

STATES OF JERSEY



PUBLIC AND PRIVATE SECTOR HOUSING RENTAL SUBSIDY SCHEMES (P.74/2003): COMMENTS

**Presented to the States on 8th July 2003
by the Finance and Economics Committee**

STATES GREFFE

COMMENTS

The Finance and Economics Committee supports the Report and Proposition of the Housing Committee.

Although the proposition is an important integral part of a package of proposals accepted by the decision conference of Presidents, and therefore will support it, the Committee also believes the proposals are necessary reforms of the rent abatement and rent rebate schemes.

The Committee recognises that the proposed amendments will impact to some extent on all tenants in receipt of rental subsidy. The Committee recalls the independent review undertaken by the Law and Economic Consulting Group in October 2000, which identified the extensive and unfocused housing subsidies provided by the States and gave clear advice that reform was required.

Given the current financial climate, and the consequent challenging targets that must be set for future States expenditure, the Finance and Economics Committee is of the opinion that the resources of the States should be utilised as effectively as possible. The Housing Committee's proposals will correct some anomalies, withdraw subsidy where it cannot be justified and will ensure that those on the lowest incomes continue to receive appropriate levels of financial support.