

STATES OF JERSEY



SOCIAL RENTED HOUSING: POLICY ON SETTING RENTS (P.29/2003) – COMMENTS

**Presented to the States on 20th May 2003
by the Finance and Economics Committee**

STATES GREFFE

COMMENTS

The Finance and Economics Committee does not support part (a) of the Deputy's proposition.

Advice provided in October 2000 by the Law and Economic Consulting Group (the 'Mike Parr report'), which underpins current policy, clearly demonstrates that setting rent levels significantly below the market rent has adverse economic consequences. The Deputy's report does not provide a sound argument for changing the existing rent setting policy.

The Committee agrees with the sentiments expressed by the Deputy in part (b) of the proposition. It considers that a cogent debate is required in respect of the type and level of housing subsidy (rebate and abatement) to be provided by the States and would welcome proposals from the Housing and Employment and Social Services Committees on this subject.

The Committee endorses the comments contained in the report presented by the Housing Committee in respect of this proposition.