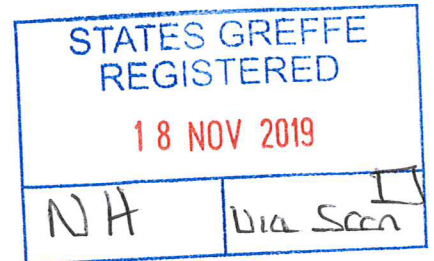


SID/4 (2)



November 14th 2019

States Greffe Scrutiny
Morier House
St Helier
JE1 1DD

Dear Sirs

Minum Standards for Rented Dwellings: Licensing Regulations – Request for Written Submission

I refer to a letter dated 25th October 2019 which I received from Connétable M K Jackson, Chairman, Environment, Housing and Infrastructure Scrutiny Panel.

I enclose the following:

1. A copy of a letter dated June 24th 2019 which I sent to Growth, Housing and Environment; and
2. My subsequent Observations and Comments on the Proposed Regulation.

These two items should be read together.

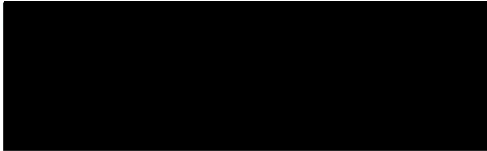
If you require any further information please let me know.

Yours faithfully

A handwritten signature in blue ink that reads "Geoffrey Fiott".

GEOFFREY FIOTT

Encs



June 24th 2019

Environmental Health
Growth, Housing and Environment
Maison Le Pape
The Parade
St Helier
JE2 3PU

Dear Sirs

I write on behalf of my wife and myself to raise our opposition to the proposals envisaged with regard to rental properties.

We think that the proposals which will obviously reduce the rental return of landlords are unreasonable having regard to the following points which are made in general terms:

1. The cost of building and maintaining a property has risen steadily to a very high level which cannot be reduced by expecting a tenant to make a contribution. Only a short time ago my wife made improvements to a property and was forced to spend £1500.00 on obtaining Electrical and Alarm Service Reports following recent legislation requiring them.
2. Rental increases cannot be regarded as automatic even though they are provided for in the lease. I was advised by a reputable and experienced estate agent not to increase the rental to the full amount provided by the cost of living index and to reduce it to keep the goodwill of the tenant.
3. At one time a landlord could expect a reasonable rental percentagewise in relation to the value of his property. He cannot now do that and his only profit is the capital appreciation in the value of the property but that doesn't pay the bills.
4. Matters could reach a stage when property owners will not let properties because of the inadequate net rent return. I understand that this is already happening.
5. There is talk of the introduction of rent control which will prevent people from buying to let.

..!....

6. The relationship between landlord and tenant can easily become a difficult one – all the more so when a landlord is faced with legislation requiring expense on his part.
7. I would go as far as saying that if I had available capital I would not spend it on buy to let property. I believe that there are other investment possibilities which are good and do not give the worry of property ownership involving letting.
8. I could give other examples of things which in my view weigh heavily against a landlord and the proposed new legislation is yet another one which landlords and the public of Jersey do not need.

Yours faithfully

GEOFFREY FIOTT

Observations and Comments of Mr Geoffrey Fiott

These Observations and Comments are in addition to the comments in Mr Fiott's letter of June 24th 2019 sent to Environmental Health at Growth, Housing and Environment, a copy of which letter is attached to these observations and comments.

- 1) All Licence Holders should have the opportunity of communicating with the Government in a way to include writing, as not all will be computer literate.
- 2) The number of inspections following registration should be less than proposed. Some will not be able to cope and they will be reluctant to pay for someone else to deal with it.
- 3) How will the question of fees be determined on the production of the first Certificate? How will the Government know at that stage when confronted with 9,000 applications who should be Rent Safe and to what extent?
- 4) Why should a new Licence Fee be paid when a Licence Holder dies and when it is proposed to transfer to a third party in the same year that a Licence Fee has already been paid?
- 5) The Paper mentions the reasonableness of the fee structure but it is noted that no undertaking is given not to increase fees in the future.
- 6) In the examples given mention is made of hostel-type units but no mention is made of blocks of flats and flats within a dwelling house occupied by the owner. This leads me on to ask:
 - (a) Are any properties or dwellings exempt from needing certification?

(b) What is the position of the owner of several similar flats in large blocks of flats? Does he have to obtain certification and pay fees in respect of each flat he owns in the block?

- 7) How will the Rent Safe Scheme be administered at the inception of the Scheme when all the properties will not have been inspected? Will the owner be asked to pay the whole of the fees and be repaid (if applicable) when the property has been inspected and found to be Rent Safe?
- 8) It is plain that it will again be for the property owner to be responsible for paying all the expenses brought about by the Scheme unless they decide to look to the tenant for a contribution towards those fees. Such a request will of course in some cases spoil a good relationship between owner and tenant.
- 9) Some people, mostly because of age, will feel that the legal obligations of the Scheme will be too much for them and they will be faced with having to incur significant expense by having to seek professional help.
- 10) The new legislature will punish the good as well as the bad landlords. The good do not deserve to be penalised in this way and I am sure that if the proposed legislation becomes law it will be unpopular with the landlord as it will mean yet another substantial expense for them to meet and will give them even less return on their lettings. While the legislation has in mind only the welfare of the tenant, I hope that the Government will see from my letter and these observations and comments that the landlord's position, even before the proposed new legislation, is not the enviable one that a lot of people think it is and at the end of the day the landlord will not receive any worthwhile benefit until he sells his property.