

**HOUSING COMMITTEE STRATEGIC POLICY REPORT  
2002 - 2006 (P.2/2002): COMMENTS**

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**Presented to the States on 5th February 2002  
by the Finance and Economics Committee**

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**STATES OF JERSEY**

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## Comments

The Finance and Economics Committee has considered the strategy report in considerable detail and, in doing so, has engaged in a positive and productive dialogue with the Housing Committee. The Committee supports the general principles underlying the strategy but would wish to see more emphatic statements in the following areas -

- (i) The Committee considers that where an imputed subsidy exists due to first-time buyer properties being sold at a price which does not cover development cost, such subsidy arising should be targeted to those in greatest housing need. It, therefore, considers that a means/needs test should be applied to determine the need and financial status of first time buyer applicants.
- (ii) The Committee maintains its long-held view that alternatives to the States as providers of social rented housing should continue to be actively pursued. The Committee considers that the Housing Committee should make clear its policy position in respect of the States' continued ownership of social housing stock and the Housing Committee's future role as landlord.
- (iii) The Committee supports the broad proposal to reduce the residential qualifying period to 15 years. The Committee, however, considers that the incremental approach contained in the Strategy does not send a clear signal as to the Housing Committee's objectives in this important policy area. The Committee wishes to see the production of a comprehensive programme which identifies the direct and indirect, revenue and capital costs involved.

The Committee is encouraged to note that the report recognises the high cost of providing rental subsidy to both the private and public sectors (in excess of £20 million in 2002). The overall level of States housing subsidy, including capital and interest subsidy to Housing Trusts and individuals through a variety of schemes, has been estimated by Oxera as some £50 million in one year. The Finance and Economics Committee wishes to see urgent action to address the effectiveness of these subsidies as a key outcome of the strategy document.

In making these comments, the Committee acknowledges the many areas of commonality between the two Committees and endorses the overall direction of the Strategy.