

STATES OF JERSEY



DRAFT COVID-19 (RATES) (JERSEY) REGULATIONS 202- (P.85/2020): COMMENTS

**Presented to the States on 8th July 2020
by the Comité des Connétables**

STATES GREFFE

COMMENTS

1. The Comité des Connétables is unanimous in supporting this proposition and wishes to record its thanks to the Minister for Treasury and Resources for promoting the draft Regulations so swiftly following the recommendation in our letter of 8th June 2020.
2. The Connétables are concerned about the impact on ratepayers of the COVID-19 pandemic. A number of business sectors have been adversely affected, some significantly, by the requirement to close which was imposed by the Government of Jersey in March 2020 on public health grounds. Some sectors, for example hospitality and particularly hotels, will continue to be affected in the coming months. Domestic ratepayers may also be adversely affected if employment has ceased, or income has been reduced, during the period when restrictions have been in force.
3. The provisions in Article 20(1) of the [Rates \(Jersey\) Law 2005](#) require the Annual Island-wide Rate Figure (“AIRF”) to be adjusted by the percentage change in the March Jersey Retail Prices Index (“RPI”). As a result the AIRF should increase by 2.7%, which is around £360,000. The assessment of rateable values in 2020 has not significantly increased so this increase in the AIRF would result in an increase in the domestic and non-domestic rates of at least 2.7%.
4. All Connétables are taking steps to prune their Parish budgets so that it will, subject to ratepayers’ agreement, be possible to maintain the 2019 Parish rates. Though this will not be easy, the Parishes are prepared to take the pain of limiting budgets in this way to assist all ratepayers (which includes the States) and Connétables welcome the Government setting a similar example given the exceptional circumstances we have faced this year with COVID-19.
5. It may be worth mentioning that as the States pays rates on its land/property, it will also benefit from rates not being increased in 2020. If the draft Regulations are approved, the net reduction for the States is estimated to be less than £360,000.