

**WRITTEN QUESTION TO THE CHIEF MINISTER
BY DEPUTY R.S. KOVACS OF ST. SAVIOUR
QUESTION SUBMITTED ON MONDAY 14th OCTOBER 2024
ANSWER TO BE TABLED ON MONDAY 21st OCTOBER 2024**

Question

“Further to his responses to [Written Question 120/2024](#) and my [Question without notice of 16th April 2024](#), regarding the progress on the Development Levy implementation, will the Chief Minister advise –

- (a) what discussions have been held since April with the Minister for the Environment and his department concerning this project;
- (b) whether any work has commenced on implementation, including the related consultation process, and if not, why not; and
- (c) what is the current timeline for the implementation of Proposition [P.14/2023](#)?”

Answer

- A) Discussions have taken place, including the below mentioned points, and Ministers remain cognisant of the in-principle support of the States Assembly for the introduction of some form of development levy or tax in the island, whilst noting there is a concern to ensure that work to explore the introduction of any such measure does not cause undue harm to the island’s economy; and whether it represents the best use of public money.
- B) It is perhaps important to acknowledge that introducing and maintaining a successful and viable regime to levy a charge on the uplift of land value arising from the grant of planning permission is, judging by the experience of other jurisdictions, a difficult outcome to achieve (see appendix 1: [p.14-2023 amd.pdf \(gov.je\)](#)).

The last work to assess the viability of the introduction of a potential charge in Jersey was undertaken in 2017. The economic landscape has changed considerably since then and it is evident that there are now challenging economic circumstances for the island’s development industry and the associated property market.

Evaluating and designing an appropriate policy option, and its associated legal mechanism, requires careful evaluation and assessment. It also requires considerable stakeholder engagement and consultation to make sure that any chosen approach is proportionate and minimises the risk of unintended consequences in the island’s economy, and specifically, its property market.

A considerable amount of work is, therefore, required to be undertaken to:

- test the viability of introducing a charging mechanism to Jersey, and to explore the potential parameters of any such charge
- develop the appropriate legal instruments, and supporting guidance, to enable its effective operation; and
- to consider the interaction this charging mechanism would have with existing policies.

It is considered that a Viability and Charging Mechanism Assessment would need to be commissioned to undertake all aspects of this work to ensure that any proposal is first of all viable; and it is soundly based to ensure that Jersey can learn from the experiences of other places in developing policy options that are appropriate for the island.

The Minister for the Environment does not currently have the resources to be able to progress this work and it has not been possible to reprioritise other resources without negatively impacting other Ministerial objectives.

- C) In light of the answers to part a) and b) work on development levies is not currently being progressed and a definitive programme for implementation cannot be given at this time.

As stated at the outset, however, ministers remain cognisant of the in principle support of the States Assembly for the introduction of some form of development levy or tax in the island and will ensure that the matter remains the subject of active review and consideration, having regard to the island's economic circumstances and the availability of resources.