

20.11.17

4 Deputy R.J. Ward of the Chief Minister regarding breaches of tenancy legislation (OQ.324/2020):

Will the Minister state how many dwellings have breached tenancy laws in the past 2 years due to the sale of utilities above cost price to tenants, and will he confirm what action, if any, is taken against any landlords found in breach of the law?

Senator J.A.N. Le Fondré (The Chief Minister):

Yes, the sale of utilities to tenants is covered by the Residential Tenancy (Supply of Services) (Jersey) Order 2013.

[10:30]

It applies to residential units also as defined under the law and covers situations where services, for example, electricity, gas, water or similar are not provided by the service provider to the tenant but are resupplied by a reseller, which could be the landlord but that is not always the case. Under the order the reseller shall not charge more for the supply of a service than that charged by the service provider. Where officers identify situations where tenants have been overcharged, the reseller is made aware of this and provided with advice around the need to refund the amount overcharged in line with the requirements of the order. The order provides that amounts overcharged must be refunded within 14 days of the money having been collected. But the reseller does also have a defence if they are not aware of the error within 14 days, provided that they basically refund the amount as soon as possible after becoming aware of the error. In terms of what happens then to non-compliance, if resellers do not comply with these requirements following notification from officers, matters are referred to the Law Officers' Department for their consideration. Cases have been referred to the Law Officers' Department; however, as these are ongoing/open investigations, it is not appropriate to give further details of the numbers, et cetera, at the current time. So, therefore, I hope I have answered the second part of the question but I am unable to answer the first part.

Deputy R.J. Ward:

The Chief Minister is unable to answer the first part of the question, did he say?

Senator J.A.N. Le Fondré:

Yes.

4.4.1 Deputy R.J. Ward:

The Chief Minister is unable to answer the first part of the question, did he say?

Senator J.A.N. Le Fondré:

Yes.

Deputy R.J. Ward:

Does the Chief Minister believe that breaching the law, which he so nicely explained to us, is fraud and, therefore, more action should be taken against landlords who are exploiting their tenants? Would he support prosecuting landlords who do not follow the instructions, as he detailed?

Senator J.A.N. Le Fondré:

It should be fairly obvious that the reason I am answering this question is in the absence, until very recently rectified, of the Minister for Children and Housing. I am obviously not sighted on the types of cases that we are talking about. It may not be fraud, it may be simple error, which is obviously different. It will depend on the circumstances and it depends on the magnitude of the issue and it depends how often these things are taking place with any one individual. Before one goes down that line one has to understand what the circumstances are and I do not know the magnitude of the problem. But it is not something that we should be encouraging certainly.

4.4.2 Senator S.Y. Mézec:

Whether it is fraud or error, the extent to which this is going on would have been caught by the proposed landlord licensing scheme that the Minister for the Environment recently brought forward. Given the fact we do not know how much this abuse is going on and in light of the statistics recently published on rental homes failing to meet those minimum standards, does the Chief Minister have any regrets over his failure to support his own Minister for the Environment in bringing forward those regulations?

Senator J.A.N. Le Fondré:

I was very clear when I sat down and thought about the matter. I was conflicted, I felt, from about 3 different directions on that matter and that remains the case.

4.4.3 Senator S.Y. Mézec:

Does that mean that we can take it that the Chief Minister will not be supporting improved housing standards, improved regulations to ensure the laws, which already exist, are being implemented because he has a conflict and would he like to explain to us what sort of leadership exactly that is?

Senator J.A.N. Le Fondré:

No, I think that is an assumption of the Senator trying to put words into my mouth and I do support improved standards. I am sure the new Minister for Children and Housing and the Council of Ministers will proceed with that in due course.

4.4.4 Deputy M. Tadier:

Can the Chief Minister confirm whether any of his Ministers or Assistant Ministers have fallen foul of breaching this law?

Senator J.A.N. Le Fondré:

The short answer is I am not sighted on any of this side of things in terms of their accuracy. I would also make the point that at the end of my response I said that as there were ongoing open investigations, it was not appropriate to give further details and I think that remains to be the case.

4.4.5 Deputy R.J. Ward:

It is very difficult to have a final supplementary when you do not really believe you have had an answer but can I ask the Chief Minister, will he make a commitment to increasing the ability for those who are monitoring standards to look at this issue of overpricing of the most vulnerable, those least able to pay, which is purely exploitative, and end this horrendous occurrence in the rental situation in Jersey?

Senator J.A.N. Le Fondré:

I do not think I can add any more to what I have already said. I think we will need to understand the magnitude of the problem and the severity of each individual issue. If it is a mistake and/or error, then that is one matter. If it is flagrant abuse of the regulations, then that is obviously a different matter. I think that is all we can say about having an understanding of the issue. I am sure the new Minister for Children and Housing will be looking at it.