

**WRITTEN QUESTION TO THE MINISTER FOR HOUSING
BY DEPUTY G.P. SOUTHERN OF ST. HELIER
ANSWER TO BE TABLED ON TUESDAY 6th MARCH 2018**

Question

With regard to the MyDeposits scheme, will the Minister –

- (a) provide her assessment of the performance of the scheme in dealing promptly and efficiently with deposit dispute resolution in the private rental sector;
- (b) state what proportion of tenancy deposits are being administered through MyDeposits;
- (c) provide figures in respect of the reported delay in claiming deposits;
- (d) advise what changes, if any, to the original company structure have been made since it was established;
- (e) advise what changes, if any, there have been to the system for administering deposits; and
- (f) state when the performance of the scheme will be formally reviewed and reported to the Assembly and advise what factors will be assessed?

Answer

- a) The performance of the mydeposits Jersey tenancy deposit scheme is monitored in accordance with approved key performance indicators (KPIs) set out in the contract with the company. The KPIs align with those set by the UK Government for the equivalent schemes operating in England and Wales.

All KPIs in respect of dispute resolution are being met as per the contract with mydeposits Jersey. All KPIs in respect of telephone response times and responding to customer e-mails are also being met or bettered.

In the summer of 2017, the scheme experienced an unexpectedly high level of demand. This led to a short-term service issue and, following discussion with the Strategic Housing Unit and on-island partner, Citizens Advice Jersey, mydeposits Jersey addressed the issue by increasing the size of the customer service team responsible for Jersey.

- b) At the end of January 2018, the mydeposits Jersey tenancy deposit scheme controlled a total deposit pool of £6.8 million, which represents 5,583 individual deposits.

The estimate total pool of deposits in Jersey is £16 million, and feedback from agents suggests that the figure could be as high as £20 million. As the three year anniversary of the scheme approaches in November 2018, there is a need to review the effectiveness of the tenancy deposit scheme. Some of the potential legislative changes are set out in part (f). The proposed landlord license scheme that the Minister for Environment is proposing to establish, will also support enforcement of the scheme.

- c) Delays in returning deposits have arisen where an agent, landlord or tenant have not provided accurate banking details in order to allow the scheme to return a deposit promptly. In all other circumstances, where the release of a deposit has been agreed by the parties, deposits will be returned the same day when requested before 1pm, and the next day when requested after 1pm.
- d) The structure of the mydeposits Jersey tenancy deposit scheme has not changed since it commenced in November 2015. The operating model has been refined to reflect the needs of customers:-

- Additional staff members have been recruited into the customer service team.
 - A dedicated mydeposits Jersey ‘hotline’ has been set up for use by Citizens Advice Jersey.
 - A dedicated Business Development Executive for Jersey has been appointed who visits the island on a regular basis (aiming for monthly visits) to develop and maintain relationships with scheme stakeholders.
- e) There have been no changes to the system for administering deposits. However, there have been a number of refinements to the scheme as outlined above.

In addition, there was a change of scheme ‘partner’ after the first year of the scheme. The original partner gained limited traction with local users of the scheme, and it was felt that Citizens Advice Jersey would be a higher profile partner on the island. Citizens Advice Jersey is a natural source of advice and guidance for the scheme and this is demonstrated by the increase in the number of customer contacts with landlords and tenants. In 2017 Citizens Advice Jersey dealt with circa 190 enquiries about the scheme.

- f) The performance of the mydeposits Jersey tenancy deposit scheme is monitored and reported on a monthly and annual basis against the KPIs outlined above and general feedback. Review meetings are also held to discuss the ongoing financial performance and long-term viability of the scheme.

In addition, regular visits are carried out by the Business Development Executive and other senior directors to engage with stakeholders.

The contract for the scheme between the States of Jersey and mydeposits Jersey is for a period of five years, with a review planned after the first three years of the scheme. As such, the contract will be reviewed by September 2018. The factors to be considered in reviewing the scheme include the performance of mydeposits Jersey against the set KPIs and the financial viability of the scheme.

It is also important that a review covers the States’ role in ensuring that the appropriate tenancy deposit protection arrangements are in place, including any legislative changes that might need to be made in order to ensure the effectiveness of the scheme. There are a number of areas where amendments could be made to the Residential Tenancy (Deposit Scheme) (Jersey) Regulations 2014:-

- The introduction of retrospective tenancy deposit protection for tenancies that commenced or were renewed/varied before November 2015.
- The creation of new enforcement and/or incentives to ensure that deposits are protected in the scheme – e.g. a landlord cannot seek the eviction of a tenant if the deposit has not been protected.
- The extension of tenancy deposit protection to non-self-contained rented accommodation, which is not presently within the vires of the Residential Tenancy (Jersey) Law 2011.

These amendments would need to be brought to the Assembly for approval.