

Extension of Service Level Agreement with Andium Homes

Purpose of the report

The Minister for Housing (the 'Minister') is required to approve an extension to a Service Level Agreement (the 'Agreement') with Andium Homes, for the provision of the First Step assisted home ownership scheme.

Background

On 29 February 2024, the Minister for Housing announced the launch of the application process for the First Step assisted home ownership scheme. The scheme is designed to help first-time buyers in Jersey to purchase a home suitable for their needs in the open market. The scheme is administered on behalf of the Minister by Andium Homes.

The scheme enables Andium Homes, on behalf of the Government of Jersey, to provide an applicant with an interest free loan (called an 'equity loan') on a property they would like to buy in the open market. An applicant could receive a means-tested equity loan of between 10% and 40% the market value of a property, depending on their needs.

The Budget 2025-2028 has set aside £2 million to operate an extension of the First Step scheme in 2025.

The Minister is making arrangements for the launch of the fourth round of the scheme during 2025. The Minister is required to enter into an agreement with Andium Homes to ensure that appropriate procedures are in place to manage the transfer of the funding, the relationship between the parties, and anticipated service delivery requirements.

Recommendation

The Minister is recommended to approve the Agreement in order to facilitate the extension of the SLA with Andium Homes to support the efficient and timely administration of the scheme.