

JLA position on the proposed Landlord Licensing Scheme

Who are we?

- Our members include landlords and managing agents.
- From almost a standing start in 2020, we represent owners of around 4000 rental units.

What do we stand for?

- Balanced legislation that promotes a healthy and harmonious rental market.
- As much as possible, market-based solutions.
- Value for money for Jersey taxpayers.

General observations on P2021/20 and P2021/33

- Proposition P2021/20 was remarkably like P2020/106, which was rejected last year (likewise, P2021/33) and it is not clear to us why some States Members changed their votes to 'pour' in June.
- The fee, whilst a negative, was never the biggest issue for us (see below).
- A few UK councils have introduced landlord licensing schemes, but most have been time-limited, localised and driven by special circumstances.

What is bad about it? Landlords' and tenants' perspective

- Intrusive and time consuming for both tenants and landlords
- Overzealous implementation of minimum standards will be inflationary and cause rents to rise.
- Inconveniences the many to identify the few bad landlords.

What is bad about it? *Taxpayers' perspective*

- Wastes loads of money inspecting and licensing thousands of good/adequate properties.
- The estimated running costs of £600-700k are surely too low.
- There must be worthier causes that would benefit from that sort of money.
- It would be much cheaper and less intrusive to **empower tenants**, i.e., encourage them to complain through education and appropriate protections.
- Tenants will complain with the right level of protection, we just need to find out what it is.
- Our members are concerned about the increasing regulatory burden, and many are thinking about exiting the sector. If enough landlords sell up, the States will be forced to fill the void with public money.

A cheaper and less intrusive approach

- Landlords' register: online self-declaration with regulatory tick boxes for electrical certificates, fire certificates etc.
- Leases that include (1) a list of tenants' rights (2) all relevant contact numbers and (3) a list of all pertinent housing regulations and whether they have been complied with by the landlord.
- Protection from excessive rent increases and eviction for tenants whose complaints are upheld (to prevent 'revenge' evictions).
- **Limited** random inspections to encourage compliance with the regulations.
- Big fines for landlords that fail to register and for flagrant abuses of minimum standards.
- We are confident that a package like this would command a significant majority in the Assembly, but disappointingly, the current Environmental Health Minister has steadfastly refused to consult with us on this issue.

JLA Committee 14th July 2021



