

The bank of mum and dad is fine for the few. We need ac...

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The [FT has reported this morning that](#):

*The number of UK first-time homebuyers who step on to the housing ladder mortgage-free has tripled since the financial crisis, largely thanks to wealthy parents stumping up the entire cost of a home.*

*Some 19,000 people bought their first homes outright in the past year, according to research by Hamptons, the estate agent, illustrating the growing reliance on outside help in enabling people to become homeowners.*

That's good for them, although the data takes some believing, especially when it is claimed that:

*One-fifth of those buying outright in the past year were able to do so because of an inheritance, while two-thirds received help from parents, but 14 per cent of cash buyers had saved enough themselves to buy without a mortgage.*

That 14% who have saved the whole price of a house before ever buying one without the benefit of an inheritance takes some considerable believing. How, I wonder?

But there are more significant issues here. As the report also notes:

*Overall home ownership rates have been on the decline for more than a decade, dropping from 71 per cent in 2003 to 62 per cent in 2013-14. This year, the proportion of people aged 25-34 who owned their home hit a 29-year low of 36 per cent.*

In otherwise the increase in cash buyers is out of a declining pool. So overall in a declining market access is getting harder, and as the report indicates, those paying cash also pay more (much more in London). This simple fact is that what this means is that access to housing for most is declining considerable, the wealth and social divides in society are increasing and subsidy schemes that support house prices actually reinforce this trend, at considerable cost to the taxpayer and with benefit to the cash investor who wants the price to stay high.

The time for real reform has come: this is gross inequality at play and only more, better and accessible housing on secure tenancies or at lower price can deliver that. This needs building of course, and council ownership, but it also means taxing land and considering taxing gains on house price increases too, even if that means foregoing the unjust stamp duty.

But who will have the courage to say it?