

THE STATES OF DELIBERATION
of the
ISLAND OF GUERNSEY

1st November, 2022

Proposition No. P.2022/89

Policy & Resource Committee

The States of Guernsey Annual Budget Report for 2023

AMENDMENT

Proposed by: Deputy H J R Soulsby MBE

Seconded by: Deputy G A St Pier

To insert an additional proposition as follows:

“20. To help alleviate the current housing crisis and better incentivise the use of under-occupied properties, to direct the Policy & Resources Committee to consider the options and issues in relation to introducing a ‘room-to-let’ annual tax-free allowance and/or other benefits for personal taxpayers who let a room, particularly for key workers, (other than in respect of HMOs (house in multiple occupation)) and to report back with recommendations no later than 31 March 2023.”

Rule 4(1) Information

- a) The proposition contributes to the States’ objectives and policy plans by seeking to consider tax-related options that support objectives in the Budget Report in relation to housing, recognised as a key priority in the Government Work Plan.
- b) In preparing the proposition, the issue has been discussed with Policy & Resources and a draft shared with that Committee.
- c) The proposition(s) have been submitted to His Majesty’s Procureur for advice on any legal or constitutional implications.
- d) There are no financial implications to the States of carrying the propositions into effect.

Explanatory note

We are advised that we have a housing crisis, and it is understood that people are not coming to Guernsey due to the lack of affordable housing. This is particularly acute when it come to key workers, with the Committee for Health & Social Care holding a high number of vacancies at a time of increasing demand for their services.

To date, options that have been considered to deal with the problem have focused on building new houses. However, this is not a solution in the short term. At the same time, there is evidence that there are a significant number of under-occupied properties. As such, the proposer and seconder believe it is worth exploring what can be done to incentivise the use of such properties whilst the housing situation is acute.