

# STATES OF JERSEY



## RENT CONTROL TRIBUNAL AND REGISTER OF RENTS – RE-ESTABLISHMENT

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Lodged au Greffe on 10th June 2021  
by Deputy K.F. Morel of St. Lawrence  
Earliest date for debate: 20th July 2021

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STATES GREFFE

## **PROPOSITION**

**THE STATES are asked to decide whether they are of opinion –**

to acknowledge that the Dwelling-Houses (Rent Control) (Jersey) Law 1946 is still in legal force and to request that the Government of Jersey:

- (a) reconstitute the Rent Control Tribunal as described in Article 3 of that law, by 31st December 2021 and;
- (b) re-establish the Register of Rents as described in Article 5 of that law, by 31st December 2021 and;
- (c) take the requisite measures to enable tenants to gain online access to the aforementioned Tribunal's services, by 31st December 2021.

DEPUTY K.F. MOREL OF ST. LAWRENCE

## REPORT

There is a housing affordability crisis in Jersey and whilst the Housing Minister has brought forward an action plan to address this, it is clear that it will take time for the plan to have any effect on the cost of housing in Jersey.

The island does however, have the legislation already in place to ensure that the most egregious rises in rental prices are dealt with quickly and effectively via the mechanism of a Rent Control Tribunal, as described in article 3 of the [Dwelling-Houses \(Rent Control\) \(Jersey\) Law 1946 \(jerseylaw.je\)](#).

This law remains in force but, as was confirmed by the Solicitor General during the debate of P.31/2021, the law is no longer being observed and the reasons for this are unclear. I do not believe it is the role of any government to decide which laws it chooses to follow and which it chooses to ignore. This is not a choice available to individual islanders and so, in my view, it is not a choice available to government.

A Rent Control Tribunal may not appeal to Members who favour the use of the market to determine rental prices but it is clear that today's market is no longer able to provide for people on lower incomes and so, is failing the island as a whole. By re-constituting the Tribunal, Members will be providing islanders who feel that their landlords have raised their rents beyond a reasonable amount, with a route to challenging those rents and in so doing, the assembly will be providing a stabilisation mechanism for the market by allowing for the highest rents within a given housing unit sector, to be moderated.

It has been suggested that the reason for the closure of the Rent Control Tribunal was a lack of applications from tenants in the years leading up to its closure. This may have been for a variety of reasons, including, a lack of knowledge of the Tribunal's existence, a complex route for accessing its services and the possibility of retribution by the landlord. Part C of this proposition is designed to deal with the issue of ease of access and the fact that a licensing scheme is on the horizon means that the issues of revenge evictions will be addressed because a landlord will be at risk of losing their licence should they be found to engage in the malicious eviction of a tenant.

As well as providing for this mechanism, by supporting this proposition, the Assembly will be sending a message to government that it is not in a position to pick and choose the laws which it observes.

Part B of this proposition requires that Article 5 of the aforementioned law be revived. In so doing, a register of rents will be re-established and that in itself will enable islanders, government and Social Housing providers to have a better understanding of the rental market and the affordability of rents. In turn, this will provide for a far better mechanism for setting the market rates for different housing unit sectors and so will enable social housing providers to discount more accurately.

The register of rents can also be linked to any new licensing scheme, enabling a more streamlined system for the relevant department to administer.

## **Financial and manpower implications**

There are financial implications to this proposition should it be adopted. A Rent Control Tribunal will need to be established, as will a Register of Rents. The financial implication will depend upon the manner in which the Government chooses to reconstitute the Tribunal and the Register. The 1946 law makes provision for:

- (3) The members of the tribunal shall receive such travelling expenses and other allowances as the Minister may determine. <sup>[7]</sup>
- (4) The Minister may appoint a clerk and such other officers and servants as the Minister thinks fit of the tribunal, and there shall be paid to them such salaries and allowances as the Minister thinks fit.

The cost of the Tribunal is in the gift of the Minister and will depend upon whether the Minister chooses to appoint clerks and officers specifically to look after the panel or whether the Minister chooses to use existing clerks and officers. Similarly, travel costs will be determined by whether or not the Minister decides to appoint on-island members of the Tribunal or off-Island members. As an indication, the States of Jersey Complaints Panel cost £1200 in 2018 and £500 in 2019 because the Members of the Panel are volunteers and Officers are drawn from existing States Greffe resources. The Jersey Advisory and Conciliation Service, which runs a much wider range of services than this Tribunal will, has expenses of approximately £400,000 per year. This is far more than would be necessary for a Rent Control Tribunal.

My estimate is that a Rent Control Tribunal would cost approximately £50,000 per year, which would primarily consist of officer time. Such a sum can certainly be met by existing resources.

The Register will need to be digital in format and so, will need to be created and maintained. The level of technological sophistication chosen by the minister will determine the cost of its creation. Its maintenance would be undertaken by any clerk or officer appointed to serve the Tribunal by the Minister.