MH/CH

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Dame Meg Hillier MP
Chair, Treasury Select Committee
House of Commons
London
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By email: treascom@parliament.uk

Monday 14 April 2025

Dear Dame Meg

Request for additional information to support the Treasury Committee's inquiry into the Lifetime ISA

Thank you for the opportunity to participate in the Treasury Committee's inquiry into Lifetime ISAs and outline the critical role of the LISA in supporting first-time buyers. In my oral evidence I shared our experience and how the Skipton Group Home Affordability Index is providing valuable insight on this, particularly on the challenges presented by the current level of the LISA home purchase price cap.

During the oral evidence session on 26 February, I committed to providing some additional data about the product. Where possible I have included this information below alongside our response to your letter of 6 March requested a number of specific data points. As you can see, we do not have access all of the data requested.

- **Q76) Socio-economic demographics of current LISA holders, for example age, gender, income and region, with salaries broken down into increments of £10,000**

We do not have access to these data.

- **Q91) Data on purchase prices, deposits and total LISA withdrawals for those who have used their LISA to buy a home. Please present numbers of purchase prices and deposits in £10,000 increments. LISA withdrawals should be presented in increments of £5,000.**

The following tables show the average mortgage loan amount and average LISA deposit amount in house purchases where customers **told us** that LISA funds are included in the deposit. This is for all house purchases with a Skipton mortgage and includes LISA deposits from other LISA providers as well as Skipton Building Society:

Table 1: Average mortgage loan amount by purchase price banding in each tax year

Purchase price	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Number of purchases	*303*	*280*	*230*	*246*	*342*	*360*
£50001 - £100,000	£63,992	£62,344	£67,015	£68,469	£76,352	£73,854
£100,001-£150,000	£110,614	£100,859	£102,143	£108,710	£104,236	£111,709
£150,001-£200,000	£152,092	£146,323	£135,293	£149,134	£147,885	£141,139
£200,001-£250,000	£194,125	£192,119	£177,730	£199,305	£186,526	£186,376
£250,001-£300,000	£241,315	£214,370	£206,624	£217,736	£225,307	£209,046
£300,001-£350,000	£273,424	£259,567	£268,077	£271,826	£267,561	£260,725
£350,001-£400,000	£267,457	£241,032	£314,043	£323,861	£298,530	£288,962
£400,001-£450,000	£336,178	£362,078	£336,398	£362,903	£345,684	£327,061

Table 2: Average deposit amount by purchase price banding in each tax year

Purchase price	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Number of purchases	*303*	*280*	*230*	*246*	*342*	*360*
£50001 - £100,000	£9,334	£8,261	£12,283	£12,114	£6,685	£6,019
£100,001-£150,000	£11,600	£12,302	£12,982	£23,735	£14,198	£12,401
£150,001-£200,000	£13,150	£13,473	£14,747	£14,602	£14,795	£15,109
£200,001-£250,000	£15,478	£15,521	£16,613	£16,654	£16,624	£16,215
£250,001-£300,000	£16,842	£20,097	£22,426	£21,513	£20,800	£18,619
£300,001-£350,000	£19,620	£21,179	£21,324	£21,574	£21,689	£15,784
£350,001-£400,000	£26,623	£23,046	£24,500	£18,835	£22,326	£27,210
£400,001-£450,000	£20,657	£24,950	£25,919	£22,920	£30,331	£28,956

These are banded into £50,000 property values to get meaningful volumes. Almost half (46%) have purchased a property under £200,000, over three-quarters (79%) have bought a home under £300,000.

- **The number of LISA holders who have made a contribution to their LISA after buying a home using their LISA and**

- **The number of LISA holders with a positive balance after buying a home using their LISA**

In our written evidence submission response to Q2 we outlined that we had 'seen around 50% of customers retain their Lifetime ISA accounts following house purchase but only a limited number (<5%) have subsequently deposited in their account.

- **The number of contributions to LISAs made by anyone other than the LISA holder**

We do not have access to these data.

- **The number of LISA holders who have made the following numbers of unauthorised withdrawals; 0, 1, 2-10, 10+**

The following table shows the number of Skipton LISA holders making unauthorised withdrawals since 2021 (includes open and closed accounts since 2021):

No withdrawals	1 Unauthorised withdrawal	2-10 Unauthorised Withdrawals	Ten Plus Unauthorised Withdrawals
194,085	29,618	4,891	287

- **Why has Skipton chosen only to offer a cash LISA?**

We are regulated to provide financial advice on stocks and shares investments and, through our advisers, we offer access to a third-party stocks and shares ISA. Our third-party provider does not currently offer a stocks and shares LISA.

However, given more than 97% of our members and customers receiving financial advice are aged over 45 it’s reasonable to assume that the vast majority of these will be ineligible to open a LISA given the age limit.

- **Have you have carried out any analysis of the impact of long-term saving in cash on LISA holders who are using the product solely for retirement saving.**

We haven’t carried out this analysis.

- **Typical deposits for first-time buyers**

During the evidence session there was some discussion on the typical deposits for first-time buyers. I cited the figures included within the Building Societies Association’s response to this inquiry which drew on their First-time Buyers Report from 2024 and said that ‘the typical deposit for first-time buyers [is] now around £60,000 across the UK and £144,000 in London’. These figures are broadly in line with our experience at Skipton.

I do hope these data aid the Committee’s deliberations and please let me know if I can be of any further assistance.

Yours sincerely

Charlotte Harrison,
CEO of Home Financing at Skipton Building Society