STATES OF JERSEY



DRAFT PUBLIC HEALTH AND SAFETY (RENTED DWELLINGS) (LICENSING) (JERSEY) REGULATIONS 202- (P.40/2023): ELEVENTH AMENDMENT (P.40/2023 Amd.(11)) – AMENDMENT

Lodged au Greffe on 21st November 2023 by the Environment, Housing and Infrastructure Scrutiny Panel Earliest date for debate: 28th November 2023

STATES GREFFE

2023 P.40/2023 Amd.(11)Amd.

DRAFT PUBLIC HEALTH AND SAFETY (RENTED DWELLINGS) (LICENSING) (JERSEY) REGULATIONS 202- (P.40/2023): ELEVENTH AMENDMENT (P.40/2023 AMD.(11)) – AMENDMENT

PAGE 2, SUBSTITUTED REGULATION 2 -

Delete substituted Regulation 2(2)(a) and renumber the subsequent sub-paragraphs accordingly.

ENVIRONMENT, HOUSING AND INFRASTRUCTURE SCRUTINY PANEL



REPORT

INCLUSION OF LODGING HOUSES WITHIN THE DRAFT REGULATIONS

N.B. The Environment, Housing and Infrastructure Scrutiny Panel has lodged this amendment to the 11th amendment which is intended to supersede its original 2nd amendment. The principle of the original 2nd amendment remains the same and the re-lodging of the amendment in this manner is to ensure that, if adopted, the Panel's amendment would be compatible with the Minister for the Environment's 11th amendment. Accordingly, the original 2nd amendment will be withdrawn. As outlined in the Minister's 11th amendment, the Panel's remaining amendments (3rd, 4th, 5th, 6th, 7th, 9th and 10th) are now incorporated into the Minister's 11th amendment and therefore will also be withdrawn. The remainder of this report remains unchanged from the original 2nd amendment.

The aim of this proposed amendment is to bring lodging houses within the scope of the proposed licensing scheme $[\underline{P.40/2023}]$.

Several stakeholders¹ have independently expressed their views to the Panel that lodging houses should be included under the proposed licensing regulations, particularly as these properties are viewed to be at higher risk for health and safety and are more likely to house vulnerable people.

The <u>Public Health and Safety (Rented Dwellings) (Jersey) Law 2018</u> includes provision for lodging houses to be included, however, as currently proposed, Regulation 2(4) of the draft Regulations excludes them. If Regulation 4(2)(a) were deleted, as proposed by this amendment, they would come within the scope of the proposed licensing regime.

During the public quarterly hearing held on 11th October 2023, the Panel questioned the Minister for the Environment on the rationale for proposing to exclude lodging houses:

The Connétable of St. Brelade:

Moving on to lodging houses, we are aware that the proposed law provides scope for the inclusion of lodging houses, but Regulation 2(4) of the proposed licensing regulations excludes them. Could you explain the rationale for their exclusion from the licensing regime?

The Minister for the Environment:

My recollection on this is because they are already covered by another ... it is actually called a registration scheme, I think, but it is, in the way it functions to all intents and purposes, a licensing scheme. So they already are covered.

The Connétable of St. Brelade:

Would there not be a case for bringing all these schemes together under one law?

¹ Justice for Tenants UK / Citizens' Advice Jersey / Jersey Landlords' Association all commented that lodging houses should not be treated separately to the proposed licensing regulations [P.40/2023]



P.40/2023 Amd.(11)Amd.

The Minister for the Environment:

We have a law that set up this potential for regulations to help enforce the minimum standards, and that is what we have done. It does not seem to make sense to duplicate what is already in place and working.²

Later in the hearing, the Panel was advised that lodging houses are regulated under the Lodging Houses (Registration) (Jersey) Law 1962 and are registered on an annual basis with fees charged at £15 per person. Furthermore, inspections are risk-based, meaning that inspections are targeted where there are suspected to be problems, or if a complaint is made to Environmental Health. It was clarified that not every individual lodging house dwelling is inspected on an annual basis.

In a written submission, Justice for Tenants UK comment as follows:

Lodging houses do not need to have a licence. This is curious, as they constitute some of the cheapest rental accommodation and are likely to be at higher risk of substandard conditions than average rental properties. Indeed, the first set of PRS [private rented sector] properties to require a mandatory licensing scheme in England were large Houses of Multiple Occupation, predominantly as a way to decrease the incidences of fire caused by poor maintenance and management, including unsafe gas and electrics...

...It is hard to see a reason why a high-risk property should be exempt from the licensing requirements. There is a separate, pre-existing registration regime that already covers lodging houses, but this current legislation is an opportunity to standardise the minimum conditions for properties. If different, extra standards and requirements are imposed for lodging houses with a large number of occupants, they can be included in legislative amendments. In the UK, landlords have to be cognisant of a large patchwork quilt of Landlord and Tenant laws and regulations. This is an undesirable situation, turning some law-abiding, well-intentioned landlords into criminals due to unnecessary legal complexity. It may be that there is an opportunity to prevent a similar sprawl here. It would certainly be perplexing if lodging houses, which will be higher-risk, have lesser minimum standards than lower-risk rental properties.³

In the absence of a strong argument for why lodging house dwellings should be dealt with under separate legislation, the Panel takes the view that they should be brought under the same legislation as other rented dwellings and therefore proposes this amendment to the draft Regulations.

Financial and staffing implications

The 2021 census indicated the number of dwellings for registered lodging houses was 700 which would therefore generate estimated fees of £42,000 based on a 2-year licence (£21,000 per annum) if this proposed amendment is adopted.

³ Written Submission – Justice for Tenants UK – 21 September 2023



P.40/2023 Amd.(11)Amd.

² Transcript – Public Quarterly Hearing with the Minister for the Environment, 11th October 2023, p.12-13