

Help to Buy Gets Millennials on the Property Ladder in Under a Year

New research shows that millennials saving for their first home can get on the property ladder 2 years earlier thanks to the Help to Buy scheme.

New research by Compare My Move reveals how long it takes young renters in 50 British towns and cities to save a deposit for their first home. The figures show that the average British renter can save enough for the 5% deposit needed for the Help to Buy Equity Loan in only 12 months, compared to the 3 years it would take to save for a 15% deposit. Getting on the housing ladder faster helps millennials save £10k on average in rent costs.

Headline figures at a glance:

- Renters in only 14 of the largest cities and towns in Britain can save up for a 5% deposit in under a year.
- Burnley is best: Savers in Burnley can get together a 5% deposit in only 7 months.
- Oxford is worst: Over 5 years of saving for a 5% deposit, 17 years for a 15% deposit.
- Young renters in London, Reading, and Cambridge take more than a decade to save up a 15% deposit on their first home.
- London renters can trim off 7 years of saving through the Help to Buy scheme, as it takes the average millennial 3 years and 7 months to save up a 5% deposit.
- The average first time buyer in Britain pays £15k in rent while saving up a 15% deposit, and £5k for a 5% deposit.

The reality is widely different across towns and cities in Britain. In only 14 of the largest British towns and cities can the average renter save up for a 5% deposit in less than a year, with savers in Burnley taking only 7 months. In contrast, a 5% deposit in Oxford would take more than 5 years of saving for the average renter.

Compare My Move wanted to explore the journey of young savers renting in the city or town in which they are looking to buy a home. Living costs used in this research reflect savers leading a normal life, which include necessities such as food and transport, but also socialising. When the average young renter in Oxford would take 17 years to save for a 15% deposit on their first home, the importance of the Help to Buy scheme to many young savers becomes apparent.

[Access the methodology and full data on 50 largest towns and cities here.](#)

The Worst Cities for Generation Rent

Generation Rent have a hard time in the worst 10 cities for saving for a deposit for their first home. High rent prices and living costs, matched with higher-than average house prices make for a long wait for savers on the average regional wage.

The research demonstrates the difficulty in millennial renters in getting together a deposit for a home. In the bottom spot is Oxford, where millennial first time buyers would take 17 years to save up the £53,000 needed for a 15% deposit. In that time, they'd have to pay £115k in rent. Oxford first time buyers looking to use the Help to Buy scheme would still need to save a 5% deposit over 5 years and 8 months.

In London, the higher annual salary helps discount the high rent and living costs, but the sheer expense of houses in the capital means that renters will take more than a decade to save the £63k needed for a 15% deposit. With London Help to Buy Scheme, savers can get to the £21k needed for the average 5% deposit in 3 years and 7 months, though in that time will pay more than £26k in rent.

Find a breakdown of the worst 10 cities for renters below.

City	Avg 15% FTB Deposit	Years To Save 15%	Avg 5% FTB Deposit	Years To Save 5%
Oxford	£53,105	16 Years and 12 Months	£17,702	5 Years and 8 Months
Cambridge	£55,552	14 Years and 3 Months	£18,517	4 Years and 9 Months
London	£63,071	10 Years and 7 Months	£21,024	3 Years and 7 Months
Reading	£41,148	10 Years and 8 Months	£13,716	3 Years and 7 Months
Slough	£41,712	9 Years and 5 Months	£13,904	3 Years and 2 Months
Crawley	£38,324	9 Years and 2 Months	£12,775	3 Years and 1 Months
Bristol	£37,862	7 Years and 8 Months	£12,621	2 Years and 7 Months
Poole	£35,851	7 Years and 7 Months	£11,950	2 Years and 7 Months
Swindon	£28,146	6 Years and 1 Months	£9,382	2 Years and 1 Months
Southend-on-Sea	£35,768	5 Years and 9 Months	£11,923	1 Years and 11 Months

[Find the full dataset including methodology here](#)

Help to Buy in Under a Year

There are 14 towns and cities in Britain where the average first time buyer can save enough to get on the property ladder in under a year through the Help to Buy scheme. In Burnley, the average first time buyer can save a 5% deposit in 7 months, on account of the low house prices and rent costs.

First time buyers in Burnley can save up the £10,436 needed for a 15% deposit in 1 year and 9 months.

Compare My Move Press Release

For Immediate Release

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This means that with Help to Buy savers get on the ladder 1 year and 2 months faster.

Next is Dundee in Scotland and Hull in Yorkshire, where renters can save for a 5% deposit in 8 and 9 months respectively. Millennial renters in Sunderland, Blackpool, Liverpool and Glasgow can save up a 5% deposit in 10 months.

View the top 10 table below

City	Avg 15% FTB Deposit	Years To Save 15%	Avg 5% FTB Deposit	Months To Save 5%
Burnley	£10,436	1 Years and 9 Months	£3,479	7 Months
Dundee	£14,998	1 Years and 10 Months	£4,999	8 Months
Hull	£14,776	2 Years and 3 Months	£4,925	9 Months
Sunderland	£14,930	2 Years and 4 Months	£4,977	10 Months
Blackpool	£14,306	2 Years and 5 Months	£4,769	10 Months
Liverpool	£17,026	2 Years and 5 Months	£5,675	10 Months
Glasgow	£17,168	2 Years and 6 Months	£5,723	10 Months
Preston	£16,098	2 Years and 6 Months	£5,366	10 Months
Doncaster	£16,591	2 Years and 7 Months	£5,530	11 Months
Huddersfield	£18,927	2 Years and 7 Months	£6,309	11 Months

[Find the full dataset including methodology here](#)

A Race Against Rent for First Time Buyers

The research highlights the struggle of a generation trapped in a cycle of renting, hoping to move into their first home. The average UK first time buyer will have spent £11,456 on rent in the time it takes to save up a 15% deposit of £17k.

The situation is particularly harsh in areas with high rents as proportions of income. Londoners saving for an average 5% deposit of £21k will pay £26k on rent over the same period. A millennial spending the decade needed to save the £63k of a 15% deposit will have spent £77k on rent in this time.

In Oxford, over the 5 years and 8 months needed to save the £17,702 for a 5% deposit, the saver would spend £38,420 on rent. If saving for a 15% deposit to the tune of £53k over 17 years, a saver would pay an eye-watering £115,260 in rent. By opting to save for a 5% deposit instead of a 15% deposit, renters in Oxford and Cambridge save £38k and £31k respectively in rent costs.

The research highlights how high rent costs in certain cities and towns eat into the amount renters can save every month, prolonging the whole saving process.



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Compare My Move Comments

Compare My Move Co-Founder Dave Sayce said: “Our research shines a light on the struggle many young renters face in getting together a deposit for their first home.

“In many cities it’s a race against rent to save a deposit as a prospective first time buyer. In cities and towns where rent greatly outstrips the national average, it can take more than a decade for renters in their 20’s to save up a 15% deposit.

“It’s clear from our research that the Help to Buy scheme acts as an important catalyst for getting renters on the property ladder, and its extension to 2023 in the recent budget will act as a lifeline to generation rent.”

Notes for Editors

Using average regional wages for 22 to 29 year olds, realistic living costs, and average rent prices for a room in a house share, we worked out the expendable income for Generation Rent across 50 of the largest towns and cities in Britain. We worked out take-home salary, including pension and student-loan contributions.

Compare My Move then worked out the time taken to save up the average 15% deposit for a first home in the area, before comparing it to the 5% needed for the Help to Buy Equity Loan.

[Access the full data and methodology here.](#)

About Compare My Move

Compare My Move is a comparison website to help UK users save on the cost of moving house. UK users can compare and save on removal companies and RICS Chartered Surveyors, and will soon compare Licensed Conveyancers with the launch of a new service.

All partners on the Compare My Move network are fully verified and reviewed by customers. Compare My Move was launched in 2012 by Marc Bengner and Dave Sayce, who have more than 30 years’ experience in the house removal industry. Every year, Compare My Move helps more than 90,000 residents move house.

