HM Revenue & Customs

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Dame Meg Hillier
Chair of the Treasury Committee
House of Commons
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30 April 2025

Dear Dame Meg,

Thank you for your letter of 25 March regarding the Lifetime ISA (LISA).

Following on from my letter of 9 April and the oral evidence from the Economic Secretary to the Treasury and the Director of Personal Tax, Welfare and Pensions, please find the additional data that we are now able to provide and further information about the quantitative research with those who have ever held a LISA and eligible non-users that was discussed during the oral evidence session.

Since our previous letter, HMRC published qualitative research on the Lifetime ISA on Tuesday 22 April: Understanding the use of the Lifetime ISA: qualitative research - GOV.UK

Response to the Committee's data request

The data for all the tables below was extracted from the LISA providers via the Lifetime ISA Application Programming Interface (API). The data we require providers to report is limited to what is necessary for administering the tax system and to avoid unnecessary burdens on providers/customers. Providers use this API to create or make changes to LISA accounts and manage transactions. It provides data on the number of people who have withdrawn money from LISAs for house purchases and withdrawals that incur a charge. It also provides data on the market value of each LISA account and the amounts subscribed in each tax year.

As agreed with the Committee clerks, we have provided this data on an annual basis. Please note that as the LISA API data is continuously updated, the figures below may not exactly match those previously published in HMRC's annual savings statistics 2024 or provided in previous correspondence.

Regional data on where homes were bought using LISAs

Postcodes were matched to Office for National Statistics geoportal data to derive regions. Just under 2% of records could not be matched to a region and were placed in the 'unknown' category.

Table 1: Number of individuals purchasing a house per region per tax year (rounded to the nearest 50)

Region	Tax Year						
	2018 to 2019	2019 to 2020	2020 to 2021	2021 to 2022	2022 to 2023	2023 to 2024	Total
East Midlands	550	1,500	2,350	3,500	4,000	4,250	16,150
East of England	850	2,450	3,850	5,600	6,100	5,950	24,800
London	650	2,000	2,850	4,000	4,600	4,250	18,350
North East	250	650	1,100	1,750	1,950	1,950	7,650
North West	1,000	2,850	4,300	6,250	6,700	6,800	27,900
South East	1,550	4,050	6,000	8,800	9,150	9,100	38,650
South West	950	2,550	3,650	5,500	5,900	6,100	24,650
West Midlands	650	1,800	2,500	3,850	4,250	4,300	17,350
Yorkshire and The Humber	700	2,150	3,100	4,400	4,750	5,000	20,100
Northern Ireland	100	250	450	800	900	1,100	3,600
Scotland	550	1,600	2,300	3,450	4,000	4,850	16,750
Wales	250	750	1,150	1,800	2,050	2,200	8,200
Unknown	150	350	700	900	1,100	750	3,950
Total	**8,150**	**23,050**	**34,200**	**50,550**	**55,550**	**56,500**	**228,000**

Table 2: Number of house purchases per region per tax year (rounded to nearest 50)

Region	Tax Year						
	2018 to 2019	2019 to 2020	2020 to 2021	2021 to 2022	2022 to 2023	2023 to 2024	Total
East Midlands	400	1,200	1,850	2,800	3,200	3,400	12,850
East of England	650	1,850	2,900	4,300	4,700	4,650	19,050
London	500	1,650	2,350	3,400	3,900	3,600	15,400
North East	200	500	900	1,450	1,600	1,650	6,300
North West	800	2,250	3,450	5,000	5,400	5,550	22,450
South East	1,150	3,050	4,600	6,750	7,000	7,100	29,650
South West	700	1,950	2,850	4,300	4,600	4,900	19,300
West Midlands	500	1,400	2,000	3,050	3,350	3,450	13,750

Yorkshire and The Humber	550	1,700	2,550	3,550	3,800	4,100	16,250
Northern Ireland	100	200	350	650	750	900	2,950
Scotland	450	1,300	1,950	3,000	3,400	4,150	14,250
Wales	200	600	900	1,450	1,650	1,800	6,600
Unknown	150	350	650	850	1,000	700	3,700
Total	**6,250**	**18,050**	**27,350**	**40,600**	**44,350**	**46,000**	**182,500**

Table 3: Number of pairs (couples or else) buying a house with another person who also has a LISA (rounded to nearest 50) – this table is a subset of table 2

	Tax Year						
Region	**2018 to 2019**	**2019 to 2020**	**2020 to 2021**	**2021 to 2022**	**2022 to 2023**	**2023 to 2024**	**Total**
East Midlands	150	300	500	700	800	850	3,300
East of England	200	600	950	1,300	1,400	1,300	5,750
London	150	350	500	600	700	650	2,950
North East	50	150	200	300	350	300	1,350
North West	200	600	850	1,250	1,300	1,250	5,450
South East	400	1,000	1,400	2,050	2,150	2,000	9,000
South West	250	600	800	1,200	1,300	1,200	5,350
West Midlands	150	400	500	800	900	850	3,600
Yorkshire and The Humber	150	450	550	850	950	900	3,850
Northern Ireland	<50	50	100	150	150	200	650
Scotland	100	300	350	450	600	700	2,500
Wales	50	150	250	350	400	400	1,600
Unknown	<50	<50	50	50	100	50	250
Total	**1,900**	**5,000**	**6,850**	**9,950**	**11,200**	**10,500**	**45,500**

The number of individual bonuses paid, by size, banded in £500 increments

The table below gives the value of bonuses paid out to each individual, split out into bands. Bonuses were aggregated in each year, therefore an individual receiving six bonuses of £100 value would appear once in the '£500-£1000' band for that year.

Table 4: Number of individual bonuses paid out each year, banded in £500 increments that year.

	2018-19	**2019-20**	**2020-21**	**2021-22**	**2022-23**
£0-£499.99	61,100	162,700	196,300	252,500	303,000

£500-£999.99	15,600	45,700	74,400	80,300	86,100
Exactly £1,000	34,500	193,600	319,100	370,700	398,400

In correspondence with the Committee clerks, we also agreed to provide the following:

The number of Lifetime ISA accounts open at the end of tax year 2023-24

Table 5: The number of LISA accounts open at end of every tax year to 2023-24	
Tax Year	**Number of LISA accounts open (rounded to nearest 1,000)**
2017-18	64,000
2018-19	257,000
2019-20	457,000
2020-21	706,000
2021-22	895,000
2022-23	1,073,000
2023-24	1,338,000

Authorised withdrawal sizes, in bands, for tax years 2023-24

The following table provides a breakdown of the value authorised withdrawals and number of house purchase transactions for 2023-24, by size of the withdrawal.

Table 6: Authorised withdrawal sizes, broken down into increments, for tax year 2023-24		
Bands	**Total authorised withdrawals (Rounded to nearest £1,000)**	**Number of house purchase transactions (Rounded to nearest 50)**
£0 - £1,000	£206,000	350
£1,000.01 - £5,000	£75,277,000	10,350
£5,000.01 - £10,000	£10,011,000	2,900
£10,00.01 - £20,000	£389,226,000	28,350
£20,000.01 - £30,000	£269,470,000	11,800
£30,000.01 - £40,000	£88,492,000	2,650
£40,000.01 and above	£14,192,000	350

Response to the Committee's questions on HMRC's quantitative research with those who have ever held a LISA and eligible non-users

In addition to qualitative research on the LISA, HMRC has also commissioned quantitative research on the LISA, including:

1. Survey of individuals who have ever held a LISA (LISA holders) – commissioned to IFF Research. The core objectives of this survey are to:
    - establish the demographic profile of LISA holders and understand whether these differ between individuals who have made no withdrawals from their LISA, made a withdrawal to buy a house, or made an unauthorised withdrawal
    - establish a savings profile of LISA holders, including other savings products and investments, the amount typically saved, and the origin of the savings added to the LISA
    - assess the user experience of the LISA, including opening a LISA, saving into a LISA, and withdrawing savings
    - assess which features of the LISA encouraged individuals to save and how any changes to these features could affect how the LISA is used
    - understand the original intentions of LISA holders for opening an account and the reasons why individuals have made unauthorised withdrawals (if applicable)

2. Survey of individuals who were eligible to hold a LISA but had not at the time of the research (eligible non-holders) – commissioned to Ipsos UK. The core objectives of this survey are to:
    - establish the demographic profile of eligible non-holders and explore demographic differences in knowledge, perceptions and attitudes towards the LISA
    - understand eligible non-holders' levels of awareness of the LISA and knowledge about the features of the LISA
    - explore reasons why non-holders have not opened a LISA
    - explore non-holders' future intentions to open a LISA, including what might motivate them to open an account in the future

Both strands of research are underway. Survey fieldwork has concluded for both strands. Following standard practice, the results from both strands are now undergoing quality assurance to support the external contractor with the preparation of a final written report of the findings from each survey. The quality assurance stage comprises rigorous cleansing, analysing and interpreting the data. Whilst this is a critical process to ensure the results and accompanying commentary in the final reports are accurate and unbiased, it is a dynamic process to resolve issues or undertake additional analysis which means that the time required to complete it varies between research projects. The final reports from each strand must ultimately be agreed between HMRC and the external contractor.

HMRC commits to publishing social research in the Annual Report and Accounts. Following the Government Social Research (GSR) Publication Protocol, HMRC aims to publish research results promptly, i.e. as early as possible, and no longer than 12 weeks once the final output has been agreed. Unfortunately, this means the results from these strands of quantitative research on the LISA will be available later than the Committee's timeline for this inquiry.

Yours sincerely,

Angela MacDonald

ANGELA MACDONALD
DEPUTY CHIEF EXECUTIVE & SECOND PERMANENT SECRETARY