



HM Treasury

Report under section 231 of the Banking Act 2009:

**1 October 2024 to 31 March
2025**

JULY 2026



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Presented to the House of Commons pursuant to
section 231 of the Banking Act 2009

JULY 2026



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Chapter 1

Introduction

- 1.1 This report summarises government financial assistance provided to financial institutions between 1 October 2024 and 31 March 2025. Information is compiled for six-month periods and published periodically as required by the Banking Act 2009.
- 1.2 Section 231 of the Banking Act 2009 (“the Act”) requires the Treasury to prepare reports about arrangements entered which involve or may require reliance on section 228(1) of the Act. Section 228(1) allows the Treasury to make payments from money provided by Parliament or, pursuant to section 228(5), from the Consolidated Fund:
1. for any purpose in connection with Parts 1 to 3 of the Act
 2. in respect of, or in connection with, giving financial assistance to or in respect of a bank or other financial institution (the Secretary of State is also permitted to make such payments with the permission of the Treasury)
 3. in respect of financial assistance¹ to the Bank of England
- 1.3 This document covers the period beginning 1 October 2024 and ending 31 March 2025 and fulfils the requirement under section 231(2)(b) of the Act to report on successive six-month periods. In accordance with section 231(4) of the Act, the report does not specify individual arrangements, or identify, or enable the identification of individual beneficiaries.
- 1.4 This document does not cover expenditure incurred in relation to Action taken under the Banking (Special Provisions) Act 2008.
- 1.5 Details of the support provided to financial institutions and the economy is set out in several places:
- [HM Treasury’s Annual Report and Accounts 2024-25](#) (HC 1244),
 - For 2025-26, anticipated spend can be found here [Main Supply Estimates](#) (HC 871) for 2025-26 and [Supply Estimates 2025-26](#) (HC1676). Actual information on spend is expected to be published by summer 2026.
 - previous reports published in connection with the requirements of the [Banking Act 2009](#)
 - UK Government Investments’ [website](#) contains details of how it manages the government’s shareholdings in various banks
- 1.6 Links to further information on government financial assistance schemes are provided in [Annex A](#).

¹ Financial assistance as per <https://www.legislation.gov.uk/ukpga/2009/1/section/257>

Chapter 2

Report covering 1 October 2024 to 31 March 2025

- 2.1 This chapter constitutes the report required to be prepared under section 231 of the Act and provides information about arrangements entered in the period beginning 1 October 2024 and ending 31 March 2025, which involve or may require reliance on section 228(1) of the Act. It excludes any income from financial sector interventions.

Table 2.A Period from 1 October 2024 to 31 March 2025

Department	Scheme/ Other commitments	New commitments £m	Utilisation or issuance £m	Cash expenditure £m
HM Treasury	Asset Purchase Facility	-	-	12,753.5
	Help to Buy: ISA	-	-	56.9
	Mortgage Guarantee Scheme	-	143.0	-
	No-Interest Loans Scheme	-	-	0.8
Department for Business & Trade	Enable Funding Scheme	-	(84.5)	2.8
	Enable Guarantee Scheme	575.0	222.4	-
Ministry of Housing, Communities and Local Government	Enable Build Scheme	150.0	112.3	-

- 2.2 The above table discloses new arrangements and expenditure by scheme where applicable and by type of commitment for other arrangements.
- **New commitments** represent the maximum amount that the government has committed under a scheme or arrangement and do not represent the size of any expected future losses or cash payments. Provisions for expected losses, if any, are included in departmental annual reports and accounts and Parliamentary Estimates.

- **Utilisation or issuance** represents the net amount of a total facility which was used or the net increase in the amount of guarantees that were issued during the reporting period. This includes reinvestment where that reinvestment utilises the Banking Act.

Cash expenditure represents cash amounts paid out in respect of schemes or other commitments.

- 2.3 Asset Purchase Facility (APF):** At 31 March 2025, the authorised limit of the APF was £654.5 billion, a decrease of £49.7 billion from the limit at 30 September 2024 (£704.2 billion). The £654.5 billion limit was comprised entirely of gilt holdings for monetary policy purposes. During the period 1 October 2024 to 31 March 2025, net gilt sales undertaken for monetary policy purposes were positive with nominal proceeds from redemptions of £25,010 million, sales proceeds of £4,975 million and no new purchases or reinvestments.
- 2.4 Help to Buy: ISA scheme:** 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 up to a maximum of £3,000 when they buy a property of £250,000 or less (with a higher price limit of £450,000 in London). Between 1 October 2024 and 31 March 2025, the maximum potential liability decreased by £65.0 million bringing the total maximum potential liability as at 31 March 2025 to £350.0 million. Between 1 October 2024 and 31 March 2025, £56.9 million funding was drawn.
- 2.5 Mortgage Guarantee Scheme:** Between 1 October 2024 and 31 March 2025 the maximum potential liability increased by £143.0 million to £1,149.0 million as at the 31 March 2025 as a result of new commitments. No claims were paid out during the period.
- 2.6 No-Interest Loan Scheme (NILS)** aims to help vulnerable consumers who need affordable short-term credit to cover unexpected costs, providing an alternative to high-cost credit options. From 1 October 2024 to 31 March 2025, no loans were issued under NILS. £0.84 million in delivery funding was provided to Fair4All Finance, which included £0.74 million for guarantee claims.
- 2.7 Enable Funding scheme** aims to improve the provision of asset and lease finance to smaller UK businesses. As at 31 March 2025, £64.5 was drawn, £Nil was paid out in claims. Total lifetime commitments as at 31 March 2025 were £1,145.9m.
- 2.8 Enable Guarantee Scheme** helps banks and non-banks to increase the capital or funding efficiency of their smaller business lending by enabling participating bank providers to share apportion of the credit risk of a newly originated small business lending portfolio with HM Government in return for a fee. As at 31 March 2025, £1,212.5 of the facility was drawn, £Nil was paid out in guarantees. Total lifetime guarantees as at 31 March 2025 were £3,172.0m.
- 2.9 Enable Build Scheme:** helps banks and non-banks to increase the capital or funding efficiency of their smaller business lending and is specifically focused on smaller and medium-sized housebuilders in the UK. As at 31 March 2025, £470.2 of the facility was drawn, £Nil was paid out in guarantees. Total lifetime guarantees as at 31 March 2025 were £750m.
- 2.10** Additional information on all the above schemes is in **Annex A** and in the published information referred to therein.

Annex A

Government financial assistance schemes

HM Treasury

Asset Purchase Facility

- A.1 In January 2009, the Chancellor of the Exchequer (“the Chancellor”) authorised the Bank of England (“the Bank”) to set up the Asset Purchase Facility (APF) to buy high-quality assets financed by the issue of Treasury bills. The aim of the facility was to improve liquidity in credit markets. The Chancellor also announced that the APF would operate as an additional tool that the Monetary Policy Committee (“the MPC”) could use for monetary policy purposes. When the APF is used for monetary policy or financial stability purposes, purchases of assets are financed by the creation of central bank reserves.
- A.2 Based on the decisions of the independent MPC, the Bank purchased assets into the APF for monetary policy purposes from March 2009 to December 2021. In November 2020, the maximum authorised limit on purchases for monetary policy purposes into the APF peaked at £895 billion and the assets held in the facility consisted of UK government bonds, known as gilts, and investment grade corporate bonds.
- A.3 In February 2022, the MPC voted to begin reducing the APF’s stock of purchased assets by ceasing to reinvest the proceeds from redemptions. It was agreed between the Chancellor and the Governor of the Bank of England that the authorised maximum size of the APF would be reduced every 6 months in line with the reduction of assets.
- A.4 In September 2022, the maximum authorised size of the APF was increased in order for the Bank to carry out temporary and targeted purchases of long-dated gilts for financial stability purposes, which also included index-linked gilts from 11 October. These purchases took place between 28 September and 14 October and were subsequently unwound by January 2023. The authorised size of the APF was reduced accordingly through an exchange of letters between the Chancellor and Governor of the Bank of England on 16 January 2023.
- A.5 The stock of assets held in the APF has continued to reduce in line with MPC decisions. Between November 2022 and September 2023, holdings were reduced by £100 billion, and subsequent decisions have maintained a similar pace of reduction.
- A.6 HM Treasury has indemnified the Bank of England Asset Purchase Facility Fund (BEAPFF) from any losses arising out of, or in connection with, the facility. Further information on the APF can be found at: <https://www.bankofengland.co.uk/markets/bank-of-england-market-operations-guide/our-tools#APF>

Help to Buy: ISA

A.7 <https://www.gov.uk/affordable-home-ownership-schemes>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 closed to new accounts on 30 November 2019 however, Help to Buy: ISA account holders can 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. Further information can be found at: <https://www.gov.uk/affordable-home-ownership-schemes>

A.8 The 2021 mortgage Guarantee Scheme was launched on 19 April 2021 to help increase the supply of 95% Loan To Value (LTV) mortgage products (as an indirect effect of the COVID-19 pandemic where it reduced the availability of these products) for credit-worthy households by supporting lenders, in exchange for a commercial fee, to offer these products through a government backed guarantee. The scheme will close to new accounts on 30 June 2025 with participating lenders being allowed to complete loans into the new scheme until 31 December 2025, where they had an application date on or before 30 June 2025 as similar to the previous scheme.

No-Interest Loans Scheme (NILS)

A.9 At Budget 2021, HM Treasury announced £3.8 million in funding to pilot a No-Interest Loan Scheme (NILS). NILS is designed to help vulnerable consumers across the UK by providing them with affordable credit to cover unexpected costs, offering an alternative to high-cost credit. Fair4All Finance, an organisation established to support the financial wellbeing of vulnerable people, is running the pilot. They have contracted lenders to provide the loans and offer these lenders a partial guarantee against default losses. Lending for the pilot ended on 31 August 2024; over 14,000 loans were issued by this date, amounting to a total of almost £11 million. PwC has been appointed to conduct a comprehensive evaluation of the pilot by the end 2026 to determine whether NILS is a viable and sustainable product that should be made permanently available.

A.10 As part of the pilot, HM Treasury will reimburse Fair4All Finance for up to 80% of eligible default losses incurred under guarantees initiated after 22 September 2021. This reimbursement will continue until 31 March 2026, when the pilot concludes. The maximum amount payable under this contingent liability is £1.8 million. The remaining £2 million of the funding will cover administrative costs.

Department for Business and Trade (DBT)

Structured Guarantees

A.11 The structured guaranteed programmes (ENABLE Guarantees and ENABLE Build) support a range of lenders so that smaller businesses are not solely dependent on the major high street banks for financing. These lenders are particularly valuable as

they often have a different risk appetite from high street banks, allowing them to provide funding to smaller businesses that may otherwise struggle to secure it.

A.12 ENABLE Guarantees and ENABLE Build help banks and non-banks to increase the capital or funding efficiency of their smaller business lending – allowing them to lend more to smaller businesses, expand into new markets, launch new products and/or reduce the cost of borrowing for their customers. ENABLE Build is specifically focused on encouraging additional lending to smaller and medium-sized housebuilders in the UK.

A.13 Further information can be found in the [DBT Annual Report and Accounts](#).

Cash Securitisation

A.14 ENABLE Funding improves the provision of asset and lease finance to smaller UK businesses. Smaller providers of such finance often lack the scale to access capital markets – a key source of funding for lending institutions – in a cost-efficient manner. By warehousing newly originated finance receivables from different originators and then refinancing a portion of the structure, the programme helps smaller finance providers to tap institutional investors' funds.

HM Treasury contacts

This document can be downloaded from www.gov.uk

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