

Union Street | St Helier
Jersey | JE2 3DN

Deputy Hilary Jeune
Chair, Environment, Housing and Infrastructure Scrutiny Panel
BY EMAIL

24 February 2025

Dear Chair,

Re: Engagement with Mortgage Providers

Thank you for your letter dated 14 February in respect of dialogue between the Government and mortgage providers that operate in Jersey that was sent to myself and the Minister for Housing. I am aware that the Minister for Housing will be sending a separate response.

We note that the Bank of England began lowering the Bank Rate in 2024 following the increases initiated in 2021. The most recent reduction, on 6 February 2025, brought the Bank Rate down to 4.5%. This is particularly relevant to Islanders, as many who transitioned from lower-rate mortgages since 2021 have been exposed to higher rates, affecting the affordability of their current housing.

Government is keen to understand how local banks are passing on the benefits of these rate reductions to Islanders and, importantly, how they are supporting customers moving from lower-rate mortgages. In 2023, banks confirmed their commitment to operating within the spirit of the UK Mortgage Charter and we have no reason to believe there has been any change in that position. We have, however recently reached out to banks to assess their response to the rate cuts and to understand how they continue to support their customers.

Yours sincerely,



Deputy Elaine Millar
Assistant Minister for External Relations and Financial Services