

STATES OF JERSEY



RESIDENTIAL RENTAL PROPERTY: MINIMUM STANDARDS AND A REGISTER OF LANDLORDS (P.42/2014) – AMENDMENT

Lodged au Greffe on 24th April 2014
by the Minister for Housing

STATES GREFFE

RESIDENTIAL RENTAL PROPERTY: MINIMUM STANDARDS AND A
REGISTER OF LANDLORDS (P.42/2014) – AMENDMENT

1 PAGE 2, INTRODUCTORY PARAGRAPH –

- (1) For the words “Minister for Housing”, substitute the words “Minister for Health and Social Services, in consultation with the Minister for Housing.”.
- (2) For the words “30th September”, substitute the words “31st December”.

2 PAGE 2, PARAGRAPH (b) –

For the word “create”, substitute the words –

- “request the Minister for Housing to investigate –
- (i) the creation of”.

3 PAGE 2, PARAGRAPH (c) –

- (1) Delete the word “investigate”.
- (2) Renumber paragraph “(c)” as sub-paragraph “(ii)”.

MINISTER FOR HOUSING

REPORT

As Minister for Housing, I am strongly supportive of initiatives that seek to strengthen and promote high standards of social housing and private rented accommodation in Jersey.

Work in this area is already ongoing and, subject to the following amendments, I am pleased to support the proposals of Deputy M. Tadier of St. Brelade to introduce a minimum standard for all categories of residential rental property in the Island.

As part of our aim to modernise legislation governing the rental of residential rental property under the Residential Tenancy (Jersey) Law 2011, I also agree to review the rationale for creating a register of landlords and investigating the introduction of a system of rent control.

Minimum standards in residential rental property

I agree that we need to secure good quality accommodation across all types of rental tenures, and a minimum standard for all categories of rental properties is one aspect of this work.

The most effective way to secure our objective to provide quality rental property is through the Draft Public Health and Safety (Dwellings) (Jersey) Law 201- (not yet lodged for debate), which seeks to set and enforce health and safety standards across all types of rented accommodation.

Accordingly, my amendment will ensure that work to implement a single minimum standard for private and social rented accommodation, and a framework for inspection and regulation of such properties, is developed by the Minister for Health and Social Services, where skills and expertise in environmental health exists already.

This important piece of legislation, driven by the Health Department, will be developed in conjunction with the Strategic Housing Unit, which is also producing a wider outline of the policies and mechanisms needed to secure good quality accommodation in the rental property sector.

Alongside this work, the Strategic Housing Unit will review the future of the Lodging Houses (Registration) (Jersey) Law 1962, which regulates the standards of lodging accommodation, so that we can secure consistent improvements to the quality of private rental accommodation across the whole sector.

I therefore ask Members to support my amendment so that we ensure that a single piece of legislation, covering minimum standards for all forms of rented accommodation in Jersey, is brought before the Assembly by 31st December 2014, reflecting the necessary timescales for this legislation to be finalised and presented.

Register of Landlords

Deputy Tadier's proposal to create a landlord register appears, in principle, a sensible way to promote good practice among landlords and enforce minimum standards in residential rental property, but my amendment seeks to investigate the proposal further before committing to the creation of a register.

Members will be aware that our programme of work under the Residential Tenancy Law already brings into effect a number of significant improvements to the way in which residential tenancies are managed, and that I have been committed to improving landlord-tenant relationships. This will be enhanced further when we bring forward a regulatory framework to establish minimum standards for all categories of residential rental properties.

The creation of a landlord register could also support this aim, but we need to look at the proposal in more detail to ensure that any such register would afford landlords and tenants with protection above and beyond what already exists, or that which is proposed. For example, we need to be clear as to what the purpose of a register and the associated powers should be.

The Residential Tenancy Law will, for instance, eliminate inadequate management and poor standards of rental property without the need for a landlord register. Whilst there may be other potential benefits to introducing a landlord register, these must equally be balanced against the costs of establishing such a register and the additional level of administration this would conceivably introduce.

Moreover, on a practical level, we need to consider whether a Tenant Deposit Protection Scheme, requiring rental deposits to be paid over to a scheme for administration, when it is finalised, provides the most suitable platform through which we might establish such a landlord register. How, for example, might we capture those landlords who do not hold a deposit when renting a residential property?

I therefore ask Members to accept my undertaking to investigate the proposal to establish a landlord register and report back to the States in due course.

Rent Control

Members will know that I am also concerned about the availability and affordability of rental property in Jersey, and I am determined to introduce mechanisms that improve this situation. However, I am unconvinced, at present, that rent control is the most appropriate way to achieve more affordable rental accommodation.

Our economic advice on rent control has consistently shown that attempts to limit the maximum rental price of property has the opposite of the desired effect, since it discourages landlords from investing in maintaining residential units, creating shortages in supply. Instead, availability and affordability can only be tackled effectively by ensuring that sufficient housing supply exists in the public and private rental sectors and removing barriers to that supply.

However, I understand Deputy Tadier's concern about the lack of affordable rental accommodation and his wish to ensure that tenants are charged fair rents. I am therefore content to accept the Deputy's proposal that we investigate the introduction of rent control to set maximum levels of rents, recognising that it is right that these matters remain subject to ongoing review.

Financial and manpower implications

There are no resource implications arising from these amendments, and work can be carried out within existing resources.