

Date: 28 April 2021

Our Ref: FOI8130

Dear

Freedom of Information: Right to know request

Thank you for your emails of 11 and 29 March 2021, in which you asked for information about the UK mortgage markets. Full details of your request can be found in Annex A below.

We have processed your emails in line with the provisions of the Freedom of Information Act 2000 (FOIA) and our response is below.

Before considering your request, we would like to explain that the FCA receives data from regulated firms on the mortgage market primarily through the following returns:

The Mortgage Lending and Administration Return (MLAR)

This data is submitted to us on a quarterly basis (in most cases) by regulated firms on their mortgage lending and administration activity. This data is submitted at an aggregated level and includes data on mortgage advances in the period (e.g. total gross advances by loan-to-value, income multiples and purpose of loan) and some data on mortgages 'stock' at the end of the period (e.g. the outstanding value of all residential loans).

This compares to the mortgages product sales data, commented on below, which focuses exclusively on sales of new mortgages. The data is generally available from Q1 2007 to Q4 2020. A template of the return can be found [here](#). Further information, including links to guidance notes, can be found [here](#).

Mortgages product sales data (PSD001)

This data is submitted to the us on a quarterly basis by regulated firms on sales of new mortgages (including remortgages). This data is submitted at individual sale/transaction level and includes the property postcode. A template of the return can be found [here](#). The data is generally available from Q2 2005 to Q4 2020.

For the purposes of answering your request, we have provided aggregated data submitted by regulated firms through these two returns. However, it should be noted that the data provided from the two returns is not always directly comparable. For example, further mortgage advances are included in the MLAR but not in the PSD001. In addition, the PSD001 includes the property postcode but this is not included in the MLAR.

Outlined below is information on the specific items covered in your request and references to relevant data provided.

Mortgage Rates:

MLAR: this data is available on the FCA website which can be found [here](#). Specifically, please see Section B in the tab entitled 'Summary 1'.

PSD001: provided separately as part of this response is the attached file entitled 'Table 1'. This sets out the median initial gross interest rate reported by firms through their mortgages product sales data. This is split by postcode region, area and district and provided by calendar quarter. Please note that for mortgage accounts opened before 30/06/2015, regulated firms were not required to submit data on the initial gross interest rate but may have chosen to do so. Data prior to this date may therefore be incomplete.

Size of the Mortgage Market:

MLAR: please see Section C in the tab entitled 'Summary 2' which can be found [here](#) on the FCA website.

PSD001: the attached files entitled 'Table 2' and 'Table 3' sets out the total number of mortgage sales (Table 2) and the total value of mortgages sold (Table 3). This is split by postcode region, area and district and provided by calendar quarter.

LTV (avg and/or any other metric):

MLAR: please see Section B in the tab entitled 'Summary 2' which can be found [here](#) on the FCA website.

PSD001: the attached file entitled 'Table 4' sets out the median loan to value ratio of mortgage sales. Again, this is split by postcode region, area and district and provided by calendar quarter.

New mortgage origination:

MLAR: please see Section A in the tab entitled 'Summary 1' which can be found [here](#) on the FCA website for the volume in GDP of new mortgage commitments. The data does not include the number of mortgage sales.

PSD001: please see the information provided under the 'Size of the Mortgage Market' section above.

New buildings coming to market:

The FCA does not collect its own complete data on new buildings coming to the market in the UK. It does, however, collect data from regulated firms as part of their PSD001 reporting on whether the property is a 'new dwelling'.

The attached file entitled 'Table 5' sets out the number of mortgage sales for buildings identified as 'new dwellings'. Again, this is split by postcode region, area and district and provided by calendar quarter. Please note that for mortgage accounts opened before 30/06/2015, regulated firms were not required to submit data on whether the property was a 'new dwelling' but may have chosen to do so. Data prior to this date may therefore be incomplete.

Stamp duty:

We do not hold the information you are seeking; this is because we do not collect data on stamp duty rates and payments.

BOE Interest Rates:

We do not hold the information you are seeking; this is because we do not collect our own data on the Bank of England's official Base Rate. This can be found at the Bank of England's website, which can be found [here](#).

Population:

We do not hold the information you are seeking; this is because we do not collect our own data on UK population statistics. This can be found at the Office for National Statistics' website, which can be found [here](#).

Employment:

We do not collect our own complete data on UK employment statistics. This can be found at the Office for National Statistics' website, which can be found [here](#).

We do, however, collect data from regulated firms as part of their PSD001 reporting on the employment status of the applicant(s) of mortgage sales. The attached file entitled 'Table 6' sets out the employment status of the main applicant against the number of mortgages sold. This is split by postcode region, area and district and provided by calendar quarter.

Property Prices:

We do not collect our own complete data on UK property prices. We do, however, collect data from regulated firms as part of their PSD001 reporting on the property price of mortgage sales. The attached file entitled 'Table 7' sets out the median property value of mortgages sold, split by postcode region, area and district and provided by calendar quarter.

Your right to complain under FOIA

If you are unhappy with this response, you have the right to request an internal review. To do so, please contact us within 40 working days of the date of this response at FreedomofInformationAppeals@fca.org.uk.

If you are not content with the outcome of the internal review, you also have a right of appeal to the Information Commissioner by phone or on their website at:

Telephone: 0303 123 1113

Website: www.ico.org.uk

Yours sincerely

Information Disclosure Team
Financial Conduct Authority

Annex A

On 11 March 2021, you asked for:

I'm working on a regression model as part of a Computer Science apprenticeship and I wonder if you have some data points regarding the UK mortgage markets and its evolution over the years.

In particular, with my model I'm focusing on working out the factors that contribute to UK house prices and I would like to know if you have data on:

- *Mortgage Rates*
- *Size of the Mortgage Market*
- *LTV (avg and/or any other metric)*
- *New mtge origination*
- *New buildings coming to market*
- *Stamp Duty*
- *BOE Interest Rates*
- *Population*
- *Employment*
- *Property Prices (my dependent variable)*

Ideally these should be quarterly data and would go back for 10/20 years.

On the 29 March 2021, you provided further details on the scope of your request and explained that the information you are seeking is:

- *New mtge origination – Number and volume in GBP of new mortgages approved*
- *New buildings coming to market – we believe you may be referring to statistics on new homes built in the UK, please confirm this is correct. **Correct***
- *Stamp Duty – we believe you may be referring to statistics on stamp duty payments by property purchasers in the UK, please confirm this is correct. **Correct. I'd like what stamp duty rate was in place and how much has been paid.***
- *BOE Interest Rates – we believe you may be referring to the official Bank Rate set by the Bank of England, please confirm this is correct. **Correct***
- *Population - we believe you may be referring to UK population statistics, please confirm this is correct. **Correct. If split by age groups it would be better so I can understand the population of potential home buyers.***
- *Employment - we believe you may be referring to UK employment statistics, please confirm this is correct. **Employed/Unemployed by quarter***
- *Property Prices - we believe you may be referring to property price statistics based on all UK properties, please confirm this is correct. **Correct. Ideally the geographical split would be the same for "New mtge origination", "New Buildings coming to market" and all the data where this is applicable. If this data is not available, it would be ok to have split by regions (rather than municipality).***