

## **Submission received from The Jersey Royal Company Limited 28 November 2019**

Dear Connétable Jackson

### **Minimum Standards for rented dwellings: licensing regulations – request for written submission**

I would like to thank you for asking The Jersey Royal Company (JRC) to respond to the above draft proposed regulations.

Firstly, I would like to put forward my company's full support for ensuring that rented accommodation is fit for purpose and meets a minimum standard in terms of basic provisions. However, there are several observations that I would like to make, these being;

1. There is no real clarity as an inspection regime that will be put in place other than the minimum standards will fall into 3 loose categories of health and safety, fire, gas and electrical safety and furnishings. Having a better understating of what constitutes a minimum standard would be useful.
2. In terms of the impact of the proposed regulations; the proposed Annual Licence Fee of £200 per unit and £400 for hostel style accommodation is of significant concern. At peak times of the year JRC employ circa 400 people, many migrant seasonal workers from a range of countries. The majority of those are housed in on-farm accommodation provided by the company, some owned but the majority rented from a third party. The accommodation ranges from farm cottages to purpose-built units, portacabin style units and a former hotel unit where we provide en-suite rooms, food and laundry services. Most units are made available for 2 persons per unit.

JRC provides a total of 120 units of accommodation plus the provision of 60 rooms in the hotel style unit. I would suggest that this accommodation would currently meet a good general standard as we are already audited by several third part organisations on behalf of our retail customers or under Ethical Trading Initiative rules. The cost of these third-party audits is already borne by JRC and amount to several thousands of pounds each year.

In addition, the cost to our company of this new legislation is likely to be between £25,000 and £30,000 per annum.

3. It is important to note that the provision of accommodation to farm workers is a crucial part of attracting a robust workforce for the industry. We are not

providing accommodation on a for-profit basis. Indeed, the amount we can charge for accommodation is determined as part of the minimum wage agreement set by Government. To encourage workers to come to the Island we also discount these charges and the chargeable rates are far lower than what landlords would achieve on the 'open market'. Furthermore, we are not in a position where we are able to as any additional costs related to the accommodation portfolio on.

4. Considering these points, I would respectfully suggest that agricultural accommodation, whilst being part of the inspection scheme is exempt of charges as is the proposed case for social housing where 100% discount can be applied.
  
5. Agriculture is increasingly feeling the burden of new government policies and red tape; Immigration Policy, Migration Policy, Vehicle Inspection schemes, Harbour dues, administration of GST, administration of ITIS, a rapidly increasing minimum wage to name but a few. In a very competitive market place with retail giants competing to provide cheap food to the consumer we are in an increasingly difficult position where our returns are static, but our costs are increasing. Whilst of course this is a burden that we must take as a business, the increasing pressure from Government is difficult to bear not just in terms of cost but the administrative burden too particularly in the current absence of a promised productivity plan to support the industry

I hope that these comments are useful.

Yours sincerely