WRITTEN QUESTION TO THE MINISTER FOR HOUSING BY DEPUTY G.C.L. BAUDAINS OF ST. CLEMENT ANSWER TO BE TABLED ON TUESDAY 4th FEBRUARY 2014

Question

Would the Minister clarify, with regard to the Housing (Registration) (Jersey) Law 1962 and the retention of deposits, how many proprietors have been found guilty of not refunding deposits in the last five years?

How, where and by whom is it intended to safeguard deposits in the future under the Regulations made under the Residential Tenancy (Jersey) Law 2011?

Would the Minister also advise of the costs involved in operating any new scheme and whether deposit capital or interest will be used to offset those costs?

Answer

The Lodging Houses (Registration) (Jersey) Law 1962, deals with whether a lodging house, as defined under the Law, may be registered, primarily with reference to the standards of the accommodation. There is no express offence relating to the non-refunding of a deposit.

However, the recently introduced Residential Tenancy (Jersey) Law, 2011, requires tenancy agreements to make provision for deposits, and actions can then be undertaken under the Law with reference to the Petty Debts Court, including by persons in registered lodging houses, in the event of a dispute.

The programme of work of the Strategic Housing Unit for the first 6 months of 2014 includes measures to support tenants and landlords under the Residential Tenancy (Jersey) Law, 2011, including:

- (i) bringing forward by Order the requirement to complete a "condition report" on commencement of a tenancy (to assist in navigating deposit disputes); and
- (ii) bringing forward by Regulation a compulsory deposit protection scheme for all tenancies.

The deposit protection scheme will require deposits for new tenancies to be paid to a scheme administrator, with avenues, including mediation and adjudication, available on completion of the tenancy if the parties do not agree on the amount to be returned. This is consistent with States decisions. As to who the scheme administrator will be, that will be subject to a procurement process to conclude should the Regulations be approved.

As to the costs of the deposit protection scheme, these will be published with the Regulations, but the intention is that the scheme is at nil cost to the States of Jersey, with costs to be recovered from interest on balances held and fees to meet costs, if necessary.