

STATES OF JERSEY



PROPOSED GOVERNMENT PLAN 2024 - 2027 (P.72/2023) – NINETEENTH AMENDMENT (P.72/2023 AMD.(19)) – COMMENTS

**Presented to the States on 7th December 2023
by the Council of Ministers**

STATES GREFFE

COMMENTS

Support for the First Step Scheme

The Council of Ministers are committed to supporting first time buyers in Jersey and prioritised the development of a scheme to utilise £10m of funding to support Islanders into home ownership.

The First Step shared equity scheme will be operationally launched by the end of Q1 2024, when the first shared equity loans will be offered to qualifying home buyers.

Ministers have been clear that they are implementing the scheme as a pilot to determine its effectiveness in meeting the affordability challenges facing first-time buyers, whilst also establishing any potential inflationary impact on property prices. This must have regard to prevailing – and evolving - housing market conditions.

It is important to evaluate the impact of the scheme in delivering its policy objectives, potential inflationary impact and value for money before determining whether it should be extended in the future. However, Ministers are clear that should the scheme prove successful, they will be looking to extend the scheme in future Government Plans.

It is considered premature to establish a funding mechanism for the future of the scheme, until the outcomes of the pilot are known, especially whilst funding exists to support the scheme in 2024.

Once the pilot scheme has been proven to be effective, Ministers are committed to provide further funding at that point.

Impact upon Cabinet Office services

This amendment would impose unspecified additional cuts of £2.33m to services forming part of the Cabinet Office head of expenditure. Ministers have already committed to substantial savings from within the essential services provided by the Cabinet Office. Further additional reductions, as proposed by this amendment, would have a significant impact on the services provided by the Cabinet Office.

This would include cuts in the provision of IT/Digital and HR support to front-line departments, significantly reduced capability to deliver policy and legislative developments, and reductions in funding to the arm's length bodies supported through Cabinet Office budgets.