

# Treasury and Exchequer Ministerial Decision Report

## ALLOCATION OF RESERVE FUNDING FOR 'FIRST STEP' ASSISTED HOME OWNERSHIP SCHEME IN 2024

### 1. Purpose of Report

To enable the Minister to approve the release and allocation of up to £10,000,000 from the General Reserve to the Cabinet Office head of expenditure for onward transfer by way of a grant to Andium Homes Limited (the Supplier/Scheme Administrator for the "First Step" assisted home ownership scheme).

### 2. Background

The previous Council of Ministers' Common Strategic Policy 2023-2026 included a priority to "improve access to, and the supply of, good-quality affordable housing." Accordingly, £10 million was allocated in the Government Plan 2023-2026, and carried over to the 2024-2027 Government Plan for this purpose. With the change of Government and subsequent appointment of a new Council of Ministers on 30 January 2024, the Minister for Housing and Communities has affirmed his commitment to delivering an assisted home ownership scheme.

This investment will provide support through the "first step" assisted home ownership pilot scheme for a targeted section of Islanders for whom home ownership is assessed as not affordable, due to the combination of high property prices, strong demand and increase in the cost of borrowing. This allocation will be transferred to the Supplier/Scheme Administrator (Andium Homes) by way of a grant and administered by them. The grant will be allocated to successful applicants in accordance with the Policy Guidance for the Scheme. Any repayments by applicants will be made directly to the Supplier/Scheme Administrator and will be reused to support other successful applicants throughout the duration of the scheme.

### 3. Recommendation

The Minister is recommended to approve the allocation of up to £10,000,000 in 2024 from the General Reserve to the Cabinet Office head of expenditure.

### 4. Reason for Decision

Article 15(3) of the Public Finances (Jersey) Law 2019 states that the approval by the States of a Government Plan authorises the Minister to direct how an approved appropriation for a reserve head of expenditure in the plan may be spent (including on another head of expenditure) in the first financial year covered by the plan.

The current Policy for Allocations from the Reserve, presented to the States Assembly as R.76/2022, sets out the requirements for allocations from the General Reserve. These requirements have been met and the Treasurer now recommends these allocations to the Minister for approval.

### 5. Resource Implications

The General Reserve Head of Expenditure will decrease by up to £10,000,000, and the Cabinet Office head of expenditure will increase by up to £10,000,000 in 2024.

This decision does not change the total amount of expenditure approved by the States in the Government Plan 2024-27.

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