

JLA comment on 'Affordable Housing: supply and delivery', Environment, Housing and Infrastructure Scrutiny Panel.

To: Constable Mike Jackson

Re: Scrutiny Report - Affordable housing: supply and delivery

On the whole we thought that this report was very balanced and identified many of the issues that seem to be cropping up in every report we read about Jersey housing at the moment, namely high demand, lack of supply, a not-fit-for-purpose planning process etc.

We did however, come across a passage upon which we felt we had to write to you, if only to give a more balanced view.

On page 34, the report quotes the Minister for Housing and Communities as saying when asked why he thought the Rent Tribunal was disbanded that:

"It was not working. Tenants, I think, were afraid to go to it in case there were repercussions with their landlord and that, I think, is one of the reasons why. I am not sure of the others, way before my time. Yes, it just sort of withered and died."

This was translated into Key Finding B3: "The Dwelling-Houses (Rent Control) (Jersey) Law 1946 law makes provision for a constituted rent tribunal; however, such a tribunal no longer exists. It is thought that this is due to tenants fearing repercussion from landlords for taking them to a tribunal"

As far as we are aware the JLA were not approached by the Panel in the putting together of the report, so we feel somewhat justified in presenting a contrary account of the withering of the Rent Tribunal. In doing so we rely on the decision made by Paul Bradbury (the then director of the Population Office) on 13 July 2009 (Ref: MD-H-2009-0068) (which can be found at https://www.gov.je/Government/PlanningPerformance/Pages/MinisterialDecisions.aspx?s howreport=yes&docid=BC0604F2-B1CD-420C-AC65-84706024C78E#report), in which it is stated:

"The current Tribunal has not been required to meet to adjudicate on any specific referrals in the past 3 years. The very limited activity of the Rent Control Tribunal in recent years may reasonably be seen as a positive point, with landlords and tenants reaching agreement without the intervention of a third party, something the Tribunal has always endeavoured to encourage. Notwithstanding this, the main reason the Tribunal sits so infrequently is because most rental increases have not been excessive when compared to the market rates, and factoring in any improvements made by the landlord to the property. In part, this reflects the

current state of the market, where capacity has existed, and therefore landlords have been prevented simply by the state of the market from charging "excessive" rents as this would result in tenants seeking alternative accommodation. This is consistent with a market orientated approach to rents, which have been historically determined in Jersey by supply and demand, rather than widespread and interventionist mechanisms of rent control, with various social housing schemes and methods of financial support being made available to those persons not able meet market rents and prices. [Emphasis added]"

To be clear, we are not saying that no tenant is ever so cowed by their landlord that they would not approach the Rent Tribunal (or Environmental Health Department for that matter). We are also not necessarily saying that the need for a rent tribunal has permanently gone away, but we do think that the problem of 'revenge evictions' has been overstated and that the real causes of high rents are those that you identify in your report: high demand for housing and low supply of housing.

We are not asking for any kind of correction to the report, but we do want to make the point that these issues are not always black and white.

Jersey Landlords' Association