

STATES OF JERSEY



GOVERNMENT PLAN 2020–2023 (P.71/2019): NINETEENTH AMENDMENT

Lodged au Greffe on 12th November 2019
by the Corporate Services Scrutiny Panel

STATES GREFFE

PAGE 2, PARAGRAPH (g) –

After the words “to the Report” insert the words –

“, except that the amount to be transferred from the Consolidated Fund to the Stabilisation Fund shall be reduced by £5,000,000 and a new line shall be added to Summary Table 7 as follows, to provide funding for 2020 for the Assisted Home Ownership Scheme –

From Consolidated Fund to Dwelling Houses Loan Fund	(5,000)
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CORPORATE SERVICES SCRUTINY PANEL

Note: After this amendment, the proposition would read as follows –

THE STATES are asked to decide whether they are of opinion –

to receive the Government Plan 2020–2023 specified in Article 9(1) of the Public Finances (Jersey) Law 2019 (“the Law”) and specifically –

- (a) to approve the estimate of total States income to be paid into the Consolidated Fund in 2020 as set out in Appendix 2 – Summary Table 1 to the Report, which is inclusive of the proposed taxation and impôts duties changes outlined in the Government Plan, in line with Article 9(2)(a) of the Law; and
- (b) to approve each major project that is to be started or continued in 2020 and the total cost of each such project, in line with Article 9(2)(d), (e) and (f) of the Law and as set out in Appendix 2 – Summary Table 2 to the Report; and
- (c) to approve the proposed amount to be appropriated from the Consolidated Fund for 2020, for each head of expenditure, being gross expenditure less estimated income (if any), in line with Articles 9(2)(g), 10(1) and 10(2) of the Law and set out in Appendix 2 – Summary Tables 3(i) and (ii) of the Report; and
- (d) to approve the estimated income, being estimated gross income less expenditure, that each States trading operation will pay into its trading fund in 2020 in line with Article 9(2)(h) of the Law and set out in Appendix 2 – Summary Table 4 to the Report; and
- (e) to approve the proposed amount to be appropriated from each States trading operation’s trading fund for 2020 for each head of expenditure in line with Article 9(2)(i) of the Law and set out in Appendix 2 – Summary Table 5 to the Report; and

- (f) to approve –
- (i) the establishment of a “Climate Emergency Fund”, in accordance with the provisions of Article 6 of the Law, as set out at Appendix 3 to the Report; and
 - (ii) the estimated income and expenditure proposals for the Climate Emergency Fund for 2020 as set out in Appendix 2 – Summary Table 6 to the Report; and
- (g) to approve the amounts to be transferred from one States fund to another for 2020 in line with Article 9(2)(b) as set out in Appendix 2 – Summary Table 7 to the Report, except that the amount to be transferred from the Consolidated Fund to the Stabilisation Fund shall be reduced by £5,000,000 and a new line shall be added to Summary Table 7 as follows, to provide funding for 2020 for the Assisted Home Ownership Scheme –
- | | |
|---|---------|
| From Consolidated Fund to Dwelling Houses Loan Fund | (5,000) |
|---|---------|
- ; and
- (h) to approve the estimated income and expenditure of the Social Security, Health Insurance and Long-Term Care Funds for 2020 set out in Appendix 2 – Summary Tables 8(i), (ii) and (iii) to the Report, with –
- (i) the estimated income to be raised from existing social security contributions defined in the Social Security Law and the proposed changes to contribution liability; and
 - (ii) the estimated expenditure to be paid to support the existing benefits and functions defined in the Social Security Law, the Health Insurance Law and the Long-Term Care Funds and new benefits, if any, to be paid from the Funds; and
- (i) to approve, in accordance with Article 9(1) of the Law, the Government Plan 2020–2023, as set out at Appendix 4 to the Report.

REPORT

Through this amendment, we aim to improve the opportunity for first-time buyers in Jersey to successfully purchase a home by allocating £5 million for a first-time buyer loan scheme in 2020. Whilst we wait for the Housing Policy Development Board to develop its proposals for the proposed transfer of £10 million in 2021, we felt this was an opportunity to take action and address the housing crisis in a small way. As with our other amendments, this has been designed to assist the Government in tackling the cost of living, particularly regarding housing, as quickly as possible.

Following [Andium Homes' submission](#) to the Environment, Housing and Infrastructure Scrutiny Panel during their review of the Government Plan 2020–2023 ([P.71/2019](#)), we recognise that there is more to be done in tackling the cost of housing. We would further request that the Minister for Children and Housing should present a workable scheme for a first-time buyer loan scheme as soon as possible in 2020, based on the structure of the Starter Home Deposit Loan Scheme that was made available in 2013 ([P.131/2012](#)).

Under the 2013 scheme, £3 million was allocated for first-time buyer loans. We have been advised that the deposit loan scheme assisted 51 households in purchasing a property. This equated to £2.46 million in loans. The outstanding sum of loans is £1,256,803.¹

The balance of the Dwelling Houses Loan Fund [at the end of 2018 was £4,986,000](#). If adopted, this amendment will bring the total of the Dwelling Houses Loan Fund to £9,986,000.

We note that the 2013 [Scheme](#) was based on an arrangement with Skipton International, and recognise that the detail of the new scheme that the Minister brings forward will be different.

We have sought advice from the Treasury and Exchequer Department on the terms of the Dwelling Houses Loan Fund, which was set up in 2013, and understand that it should be compatible with the new scheme we are proposing.

Financial and manpower implications

This amendment reduces the transfer to the Stabilisation Fund by £5 million.

We are advised that one part-time role would be required to administer the scheme.

¹ Figures provided by Strategic Policy, Performance and Planning Department, 11 October 2019