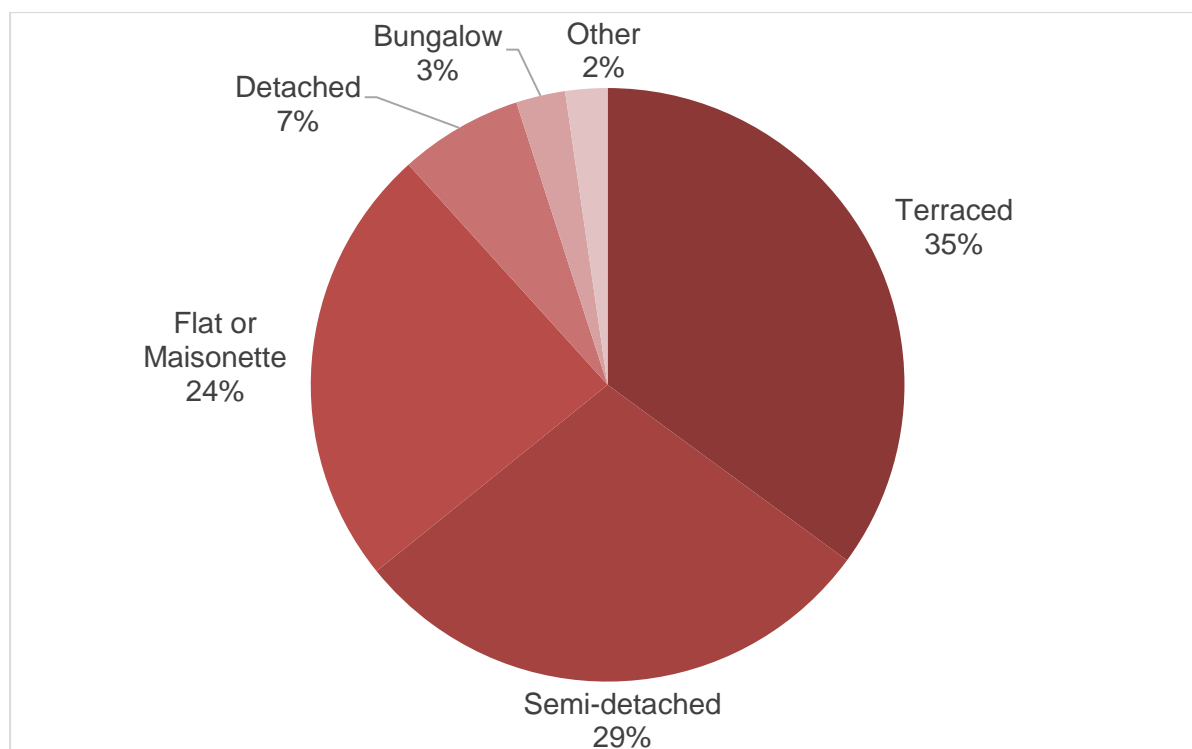
Table 3 and Chart 2 below show the number of mortgage completions broken down by property type.

The majority of mortgage completions through the scheme to date are on terraced houses, making up 35% of total completions. 24% of completions in the scheme are on flats or maisonettes, while completions for detached houses and bungalows are much lower, making up 7% and 3% of the total respectively.

Table 3: Mortgage completions from 19 April 2021 to 31 December 2022, by property type

Property types	Total completions	Percentage of total completions (%)
Terraced	12,451	35%
Semi-detached	10,340	29%
Flat or Maisonette	8,559	24%
Detached	2,387	7%
Bungalow	952	3%
Other	814	2%
All properties	35,503	100%

Chart 2: Completions by property type from 19 April 2021 to 31 December 2022



Borrowers

Table 4 below shows the number of 2021 mortgage guarantee scheme completions broken down by borrowers' household income.⁸

Over half of households who completed a mortgage with the support of the scheme have a household income of between £0 and £50,000. Take-up is lower for those on higher incomes; households with an income over £80,000 make up 11% of all completions.

The median household income for borrowers using the scheme is £47,640, while the mean household income is slightly higher at £52,245.

Table 4: Mortgage completions from 19 April 2021 to 31 December 2022, by total applicant household income

Total household income	Total completions	Percentage of total completions ⁹ (%)
£0 – £20,000	1,332	4%
£20,001 – £30,000	4,096	12%
£30,001 – £40,000	6,384	18%
£40,001 – £50,000	7,712	22%
£50,001 – £60,000	5,925	17%
£60,001 – £80,000	5,987	17%
£80,001 – £100,000	2,212	6%
Greater than £100,000	1,855	5%
All	35,503	100%

Table 5 below shows the number of mortgage completions through the scheme, split between first-time buyers and others (i.e. home movers or those remortgaging).

It shows that 86% of mortgage completions through the 2021 mortgage guarantee scheme to date have been first-time buyer purchases.

Table 5: Mortgage completions from 19 April 2021 to 31 December 2022, by type of borrower

	Completions (non first-time buyer)	Completions (first-time buyer)	Total completions
All properties	5,072	30,431	35,503

⁸ "Household income" refers to the total income for all individuals who are party to the mortgage.

⁹ Due to rounding, numbers may not add up to 100%.

Country and regional breakdowns

Table 6 below shows the regional distribution of the number of mortgage completions through the scheme in England¹⁰, as well as the distribution by country in the devolved administrations. It also shows the country and regional breakdown of mean property values, number of first-time buyers and borrower incomes.

In Scotland, the proportion of mortgage completions with the support of the scheme was significantly higher than the country's share of total mortgage completions in the UK as a whole. Since the launch of the scheme, 9% of all UK mortgage completions have taken place in Scotland¹¹, compared to 23% of 2021 mortgage guarantee scheme completions.

In Wales and Northern Ireland, the proportion of mortgage completions through the 2021 mortgage guarantee scheme is comparable with the nations' overall market share. In Wales, mortgage completions make up 4% of the UK total, compared to 5% of 2021 mortgage guarantee scheme completions.

Similarly, in Northern Ireland, mortgage completions make up 2% of the UK total, compared to 3% of 2021 mortgage guarantee scheme completions.

68% of completions through the 2021 mortgage guarantee scheme were in England, compared to England's 86% share of overall UK residential mortgage completions.

¹⁰ 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

¹¹ Comparison data for all figures on this page is available from <https://www.ukfinance.org.uk/data-and-research/data>

Table 6: Mortgage completions, mean property value, first-time buyers and mean borrower income from 19 April 2021 to 31 December 2022, by country/region¹²

Country/Region	Completions	Percentage of total completions (%) ¹³	Mean property value (£)	Number of first-time buyers	Mean borrower income (£)
England	24,293	68%	219,216	20,942	55,993
North East	1,754	5%	135,137	1,428	41,936
North West	4,421	12%	170,019	3,863	47,767
Yorkshire and The Humber	2,987	8%	159,401	2,578	45,182
East Midlands	2,759	8%	197,536	2,388	51,818
West Midlands	2,666	8%	198,809	2,315	52,325
East of England	2,725	8%	269,978	2,325	63,585
London	1,324	4%	384,987	1,219	91,265
South East	3,656	10%	294,162	3,136	68,631
South West	2,001	6%	232,229	1,690	56,504
Wales	1,865	5%	163,162	1,642	46,349
Scotland	8,149	23%	141,280	6,768	43,731
Northern Ireland	1,190	3%	143,757	1,074	43,339
Unknown	6	0%	130,167	5	38,139
Total	35,503	100%	195,838	30,431	52,245

¹² Median property value and percentage of first-time buyers can be found in the accompanying tables.

¹³ Due to rounding, numbers may not add up to 100%.

Local authority breakdown

Map 1 overleaf shows the total value of the associated mortgage loans by local authority area from 19 April 2021 to 31 December 2022 (dark shaded areas denote higher value loans in a local authority through the mortgage guarantee scheme).

Accompanying tables are available to download alongside this release:

Table 7: Mortgage completions and value of loans and properties supported by the 2021 mortgage guarantee scheme, by local authority, England, Scotland, Wales and Northern Ireland.

Table 8: Mortgage completions supported by the 2021 mortgage guarantee scheme, by postcode district, England, Scotland, Wales and Northern Ireland.

Table 9: Mortgage completions supported by the 2021 mortgage guarantee scheme, by constituency, England, Scotland, Wales and Northern Ireland.

Map 1: Location and value of completed mortgages supported by the 2021 mortgage guarantee scheme from 19 April 2021 to 31 December 2022, by local authority, UK



Source: Office for National Statistics licensed under the Open Government Licence v.3.0
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Contains Royal Mail data © Royal Mail copyright and database right 2021

Background notes

Data collection

National Savings and Investments (NS&I), 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 NS&I 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 NS&I 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 this publication. The median property value is the midway point of all the property values included in the analysis. That is, if there were 101 property completions during a time period and they were ranked by value, the median property value would be the value in the middle i.e., the value 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 total 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 2021 mortgage guarantee 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

The publications of this scheme use the 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:

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:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/361916/User_engagement_Oct_14.pdf

Further information

Further information about the mortgage guarantee scheme can be found at:

<https://www.gov.uk/government/publications/the-mortgage-guarantee-scheme>

Enquiries

Media enquiries:

Office hours: 020 7270 5238

Out of hours: 020 7270 5000

Email: pressoffice@hmtreasury.gov.uk

Public enquiries:

Email: MHOS@hmtreasury.gov.uk