

# STATES OF JERSEY



## **SOCIAL HOUSING IN JERSEY: INTRODUCTION OF A REGULATORY FRAMEWORK (P.120/2017) – SECOND AMENDMENT (P.120/2017 Amd.(2)) – AMENDMENT**

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**Lodged au Greffe on 13th February 2018  
by Senator P.F.C. Ozouf**

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**STATES GREFFE**

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FRAMEWORK (P.120/2017) – SECOND AMENDMENT (P.120/2017 Amd.(2)) –  
AMENDMENT

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**PAGE 2 –**

After part 2 of the amendment, insert the following new part –

**“3 PAGE 2, PARAGRAPH (c) –**

After the word “necessary” insert the word “primary” and after the words “within 2 years” insert the words “, with the Minister for Housing retaining the ability to introduce the regulation of different categories of housing providers in stages rather than simultaneously”.”.

SENATOR P.F.C. OZOUF

**Note 1:** After the adoption of P.120/2017 Amd.(2) **as amended by this amendment**, the proposition in P.120/2017 would read as follows –

- (a) to agree, in principle, to the introduction of regulation in relation to housing;
- (b) to agree, in principle, that the proposed components of this regulatory framework should include –
  - (i) the establishment of a register of all housing providers;
  - (ii) the introduction of performance standards for all housing providers, and measures to monitor and assess performance against those standards;
  - (iii) the establishment of a housing regulator;
  - (iv) the introduction of statutory oversight and governance arrangements for the assessment and prioritisation of housing need through the Affordable Housing Gateway;
- (c) to charge the Minister for Housing to develop and bring forward, for approval, the necessary **primary** legislation to implement the proposals in paragraph (b) above within 2 years, **with the Minister for Housing retaining the ability to introduce the regulation of different categories of housing providers in stages rather than simultaneously.**

**Note 2:** After this amendment, P.120/2017 Amd.(2) would read as follows –

**1 PAGE 2, PARAGRAPH (a) –**

After the words “in relation to” delete the word “social”, and after the word “housing” delete the words “, as set out in the report accompanying the proposition”.

**2 PAGE 2, PARAGRAPH (b) –**

In sub-paragraphs (i) and (ii) for the word “social” substitute the word “all” in each place where it occurs and, in sub-paragraph (iii), delete the word “social”.

**3 PAGE 2, PARAGRAPH (c) –**

After the word “necessary” insert the word “primary” and after the words “within 2 years” insert the words “, with the Minister for Housing retaining the ability to introduce the regulation of different categories of housing providers in stages rather than simultaneously”.

## REPORT

The second amendment proposes a unilateral extension to regulation for all housing and landlords.

The title of the original proposition ([P.120/2017](#)) lodged by the Minister for Housing is “Social housing in Jersey: introduction of a regulatory framework”.

Whilst accepted that the second amendment to the proposition is in order as it does not negate the original proposition – the question that has to be asked is whether the amendment so fundamentally changes the purposes of proposition as to make it unrecognisable. It is not a negation but a significant regulatory ‘promotion’.

Whatever – if adopted as it is, the effect of [P.120/2017 Amd.\(2\)](#) would be to make the original proposition unrecognisable.

No evidence is given to justify such a massive regulatory promotion and expansion.

The arguments are in all likelihood a blinkered approach which focuses solely on regulation and are rehashed in the other amendments lodged in the writer’s name.

The view is strongly maintained that a sole focus only on regulation without an equal focus on supply won’t improve tenants’ welfare, and will in all likelihood end up tying providers in regulatory red-tape and costing taxpayers even more money in rental subsidy and higher and higher regulatory costs.

This amendment is a cautionary one which seeks to avert this albeit no doubt well-intentioned but flawed approach, in the promotion of the view that tenants’ interests are best served by more and more regulation.

The recommended approaches are that, **if** a regulatory expansion and extension were to be made, it should be put in the primary Law as an enabling provision only; and the Minister should be given the ability to bring into force any regulation in stages, or not at all – if a cheaper and more effective solution is found.

In essence: regulation should be a last resort, not a first solution to the known spiralling and concerning costs of housing rentals and purchases.

In other words: the effect of this amendment is that regulation would only be brought into force where there is a proven case that the benefits to tenants outweigh the costs.

### **Financial and manpower implications**

The financial and manpower implications of the unamended second amendment are said to be ‘zero’.

This cannot be the case. Regulation always costs money and has to be paid for by someone.

In the writer's view, the costs of the extension are as unwise as they are expensive. The cost of regulating the whole housing sector is likely to be very substantial and, it is believed, would not represent value for money for taxpayers or the States and providers or, equally as importantly, would not get a better deal for tenants.

Whatever may or may not be the implications of the underlying amendment, this amended version will limit whatever the costs are of the second amendment.

**Post scriptum**

*It may well be that the existing resources in the Housing Policy Unit have not been those that were envisaged in the 2013 re-organisation of Social Housing. It appears that the Minister for Housing has never had the resources that were envisaged.*

*Whatever that may be – the costs of this revised amended amendment **should** be able to be met from the resources of the Housing Policy Unit that was envisaged in 2013.*