

Submission from Lori-Ann Foley 14 January 2020

Good morning everyone

I have just read about the scrutiny panel taking place to discuss the planned registration of rental properties and wondered if the attached letter which appeared in the JEP has been formally placed before the panel or if the panel were aware of it? It sums up the feelings of many people and expresses many of the concerns quite clearly.

I agree that while this is being done with the best of intentions, increased red tape and fees risks either driving up rents or driving the responsible private landlords out of the market, leaving rental companies as the sole providers of privately rented accommodation, companies who often don't have the same personal connection with tenants that private landlords do.

With kind regards

Lori-Ann Foley



Unintended consequences

● From Richard Henwood.

MUCH has been claimed by those championing the introduction of a rental registration scheme. However, little analysis has been made of the likely knock-on effects this new tax would create.

Just as the introduction of the employment contract legislation unexpectedly spawned the zero-hour contract, often leaving those it was intended to protect in a worse situation than before, so the rental registration scheme is likely to have a significant impact on the many contented tenants who are paying a reasonable rent for reasonable accommodation.

There are two types of landlord in the Island. The professional property owner who invests in housing as a purely commercial activity. The new tax will have little effect on them; they will already be charging 'top dollar' and will merely add the extra cost to the rent.

However, there are also an enormous number of what one might call amateur landlords. People who have inherited property or invested their savings in a house and who, rather than charging as much as the market will bear, charge a fair or even a low rent, it is the tenants of these properties who will be most heavily impacted by the new tax.

Some of these landlords will absorb the extra costs, others will pass it on to the tenant. But many of these, often older landlords, won't want the hassle of the new bureaucracy and will pass their property over to letting agents, and the letting agent will tell them that their rent is too low and so the rents will rise.

And, of course, their other option, and one that I understand is already happening, is that they will simply sell up, which is good news for those looking to buy, but reduces the pool of rental property available and consequently has a further inflationary effect on rents.

Some politicians and sections of the media seem to portray landlords as pantomime villains. Although there are undoubtedly some unscrupulous individuals, the vast majority are conscientious people rather than the ogres portrayed.

The introduction of the proposed regulations will undoubtedly reduce the number of properties available to let, and along with the increased costs will inevitably cause rents to rise. For tenants at the top of the market the increase will be slight, but for those in good basic accommodation it could be calamitous.

It is said that the road to hell is paved with good intentions, and while the aim of eradicating substandard accommodation is indeed good, the proposed heavy-handed and bureaucratic approach is likely to have farther reaching and detrimental consequences for the average Islander than was ever intended.

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■ 'It is said that the road to hell is paved with good intentions...'