

3.15 Deputy J. Renouf of St. Brelade of the Chief Minister regarding the High Value Residency scheme (OQ.85/2025):

Sir, I believe the Assistant Chief Minister will be answering. In relation to the High Value Residency Scheme, will the Minister advise whether there is a cap, either formal or informal, on the annual number of approvals under the scheme, and if not, why not?

Deputy I.J. Gorst (Assistant Chief Minister - rapporteur):

There is not a formal cap on the number of 2(1)(e) applications approved per year. When the housing regulations were introduced in 1974, an aspiration to secure 15 approvals per year was established; this remains the case today. Imposing a cap would be artificial and potentially mean that good quality applicants could be rejected. Instead, the parameters of the scheme are set to achieve the most benefits for Jersey while securing a reasonable number of applicants. This means that every application can be assessed on its own merits.

3.15.1 Deputy J. Renouf:

This question arose out of the Minister for the Environment's decision to change Supplementary Planning Guidance at the request of 3 high-net-worth individuals; the issue this raises is one of social cohesion. In the absence of a cap, how will the Minister prove that the Government is achieving the right balance between the benefits of high-value residency and ensuring they do not come to dominate areas of political decision-making in which they have a stake?

Deputy I.J. Gorst:

Just to correct the Deputy, the Minister under questioning at the last States sitting disagreed with the analysis, that the Minister has just articulated again today, so that is as it may be. I will leave it to him to answer that part of the question. It can only be done, of course, by looking at the past data and approvals and actual movers are different. In 2024, we had 23 approvals with 11 arrivals. I think this is an important scheme. It is a scheme which is mirrored elsewhere across the globe. In fact, more countries are producing such schemes to attract talent and entrepreneurial spirit, as well as wealth, because they recognise the contribution to the community that these individuals can bring.

3.15.2 Deputy A.F. Curtis:

The Assistant Chief Minister advised he knew the past approvals for 2024, I believe. Does he know the numbers going further back for the total amount of those who have moved or been approved to the Island? If so, could he share them with the Assembly?

Deputy I.J. Gorst:

Yes, I do have them and I am quite happy to read a list of numbers if the Assembly thinks it is a good use of their time, or I can email them to Members after. You would like me to read them out? Could you stop me when I have got to the sufficient time to answer this question, Sir?

The Bailiff:

This is the moment where I really should have put the timer on. Right. Yes, of course. But are you able to do a summary of it?

Deputy I.J. Gorst:

I will do a stab back to 2020. In 2023, we had 31 approvals, 15 arrivals. In 2022, we had 17 approvals, 9 arrivals. In 2021, we had 20 approvals, 25 arrivals. In 2020, we had 22 approvals and 14 arrivals.

3.15.3 Deputy A.F. Curtis:

It is important the Assembly hears this because it means the public can hear those numbers and not just Members. Given those numbers, the Minister said that each application should be considered on a case-by-case basis. But does he see any risk at all that there is a cumulative impact if applications are not considered in the round to a policy, not just on a case-by-case basis?

Deputy I.J. Gorst:

I do not have the figures with me for leavers, but the Deputy will be aware that individuals are leavers as well. The challenge for Jersey is to ensure that we consider the applications to ensure that individuals that are coming actually want to set up and create a new life here in Jersey and bring value not only to the economy but to the community. I know that my colleagues opposite would be able to share stories of where some such individuals have joined the Honorary Police Force, for example. We want to see more and more of that: individuals that move to Jersey, that build their life in Jersey, that create value here and create jobs and develop entrepreneurship; I think that is really important. Of course, we have to be mindful of the cumulative impact, but that cumulative impact - although the intimation of the question was that it would be negative - it can actually be positive.

3.15.4 Deputy S.M. Ahier:

Does the Assistant Chief Minister believe that we should be lowering the requirements for entry to 2(1)(e)s to encourage more wealth-creators to our Island, especially in light of the exodus of millionaires from the U.K. escaping from that high tax jurisdiction.

[11:45]

Deputy I.J. Gorst:

It is about balance and it is about value. I know some of my colleagues that sit on the H.A.W.A.G. (Housing and Work Advisory Group) on principle disagrees with this policy and on all such policies. I think that the balance that we have is appropriate. But let us be clear, it is less competitive than it used to be. European states are creating schemes and attracting more individuals because the barriers to entry are lower; the tax take required is lower. Even if we just look across the water not a very great distance, it is much cheaper for someone to move to that place. I think this scheme works incredibly well. I think we can be confident and Islanders can be confident that they are paying a substantial tax contribution and that they are creating value here in Jersey. We have got that balance right, but if we do become uncompetitive - and I see no signs of that with the current scheme - then of course it would be right for us to consider it.

3.15.5 Deputy P.F.C. Ozouf:

The Assistant Chief Minister speaks about the policy and balance . Does the Assistant Chief Minister - mindful of the fact that it was under his Chief Ministership that his then-Minister for Treasury and Resources brought these proposals, but individual decisions are made by him and his colleagues and in the recent past - does he not understand, and do Ministers not understand, that there is on the one side the issue, such as my Constable was saying, of people stealing in grocery stores? Maybe because they have not got enough money, the issues of food banks. On the other side, the issue of the opulent displays of wealth by very welcome individuals in Jersey who also, by the way, are concerned about the cost of living with the lower prices issues? Does he not agree that he needs to do more and the Government needs to do more to address the issues of ordinary working people and retired people, as well as, and get some of these 1(1)(k)s to do something to reduce prices if they possibly can? One or 2 have done, of course. He is going to be having problems all the time with this.

The Bailiff:

Deputy, this is perilously getting close to being outside the ambit of the question which was whether there was an informal or formal cap on the number of approvals. I am sorry, I do not think I can rule that as being in order on any reasonable interpretation of the question.

Deputy P.F.C. Ozouf:

Okay, Sir. The question is about the informal nature of the cap. There is an informal cap; is he mindful of the fact that he needs to be informed about the informal cap that he has?

Deputy I.J. Gorst:

Sir, I do think, while it is perilously close and I would not presume to suggest anything other than your ruling, I do think it is an important question because there are 2(1)(e)s in the past who have sought to reduce

prices in particular markets, and I support their work. It is important and it is something that those of us who are making decisions are very mindful of. We do not use the skills and talents today of some of these individuals who could help us with the strategic problems that we as an Island face. Asking them to call on their contacts, particularly with things like low-cost supermarkets and sites that they could help to invest in, is a fundamental area where we currently are not benefiting from this policy in the way that we could. If the Deputy is suggesting he has got ideas and he knows individuals that can help us with this, then we are absolutely all ears, because I believe it benefits Islanders. But we have to work harder and harder to prove to Islanders the benefit that has been delivered, but future benefit that can be delivered in the areas that he suggested in his question.

Deputy P.F.C. Ozouf:

No, Sir. He has done very well, actually.

Deputy I.J. Gorst:

There is a first time for everything.

The Bailiff:

I have Deputy Kovacs, then final supplementary.

3.15.6 Deputy R.S. Kovacs:

Has the Government conducted any reviews or studies on the long-term effects of the High Value Residency Scheme? If yes, when and what was the outcome? If no, why not?

Deputy I.J. Gorst:

I am not sure that we have done a recent review. There have been reviews undertaken in the past when I have been sitting in different governmental chairs, but I cannot recall off the top of my head exactly when they were.

3.15.7 Deputy R.S. Kovacs:

How does the Minister ensure that the scheme aligns with Jersey's economic goals, avoids increasing inequality or housing unaffordability, and ensures contributions are made to the areas of the economy where Jersey needs it the most?

Deputy I.J. Gorst:

The Deputy will know that in the previous Government, led by Deputy Moore, the parameters of the scheme were changed and the contributions required were substantially increased and the thresholds of minimum assets and house value purchases were substantially increased at that time.

3.15.8 Deputy J. Renouf:

Just to be clear, this question is not arguing against high-net-worth immigration on principle; it is about the cap. Does the Minister accept that there is a point at which there would be too many high net-worth people in Jersey, given that it is a cumulative process? If he does, does he not also think it would be good for the Government to spell out what this level might be, especially as a cap would require explanation and a spelling out of the relative benefits and costs?

Deputy I.J. Gorst:

I think the difficulty with the approach that the Deputy is outlining is for all of the reasons that Members have just asked me to be mindful of in making the decisions. If we had a formal cap and an applicant from, let us say, a French family supermarket brand whose name we can think of, applied to come here, would we say "No" to them because we have reached the cap? Or: "Wait for another 12 months so that we can deal with your application?" No. They want to know that we can deal with their application professionally and in a timely manner. Having said that, we still have the aspiration to secure 15 and the average, if one looks at those numbers, has been around the 15. We have not changed our parameters in light of the non-dom changes in the United Kingdom and all of the exodus from wealth creators spread around Europe and the Middle East. We have not changed our parameters. We have sought to stick to our admitting because it

serves Jersey well and we have focused very much on individuals that can bring their business, that can create jobs, that want to be philanthropic and want to take part in the Jersey community.

The Bailiff:

Thank you very much, Minister. That brings Questions with notice to an end. We now move on to Questions without notice.