HM Treasury

HM Revenue & Customs

Help to Save Reform

Consultation Response and Delivery Consultation

30 October 2024

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Ministerial Foreword

Every person should have access to affordable and appropriate products and services to support their financial wellbeing. That is why I am pleased to support Help to Save, a government scheme which aims to bolster the financial resilience of low-income households by providing a generous 50% government bonus on savings of up to £50 a month.

Around 517,000 Help to Save accounts have been opened since its launch in 2018, and research by HMRC suggests that 82% of users are saving more than they did before opening an account[1]. Yet, while Help to Save is effective for those who use it, I believe more people can benefit from this scheme.

That is why we will be extending the current Help to Save scheme until April 2027 and expanding the number of individuals who can access it. From April 2025, the Help to Save scheme will be available to all Universal Credit (UC) claimants in work, not just those earning over a certain amount. These changes will ensure that Help to Save reaches many more households who need it. In parallel, the government is consulting on how we can further improve the effectiveness of Help to Save after April 2027.

Help to Save has the potential to materially improve the lives of its users. In helping low-income households, many of which may have children, Help to Save has clear links to the government's wider

[1] Help to Save Customer Experience Research (2021)

mission to tackle child poverty. Data from the Department for Work and Pensions Family Resources Survey suggests that, in 2022/23, lone parents were the group most likely to have less than £1,500 in savings, with 36% reporting no savings at all. Going forward, I will explore how Help to Save can go further to support the financial resilience aspect of the government's Child Poverty Strategy, which includes addressing the problems of low savings levels.

As part of my commitment to improving Help to Save, I am pleased to confirm details of an enhanced version of the scheme. The design of the enhanced scheme is informed by responses to the consultation published in 2023 and aims to make Help to Save work better for its users while also improving value for money.

Recognising that financial services play a key role in promoting financial inclusion and improving financial resilience, we warmly welcome views from a range of potential delivery partners on offering this enhanced scheme.

Tulip Siddiq MP

Economic Secretary to the Treasury

Chapter 1
Introduction

1.1 Everyone should have access to affordable and appropriate products for their financial wellbeing. The government is committed to breaking down barriers to opportunity and ensuring individuals and households have greater financial security. Help to Save supports these aims bolstering the financial resilience of low-income households by providing a 50% government bonus on savings of up to £50 a month.

1.2 As announced at Budget 2024, the government will enhance the Help to Save scheme to improve outcomes for savers and support wider financial inclusion. Whilst effective for those who use it, more can be done to improve the scheme. For example, take up has remained low and the government is committed to ensuring the scheme has the widest impact possible to improve the financial security of those most in need.

1.3 With effect from April 2025, the government will extend Help to Save to all working Universal Credit (UC) claimants earning £1 or more. This means that around 3 million people will be able to take advantage of the scheme.

1.4 A key part of Help to Save is supporting low-income individuals and households to develop a long-term savings habit. The government also wishes to build financial resilience in this group, and so under the reformed scheme customers will continue to be able to save for up to 4 years in a Help to Save account.

1.5 Savers will continue to benefit from the generous 50% bonus as well as experiencing the following improvements:

- More frequent bonus payments: bonuses will be paid every 6 months to reward savings behaviour earlier;
- An improved way of calculating bonuses: bonuses will be calculated based on net contributions (or total new savings) in each 6-month period, which is easier to understand and will give savers more flexibility to withdraw their savings when needed, whilst minimising the impact on future bonus opportunities;
- Bonuses paid directly into the Help to Save account: bonuses will be made more visible to encourage savers to keep it rather than spend it.

1.6 The government believes these changes will improve the outcomes for those who use Help to Save. An example of how the reformed scheme will operate can be seen in **Annex A.**

1.7 The government will continue to reflect on how elements of the Help to Save scheme, such as eligibility criteria, could further support the theme of increasing financial resilience under the Child Poverty Strategy by addressing low levels of savings within low-income families.

1.8 To allow sufficient time to consult in detail on the delivery model and implement an enhanced scheme, the current Help to Save scheme (with the expanded eligibility) has been extended for two years, until 5 April 2027.

1.9 Chapter 2 of this publication sets out a summary of responses received to the consultation and explains the rationale for the final policy changes.

1.10 To ensure these changes are deliverable and develop the most effective model, Chapter 3 of this document launches a delivery consultation. This will close on 22 January 2025. The government is keen to deliver the enhanced scheme via third-party providers and aims to gather views from financial institutions such as banks, building societies, credit unions and others to understand their interest in delivering the scheme.

Chapter 2
Government Proposed Changes to Help to Save

2.1 This chapter considers responses to the Help to Save Reform Consultation published under the previous government, which ran from 27 April 2023 to 22 June 2023.

2.2 Views were sought from individuals or organisations with an interest in Help to Save, including, but not limited to potential account holders, potential delivery partners, financial institutions, and civil society organisations. The consultation received 18 written responses, including from key organisations, supplemented by stakeholder discussions. HMRC also conducted a consumer survey through the Help to Save app which received over 900 responses.

Current Eligibility

2.3 Help to Save aims to help working people on low incomes to build up their savings. Currently, the scheme is available to individuals in work who are in receipt of:

- Working Tax Credit (WTC);
- Child Tax Credit – and are entitled to Working Tax Credit;
- UC with take-home pay of at least £793.17 in their last monthly assessment.

2.4 Questions 1 and 2 asked whether the eligibility criteria targeted this group effectively.

Question 1 - Considering the focus on working people with low incomes, what changes, if any, would you recommend making to the eligibility criteria to reach the target group? How could that be implemented?

2.5 Although it was noted that the current eligibility criteria were broadly well-targeted for the scheme's intent, many of the respondents suggested extending the eligibility criteria to include other benefit recipients and lowering or removing the income thresholds. Respondents also suggested relaxing the eligibility criteria for groups of people that do not qualify for benefits but were nevertheless on low or no income, such as those with caring responsibilities, pensioners, and students.

Question 2 - Do you think savers should be able to open another account after their first Help to Save account matures or is closed? Should there be any restrictions to doing so? What are your reasons?

2.6 There was support for allowing savers to open another Help to Save account following the maturity or closure of the first account, although it was recognised there would be a cost to government. Respondents suggested that people whose first account had matured or closed may continue to experience financial difficulties and so the ability to build a modest savings pot would be helpful. Many respondents suggested that eligible savers who closed their account early by mistake, or because of the need to access the savings, should be allowed to open another. It was suggested that, to control costs, the ability to open another account could be limited to those who did not receive a bonus in their first account.

2.7 Currently, savers can pay up to £50 each calendar month into their Help to Save account. This means that if they make withdrawals or are unable to save anything in a month, the level of bonus they earn will be affected. The monthly limit was introduced to incentivise a regular savings habit through a simple savings goal, whilst remaining consistent with other mainstream "regular saver" products.

2.8 Questions 3, 4 and 5 sought views on whether any changes could be made to reduce barriers, while ensuring the scheme remains cost-effective to the taxpayer.

Question 3 - To what extent does the limit on monthly savings act as a barrier to maximising the benefits and/or objectives of the scheme? Without making the scheme substantially more costly to taxpayers, how could this be overcome?

2.9 Some respondents considered the current scheme did not offer the right balance between encouraging regular saving and providing the flexibility to accommodate normal budgeting pressures among the target group. They suggested exploring ways to make the scheme more flexible, so that it is more attractive and practical for users. Removing the upper limit was a frequent suggestion, allowing savers to save as much as possible while keeping the bonus capped at £50 per month. There was also the suggestion of an annual savings limit which would allow savers, for example the self-employed or people working on zero hours contracts, with fluctuating or irregular income, to catch up the savings missed in earlier months.

2.10 Of those responding to HMRC's consumer survey, 87% of respondents did not consider the £50 per month savings limits was a problem.

Question 4 - To what extent does the restriction on replacing savings that have been withdrawn act as a barrier to maximising the benefits and or objectives of the scheme? How could this be overcome?

2.11 Respondents suggested that allowing people to replace withdrawals would be a helpful change as the scheme is directed at low-income workers who are more likely to be at risk of needing to access savings for emergency use. Having more flexibility around replacing withdrawn savings may encourage more low-income savers to open accounts and continue to achieve their savings goals.

Question 5 - Do you think the current limitations on ways to pay money into a Help to Save account presents a barrier for savers? If so, how could this be overcome?

2.12 Although some respondents were content that the current method of putting money into the Help to Save accounts was not a barrier and that it was a low cost, effective, process, others suggested allowing alternative methods which would provide greater flexibility, such as making savings contributions through payroll arrangements, and cash deposits.

Length of time an account can be open

2.13 The Help to Save scheme is designed to create a regular, long-term savings habit by using a bonus as an incentive to save over a defined time period. Currently, a Help to Save account therefore matures and closes after 4 years.

2.14 Questions 6 and 7 asked respondents to consider if the 4 year term is the optimum period to create a savings habit, whether it means participants have to wait too long for their matched bonus and whether it is the best value for money for taxpayers.

Question 6 - Do you think running the scheme for 4 years provides the best value for money for the taxpayer?

2.15 Respondents considered the current 4 year timeframe was sufficient to develop a savings habit. Concerns were expressed that the length of time that people must wait for their bonuses to be paid could act as a disincentive for them to keep saving. Some respondents suggested the scheme could operate for 2 years with a reduction in the bonus payment, which they considered would allow the scheme to be expanded to a larger population with a simplified approach and reduced costs. A further suggestion was to pay the bonus annually, in line with most financial institutions.

Question 7 - Could incentivising a regular, long-term savings habit be better achieved over a different time period?

2.16 A small number of respondents suggested the existing savings period was effective, but many considered smaller, more frequent, rewards over shorter intervals would encourage greater take up of the scheme. It was further suggested that, if this was accompanied by allowing users to open a second account, this would help maintain savings behaviour over time through not only rewards, but also through longer participation in the scheme.

Bonus structure and calculation method

2.17 Help to Save account holders can currently earn tax-free bonuses over 4 years. After the first 2 years, the saver receives a bonus of 50% of the highest balance in their account at any point in years 1 and 2. After 4 years, they will get a second and final bonus of 50% of the difference between the highest balance saved in the first 2 years and the highest balance saved in the last 2 years.

2.18 The consultation asked respondents to consider how the existing bonus structure could be changed to achieve better customer understanding and improve uptake of the scheme, without making it too costly for taxpayers.

Question 8 - To what extent does the bonus structure or calculation method for savers act as a barrier to maximising the benefits and or objectives of the scheme? How could this be overcome?

2.19 Respondents considered the bonus structure and calculation method to be complex and not easily understood. They also considered that it discourages people who have withdrawn money from a Help to Save account during the first 2 years from contributing in years 3 and 4 (because they have less prospect of receiving a bonus). There were also some concerns that some savers would not make withdrawals in order to earn the highest bonus, even when the money was needed.

Question 9 - Without making the scheme substantially more costly to taxpayers, what changes, if any, would you suggest to the bonus structure or calculation method to improve customer understanding and uptake?

2.20 Some respondents suggested restructuring the scheme with a simplified bonus structure and smaller bonuses paid more frequently. This would allow users to realise the benefit of participating in the scheme more quickly, and therefore be more likely to continue participating in the scheme. Many respondents suggested annual bonus payments based on the total annual subscription, removing situations where savers are unable to qualify for subsequent bonuses due to making withdrawals from their Help to Save Account from a previous year's savings. It was suggested that paying the bonus as a 25% return on what is subscribed every year might also help.

2.21 Some respondents noted that financial education plays an important role in achieving the objectives of the scheme and improved communication of the bonus should be considered.

Question 10 - Do you think a change in bonus frequency would make it simpler to understand and/or create a bigger incentive for the target group to save?

2.22 Many respondents considered 2 years to be too long to wait for a bonus for people on the lowest incomes, and that a change to annual payment of bonuses would mirror other savings products. Some respondents considered even more frequent bonuses could further incentivise people to save, while also enabling greater flexibility to withdraw their savings when needed

2.23 In HMRC's customer survey, 59% of the respondents said they would prefer to receive the bonus every year, 18% would prefer to receive it every 2 years and 13% would prefer to receive at the end of year 4.

Question 11 - Are any complexities or barriers caused by paying the bonus to the saver outside of the Help to Save account?

What changes would you suggest to the way the bonus is paid to the saver?

2.24 Many respondents suggested that it was counter intuitive that the bonus and final savings at maturity are paid into another account of the saver, possibly undermining the objectives of the scheme. They suggested that paying the bonus as a lump sum to a different account could encourage spending of that sum rather than encourage further saving. Some respondents suggested that not everyone has access to an alternative bank or building society account, which could be a barrier for people on low incomes to take advantage of the scheme. Other respondents suggested paying the bonus into the Help to Save account would make it more visible and would foster a sense of achievement.

2.25 Amongst HMRC survey respondents, 52% would prefer to receive the bonus payments into their personal accounts. 34% said they would prefer the bonuses to be paid into the Help to Save accounts and 13% did not express a preference.

Savings options after account maturity

2.26 Currently, when a Help to Save account matures, the money saved, along with the final bonus, is paid directly to the saver into a nominated bank account of their choosing.

Question 12 - Are there alternative options to encourage and make it easy to continue the savings habit?

2.27 Some respondents suggested making people aware of other options such as payroll savings, credit union savings, bank accounts, etc, while others suggested automatically rolling the account into another savings account at maturity.

2.28 Of those responding to the HMRC customer survey, 31% of the respondents said they would put their Help to Save savings into another savings account, 24% would use it to pay for essential items, 21% were unsure and others would use it for a range of items from paying for a holiday, clearing a debt to making home improvements.

Other issues

2.29 Help to Save accounts are currently provided exclusively through National Savings and Investments (NS&I), a non-ministerial government department and state-owned savings bank. The consultation sought to understand whether this impacts the effectiveness of the scheme and whether there was any wider interest in delivering the scheme.

Question 13 - Are any complexities or barriers caused by there being one provider of Help to Save accounts? How could this be overcome? Please provide details.

2.30 Many respondents expressed the view that other providers may be interested in providing Help to Save accounts with the right government support, such as identifying eligible candidates for the scheme, combined with changes to the scheme. Potential suggestions included expanding eligibility and increasing numbers of customers who use the scheme, increasing the savings limit, and addressing the administrative burden and cost benefit of setting up the required technology.

2.31 Some suggested that having a wider range of providers including credit unions, building societies and banks could increase marketing or make the scheme much more visible on the high street and increase awareness amongst those who are eligible. Respondents suggested that people do not always trust government-provided facilities and many people prefer the ability to have physical access to their accounts. Some of these people may feel excluded because NS&I does not have a physical presence.

Question 14 - Are there any other areas of complexity, barriers or any changes you would suggest for Help to Save that have not been covered in this consultation?

2.32 Some respondents suggested that being able to see total savings including the bonus could reinforce the message that "saving pays" regardless of how little you can afford to save. This could help build a regular saving habit.

2.33 Some respondents suggested increasing the Help to Save app's versatility and allowing it to send reminders, track savings, set targets, predict bonuses, predict meeting targets and so on. Respondents also suggested more widespread promotion of the scheme, with posters in job centres notifying recipients of UC, Working Tax Credit, Child Tax Credit of their eligibility to open an account.

2.34 Some respondents suggested that instead of having a specific scheme account it would be better for eligible savers to be allowed to use a regular savings account and have any bonuses paid into that. One suggested linking it to a family of existing financial products like Junior ISA, for example, by allowing some or all of the bonus to be transferred to a nominated child's savings account.

Conclusions

2.35 Having considered a broad range of feedback, including responses to the consultation, the government believes the Help to Save changes set out in this response will help the scheme improve financial inclusion by effectively supporting low-income workers to save.

Eligibility

2.36 From April 2025, Help to Save will be available to all working people on UC who earn £1 or more. Lowering the earnings threshold ensures that Help to Save can support more low-income workers while the government consults on the future of the scheme. UC remains the most operationally effective way to identify people on low income.

2.37 The government does not intend to allow people to open a second account.

2.38 The intention of the scheme is to help people develop a habit that will be continued once the account matures, in order to build their financial resilience. The government will focus on how to move people whose accounts have matured into standard savings products in a way that will encourage them to maintain their savings habit.

Paying into a Help to Save account

2.39 The government understands that savers might need access to their savings and, while they will not be penalised for withdrawing money, they would not then receive the full bonus. The new scheme design will address this by simplifying the bonus structure, limiting the effect of withdrawals on future bonus eligibility. However, the government considers that increasing flexibility – for example, by placing an annual, rather than monthly, limit on deposits, or by allowing additional deposits to 'top up' any missed monthly payments – would not support the scheme's objective of incentivising regular saving and would increase complexity for both savers and providers.

Length of time an account can be open

2.40 The government has considered the responses and acknowledges that many respondents believe a 4-year scheme strongly supports low-income workers to develop a long-term savings habit. Therefore, the enhanced scheme will maintain a 4-year length for all new savers who open accounts. The simplified bonus structure, set out below, further supports the government's objective of increasing financial resilience for those individuals on low incomes.

Bonus structure

2.41 The government will make the following changes:

- The bonus will be paid more regularly – every 6 months, which will help to incentivise saving behaviour. This reflects the consensus from stakeholders and HMRC's survey that money paid sooner was a more compelling incentive to save than money that might or might not (depending on withdrawal) arrive in 4 years' time;
- The bonus will be simplified and calculated on net contributions (or total new savings) in each 6 month period. This removes the complexities of the existing bonus structure, which stakeholders reported as being too complicated for some savers. Additionally, it will give savers more flexibility to withdraw their savings to manage unexpected financial shocks without losing out on all future bonus opportunities.
- The government recognise that a 50% bonus is an important incentive to encourage users to save and, therefore, the bonus will remain at 50%. This is a generous bonus, particularly when compared to a commercially available regular savings account, and will continue to incentivise savings behaviour;
- Under the existing scheme, bonuses are not paid into the Help to Save account, and consultation feedback suggests this can lead to the bonus being spent. Therefore, under the enhanced scheme, the government will pay the bonus into the Help to Save account to encourage savers to save rather than spend it. Additionally, by paying the bonus into the account, it aligns with traditional savings products and may promote financial education.

Savings options after account maturity

2.42 To support people to continue their saving habit once the scheme account has closed, the government will look at delivery options to enable the account to automatically become a standard savings account.

Table 2A: Enhanced scheme design

	Scheme Length	**Bonus Frequency**	**Bonus Level**	**Calculation Method**	**Monthly Subscription Limit**	**Eligibility**
New scheme design	4 Years	Every 6 months	Up to 50%, subject to withdrawals	Bonus on net contribution	£50 per month	All UC claimants who work
Original scheme	4 years	Every 2 years	Up to 50%, subject to withdrawals	Bonus on highest balance	£50 per month	All UC claimants who work at least 16 hours at NLW

2.43 The government will widen the eligibility criteria to all UC claimants who work with effect from April 2025. The government will continue to reflect on how the eligibility criteria might be further expanded to support its commitment to broader objectives of tackling financial inclusion and reducing and alleviating child poverty. For delivery purposes, potential providers should assume that the target population captured by the new eligibility criteria as described in the table above may increase but will not reduce.

2.44 The government aims to implement the other changes from April 2027.

2.45 To ensure that the new scheme is delivered through the best model, the government is launching a consultation, which is set out in Chapter 3

Chapter 3
Future Delivery Model

3.1 As set out in Chapter 2, the government has developed a framework for a new scheme design after carefully considering findings from the consultation, as well as subsequent engagement with a range of stakeholders. The changes to the scheme will ensure it effectively targets low-income workers and encourages regular saving by paying bonuses more frequently, whilst providing the best value for money for the taxpayer. The government wants to drive higher levels of take up of this scheme.

3.2 Expanding the eligibility criteria to all UC claimants earning £1 or more from April 2025 will mean the scheme will be available to around 3 million individuals, an increase of 16% on the current eligible population. The government also wants to improve uptake of the scheme, which can play an important role in ensuring financial inclusion and, aligning with the Child Poverty Strategy, increasing financial resilience to address the problem of low savings.

Q1. Do you agree that the scheme design framework is a commercially viable product? If not, why not?

Q2. When the original scheme launched in 2018, it was guaranteed for 5 years. Do you believe that a minimum guaranteed scheme length is required to provide enough certainty to consider the scheme as a viable product? What are your reasons?

Bonus calculation

3.3 Under the scheme design framework, a bonus of 50% will be paid on new savings contributions over each 6-month period. For each 6- month bonus period, the sum of deposits less withdrawals will provide the basis for calculating the bonus entitlement. As the account balance grows it will be possible to withdraw more than is saved in 6 months. Where this occurs the net contribution for that period would be £0. This will give customers who need to withdraw funds a continuing incentive to save in the next period.

3.4 The government is planning for monthly deposit limits and bonus entitlement to be calculated at the end of a calendar month period rather than fixed periods from the date of account opening, however the government understands this may differ from existing business models.

3.5 The key objectives of the bonus calculation method are to:

- Reward new savings made in a 6-month period;
- Ensure withdrawals only impact the bonus period in which they occur.

Q3. Would this bonus calculation method provide a commercially viable product for you to offer? Please provide details and reasons why.

Delivery model

3.6 Help to Save currently operates under a single-provider model, delivered by NS&I. As part of the scheme reform the government strongly favours a multi-provider model. The government wants to ensure it secures the right delivery model and seeks to gather views on the new Help to Save scheme from financial institutions such as banks, building societies, and credit unions to help to develop the final scheme design and understand interest from them in delivering it. HMRC will also reflect on suggestions from stakeholders to raise awareness of the scheme.

3.7 The consultation will inform the final approach to the scheme, including how it will be delivered, consistent with delivering the greatest value for money for the taxpayer.

Multi-provider model

3.8 A multi-provider model would involve more than one financial institution offering Help to Save and would only be a viable delivery model if the providers, taken together, would provide full and sustainable coverage across the UK, including England, Scotland, Wales, and Northern Ireland. This could be achieved through a digital only provision supported by an additional process to service the digitally excluded, or through a combination of digital and face to face processes.

3.9 In this model, the customer relationship would be between the customer and the provider, including contracts and terms of business. Help to Save would be the account type, with providers using their own branding and literature. Each provider would be responsible for operating and managing the accounts, claiming the bonus from HMRC, and allocating it to the account holders. This mirrors the delivery model for similar government savings products such as the Lifetime ISA.

3.10 HMRC would provide eligibility checking services through an Application Programming Interface (API), or as part of an account opening process. For example, customers could begin the account opening process through Gov.UK to confirm eligibility, which would then be shared with their chosen provider. Providers would be responsible for claiming bonuses from HMRC, allocating them to the accounts and providing regular reporting to HMRC.

3.11 Although the government is open to other ways for the scheme to operate it expects that providers would use an API to confirm eligibility, request bonus payments and report regular information to HMRC.

Eligibility checker

3.12 Under the enhanced scheme, a single eligibility check will be performed at account opening to ensure all relevant criteria are met. In the current process this is completed using data from HMRC and the Department for Work and Pensions (DWP), through an API. This process would be enhanced and, if needed, adapted for external use to support any new delivery model.

3.13 Once the account is opened, the account holder will be able to continue to use it even if their circumstances change and they no longer meet the eligibility criteria. The government would provide an eligibility checker, and any provider would have to connect.

Q4. Would you be interested in offering Help to Save accounts to your customers as part of a multi-provider model? What are your reasons?

Q5. The government aims to introduce the enhanced scheme once the existing scheme closes in April 2027. Approximately how long would it take for you to develop systems to offer Help to Save accounts to customers through a multi provider model?

Q6. Does your business have the capabilities to connect to an HMRC API to check eligibility on account opening? If not, what alternative method would you propose to confirm eligibility? If the government was to widen the eligibility criteria in support of its broader objectives of tackling financial inclusion and/or reducing and alleviating child poverty, are there any considerations (operational or otherwise) that you would need to take into account?

Q7. Will your business be able to provide national coverage (England, Scotland, Wales, Northern Ireland) for Help to Save? If not, please give details on the geographic coverage you will be able to provide.

Coverage

3.14 Help to Save will be available to eligible people across the United Kingdom and it is important for the scheme to remain accessible and dependable.

Q8. Will any other kind of restrictions apply to your ability to provide coverage for Help to Save? Please provide details.

Rollover accounts

3.15 Under the existing Help to Save scheme, the money saved, along with the final bonus, is paid directly into a nominated bank account of the saver's choosing when the account matures. The government would like to encourage customers to continue saving even after their Help to Save account matures by automatically transferring the funds into another savings account.

Q9. Does your business have the capabilities to provide an automatic transfer of savings from the Help to Save account into another savings product? If yes, what kind of savings product would be suitable for this? Please provide details.

Q10. Would a mandatory requirement for an automatic transfer of funds on maturity to a follow-on savings account present any challenges? If so, please provide details.

Existing frameworks

3.16 It may be possible for HMRC to utilise existing API frameworks and systems to interact with a single provider, or with multiple providers, to provide the Help to Save scheme. Lifetime ISA, for example, uses eligibility checking processes on account opening and provides a bonus calculation and payment route.

3.17 It would be useful to understand from providers if there are any existing or developing frameworks and systems that could be utilised to support provision of the Help to Save scheme.

Q11. Would you consider providing the scheme if you were able to adapt an existing framework and system to interact with HMRC?

Please provide details and any impacts this would have on the scheme design framework.

Single provider model

3.18 If it is not possible to deliver the scheme in a multi-provider model, the government would consider a single-provider model. Under this model, it is assumed the existing Help to Save operational framework would be re-used to reduce delivery costs.

3.19 In the existing operational framework, customers open a Help to Save account through GOV.UK, using their Government Gateway ID. Individuals can check their eligibility on the government website and create a Help to Save account after providing the necessary details. This information is then passed to the single provider who is responsible for operating and managing the accounts, claiming the bonus from HMRC and allocating it to the account holder.

3.20 The single provider would provide accounts with none of their own branding or labelling, on behalf of HMRC. They would be responsible for providing and maintaining customer services which enable individuals to manage their accounts and ensure they are accessible to the digitally excluded. HMRC would provide a customer-facing app, using live data provided from the single provider via an API. The existing HMRC app is well used with around 80% of customers currently interacting solely through the app.

3.21 Any single provider would be required to provide full coverage across the UK, including England, Scotland, Wales, and Northern Ireland. This could be achieved through a digital only provision supported by an additional process to service the digitally excluded, or through a combination of digital and face to face processes.

3.22 Service levels and other details would be agreed through a contract and memorandum of understanding, with regular reporting required to HMRC to support bonus payments and control processes.

Q12. To what extent would you be interested in being the sole provider of the Help to Save scheme? What would influence your decision?

Q13. If interested, approximately how long would it take for you to develop systems if selected as a single provider and after completion of a procurement process?

Chapter 4
Responding to the Consultation

4.1 The government intends to hold a number of co-creation workshops during the course of this delivery consultation to provide an opportunity for financial institutions to participate and engage in open discussions. The government will offer attendance through relevant trade bodies.

4.2 This consultation will run from 30 October 2024 until 22 January 2025.

4.3 Responses should be sent by email to: enquiries.savings@hmrc.gov.uk We are unable to respond to letters sent in the post. Please use the email address provided above to ensure your response is taken into account. When responding, please say if you are making a representation on behalf of a business, charity, individual, representative body or any other organisation. In the case of representative bodies, please provide information on the number and nature of people you represent.

Processing of personal data

This section sets out how we will use your personal data and explains your relevant rights under the UK General Data Protection Regulation (UK GDPR). For the purposes of the UK GDPR, HM Treasury is the data controller for any personal data you provide in response to this consultation.

Data subjects

The personal data we will collect relates to individuals responding to this consultation. These responses will come from a wide group of stakeholders with knowledge of a particular issue.

The personal data we collect

The personal data will be collected through email submissions and are likely to include respondents' names, email addresses, their job titles and employers as well as their opinions.

How we will use the personal data

This personal data will only be processed for the purpose of obtaining opinions about government policies, proposals, or an issue of public interest.

Processing of this personal data is necessary to help us understand who has responded to this consultation and, in some cases, contact certain respondents to discuss their response.

HM Treasury will, apart from the name of the respondent, not include any personal data when publishing its response to this consultation.

Lawful basis for processing the personal data

Article 6(1)(e) of the UK GDPR; the processing is necessary for the performance of a task we are carrying out in the public interest. This task is consulting on the development of departmental policies or proposals to help us to develop effective government policies.

Who will have access to the personal data

The personal data will only be made available to those with a legitimate need to see it as part of consultation process.

This consultation is being run in partnership with His Majesty's Revenue and Customs (HMRC), which means that we will be sharing your consultation response with them. Personal data received in responses will be shared with HMRC in order for them to also understand who responded to the consultation.

As the personal data is stored on our IT infrastructure, it will be accessible to our IT service providers. They will only process this personal data for our purposes and in fulfilment with the contractual obligations they have with us.

How long we hold the personal data for

We will retain the personal data until the consultation process has been completed and the policy is implemented. After this, we will only retain personal data if it is embedded in a response, but we will not use it for any unrelated purposes.

Your data protection rights

Relevant rights, in relation to this activity are to:

- request information about how we process your personal data and request a copy of it
- object to the processing of your personal data
- request that any inaccuracies in your personal data are rectified without delay
- request that your personal data are erased if there is no longer a justification for them to be processed
- complain to the Information Commissioner's Office if you are unhappy with the way in which we have processed your personal data

How to submit a data subject access request (DSAR)

To request access to your personal data that HM Treasury holds, please email: dsar@hmtreasury.gov.uk

Complaints

If you have concerns about Treasury's use of your personal data, please contact our Data Protection Officer (DPO) in the first instance at: privacy@hmtreasury.gov.uk

If we are unable to address your concerns to your satisfaction, you can make a complaint to the Information Commissioner at casework@ico.org.uk or via this website: https://ico.org.uk/make-a-complaint.

Annex A: Help to Save Reformed Scheme Example

Peter opens a Help to Save account and saves the maximum £50 each month for the next 6 months.

	Current Scheme	Enhanced Scheme
New Savings	£300	£300
New Bonus	£0	£150
Total Balance	£300	£450

Peter continues to save the maximum £50 each month for the next 6 months.

	Current Scheme	Enhanced Scheme
New Savings	£300	£300
New Bonus	£0	£150
Total Balance	£600	£900

Peter's washing machine breaks, they withdraw £500 for a new appliance.

	Current Scheme	Enhanced Scheme
Withdrawal	£500	£500
Total Balance	£100	£400

Peter continues to save the maximum £50 a month for the next 6 months.

	Current Scheme	Enhanced Scheme
New Savings	£300	£300
New Bonus	£0	£0
Total Balance	£400	£700

Peter continues to save the maximum £50 a month for the next 6 months.

	Current Scheme	Enhanced Scheme
New Savings	£300	£300
New Bonus	£350	£150
Total Balance	£1,050	£1,150

Under the existing scheme, because of the £500 withdrawal, the highest savings balance in the first 2 years was £700, earning a £350 bonus. Peter can continue to save in years 3 and 4 and earn a further bonus on their highest savings balance over £700 in that period.

Under the reformed scheme, because of the £500 withdrawal, the £300 saved in the 6-month period in which it was withdrawn did not earn a bonus. Subject to further withdrawals, Peter can continue to save in years 3 and 4 and earn up to £600 in bonuses over this period.

HM Treasury contacts

This document can be downloaded from www.gov.uk

If you require this information in an alternative format or have general enquiries about HM Treasury and its work, contact:

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Email: public.enquiries@hmtreasury.gov.uk