

Union Street | St Helier | Jersey | JE2 3DN

Deputy Hilary Jeune,
Chair, Environment, Housing & Infrastructure Scrutiny Panel

13 June 2025

Dear Chair,

Re: Follow up to 9 June 2025 - Environment, Housing and Infrastructure Panel - Public Hearing - Draft Residential Tenancy Jersey Amendment Law 202-

Further to the 9 June public hearing, I wanted to offer additional context and clarification on some of the matters arising from that hearing and, more widely, from the review of the Draft Residential Tenancy (Jersey) Amendment Law 202- ("Draft Amendment Law").

Introductory concessionary rents

The Scrutiny Panel referred to a submission of a sub-committee of the Jersey Law Society (JLS) that stated, "*it must also be accommodated that if a concessionary or introductory rent is agreed for an initial period (e.g. a reduced rent for 3 or 6 months) the ability to increase the rent after expiry of such initial period must not be constrained by the 5% cap*".

The Scrutiny Panel asked if the 5% cap would be a barrier to landlords to applying this sort of discount.

We answered that we did not believe the 5% would be a barrier but caveated that we needed to confirm this understanding with law officers.

Having now conferred with LOD, I can confirm that if a landlord offers a discount on the full amount of rent for a certain duration (e.g., 3 months or 6 months), with the rent subsequently increasing to the full amount on expiry of the discounted period, there is nothing in the Draft Amendment Law to constrain this scenario; the increase in rent payable from the discounted amount to the standard amount **would not** be subject to rent increase restrictions under Articles 7A(2) and 7A(3). To explain:

- The scenario described by the JLS would have been "set" (agreed definitively) by the parties at the outset of the agreement.
- The rent increase restrictions are intended to control increases above what has been "last set" or "increased", and in so doing protect tenants from rent increases that have not been agreed.
- Because, in this scenario, the parties have set a rent that is comprised of an initial discounted period followed by a standard rent period thereafter, after the discount period ends and the rent payable increases, this would still be in accordance with the contractual rent level set at the outset and therefore not in scope of the rent increase restrictions.

However, and for the avoidance of doubt, in the scenario above, if the discounted level had been agreed by the parties, and a landlord attempted to withdraw the discounted amount and instead apply the standard rent in the first period, or sought to increase the standard rent in the latter period, this breach of the agreement would not be allowed under 7A(2) and potentially 7A(3).

Article 9(1) of the Draft Amendment Law and withdrawal of a Rented Dwellings Licence

During the public hearing you asked if the revocation of a rented dwellings licence under the Public Health and Safety (Rented Dwellings) (Jersey) Law 2018 would be captured automatically under Article 9(1) of the Draft Amendment Law - where an “authorised person” as defined by the Draft Law decides that something has caused a residential unit to become uninhabitable.

I would like to offer some correction and clarification around this particular matter. The withdrawal of a rented dwellings licence would not automatically be captured under Article 9(1), as there could be other reasons why a licence has been withdrawn or not re-issued. This means that a landlord could not **automatically** end a tenancy under Article 6G(2)(h) of the Draft Amendment Law, but it may be the case that an authorised person as defined by the law can designate a rental unit as uninhabitable for the purposes of the Law, and this *may* correspond simultaneously to the withdrawal of a Rented Dwelling Licence. Both Laws carry a high threshold in terms of premises uninhabitable, presenting an imminent risk to health, hence it is likely that if a licence has been withdrawn for this reason, there is a *probability* that the threshold would be met for notice under Article 6G(2)(h).

This is a position supported by the Regulation directorate and, of course, means that in the case of an issue with the licence that does not amount to rendering the property uninhabitable, then the tenant would not find themselves with an automatic ending of their tenancy. It would be an offence under the Public Health and Safety (Rented Dwellings) (Licensing) (Jersey) Regulations 2023 for the landlord to continue to rent the dwelling, and Regulation officers would look to work with both the landlord and tenant to find an appropriate resolution, irrespective of whether notice had been served to end the tenancy. It is anticipated by Regulation officers that these situations will be very rare and there would be a high level of support available to the affected parties.

I trust that this additional information and clarification will be of assistance as the Panel completes its review of the Draft Amendment Law.

Yours sincerely,



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