
STATES OF JERSEY



DWELLING HOUSES (RENT CONTROL) (JERSEY) LAW 1946, INCLUDING THE RENT CONTROL TRIBUNAL AND ITS MEMBERSHIP: FUTURE OF THE LAW

**Presented to the States on 14th July 2009
by the Minister for Housing**

STATES GREFFE

REPORT

On 17th June 2009, the States approved the re-appointment of the Rent Control Tribunal under the Dwelling Houses (Rent Control) (Jersey) Law 1946.

At the time of the debate, various questions were raised about the composition of the Tribunal, and its remit and role, which should be responded to as a matter of record.

The Dwelling Houses (Rent Control) (Jersey) Law 1946 offers a statutory facility to enable private sector tenants to appeal to an independent body, the Rent Control Tribunal, to have their rent reduced where they consider it to be excessive. The Tribunal can then maintain or reduce the rent as it considers reasonable.

The Law applies to rents on residential properties but not commercial property. It applies only to tenants, and lodgers do not have any rights under this legislation. Further, tenancy agreements entered into using the Standard Residential Standard Tenancy Agreement issued by the Population Office – being the best practice agreement between landlord and tenant – are exempt from the Law. This exemption is designed to encourage people to adopt this best practice agreement, which includes, for example, a 6 month notice period on tenancies of over 2 years, and links rent rises to the Retail Price Index.

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.

As to the role of the Tribunal, the Citizens Advice Bureau are very well aware of the existence of the Tribunal, and will refer cases to the Population Office where they see there may be merit, indeed, the Citizens Advice Bureau is most people’s first port of call.

Having outlined the above, where the Tribunal is not meeting with any frequency, and where appointment is required by Regulation every 12 months, it is evident that a review of this legislation is in order. Indeed, this has now been scheduled within officer time for the coming 12 months, and a report on the outcome will be placed before the States at the end of that period.

This review is also timely as part of a wider review of landlord and tenant relations being conducted by the Population Office for the Minister for Housing, which includes the presently lodged Draft Residential Tenancy (Jersey) Law 200-, a review of options for the protection of residential deposits, the New Migration Mechanisms currently published for consultation, and a review of the Lodging Houses (Registration) (Jersey) Law 1962 (also to take place within the same 12 month timescale).

For completeness, the present members of the Rent Control Tribunal are as follows:

Mr. Eric Le Ruez

Former Chief Executive Officer of the Housing Department and Director of the Property Holdings Department before his retirement in September 2007. Mr. Le Ruez has vast experience in property matters, knowledge of legal procedures and the background to be able to determine in a just manner the issues coming before the Tribunal. First appointed in 2008.

Mr. Jeremy James Robin Johnson

Qualified as an English Solicitor in 1974 and was admitted as Notary Public in May 1982. Since 1977 he has been a partner in Galsworthy and Stones (now Hawksford International) English Solicitors and is Head of Wills and Probate Department and an examiner for Notary Public examinations. Amongst other voluntary bodies, he serves as a Member of the Parish Rate Appeals Board. First appointed in 2006.

Mr. Edward Trevor MBE

Qualified Chartered Surveyor and chaired as an elected member of local government Committees in the UK at local, regional and national level over a 40 year period, covering a comprehensive range of issues including Health, Housing and Planning. He was a civil servant for the last 19 years of his working life, involved with the management of a large number of properties for government departments. Amongst a significant number of other voluntary bodies, he is founder and Chairman of 'Shopmobility', St. Helier, a Rates Assessor for St. Helier and Chairman of the Association of Jersey Rates Assessors. First appointed in 2008.

Mrs. Mary Gaiger

Mrs. Gaiger is a former Sales Director of the Jersey Evening Post. Now retired, she involves herself in charitable work. She was a committee member of the GOSH (Great Ormond Street Hospital) Jersey Appeal 2003–2006 and also does volunteer work at the Hospice. She is a founding member and Honorary Treasurer of 'Holidays for Heroes Jersey' and also Honorary Treasurer of the Jersey branch of the Brooke Hospital for Animals. She was first appointed a member of the Tribunal in 2002, and has given notice to the Population Office that she will stand down at the conclusion of her current term of office. Her long-standing membership of the Tribunal has been greatly appreciated.

As to the selection of the members, in 2006 and 2008 respectively, the positions were advertised in the Jersey Evening Post, as follows –

Tribunal Members together hear and determine referrals for reconsideration of rent payable in accordance with the Dwelling Houses (Rent Control) (Jersey) Law, 1946, as amended. There are a maximum of four Members altogether.

The role of a Member of the Rent Control Tribunal is an honorary one and attracts no remuneration.

Applicants are not necessarily expected to be property experts; however an interest in property matters, knowledge of legal procedures and a general business or administrative background would all be helpful.

In addition Tribunal Members should be independent, impartial and confident; possess common sense, integrity and patience; and be able to determine in a just manner the issues coming before the Tribunal.

As a result of these public advertisements, applicants were shortlisted against key selection criteria and informally interviewed. In 2009, it was decided that the members could be reappointed, and confirmation that this was satisfactory sought from the Appointments Commission. This was received. Indeed, the Appointments Commission confirmed that its main concern in situations of re-appointments is that terms in post are not so long as to deprive the organization of talent refreshment, with the upper limit on total term normally being 10 years.

At the time of the next re-appointment of the Tribunal, the abovementioned reviews will be nearing completion, and appropriate action can be taken, whether that be amendment to the existing regulation to extend the term, which is most likely, or reappointment for a further period, having undertaken appropriate procedures and having reported to the House in full.