

19-21 Broad Street | St Helier
Jersey | JE2 3RR

Tuesday 14 March 2023

Dear Deputy Mézec,

Jersey Homes Trust rent increase

Thank you for your correspondence dated Monday 13 March, highlighting your disappointment at the amount of notice given to tenants of Jersey Homes Trust's (JHT) scheduled rent increases.

I share many of the concerns you have raised. Whilst below the headline rate of inflation, I do see a 9% increase as concerning, as well as a notice period of just three weeks. I would like to see a much longer notice period becoming the norm for all tenants across the rental sector and I will be pursuing this with work to update the Residential Tenancy Law, on which I hope to publish a white paper soon.

After engaging with JHT to understand the circumstances around the notification, I have today written to their chairman to request that the rent increase is delayed by one month.

A delay will offer tenants more time to get financial arrangements put in place, either by discussing options with the Housing Advice Service or Income Support. It will also offer more time for tenants to discuss their individual circumstances with JHT so that appropriate payment plans can be established.

JHT has provided additional context and clarity around the proposed rent increases. With respect to the notice period, JHT confirmed that their agent, Brunel Management, normally offers a three-week notice period for rent increases. I fully appreciate that a significant increase in some rents, that have held stable for several years, has come as a particular shock to tenants. I am also in agreement that three weeks' notice is too short for these increases, hence my decision to request a delay.

With respect to the level of rent increases being proposed by JHT, the Trust has confirmed that all their tenancies remain below the 80% market rate. It is worth acknowledging that JHT did not increase rents in 2020 and 2021, recognising the economic hardships caused by Covid-19, and applied a relatively small increase of 3.8% across all its tenancies in 2022.

The proposed rent increases for 2023 have undoubtedly been influenced by the current level of high inflation, with implications for running and borrowing costs. JHT has applied variable rent increases across tenancies, with tenants who are already paying close to 80% of market receiving no rent increase, whilst those paying substantively less than 70% being subject to higher rent increases.

As you know, the rent increases being brought forward by JHT will have no financial impact on tenants who receive Income Support, provided they are housed appropriately. It will be tenants currently on lower rents, and who are not Income Support claimants, who will be most affected, and it is tenants in these circumstances who I have in mind in requesting the delay to the rent increase.

JHT's chairman has assured me that tenants who are concerned about their rent increases will be listened to, and they should contact Brunel Management to discuss.

In your recent correspondence, you also offered your views on rent control in Jersey, citing the good work of the Housing Policy Development Board, and setting out some broad principles of rent stabilisation that you support. I was delighted to see that there is a high degree of commonality with the policy and legislative direction on rent stabilisation that I will be setting out in the coming weeks, and bringing to the Assembly in due course. I, therefore, hope I can count on your constructive support in taking these important measures forward.

Yours sincerely,



Deputy David Warr
Minister for Housing and Communities
D +44 (0)1534 447025
E d.warr@gov.je