

**WRITTEN QUESTION TO THE MINISTER FOR HOUSING
BY DEPUTY M.B. ANDREWS OF ST HELIER NORTH
QUESTION SUBMITTED ON TUESDAY 2nd APRIL 2024
ANSWER TO BE TABLED ON TUESDAY 9th APRIL 2024**

Question

“Is it the Minister’s assessment that the scale of ownership of second homes in the Island is a problem and, if so, what plans does the Minister have, if any, to reduce the extent of second home purchases?”

Answer

As Jersey has a housing crisis, it is a matter of concern to me whether we are getting the most appropriate use of our housing stock, including whether there are an extraordinary number of homes which are lying underused whilst many Islanders are desperately seeking a home which is appropriate for them to live in.

Steps have already been taken to limit the rate of second home ownership through a ban on new share transfer properties that was introduced in 2022 and the introduction of a 3% stamp duty surcharge for second homes in 2023.

I am not aware of how many homes can currently be considered “second homes”, so cannot speak to the precise degree this could be considered a “problem”. However, the Jersey House Price Index provides information on the type and number of second home transactions, following the introduction of the higher rate of stamp duty and land transaction tax introduced in January 2023. The Index for the fourth quarter of 2023 shows that 28% of properties transacted during this period were not purchased to be the main residence of the purchaser(s)¹. I am keeping the situation under review.

I believe that it is important to create a more even playing field between investors and first-time buyers. Policy measures such as ending the creation of share transfer units of accommodation, and the 3% uplift on the rate stamp duty and land transaction tax contribute towards achieving this objective, which will be further supported by my measures to help and encourage more first-time buyers into the housing market in Jersey.

¹ House Price Index, Fourth Quarter 2023