

Environment, Housing and Infrastructure Scrutiny Panel

Residential Tenancy Law Review

Witness: Jersey Estate Agents' Association

Tuesday, 20th May 2025

Panel:

Deputy H.L. Jeune of St. John, St. Lawrence and Trinity (Chair)

Deputy T.A. Coles of St. Helier South (Vice-Chair)

Deputy A.F. Curtis of St. Clement

Connétable D. Johnson of St. Mary

Deputy D.J. Warr of St. Helier South

Witnesses:

Mr. J. Quemard, President, Jersey Estate Agents' Association

Ms. J. Huelin, Committee Member 1, Jersey Estate Agents' Association

Ms. Z. Mayo, Committee Member 2, Jersey Estate Agents' Association

Ms. G. Hunt, Director, Hunt Estates

[14:03]

Deputy H.L. Jeune of St. John, St. Lawrence and Trinity (Chair):

Thank you. So welcome to this public hearing of the Environment, Housing and Infrastructure Scrutiny Panel. Today is 20th May 2025 and this hearing is with the Jersey Estate Agents' Association that has been called as part of the panel's ongoing review of the Draft Residential Tenancy (Jersey) Amendment Law. Today's hearing is the first of 3 that the panel will be holding with key stakeholder organisations. We are going to be recording today - it is not live - but it is going to be recorded and transcribed and be published afterwards on the States Assembly website. Because of that I would like to ask if you could switch off any devices, mobile phones, computers,

et cetera, which I look at mine and realise I probably could be a culprit. We have opened this to members of the public - and who have joined in the room today - please do not interfere with the proceedings and as soon as the hearing is closed, please leave quietly. First of all, I think we should have some introductions. We will introduce first and then I would like to pass over to you. My name is Deputy Hilary Jeune and I am the Chair of the Scrutiny Panel.

Deputy T.A. Coles of St. Helier South (Vice-Chair):

Deputy Tom Coles, Vice Chair.

Connétable D. Johnson of St. Mary:

Constable David Johnson, panel member.

Deputy A.F. Curtis of St. Clement:

Deputy Alex Curtis, panel member.

President, Jersey Estate Agents' Association:

John Quemard, President of the Jersey Estate Agents' Association.

Director, Hunt Estates:

Gill Hunt from Hunt Estates. I am also the representative in Jersey for the National Association of Estate Agents as well as on the Jersey Estate Agents' Association.

Committee Member 1, Jersey Estate Agents' Association:

Jo Huelin from Huelin Homes.

Committee Member 2, Jersey Estate Agents' Association:

Zoe Mayo from Hunt Estates but also a committee member of the J.E.A.A. (Jersey Estate Agents' Association).

Deputy H.L. Jeune:

Well, thank you very much. Before we begin, we have got lots of questions, and I am sure you have as well on your side; thank you very much for your submission to us earlier. I would like to remind you, as I have said before, that this review is for the changes to the Residential Tenancy Law that the Minister for Housing has lodged some amendments to that law. It is part of the Council of Ministers' delivery of their Common Strategic Policy which had a commitment in it, the Common Strategic Policy document, to improve arrangements for tenants and landlords. What we are doing as a panel is we are reviewing whether these amendments are fit for purpose, achieve the stated goal of improving arrangements - so as I said, improving those arrangements for tenants and

landlords from the Common Strategic Policy - and whether there are any unintended consequences which could arise from the implementation of the amendments. That is why we are gathering input from a number of stakeholders, both written submissions, and we have also had a tenants' survey online that we have encouraged those tenants to put in information as well. As I said before, we have got a number of stakeholder hearings like yourselves to go a bit more in depth with submissions. Once we have closed that evidence, we will be with an adviser. We have allocated an adviser to help us with looking at all the submissions and the adviser will send us a report. With that, we will write a report that goes to the States Assembly so States Members, when they will be looking at the amendments the Minister for Housing has put forward and deciding whether they will support it or not, they use our document as a balance, having gone through all those points I said of what our aim is of the review, they will look at that as well. Our report will say whether we support the Minister or whether we support but with amendments or we do not support. There are many areas we do not know yet because we are still very much in that gathering evidence space. As you know, so far it is on the agenda for 8th July. We have got lots of questions for you. I have been asked to drive the questions for my panel but they will be jumping in, though it is a bit structured, we obviously would like this to be also a conversation as well. So feel free also of course for all of you to input where you would like. We have got some questions really to explore from your submission to clarify some points. Maybe I could start with if you could tell us more about what feedback you have been hearing from your members that has informed the concerns and position set out in your submission.

President, Jersey Estate Agents' Association:

Well we have consulted with a number of members and we have consulted with clients that this proposal would affect. The underlying theme really was that the Residential Tenancy Law was implemented and made huge improvements at the time, both for landlords and tenants, raising the standards, making sure electrical checks and all ... then there was a redress scheme through Environmental Health if there was a discrepancy or if there was something that they could not agree on, there was a go-to procedure which then the matter could get resolved. There seemed to be sufficient procedures in place to satisfy the Tenancy Law as it was. Then there are the added concerns of perhaps giving longer notice periods to tenants that have been in a property for a long period of time and that was considered perhaps to be reasonable. If someone has been a tenant for 10 years-plus or something like that, should they just be given the normal notice period of someone that has just been there a year? That was not opposed, really, by people that we spoke to but just having guidance. Because we feel, with the Residential Tenancy Law coming into play, and your deposit being protected in a custodial government scheme, that landlords are now willing to comply if there is clear guidance in place. It does not necessarily mean that we have to have specific laws introduced which, as we will go on to talk about, could have a detrimental effect in the

market, so everyone that we spoke to seemed to think that guidance from the Government would be a good idea and that landlords and tenants would comply with that guidance.

Deputy H.L. Jeune:

I think on this, I suppose the question is really, when we understand we can go into specifics on some of the amendments, it would be really interesting to know, and something I guess you have already alluded to, is that obviously these are amendments to specific areas of the 2011 law. Because the principles behind that is what we believe the Minister is trying to do, is reflect more equal balance of power between tenants and landlords with the common strategic priorities where they talk about that balancing priorities between tenants and landlords. Do you believe that that principle is the correct principle to start with going towards these amendments? Do you agree with the overall position that the principle is the right principle the Minister is taking, before even going into what then should the amendments do, rectify whatever needs to be rectified, I think is what I am trying to say.

Director, Hunt Estates:

I think the key is the balance for landlords and tenants. Obviously the Council have committed to making improvements for both tenants and landlords. I think the new proposals are pretty much weighted more for tenants. It is not to say that tenants' voices should not be heard and it should be combed through, we agree with that, but I also think that the free rental market should be allowed to run freely, the private rental sector, the States-rented sector. Obviously one can do whatever one wants with that, it is the States area. Yes, we feel as though in principle there is no reason why things should not be looked at but combing through it now, obviously we can discuss that.

The Connétable of St. Mary:

I was just going to ask a question. John earlier on said your consultation process referred to clients, are tenants regarded as clients in that capacity when having that interchange with the tenants?

President, Jersey Estate Agents' Association:

Absolutely, tenants and landlords are clients. I think everybody wants to do the right thing now. The bogus landlords are really a thing of the past now because the Residential Tenancy Law has made them comply, so the bad apple has gone really because by law they have to comply through the Residential Tenancy Law. It is just ironing out the best practice, really, and the best practice for safeguarding long-term tenants. Deputy Mézec has got some good intentions. I think there are landlords that would agree with those good intentions but it is how far do you take it, does it have to be law?

Deputy H.L. Jeune:

Yes, and I suppose that is when you are saying in your submission that you were calling them "complex" and that could have a chilling effect on the market. Have you got specific examples for that?

[14:15]

Because of course we have got the other side of saying that we are hearing from tenants, or the Minister as well is saying that he hears from tenants, that this more levelling playing field that he is driving for through the principles are not ... he is hearing that it is not yet there, the law has not quite got there in the 2011 law. From the other side of making these amendments go the other way - as you say, complex and could have a chilling effect - is there evidence? Do you have evidence on that side?

Director, Hunt Estates:

I think we as well were raising the point that, again, perhaps the Minister is hearing things but can we read through some data? Has there been a survey done among these people or is it just people stopping in the street and saying these things? That would be another level of checking before an amendment is made to the law. We have leases when we are dealing with tenants and landlords. The leases are a legally drawn-up document and they cover almost every single eventuality should something go wrong with the tenancy, where the recourse is, the deposit scheme now. We have all been trained on that and we let tenants and landlords know their responsibilities. I think landlords are now registered, are they not, as well? Well, they definitely are, so there are those types of things. Also, the areas of notice period, that is one of the areas I guess we can speak into, how should the notice periods work either way and what is the cause and effect of a notice period being ended shortly or terminated shortly? If 2 people agree to terminate a lease then that is fine in law, it can be dissolved. So there are lots of areas to drill down really and if these - what is it called? the Trading Standards, they have now got teeth in law, so perhaps maybe their law could be looked at a little bit more. Would it be that department that would then be set up or is it another body, a different body again? I know I have read that they are hoping to make it up of 4 fully-informed people and a set amount of £130,000 a year to administer that. I would like to know more about that, really. I think a couple of bullet points on that I suppose to: will they have the capacity if there are lots of complaints or not or what do they envisage, those type of questions.

Deputy T.A. Coles:

So we have mentioned about the power and balance between the tenants and landlord and then we mentioned about the tenancy agreements with law-abiding contracts. Now as the law currently states, a landlord can give notice to ask a tenant to leave the property with a "no reason". This is one of the aspects where that power and balance might come in, that a landlord can end a tenancy

for no reason whatsoever and, regardless of whether that is in a one-year or 3-year tenancy agreement, it could just get to a point that the landlord says: "I need my property back." No reason, off it goes.

Director, Hunt Estates:

If they are in a 3-year tenancy agreement and the landlord says: "I want it back" the tenant has the right to say: "I am sorry, I have got a signed agreement with you."

Deputy T.A. Coles:

No, but this is where I was going in with that, obviously that would then come into an eviction notice so they would have to go the Magistrate's and request an eviction notice because they would like their property back. The risk is then for the Magistrate's Court - sorry, Petty Debts Court - could then state: "Okay, do you know what? Absolutely, that is fine, you can have your property back" depending on who ...

President, Jersey Estate Agents' Association:

Are you talking about within a lease though?

Deputy T.A. Coles:

Within a lease agreement.

President, Jersey Estate Agents' Association:

Within a lease. A lease is a legal contract.

Director, Hunt Estates:

They cannot do that.

President, Jersey Estate Agents' Association:

You cannot do that. You would have to compensate the tenant and buy them out of the lease if you wanted to terminate their lease early. So, if I was in a rented property and I have got another 2 years remaining, the landlord cannot do anything.

Deputy T.A. Coles:

No. Okay.

President, Jersey Estate Agents' Association:

So maybe 2 or 3 months before the end of the lease the landlord can say: "I am not renewing your lease", whatever, but if you are in a lease, that is a legal contract which the tenant has to honour and the landlord has to honour.

Deputy T.A. Coles:

So on that, which is very good to know - and again part of the reason why I was collecting evidence - but at the end of that tenancy agreement, what is the notification period that a tenancy is not going to be renewed?

President, Jersey Estate Agents' Association:

So in most leases it could be 2 or 3 months prior to the end of the lease you must notify your intention to either wish to renew or that you will be leaving at the end of that.

Deputy T.A. Coles:

Is that written in law that there is ... because obviously you said 2 or 3 months, so is there anything in law that says you do not have to give anybody notice, you could give them a week's notice that: "Your tenancy ends on the ..."?

Committee Member 1, Jersey Estate Agents' Association:

We also would not mind if that was put in law, that is not a bad thing to have. It is positive and it is to protect the tenant but that is not in place at the moment.

Deputy T.A. Coles:

Yes. So there is no contract, there is no legal requirement to provide a provisional notice?

Committee Member 1, Jersey Estate Agents' Association:

No.

Deputy T.A. Coles:

Because, again, part of what this panel is doing, it could consider different amendments to the legislation. So if it comes back more that ...

President, Jersey Estate Agents' Association:

It is a bit of a grey area.

Committee Member 2, Jersey Estate Agents' Association:

It is something we would all advise landlords is that: "Coming towards the end of your lease, we would recommend you discuss with your tenant X amount of time beforehand whether you are going to extend or not" but, again, yes, it is not law.

Deputy T.A. Coles:

Yes. Would the same then reflect to the tenants as well? Say you have got a landlord who has got 50 properties, it might not be on it with exactly the termination date of every single lease but they have decided: "I do not want to renew. My contract ends on 1st June, so, fine, I will move out by 1st June, I will post the keys back and walk on."

Director, Hunt Estates:

It does not really happen in principle, I can tell you that. Because if you are a landlord and you want to continue, you want your properties full, and there is a default in law, it is a periodic tenancy, so then you can rollover there. You might want to look at the periodic tenancy because that is weighted for the tenant, not for the landlord, so there is a balance. People can agree after the end of a 3-year lease between them and say: "Oh well, we will agree another year" and then they can make an amendment to the lease. If it rolls into periodic tenancy it is clear in the lease what will happen if neither party contact each other. It is quite clear, so those periodic tenancies could be looked at.

Deputy T.A. Coles:

But that is it, it is in that. So, you as an organisation probably have a fairly standardised lease that you work with all your members but again thinking of those individuals who may not engage with professional services.

Director, Hunt Estates:

Well if they do exist, those landlords maybe, yes, need to have a look at that. You might want to have a look at your States standard tenancy.

President, Jersey Estate Agents' Association:

Exactly, yes, there is one on the website.

Director, Hunt Estates:

Because there is one online.

The Connétable of St. Mary:

Yes, it is going to be amended shortly. Yes, sorry, 2 quick questions. You mentioned earlier on a fixed-term lease that the lease ended at the end of 3 years, whatever, in practical terms would a

landlord not still require to have the option of giving a notice period during that 3 years with a corresponding one for the tenant to ...

President, Jersey Estate Agents' Association:

Yes, we do that automatically anyway. We would not just wait till the termination day and say: "Are you leaving today or are you staying?" In advance we would always pre-empt ...

The Connétable of St. Mary:

Sorry, that is not what I meant. If you have a 3-year lease ...

President, Jersey Estate Agents' Association:

At the moment, yes.

The Connétable of St. Mary:

If they are built into most agreements, there is still provision for either a landlord or tenant to give notice, whatever it is, despite that 3 years? Because the tenant will want to hold themselves up for 3 years, you might not ...

Committee Member 1, Jersey Estate Agents' Association:

A lot of it is up for negotiation at the start of the lease. We negotiate what either party wants and we agree it incrementally.

The Connétable of St. Mary:

But then again, what is normal practice? I assume it is normal practice to have ...

Committee Member 1, Jersey Estate Agents' Association:

We would normally do a year's tenancy fixed but again it is negotiable. Some tenants want longer and we agree to that.

Director, Hunt Estates:

Similarly, a tenant might not want to stay long and they know they have got that year or 3 years and they think: "Right, that is my time" and they might, you know?

President, Jersey Estate Agents' Association:

Yes. I am similar to Jo because the tenant and the landlord do not know each other. They are strangers when they first meet, so you do not know how the relationship is going to progress. If you sign into a 3-year lease and you think: "Oh, my goodness ...", so we always encourage a year and

then if both parties get on and everything is fine, towards the end of that year you can negotiate a longer term. That is what we recommend because you do not ...

The Connétable of St. Mary:

I accept that. I also accept the other comments made before that landlords want a tenant all the time, so they would be foolish if they did not make contact before the end. Similarly, a tenant will want certainty, so that could be built into the standard agreement as well, but that is not for now.

President, Jersey Estate Agents' Association:

Absolutely.

Deputy A.F. Curtis:

Just while we were on that about what you are seeing is happening in the market, Gill, you mentioned obviously the default position that a fixed-term tenancy rolls into a periodic under the current law. Joanne, you mentioned that the typical you say is a one year. What would you say is typical with leases that are not longer term but longer term landlord/tenant relationships? Are you seeing typical one-year renewals? Do you see movements to longer-term leases like a 2 year or is there something between ... within the market just what are you seeing with regards to those longer-term relationships which may be composed of regular renewals or movement to periodic? It would just be useful for us to understand what the market feels like from your side: are they mostly periodic, are they mostly fixed term, one year, or ...

Committee Member 2, Jersey Estate Agents' Association:

I would say they are not periodic. Fixed term; only a year.

Deputy A.F. Curtis:

No, most people do not ...

Committee Member 1, Jersey Estate Agents' Association:

I will always check in on landlords close to the time ... I keep a record of all of our landlords of their tenancy dates that we have agreed for them. Say, 3, 4 months in advance of that, I will reach out to them and say: "How are your tenants getting on? Have you decided to renew? Would you like us to find you a new tenant?" They will come back and say: "We have renewed for a further year" and they agree that between themselves under the same terms of the lease that we have set up for them. They are essentially doing an addendum to the original lease that we have done.

President, Jersey Estate Agents' Association:

I suppose it depends on the property as well because if it is a one bed, you probably have a higher turnover of tenant because baby comes along or you want a two bed. So one beds tend to your 12 months and they may leave, whereas a 2 bed or a 3 bed, your initial term ends and they want to continue because they want to settle in that area, so sometimes it can depend on the property.

Deputy A.F. Curtis:

Do you see many requests for periodic tenancies from either side coming through? Most people ...

President, Jersey Estate Agents' Association:

No.

Director, Hunt Estates:

Most of them want security of tenure either side. They want to know where they are with each other.

President, Jersey Estate Agents' Association:

Yes, both tenant and landlord.

Director, Hunt Estates:

But we do find that landlords are very reasonable. If someone says: "Look, I am looking to buy a house, I really do not want to fix for 6 months but can I give you like a month or 6 weeks' notice or whatever once I have found a house?" and most landlords say: "Yes, that is fine. Maybe we can do a couple of viewings a couple of weeks before the end" and they work it between them. They do not have to be told exactly.

Deputy H.L. Jeune:

You were saying that you contact landlords ahead of the time to try to encourage them to give ...

Director, Hunt Estates:

A bit of notice.

Deputy H.L. Jeune:

... that notice because of course that feels like a good practice rather than up to the end to do that.

Committee Member 2, Jersey Estate Agents' Association:

It is not a law but we choose to do that, yes.

Deputy H.L. Jeune:

Is that normal practice or do you see that there are differences?

President, Jersey Estate Agents' Association:

Yes, absolutely. Not just as agents, I think your conscientious landlord would do that anyway.

Director, Hunt Estates:

A tenant would probably ring up and say: "Can I stay? I want to renew."

President, Jersey Estate Agents' Association:

Yes, yes. So it is an automatic ...

Committee Member 1, Jersey Estate Agents' Association:

We struggle to get an answer from the tenant rather than the landlord. The landlord knows pretty much straight away whether they are going to renew or not, but it is the tenant that we get messed around with sometimes. They leave it till the last minute and then they leave, because they are entitled to, and the landlord then has loss of rent because it is not getting let for a few months.

Deputy H.L. Jeune:

No, that is really interesting.

Deputy A.F. Curtis:

I think Deputy Warr has got ...

Deputy D.J. Warr of St. Helier South:

Yes, first of all, apologies for being late; my humble apologies. Just around the law, and obviously we write all this legislation, it is really interesting to hear you talk about how different one bed, 2 bed, 3 bed, and that idea of a family requiring more stability, maybe the one bed is more churn. What flexibility have you put into the law? Is the law flexible enough to reflect that as it stands at the moment, do you feel?

President, Jersey Estate Agents' Association:

Well that is what we were saying at the outset, David, that there are certain parts of the law that could be improved which we would not object to, but it is whether or not it has to be enforced as law rather than guidance. Because, as we said at the outset, I cannot think of any landlord that I deal with that would not comply with guidance. Since the residential law was introduced, okay, at that time they were forced into having to comply, but now all those policies and procedures are in place, a few little adjustments and refinements, I think you will find that everyone will be obliging and comply with it.

Deputy H.L. Jeune:

I suppose carrying on from that, it is interesting you were saying about the different properties, whether it would probably fit into a fixed term or having that more periodic tenancy, of course, the amendments are basically making that more clear, that you could have a fixed term up to 3 years and then rolling on into periodic tenancies. There are these lists of grounds for when you break that and we were just wanting to know if you think that that is wide enough. Of course you have obviously heard many reasons why a landlord would want to not renew a particular lease because, as you have said, most landlords want to just continue and have a property filled all the time.

[14:30]

Do you believe that the amendments and proposal for the list of reasons for giving notice is sufficient for that or are there things that have been missed? That is quite a clear indication of being able to, as the Minister I think is trying to do, do periodic tenancies for that, more stability for tenants, but at the same time giving the landlords that list to be able to say: "Okay, well we want to now stop this lease but under these particular terms." We are trying to work out if those terms are wide enough to be able to have that flexibility that landlords are calling for.

President, Jersey Estate Agents' Association:

One thing I noticed in the property market comments was that the periodic tenancies can have a negative impact on the tenant because they lose their security. So, some tenants are comforted in the fact that they have a fixed term or longevity ahead of them, whereas a periodic tenancy could not afford them that so, yes, you are going to have 2 sides of the fence here. You are going to have those that will be in favour of it and you will have those tenants that would prefer to have more security.

Deputy A.F. Curtis:

Could I perhaps, Gill, understand that a bit more because this is going back to you mentioned some would want more stability, and so a family home might be rented for 2 years, for example. Would it be unlikely then to see clauses allowing a landlord to break early, such as sale or change of use? Because I presume what you are suggesting is right now if a tenant wants 2 years of complete certainty and the landlord is happy to give that, if they both contractually sign up that there is no clause in which the landlord would typically be able to break that and give the tenant ... but under this the landlord could?

President, Jersey Estate Agents' Association:

Yes. Circumstances change and in leases, from a tenant's point of view, you can have an assignment of lease where circumstances have changed, they have got to leave the Island or they

have got to go, whatever, and there is a clause which allows them to break that legal contract. From a landlord's point of view, if you have got a tenant that is in a 2-year lease and you now want to sell your property because you need to release some funds, then you would appoint the agent to sell that property as an investment with a sitting tenant, so the tenancy is still secure while the landlord is trying to sell.

Deputy A.F. Curtis:

So now the difference here would be that a landlord could choose to serve notice within 3 or 6 months regardless of how long obviously the tenant would have liked to have stayed there. They would be able to then sell it as a going home for purchaser, not with a legal contract that they would have to retain a tenant on the purchase? Does that make sense?

Director, Hunt Estates:

Most leases have your heirs and successors at the top, so that lease would still stand. A landlord would not just be able to sell a house in month 3 of a 2-year one and then say: "Off you pop, tenant, sorry, we are done." The tenant has rights to stay there.

Deputy A.F. Curtis:

So this is where you see that there is a lot of tenant right by changing to periodics?

Director, Hunt Estates:

Yes, the tenants can stay for the period of which they sign with the landlord and they will then negotiate if they want to stay on longer or not. Or landlords and tenants, they only have to speak to the landlord and say: "We have really had a change in circumstance, can we do something? What can be done?" There are different methodologies that they can do like assign the lease. We have it in all our clauses that they can assign that lease as long as that person is deemed to have had the checks and they can pay the rent and take over.

President, Jersey Estate Agents' Association:

I think there are different aspects of people's lives which this will affect and every circumstance is different. In our job you do not get a pat on the back from your client saying: "Well done, you have been managing my property for 3 years and there has never been an issue, and I just wanted to say thank you." You never hear that. All you hear are the things when they go wrong. I think that is the same with Deputy Mézec's feedback, is he is hearing from people when things have gone wrong, not from people when things are going well, so you get a little bit of a distorted view on things, so it can strike a little imbalance there. He might be receiving feedback from people that have got a grievance with their landlord, something has not happened, so you are getting all the negatives, you are not hearing any positives, so your data that you are collecting is a little bit one-sided.

The Connétable of St. Mary:

Just to get back to Alex's question or what I think is behind it, is you are saying in fact that a tenant could be worse off under the new provisions if he was given a 2-year tenancy because the new law does not override the tenancy agreement or want to make sure it does.

President, Jersey Estate Agents' Association:

That is right. Yes, as I said before, everyone's circumstances are different but we have got landlords, they are there to rent their properties and they have got multiple properties and they are there for the letting market, okay? Then we have got other landlords where you do not really know, maybe they will have to sell, and so you have got 2 different types of landlord, really. You have got a landlord that is purely there, that is what they do, that is their bread and butter. They buy properties, they rent them out, that is their business model and it is never going to change. If you have got a tenant in one of those landlord's properties where all they want is a tenant, you sign a 3-year lease, then it comes to an and, but that landlord wants another 3-year lease, that tenant wants another 3-year lease because they are happy living there. Well that is not going to be offered under the new proposals, it will be 3 years then periodic, so it does not really help the landlord and it does not help the tenant because the tenant wants security living in that home now, which they value as their home. The landlord wants that tenant to stay, so there are different ...

The Connétable of St. Mary:

Whereas before a tenant of a 3-year lease could sit it out if the landlord wanted to sell, under the new law you are saying that that is ground to get rid of the tenants because the landlord could sell with vacant possession, so the tenant is disadvantaged. That is what I am trying to get at.

President, Jersey Estate Agents' Association:

That is right; that is it.

Director, Hunt Estates:

I think most things are done by negotiation depending on when a situation arises.

Deputy H.L. Jeune:

It is really interesting you saying that, that negotiation in that lease it all falls on the lease and what is in the lease. Of course, yes, we have got lots of submissions from different people and it is very clear that we have got a range of, we can call it like a small-scale cottage industry of where there are landlords who own maybe one property, where you have then more bigger landlords, corporate landlords, who have larger. Of course, there is that different economies of scale, different usage of your agents as well to be able to support in that. I suppose that is something that you have already

raised about the quality of the lease really in that. We have had some submissions where there is a concern that tenants are not able to negotiate the leases and there is not that ability to do that, the leases are set. How ...

Director, Hunt Estates:

What specifically, though, are you talking about? Like what specific scenario? It is difficult to judge on a slight brush.

Deputy H.L. Jeune:

This is just a general, that there was evidence put that the leases are set in that sense. What I am hearing from you is that the leases are really important and that is the thing that could hold that kind of balance that the Minister is after or that relationship but it is that ...

Committee Member 2, Jersey Estate Agents' Association:

Well this is what Gill was saying, this is what happens at the start before a lease is done. We have situations where a year or 2 years is set but we have also situations where one and 2 years are set but with a 3-month notice period which can be given either way. It is what is written in the lease at the time that is agreed between the landlord and the tenant at that time. What you are suggesting is those people have agreed a year with no negotiation.

Deputy T.A. Coles:

But it is whether or not the tenant has any say over that duration of that lease. They can go: "Well, do you know what, I am really happy with where I live, you have been a great landlord, why am I going to want to move? I want to stay here for 2 years. Can you agree that I could have a 2-year lease?" But the owner of the property that you are managing turns around and says: "No, one year only." That is ...

President, Jersey Estate Agents' Association:

Well that goes back to what I said before, is that the landlord and the tenant do not know each other. You start off as strangers, so you do not know how your landlord is going to react to you. Is he going to just waltz in unannounced into your property and say: "Oh, I was at your property today and I just wanted to check if the meter ..." "What did you go into the property for?" It will be uncomfortable. So you do not know what your landlord's attitude is going to be like and the landlord does not know what the tenant's is going to be like. As a rule of thumb we would recommend a 12-month lease but if one of them was adamant and wanted a 2 year: "I am not moving unless it is a ..." then we would sit down and say: "Well, how do you feel about this?" We would discuss it and then we would reach an agreement and then that would be ...

Deputy T.A. Coles:

This is what I am saying, when you have had that first year lease, then the new lease gets presented and it is only for again that one additional year. Like you say, your landlord ...

President, Jersey Estate Agents' Association:

I do not think that happens. I think once you have done your probationary period, you both now know each other, so if you are both comfortable to re-enter a new lease, then why should it not be longer than a year unless there is ...

Deputy T.A. Coles:

So the initial fixed term that is part of these amendments is not a bad thing but it still exists. Again, because we do not know what the Assembly is going to decide at the end of this, so if the Assembly does decide: "Okay, yes, we all agree that something needs to be changed. Some of these tweaks and modernisation need to occur", maintaining this fixed initial period is one of the good things to remain because the Renters' Rights Bill in the U.K. (United Kingdom) does not have that initial fixed term, it is straight periodic.

President, Jersey Estate Agents' Association:

Ninety per cent of our leases are fixed term 12 months.

Committee Member 1, Jersey Estate Agents' Association:

Fixed term; mostly all of ours are.

Committee Member 2, Jersey Estate Agents' Association:

All of ours are.

Director, Hunt Estates:

In the U.K. they have the shorthold tenancy, do they not? All the agents there want a set period, like a year, and the tenants do as well, they want to know where they are for the next year or so. I have done a lease whereby someone's come over on a licence working for government or something and said: "Oh, what if I do not hold down my job? I want to sign a 2 year but what if something goes wrong?" We spoke to the landlord and they said: "Well, okay, if under that circumstance, then we can agree to dissolve the lease" and there is a little caveat put in there. Only if they lose their job, though, not if they just want to play ... so it is that type of thing. I think most tenants should negotiate with their landlord. Or if they go through an agency who knows the ins and outs of the lease and such like, then they know where they are. The agents do not charge the tenant any money whatsoever, they are acting for the landlord and the tenant, but the tenant does not pay anything.

President, Jersey Estate Agents' Association:

I have read somewhere else in one of the responses to Scrutiny, from another estate agent, that a proposal could be that all landlords employ a managing agent and a managing agent would oversee the lease.

Deputy H.L. Jeune:

Well that adds to the costs; of course it would.

The Connétable of St. Mary:

Adds to the cost. There is a pushback on that, I am sure.

President, Jersey Estate Agents' Association:

Yes, it does, but it is an option. It is an option and ...

Deputy T.A. Coles:

There is a question that comes out of that, would you be happy to bear the legal responsibility of that?

President, Jersey Estate Agents' Association:

No.

Deputy T.A. Coles:

As a group.

Deputy H.L. Jeune:

Looking at the time, we have 2 big chunks of questions left, I think coming back to that wider - now we have gone into this and it has been really helpful - in your submission it is about what landlords are saying in response to this law and that they were going to sell up. We hear that a lot in the submissions that we are seeing but we want to test that a little bit. If you are hearing that as well with some of your clients, is there a difference? Is it across the board or is it different between that small scale one or 2 properties versus ones that have some more? Is there any evidence to predict this?

President, Jersey Estate Agents' Association:

Well, there is evidence that there are still buy-to-lets happening, so people are still buying properties as investments but from my experience the numbers are well down. We are processing a buy-to-let at the moment but the normal investors that we would go to sell property are not buying. They are not the ...

Deputy H.L. Jeune:

So that is investors who have got more property so rather than the ... they are kind of accidental?

President, Jersey Estate Agents' Association:

Yes. The investors that you would just automatically pick up the phone to and say: "I have got another one for you." They are not there. They are not there. Okay, the stamp duty has not helped, the added 3 per cent, which we have all played that tune.

Deputy T.A. Coles:

Interest rates as well existed.

[14:45]

President, Jersey Estate Agents' Association:

There are a number of factors, admittedly. The investors with everything else in the wings and red tape and legislation, there are other investments that they can make other than property, and that is what they are choosing to do at the moment, so it is ...

Committee Member 1, Jersey Estate Agents' Association:

I suppose it is also the uncertainty around it at the moment, there is no guidance. It is all uncertain so nobody knows. People are not investing in properties because ...

Deputy H.L. Jeune:

No, until it is decided.

Committee Member 1, Jersey Estate Agents' Association:

Yes, yes.

Deputy D.J. Warr:

Yes. I was just thinking about this uncertainty. I do not know if I am hearing this but obviously a change in the law and updating of the law is another uncertainty. But if other factors being equal, does the change in law, would that be an absolute detriment to somebody investing in a property? We are very aware of what Trump is doing in the U.S. (United States), we are very aware of Russia-Ukraine, the uncertainty around Europe, the connections around the U.K. There is an awful lot of volatility in the market at the moment. I am just a little unsure about making a big statement which is, when there is so much volatility in the market at the moment that therefore landlords do not invest in property because ... is it because it is just another volatile asset at the moment and therefore

there are other less volatile assets and it is not necessarily to do with whether the legislation changes or not?

President, Jersey Estate Agents' Association:

There are lots of mitigating factors and it is hard because they have all come at once, really, have they not?

Deputy D.J. Warr:

Yes.

President, Jersey Estate Agents' Association:

So to try and pick them out and say that one is more of a victim than the other, but the buy-to-let market has definitely suffered. I think the landlords that I have spoken to tend to think that the law seems to be more for tenants than landlords. It seems to be very swayed, as if the landlord is going to be the victim in this, and they have not taken too kindly to that. There is a property at the moment where the landlord is very upset with the way that the tenant has treated it and left it. I have said to them that: "The Residential Tenancy Law is supposed to be there for you as a landlord as much as it is there for a tenant" but they do not feel that so much. That is why I think they are just withdrawing from the market slightly because it seems to be too one-sided.

Director, Hunt Estates:

I think more clarity on rent control, no-fault evictions, those type of things that affect ...

Deputy T.A. Coles:

In theory, is that not the list in the new proposed law, that it removes these and: "Here is your list of reasons to remove your tenant." The no-fault eviction is: "We are just going to stop your tenancy and we want the property back", like you say, there is that compensation that they should be paid if they breach the contract. How many tenants know where to find that? That is where I think some of that imbalance has existed before where the landlord has agents who might be able to: "No." "Okay. Well we will go through the Petty Debts Court to reclaim your property and this is how we can do it."

President, Jersey Estate Agents' Association:

But if you are just a private landlord looking after your own portfolio, you might not have all the facts possibly. So this is where I think a number of bodies have looked at this proposal and thought of a landlord redress scheme. So there is a body where a landlord can go, or a tenant, that is specifically set up for implementing the guidance, really, making sure that the guidance is followed through.

Deputy H.L. Jeune:

So you mean if, for example, either a landlord or a tenant feels that something is not quite right, they can go and get advice?

President, Jersey Estate Agents' Association:

Exactly.

Deputy H.L. Jeune:

Say like there is the Housing Advice Service at the moment that the Minister has set up, that may not be what this is about. It has the skills now to do this advice but it could be waiting for a knock on the door.

President, Jersey Estate Agents' Association:

Yes. Finance has got the Financial Ombudsman, Property has got the Property Ombudsman, so if there was something that was set up by government, without being too heavy-handed, but just giving comfort to the tenant and the landlord that: "This is the guidance. If you feel that it is not being complied with or followed through, here is another redress that you can visit to help resolve any issues."

Director, Hunt Estates:

Which Trading Standards have been doing - or had been doing - but whether they are fully resourced or not. It was working and when COVID came, everyone was deployed elsewhere but they were going out. If a tenant had a problem with their flat or whatever they could go there and say: "This is not working; that is not working." They would say: "Have you approached the landlord? You need to get there. Are they doing what they can for you?" If they had not, they would send one of their team out to go and check it and look at it. That is not only on the health and safety issue but maybe also with regards to, like John is saying, a panel so somebody can talk about the legal side of it as well if they want to get out of their lease or anything like that.

The Connétable of St. Mary:

Yes, but let us just drill down on one particular point which is the difference between the present law in practice and what is proposed. At the moment, if a landlord wants to get rid of a tenant, yes, whatever the lease says the Magistrate's Court will ... there are grounds for delaying eviction. The new law, again, they will set out what the grounds are. You say if landlords are withdrawing from the market, is it perception the fact that they cannot just simply give notice for no reason at all, is that putting landlords off or ...

Director, Hunt Estates:

You cannot give notice for no reason.

The Connétable of St. Mary:

Well technically with a reason other than ... well you can do. Under the present law you can give notice, you do not have to set out why.

Committee Member 1, Jersey Estate Agents' Association:

That is not what we do or that is not the practice.

The Connétable of St. Mary:

I am not saying that.

President, Jersey Estate Agents' Association:

At the end of a lease, yes. At the end of a lease you can just say: "I am not renewing the lease."

The Connétable of St. Mary:

But during a term of lease if a ...

President, Jersey Estate Agents' Association:

Not during.

Committee Member 1, Jersey Estate Agents' Association:

Can I just comment on that because that is not ...

The Connétable of St. Mary:

I have seen leases giving 3 months' notice either side, a landlord does not have to give a reason for that, does he?

Director, Hunt Estates:

If it comes to the end of the lease he does not have to give a reason.

The Connétable of St. Mary:

If it is a fixed-term lease and during that term either side can give 3 months' notice?

President, Jersey Estate Agents' Association:

No.

Committee Member 1, Jersey Estate Agents' Association:

No, unless it is written into the lease.

President, Jersey Estate Agents' Association:

Unless it is written in at the start.

Committee Member 1, Jersey Estate Agents' Association:

This proposal has less security for the tenant in my eyes.

The Connétable of St. Mary:

In a written lease, either side can give 3 months' notice, which is not uncommon, I think; that is what I am getting at.

President, Jersey Estate Agents' Association:

Well no one wants a 3-month lease, that is pointless. You would not ...

The Connétable of St. Mary:

No, not one 3 monthly but you could have ...

Committee Member 1, Jersey Estate Agents' Association:

Three months' notice.

President, Jersey Estate Agents' Association:

No, but you would not put into a lease ... the intention is to have a year lease or a 2-year lease where either party can give 3-months' notice. That is a non-starter. It is a non-starter.

Committee Member 1, Jersey Estate Agents' Association:

Yes, it is an ambiguity.

President, Jersey Estate Agents' Association:

Yes, it is a non-starter because there is no security for the landlord, so in 3 months' time the tenant could go. There is no security for the tenant because in 3 months' time the tenant could be asked to leave, so there has got to be a minimum agreed term otherwise the cost ...

Deputy H.L. Jeune:

That is why it is called "fixed term" otherwise it would be a periodic.

President, Jersey Estate Agents' Association:

Yes.

The Connétable of St. Mary:

Yes. Okay, so the periodic tenancy situation as proposed, you are quite happy with it?

Committee Member 2, Jersey Estate Agents' Association:

I do not think it is used that often.

Director, Hunt Estates:

You were talking about the rolling periodic lease if nobody signed anything after that term.

The Connétable of St. Mary:

Yes, after the fixed term.

President, Jersey Estate Agents' Association:

After the fixed term, yes.

Director, Hunt Estates:

Well the tenant can give one month's notice currently and the landlord has to give 3 months' notice if they both roll over.

The Connétable of St. Mary:

Yes. You are content with that, are you?

Committee Member 2, Jersey Estate Agents' Association:

I think if you spoke to 95 per cent of our landlords or tenants they would say that they do not fall into the periodic tenancy because neither of them want that instability.

Deputy H.L. Jeune:

They would prefer that going to the 3 years' lease.

Committee Member 2, Jersey Estate Agents' Association:

They would prefer to agree a new lease, a new term.

Committee Member 1, Jersey Estate Agents' Association:

Definitely.

Deputy H.L. Jeune:

Looking at the time, I think we need to just move on to the rent control. The Minister for Housing said in his public hearing that some agreements already include the R.P.I. (Retail Price Index) increase of only every year or R.P.I. increase for even 5 per cent, do you see that across the board as well, that you put that within your lease, that you already have this?

President, Jersey Estate Agents' Association:

Yes.

Deputy H.L. Jeune:

What is the wording like? Do you encourage that to the landlords, to your clients that this should be part of the agreements as well?

President, Jersey Estate Agents' Association:

Absolutely.

Committee Member 1, Jersey Estate Agents' Association:

Yes. I think when the R.P.I. was high recently, we were advising landlords to bring it down to reduce it.

President, Jersey Estate Agents' Association:

Yes. Well the R.P.I. was 12 per cent, was it not? At one point it was 12 per cent, there was no way ... I do not even know any private landlords that put their rent up 12 per cent. Even when the R.P.I. was 12 per cent, I think we set it at 5 per cent.

Director, Hunt Estates:

Some landlords do not even execute it because they are just happy to have a continuation and do not want an empty month.

President, Jersey Estate Agents' Association:

Exactly.

Director, Hunt Estates:

If they have an empty month, it brings their average down. They would rather ...

President, Jersey Estate Agents' Association:

You would have an empty month, you would have to pay agency fees to relet it. Sometimes it is better the devil you know and ...

Deputy T.A. Coles:

My question on that rolls, though, if you are entering a new one-year fixed contract after a subsequent one, what is there to prevent one of your landlords saying: "Well, no, I am putting it back up to 20 per cent, 30 per cent so it meets market."

Director, Hunt Estates:

It just does not happen.

Deputy T.A. Coles:

Anecdotally it does but ...

President, Jersey Estate Agents' Association:

Are you talking about with the same tenant?

Deputy T.A. Coles:

With the same tenant.

President, Jersey Estate Agents' Association:

No, no, no, no. No, absolutely not.

Deputy T.A. Coles:

Is there a wording within your contract, within your leases that say: "If you renegotiate your contract, your contract will only increase by ..." or where is that?

Director, Hunt Estates:

It is hard to contract every eventuality. That is the negotiation that everyone has within their power at that time to renegotiate. The landlord wants the tenant and the tenant wants the landlord and so

President, Jersey Estate Agents' Association:

You cannot envisage every single eventuality. So in a year's lease you could say 6 months through your lease you mention to the landlord that the kitchen is getting a bit tired and the tap does not always turn on and the oven always turns off halfway through cooking. Then the landlord might decide: "Do you know what? I am going to put in a new kitchen." But then your tenancy ends and now you want to start a new tenancy, he may say: "Well, look, I did not envisage spending £10,000 on a kitchen. I am more than happy for you to stay but the rent is going to have to go ..."

Committee Member 2, Jersey Estate Agents' Association:

As long as it is in line with market value.

Director, Hunt Estates:

What is reasonable.

President, Jersey Estate Agents' Association:

Yes. There would be mitigating circumstances. We are trying to think of 1,001 scenarios whereas ...

Deputy H.L. Jeune:

Yes. But of course this is when the amendments are specifically on this. In a way then, because it is best practice anyway, if it came in in that reasonable way of saying: one year, 2 months' notice, R.P.I., giving just that guidance?

President, Jersey Estate Agents' Association:

Yes.

Deputy H.L. Jeune:

In law but guidance too, would you think that that is a reasonable amendment?

Director, Hunt Estates:

It happens now, yes.

President, Jersey Estate Agents' Association:

Yes.

Deputy H.L. Jeune:

It is not the thing that is the big issue because you are saying that it naturally happens.

Committee Member 2, Jersey Estate Agents' Association:

No change to it, yes.

President, Jersey Estate Agents' Association:

Do we know the last time the lease was amended on the Government website?

Deputy H.L. Jeune:

No, I do not think so off the top of my head but I think that is important.

The Connétable of St. Mary:

It is going to be amended in line with this, yes.

Deputy H.L. Jeune:

It will be updated. Just moving on quickly then to the Rent Tribunal you mentioned at the beginning which of course is specifically related to the rent cap, so it will not be for any other redress related to giving notice, et cetera, to landlords. It is specifically related to when tenants that are not happy with that increase above whatever cap it would be or if it was agreed, the Rent Tribunal would be there to support the tenants. Would you be offering, for example, services to your clients to go and do the Rent Tribunal for them, for example? Have you thought about that as part of your services that that would be something you would do or do you think the landlords themselves would go and do that?

Director, Hunt Estates:

Well I do not manage, so I do not know. That would be something for someone to ... just management.

Committee Member 1, Jersey Estate Agents' Association:

Explain that again, sorry?

Deputy H.L. Jeune:

So when the Rent Tribunal happens, obviously there needs to be the representatives, we were just wondering if that is something that, if a landlord does not want to go for whatever reason to represent themselves for increasing the rent, estate agents would do on their behalf. We are trying to see if there are other agencies who would offer that service.

Committee Member 1, Jersey Estate Agents' Association:

I think if we managed the property and the landlord would ask us to, then we probably would but I also think we are the middle ground anyway to prevent things like that happening.

President, Jersey Estate Agents' Association:

Yes. I suppose it is no different if we had to take a tenant to Petty Debts Court or something like that, we would act on behalf of the landlord if we are managing the property. I think we would represent them in that case.

Deputy A.F. Curtis:

Do you think, as worded, the law would say that it is a tenant's duty to choose to take a case to the tribunal if the landlord has increased over 5 per cent of R.P.I. and they are unhappy with the reason

why? Do you think there is enough information readily available so if a tribunal was to be formed soon they would be able to understand what market value is? Because this will be a brand-new tribunal, it has not existed in Jersey, and they will be tasked with agreeing whether a tenant and a lease for a specific property is worth what the landlord is asking. Do you think the data is there at the moment to inform a tribunal to be consistent? Or would you have concerns if they were to start on day zero without any data?

Committee Member 1, Jersey Estate Agents' Association:

I think they need data.

President, Jersey Estate Agents' Association:

Well they would need data.

Deputy A.F. Curtis:

Because we do not know how it is truly going to operate yet, so we are just asking people at the coalface who know the data what this looks like.

Committee Member 2, Jersey Estate Agents' Association:

I am not sure how someone that is not working in that industry day in, day out would be able to comment and know.

[15:00]

There might be one property and another property that may look similar but are very different in terms of their specifications, their location, that kind of thing. I do not think someone would be able to come in without that data.

President, Jersey Estate Agents' Association:

Without any knowledge or any experience. You could question that, could you not? You could question that judgment if there is no backing behind it.

The Connétable of St. Mary:

You would rely on the panel because you rely on expert witnesses, like yourselves.

President, Jersey Estate Agents' Association:

Well exactly. Yes, that would be ...

The Connétable of St. Mary:

Sorry, Chair, did we establish whether the agents are content with the 5 per cent cap?

Director, Hunt Estates:

Well it is the cost-of-living cap, is it not, that has generally gone in but it has not changed.

The Connétable of St. Mary:

Well it was proposed at R.P.I. with a maximum of 5 per cent.

President, Jersey Estate Agents' Association:

Yes. Well, I think there would be some concerns there with landlords for sure.

Deputy H.L. Jeune:

Though you do that in natural practice. As best practice it would not be ...

President, Jersey Estate Agents' Association:

Well I think for the past few years we have not increased it beyond that.

Committee Member 2, Jersey Estate Agents' Association:

I do not think it would be a fair increase, even a 5 per cent.

The Connétable of St. Mary:

Okay, but given it is going to be a long-lasting law, yes.

President, Jersey Estate Agents' Association:

As I said before, there are mitigating factors on what a landlord has done and how long that tenant has been there without ...

Deputy H.L. Jeune:

That of course is written in there.

President, Jersey Estate Agents' Association:

Yes.

Deputy H.L. Jeune:

Then it is up to the tenant to take their landlord to the Rent Tribunal to see if it disagrees with that above whatever it comes up?

President, Jersey Estate Agents' Association:

Yes.

Deputy H.L. Jeune:

Just looking at time, I think one of the other amendments is about fees and charges. Though there are not any caps on that or anything, it is saying that it has to be clearly stated in the tenancy lease. We were talking about how important that lease and agreement was at the beginning. The fees and charges normally are stated in the ...

Committee Member 1, Jersey Estate Agents' Association:

When you say "fees and charges" what sort of charges? Like reassignment ...

Deputy H.L. Jeune:

I think he means like management fees.

Director, Hunt Estates:

For a tenant, do you mean?

Deputy T.A. Coles:

I think it is to cover everything. If you are going to say something within the money that they are receiving, either if there are service charges on the building, whether that is included as rent or whether it is a separate charge, where they are late and reassignment fees. If there is going to be a fee for anything that they need to do, that it is clearly stated within the lease agreements at the start, so no hidden costs, as it were.

Director, Hunt Estates:

It is already, yes. There are not any.

President, Jersey Estate Agents' Association:

Exactly. But anything like that we would consider a refinement of the law which we would comply with.

Deputy T.A. Coles:

Would you see it as a positive then, sorry? Because I realise that it was a positive, but do you see it is a positive?

President, Jersey Estate Agents' Association:

Well it is clarity so, yes, because it gives clarity at the outset.

Deputy H.L. Jeune:

Yes, a "refinement" is a good word to say on that. Some of the landlords in submissions that we have received have suggested that they may not fully understand their rights or responsibilities under some of these amendments. Is that your main role, that you feel at the moment when you have had landlords coming to you with their concerns of this, have you felt that you are equipped enough to be able to guide them through some of the amendments in the draft? Have you had that communication from the Government to help you to be that, as you said, you were the middle bodies, or to be able to help clients and help landlords?

Committee Member 1, Jersey Estate Agents' Association:

I would say no. We need to get more advice and guidance.

President, Jersey Estate Agents' Association:

Yes. Our knowledge and advice is coming from other professionals in the industry, it is not coming from government.

Director, Hunt Estates:

We have put on there that we need more clarity on things. It needs ...

Deputy H.L. Jeune:

Yes. How would you see that advice coming to you? Do you think that you would look forward to more meetings or more documentation or how to go through what these amendments mean?

Committee Member 1, Jersey Estate Agents' Association:

Meetings, yes.

President, Jersey Estate Agents' Association:

Meetings. Are they called clinics, or whatever it is, where you ...

Director, Hunt Estates:

I guess really to just bash out what are the scenarios that are being presented where the tenants are unhappy and can we talk through those scenarios? Because it may be that they are already being caught in a net somewhere so that tenants do have reassurances. Tenants do not pay any fees at all to us, we do not ask them for any fees. Yes, they will pay for their own utilities; they know they have got to do that in their parish rates. The tenants are really very clear in what is expected of them. Generally on a rental the landlord takes the service charges, the tenant does not get hit for that. Their rent is what they are expected to pay. They pay a deposit, the deposit scheme, and it

does tell them that when they put their money in the deposit scheme it is still the tenant's money but they will have that back less £25.

Committee Member 2, Jersey Estate Agents' Association:

No, that has stopped now.

President, Jersey Estate Agents' Association:

It is changed.

Director, Hunt Estates:

Oh, it is stopped? Has it now?

President, Jersey Estate Agents' Association:

Yes.

Director, Hunt Estates:

Yes, okay. Then they get their money back, so, yes.

Deputy A.F. Curtis:

Could I briefly check, and apologies for the time. You mentioned about engaging and thrashing out the ideas and the things, to what extent was - I could not see it in your submission - the J.E.A.A. involved with the Minister in designing proposals prior to lodging?

Director, Hunt Estates:

None. When it was very, very first set out we were not invited, we were not on that list. The Landlords Association was but the Jersey Estate Agents' Association were not invited to contribute.

Deputy H.L. Jeune:

Since then, have you been ...

President, Jersey Estate Agents' Association:

We did have a meeting, probably 3 months ago, where ...

Committee Member 1, Jersey Estate Agents' Association:

But we made that engagement, did we not?

President, Jersey Estate Agents' Association:

We made that, yes, exactly. We met briefly but we had to instigate it.

Deputy H.L. Jeune:

Was that with the Minister or with the other officers?

President, Jersey Estate Agents' Association:

That was with the Minister, yes.

Director, Hunt Estates:

They wanted questions upfront but we did not really know what questions to ask because we were not really sure - I did not attend that meeting - what it was about.

Committee Member 2, Jersey Estate Agents' Association:

We did then also invite him to one of our breakfast meetings, which we, I think, hoped would be a bit of a discussion but it was not like that in the end, was it? It was more so him just setting out what he was looking to do.

President, Jersey Estate Agents' Association:

Unfortunately, it has been a one-way train, really. It is: "This is what I am doing whether you like it or not. I am not interested in what you have to say. This is the direction I am leading it" which we felt a little bit disgruntled about because we are an industry that, even on the committee, we represent over 100 years of experience and we just feel that we are not being listened to, really.

Deputy H.L. Jeune:

In discussion you were saying about industry, that you were getting more of that information from industry. Do you feel that others have been able to fill that gap, I suppose, or that they are also sufficiently engaging as well or is that a general feeling of not engaging?

Director, Hunt Estates:

Well we had a meeting with the Landlords Association at some point subsequently because the Landlords Association had been invited and so we were just asking them for their take on it. But we had to kind of seek it out, as well as our full-time jobs and weekends and whatever else, running our businesses, to think: "Gosh, we need to try and turn our attention to this because it is coming round fast now. Where are we, what is it saying, where is the depth, where is the data behind it?" That is what we were trying to drill down on, really.

Deputy H.L. Jeune:

Thank you. Just turning to my panel, because I know we are 10 minutes over and, as you have mentioned, you are very busy and we do not want to take more of your time up.

Director, Hunt Estates:

No, we want to do our bit.

Deputy H.L. Jeune:

We know that you are, and so we are very thankful that you can, but just before ending, does the panel, anybody else, is everyone feeling happy that we have covered all the elements that we did?

Deputy D.J. Warr:

I find that it is very, very useful.

Deputy H.L. Jeune:

From your side, is there anything else you feel that today we have not covered with our questions that you felt you wanted to tell us beyond your submission?

President, Jersey Estate Agents' Association:

I just think we have felt a little bit frustrated that proposals are being put forward without consulting with professionals like ourselves. The J.E.A.A. has been going for 60 years and it should really have an input into decisions that reflect in the local market. That is something we do not feel we have had the opportunity to do.

Director, Hunt Estates:

I just think the words "it will be a criminal offence" if the landlord is found to have lied about why they are ending a tenancy, what is behind that? How does one get to that? That is quite a strong statement I think and so that worries us a bit.

Deputy H.L. Jeune:

Noted. Thank you.

Director, Hunt Estates:

Thank you.

Deputy H.L. Jeune:

Well thank you very much.

President, Jersey Estate Agents' Association:

Thank you.

Committee Member 2, Jersey Estate Agents' Association:

Thank you; thank you very much.

Deputy H.L. Jeune:

We will stop the recording.

[15:09]