

6. The Minister for Housing - statement regarding P.139/2010, Rent Control: removal of exemptions

6.1 Deputy S. Power of St. Brelade (The Minister for Housing):

I apologise to Members for the lateness of the appearance of this statement. Last Friday afternoon I had a very productive meeting with Senator Le Gresley and Senator Le Marquand in connection with P.139 Rent Control: removal of exemptions. We discussed the above proposition and rent control in general. We all agreed that a major piece of work now needs to be done to reform and revise some laws that have been in existence in their original form since the late 1940s. We recently made considerable progress in modernising Jersey's very old housing laws, including drafting the new Migration Law. Colleagues will remember that I personally guided the Residential Tenancy Law through the Assembly in 2009. Since then we have been working on a scheme to protect tenants' deposits. Regulations have been drafted and a procurement exercise is now underway. We will also be introducing compulsory property condition reports for all new tenancies. I have also said that we need to review the need for rent controls in Jersey and our statutory tenancy agreements. Not least we need to do this because Jersey does experience high rents and it is now time that the present 1946 Law and the 1992 Regulations are reviewed, as my recent comments on this issue have said. I am happy to confirm that I will now accelerate this work, bringing together the work on condition reports, tenancy agreements and rent control into a new single process of consultation and policy development beginning very early in the New Year. I am very keen to work with Senator Le Gresley and indeed any other States Member in the Assembly and any members of the public that wish to consult or carry out this work. Senator Le Gresley is absolutely right to be focused on protecting tenants, and I am grateful to him for correspondence with me and the Population Office in the past week so that we can agree a work programme and a way ahead. Indeed I also thank Senator Le Marquand for his goodwill and time in hosting a meeting at his office last Friday and for bringing his considerable legal expertise to this meeting. A short report outlining our timetable and approach on all of the above will be lodged very shortly as a report.

The Deputy Bailiff:

We now come to questions of the Minister.

6.1.1 Deputy M. Tadier:

Will the Minister advise whether during this recent meeting the issue of the rent element of income support was brought up, and would the Minister advise whether he considers that money, which is effectively taxpayers' money which is paid to a landlord, could be put to better use by acquiring more buildings, building new housing stock and maintaining it rather than paying that element into the back pocket of landlords?

Deputy S. Power:

I have to say that we did not discuss the housing component of income support. I have discussed the housing component of income support with the Minister for Social Security and the Minister for Treasury and Resources in the very recent past. It is very much on our agenda. The whole issue of a rebate being paid to private sector landlords is something that we are considering at the moment, but it is too early for me to give any in depth response to that.

6.1.2 Deputy P.V.F. Le Claire:

I was quite surprised but pleasantly surprised to see the Minister has said that they need to review the need for rent controls in Jersey as it is now time. This was part of my proposal in an Assembly debate a couple of weeks ago, which was not supported by Members that we need to have a consideration of rent control. Will the Minister be looking to our fellow Island in Guernsey because they have a rent control officer? Will he be looking to learn from them, as he did from the Isle of Man?

Deputy S. Power:

As I indicated, I will be going out to consultation in the New Year with all that will be involved in this. We will talk to Guernsey. Both myself and my predecessor at Housing have an excellent relationship with the Guernsey Housing Minister. The process as I see it now - and I think Senator Le Gresley will agree - is that the process does not work. The Rent Control Tribunal in its present form has not been enacted or established or re-established for the last 3 to 5 years. The rent control mechanism - the law as it stands at the moment - does not have sufficient teeth and it is not being used. I am personally very unhappy with a law that does not work.

6.1.3 Senator A. Breckon:

On a similar theme, the Minister has said: "I have also said we need to review the need for rent controls in Jersey." Has he any idea what the terms of reference will be and the timescale?

Deputy S. Power:

That is a very good question. Yesterday I saw a template for the timescale on this. I replied to the director of the Population Office this morning. I am hoping that I will be able to give a strong indication to Senator Le Gresley and the Assembly as to what the timescale will be. What I have seen this morning, I did not agree with. I do not want to commit myself or the department any further except to say that I will come back to the Assembly very soon on a workable timescale.

Deputy T.M. Pitman:

Senator Breckon asked my question, thank you.

6.1.4 Deputy M. Tadier:

I welcome the Minister's invitation for Members to consult with him. Would he consider setting up a working group to look at the issues to do with private rental in the round so to also look at issues of inspection, of rent rebate, of depositor protection for non qualified residents in the Island, so that we can all put our heads together and come up with joined-up thinking on this?

Deputy S. Power:

I am happy to confirm that at last Friday's meeting with Senator Le Gresley this did come up. I think what I would like to do would be to form a group of States Members, perhaps including Senator Le Gresley if he is willing to contribute some of his time, to look at this whole area. Indeed 2 other States Members have indicated their interest in working on this. I will be asking them to come to a meeting very soon with the Director of the Population Office to map out a way forward and to reform, revise and rewrite some of these old laws.

The Deputy Bailiff:

Are there any other questions for the Minister? Very well, it is now 12.30 p.m. Minister, do you think you are able to deal with P.115 between now and lunch or would it be more convenient to put your co-Ministers under pressure and invite them to deal with P.146 and P.147?

Senator F.E. Cohen:

I think that would be more sensible.