

Review: P.24/2025 - Draft Residential Tenancy (Jersey) Amendment Law 202-

Submission: Jo Banks

Dated: 18 May 2025

**My thoughts / comments / concerns on the
Draft Residential Tenancy (Jersey) Amendment Law 2025**

Thank you for 'looking into' these proposals.

I am a private landlord.

The proposals are apparently meant to improve arrangements for tenants and landlords but are very biased towards the tenant.

Please as part of your review:

- List the improvements for landlords as I cannot find any, which could not be provided within a lease.
- Consider whether this new law is necessary. Where is the evidence to support it and please remember there are always two sides to every story.
- Remember that landlord's do not evict tenants. They have to apply to the Court and the Magistrate decides whether there is good enough reason for a tenant to be evicted.
- Remember that a tenant can take their landlord to court within the existing laws, we do not need new laws. Speak to those at the Magistrates Court.
- Investigate the impact of these proposals in the UK and elsewhere. "The wise man learns from the mistakes of others." - Otto von Bismarck.
- Remember that most landlords are good landlords. These across-the-board proposals will have a negative impact on all landlords, the vast majority of whom have been looking after their tenants for a very long time and for whom these proposals are not necessary.

Open-ended tenancies

Landlords can only end a tenancy for valid reasons which are listed.

What if a landlord has a valid reason, such as the breakdown of the tenant/landlord or tenant/other tenant relationship, which is not on the current list?

Think of this in relation to a marriage/civil partnership. Three years (the proposed maximum for an initial fixed term tenancy) is still the honeymoon period. Think how many relationships break up after 3 yrs. You could have a tenant living in your house or sharing your staircase, yard, parking areas, garden, etc as is often the case with old farm redevelopments where outbuildings have been converted and the landlord and several tenants share certain

facilities; they live as a community. If a marriage/civil partnership breaks down either party can get a divorce and can escape the unwanted relationship, but a landlord/other tenant would have no escape and might have to endure an unwanted relationship indefinitely. No one whether they are a landlord or another tenant should be put in this position. It is not right and that's why there is provision within the law for a person to get divorced. There will be other valid reasons which until they happen will be unknown and as such will not be on the list.

Under the new proposals where a landlord does have a reason, on the list, to end the tenancy such as deciding to sell the property the tenant will have significantly reduced security than under a fixed term tenancy prior to these proposals as the tenant would be able to stay in their home until the end of the fixed term whereas under the new proposals, once the tenancy has rolled into an open-ended tenancy, the landlord could give 3/6 months' notice depending on the tenant's length of occupation. (Giving with one hand and taking with the other.)

What is wrong with a fixed term tenancy where landlords and tenants are free to reach voluntary agreements at the outset of a tenancy, which would include the term of the tenancy? Situations in life change. This applies as much to landlords as it does to tenants. The proposal for open-ended tenancies gives the tenant complete freedom (other than a one month notice period) to adapt to changing situations, yet the landlord only has rights if their change in situation is on the list. This is not fair.

The **proposed notice periods** for ending a tenancy are usually the landlord gives the tenant 3/6 months' notice and the tenant only has to give the landlord 1 month's notice.

When there is a change of tenant in a property there is often considerable work to be done to return the property to a high standard for new tenants. This is especially the case if the same tenants have been living in the property for a long period of time possibly with children and pets as there is likely to be much wear & tear.

If a tenant only has to give 1 month's notice, the landlord will have insufficient time to: assess what needs to be done, source tradesmen to carry out the necessary work who will often not be able to do it within a few weeks and definitely not within a month, then get the work completed before the property is available to be viewed by any prospective new tenants. I have had situations where agents have recommended only advertising and showing prospective new tenants once the property has been returned to its original standard.

These proposals will result in much longer periods of the property being unlet in between tenancies through no fault of the landlord. There will always be a void on changing tenants, but 1 month's notice will make the unlet period much longer. The tenant should have to give the same notice as the landlord – 3 months. Also, how will landlords plan for more major works to be carried out. These are usually done at the end of a fixed term tenancy so tradesmen can be booked in well in advance.

Rent Controls

It is proposed that rent increases are capped at the Jersey RPI (Retail Prices Index) with a maximum cap of 5%, even if RPI is higher.

We are all aware that there are periods when increases in RPI will exceed 5%. Why do these proposals presume that landlords do not suffer the same consequences from increases in the RPI in the same way as tenants? We all have to live and pay our bills which for the landlord often include mortgages but landlords in addition have to maintain and insure not only the property they live in but also that of their tenants. This is one of the reasons why tenants pay rent. It is to cover the maintenance and insurance of the property that they are living in. It is well known that maintenance/building costs as well as property insurance costs have soared and exceeded (quite considerably) the increase in RPI in recent years. There are also increasing demands to provide higher quality accommodation. How are landlords going to pay for all this if their rent is capped at 5% when the increase in the RPI exceeds 5%?

If a cap on rent increases is made law most landlords, who previously would not have increased their rent either every year or by the full increase in the RPI, will now increase by the maximum allowed every year and who can blame them as it will be in an attempt to mitigate the loss when the increase in RPI is greater than 5%. The unintended consequence is that many tenants, when the increase in RPI is less than 5%, will actually be paying more rent under the new proposals. This is not my opinion, it is a fact.

Permitted Exceptions to the 5% Cap

Landlords can exceed the cap only if:

1. They've made capital improvements to benefit the tenant (e.g., new kitchen or insulation).
2. The rent is significantly below market value.

Both are highly subjective! In relation to point 2:

What is significant and how can somebody who is sitting in an office decide on the market value? It will be totally misleading to use information from the licence application forms as how can that information include; the location/setting of the property, is it convenient for schools, how private is it, how quiet is the setting, what is the outlook or view from the property, is it an attractive property, has it been maintained to a high standard, the size of the garden, is the garden low maintenance, are tenants able to grow their own vegetables, is there outside storage, is there a garage, is it a large garage, is there additional useable space that could be used for an office or play room, the list is endless! To obtain a fair market value would necessitate estate agent/property management expertise and would involve visiting and inspecting the property which would involve considerable expense.

Increased powers for the Housing Minister

The proposals include the ability for the current or future Housing Minister to make new laws relating to landlords and tenants by ministerial order without recourse to the States Assembly. No single person should have the power to make new laws as too much depends on the character and agenda of that person. This proposal is frightening!

Please do not give one person even more power; it goes against the principles of democracy.

Closing comments

I do not believe that these proposals are necessary and it is obvious that most have not been fully thought through. The vast majority of landlords are good landlords. Where is the evidence that these controls are needed? Please look at the outcome of these sorts of proposals elsewhere.

These proposals, if accepted will encourage more landlords to leave the market. Again, not my opinion, a fact. The current Housing Minister believes that if rented properties are sold this will not be a negative outcome as those properties will be available for purchase and will result in additional home ownership. The latter is true but I believe that these proposals are meant to protect all tenants, including the most vulnerable people in our society. These people will not benefit from the sale of currently rented properties as they are highly unlikely to be able to afford to buy these properties and once the properties are sold where will they live?

Thank you for taking the time to read and consider the above.