



Department for
Communities and
Local Government

NewBuy Guarantee scheme

Quarterly and cumulative data for England up to 31 March 2013

- By 31 March 2013 **2,291** home purchases had been completed under the NewBuy Guarantee scheme in England.
- By 31 March 2013 Government's liability had increased to **£23.1m** (rounded to 1 decimal place).
- By 31 March 2013 Government had incurred no costs.

Housing

Statistical Release

04 June 2013

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housing

Further Information

This release covers activity under the scheme from commencement on 12 March 2012 until 31 March 2013, representing the first full year (and therefore the first four quarters) since scheme launch. It covers an unusually extended first quarter, including the period from launch until 31 March 2012 when no transactions were completed under the scheme. The next release will include activity to 30 June 2013, and will be published approximately Summer 2013.

Figures presented in this and subsequent releases will cover quarterly periods, and will continue to be published on a quarterly basis.

This release only relates to the NewBuy scheme as operated in England.

The data are subject to revision and may be adjusted in future releases.

This release covers:

- 1) **Total Completions** (number of properties purchased under the scheme);
- 2) **Government's Contingent Liability** (the maximum possible cost to government as a result of government's provision of a guarantee corresponding to these completions); and
- 3) **Government's Total Costs** (the amount spent by government to date in payment of claims made by mortgage lenders against this guarantee).

Notes:

Mortgages are covered by the government guarantee from point of completion. Government's maximum total contingent liability is capped at £1bn. Each time a property is sold under the NewBuy Guarantee scheme Government's maximum possible cost within this limit increases by 5.5% of the property's sale value.

Government's costs will be incurred only when: (i) NewBuy properties have been purchased (completed), possessed, resold, attracted losses, and those losses have been claimed by the appropriate lender/s; and (ii) The total of such losses is in excess of the total of the builder's corresponding indemnity fund. This cost will not necessarily reach the full extent of government's maximum possible cost. Costs listed here are incurred as a result of payments made to lenders according to the terms of the Government Guarantee.

Further policy information on the NewBuy Guarantee scheme can be found at:

<https://www.gov.uk/government/policies/increasing-the-number-of-available-homes/supporting-pages/newbuy-guarantee-scheme>

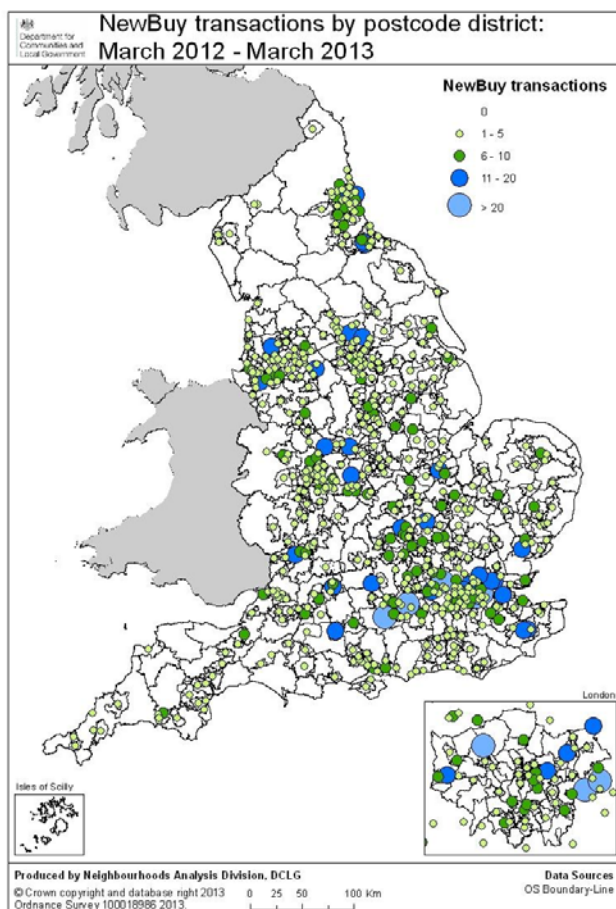
Table 1: NewBuy Guarantee scheme: Quarterly and cumulative data for England up to 31 March 2013

Period	Completions	Government Liability (Maximum Possible Cost) £million (rounded to one decimal place)	Costs Incurred £million (rounded to one decimal place)
12 March – 30 June 2012	253	2.6m	0
01 July – 30 September 2012	376	3.8m	0
01 October – 31 December 2012 ^(R)	908	9.1m	0
01 January – 31 March 2013	754	7.6m	0
Cumulative total to 31 March 2013	2,291	23.1m	0

R – Revised since the last statistical release

Sub-national trends

Figure 1: Cumulative NewBuy completions by postcode district to 31 March 2013



These figures cover the cumulative number of completions from scheme launch (12 March 2012) through to 31 March 2013. The number of NewBuy completions has been aggregated by postcode district. Each of the individual data points in the figure correspond to a single postcode district.

A supplementary table of total cumulative transactions, by postcode district, has been published alongside this release on the Department's website.

Revisions in this release

There has been a slight upward revision of the number of completions and Government liability for the period 01 October 2012 – 31 December 2012, compared to the previous statistical release. This reflects an additional 15 transactions as recorded by Jardine Lloyd Thompson (JLT) in their database.

Whilst the majority of transactions that happen within a reporting period are recorded within a month of the period ending, there are residual cases where completion dates have yet to be confirmed by participating lenders in the scheme. This can lead to a slight under-reporting of the actual number of transactions on first release. The future impact of such revisions is anticipated to be small.

Background note

Official Statistics are produced to high professional standards set out in the Code of Practice for Official Statistics.

These data have been collected by Jardine Lloyd Thompson (JLT) in its role as administrator for the industry-led NewBuy Guarantee scheme. Analysts working for the Department for Communities and Local Government have worked with JLT's analysts to ensure the accuracy of these data. The next release will cover the period 1 April 2013 – 30 June 2013.

The date of future statistical releases are announced at least one month in advance on the UK Statistics website: <http://www.statistics.gov.uk/hub/index.html>

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