

Landlords take note: New rented dwelling licensing scheme in Jersey

April 2024

A new licensing scheme in Jersey means that from 1 May 2024 all landlords in Jersey will need to have a Renting Dwellings Licence for each unit of residential properties they rent.

What is this new scheme?

The new Rented Dwelling Licensing Scheme has been introduced by the Government of Jersey ("Government") as part of its work to improve the standards of rental accommodation in the Island.

The Government has introduced minimum safety standards relating to such matters as electrical safety, gas safety and smoke detection along with a list of prescribed hazards.

This regime is set out in the Public Health and Safety (Rented Dwellings) (Licensing) (Jersey) Regulations 2023 (the "Regulations").

When does this take effect?

The new regime comes into force on 1 May 2024, although there is a transitional period of three months (see below).

What type of property does this affect?

The Regulations only apply to rented residential dwellings (apartments or houses, including any social housing).

They do not apply to commercial lettings. Properties such as lodging houses, tourist accommodation and nursing / care homes are not captured by the Regulations (as they are separately regulated).

As a landlord what do I need to do?

From 1 May 2024, you need to apply online for a licence for <u>each</u> dwelling that you either wish to rent out or you wish to continue renting out.

Will my dwelling need to be checked or inspected?

Once you make an application and prior to a licence being granted, the Minister *may* want to inspect the dwelling to ensure it is up to the minimum safety standards and that there is no prescribed hazard in the dwelling.

There is a transitional period for landlords with rented properties, and who apply for a licence prior to 31 July 2024, to be granted their property's first licence without a pre-inspection taking place.

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What happens if my dwelling does not meet the standards?

The Minister *may* issue a licence if the dwelling does not meet the minimum safety standards but they may impose a condition that the necessary improvements are made by a specified date.

The Minister may refuse a licence - in that event, reasons for the refusal must be provided and information regarding the person's right to request an appeal must also be provided.

Equally, the Minister can withdraw a licence if there is a prescribed hazard and/or if a standard licence condition has not been complied with. Again reasons for any such withdrawal must be provided along with directions as to appeal process.

Are there any other obligations which I need to comply with?

Yes, there will be various standard licence conditions which are listed in the Regulations, for example:

- i. to notify the Minister of any change of details, such as contact details; and
- ii. there is an obligation to provide the tenant with a copy of the licence and how they can raise any complaints.

What are the consequences if I don't have a licence after 1 May 2024?

It will be illegal for a landlord to rent out a home in Jersey without a licence for that dwelling.

Potential repercussions if a licence is not obtained or granted or if a licence is revoked include fines of up to £10,000 and being prohibited from letting out the property until a valid licence is in place (which may mean until the property is brought up to the required standard).

How much will this cost?

The licence fee is £60 and is valid for two years. Licences will attach to the property itself and will transfer if you sell the property.

However, you may have additional costs in ensuring your dwelling meets the required minimum safety standards and avoids prescribed hazards.

What can I do now and what are the minimum safety standards required?

It would be sensible for you to check that your rental properties comply with the minimum safety standards. The Government has provided a <u>Landlords' Toolkit</u> which also details the <u>Code of Practice</u> and a summary of the guidance.

The Government is holding information events across Jersey during the week of 22 April 2024.

Please do get in contact with a member of the team if you have any queries with regards to the new Landlord Licensing Scheme.

Please note that, while this article gives a general update, the above is not legal advice and you may not rely on it – should you require any specific legal advice on the Landlord Licensing Scheme, please get in touch with one of the team.

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