

## Help to Buy "not a risk", says Bank

The government's Help to Buy mortgage guarantee scheme is not a threat to financial stability, the Bank of England announced today (October 2).

In a letter to the chancellor George Osborne following an annual review of the initiative, the Bank's governor Mark Carney cleared the scheme, stating that the Bank's Financial Policy Committee (FPC) had decided not to change any terms and that the mortgage guarantee was not responsible for rising house prices.

The FPC found that the scheme had only accounted for 5% of total mortgages.

"There has been strong house price growth in some regions but, in the Committee's judgement, the scheme does not appear to have been a material driver of that growth - for example, take-up of the scheme has been weak in London where house price growth has been strongest," Carney wrote.

"Under current market conditions, the Committee assesses that the scheme does not pose material risks to financial stability."

**For all the latest housebuilding news and events visit [www.house-builder.co.uk](http://www.house-builder.co.uk)**

*To un-subscribe to further alerts, please go to the [Housebuilder website](#), login and change your profile settings.*

Housebuilder Media Limited registered office:

Ground Floor, HBF House, 27 Broadwall, London SE1 9PL

Company registration no. 01952317

Registered in England & Wales