

STATES OF JERSEY



COMMERCIAL PROPERTIES AND LEASES: IMPROVED ADMINISTRATION

Lodged au Greffe on 5th September 2025
by Deputy H.M. Miles of St. Brelade
Earliest date for debate: 30th September 2025

STATES GREFFE

PROPOSITION

THE STATES are asked to decide whether they are of opinion –

- (a) that a mechanism should be introduced to discourage commercial properties from being left vacant for extensive periods and to request the Minister for Sustainable Economic Development to present to the Assembly an options paper identifying potential mechanisms, including fiscal mechanisms, before the end of March 2026;
- (b) to request the Minister for Sustainable Economic Development, in consultation with the Council of Ministers, to undertake a review of the structure of commercial leases in the Island identifying areas of concern and providing recommendations for the implementation of improvements including, but not limited to, minimum standards of repair, responsibility for maintenance, a standard template for a commercial lease and a set of best-practice principles for commercial landlords; and to report such recommendations back to the Assembly before the end of March 2026; and
- (c) further to the adoption of [P.93/2020](#), to request the Council of Ministers to proceed with the creation of a digital register of all commercial properties in the Island, that contains details of the ultimate beneficial ownership of those properties for the purposes of aiding policy formation, reducing vacancy rates, and if necessary for the regulation of the commercial property market.

DEPUTY H.M. MILES OF ST. BRELADE

REPORT

This proposition seeks to highlight and address long-standing inefficiencies and challenges in the management of Jersey's commercial property market. These issues, if left unchecked, will likely have an increasingly negative impact on our economy and the vibrancy of many parts of the island, and indeed will continue to disproportionately affect small businesses.

By discouraging prolonged vacancies in commercial properties, reviewing lease structures to ensure they are fair and more easily understood, and introducing a digital register of commercial properties, the Island can unlock economic potential, support local businesses (in particular small businesses) and improve transparency.

The proposition is in three parts:

Part a) asks the Government to undertake a piece of work to understand what mechanisms should be available to tackle empty commercial properties. In St Brelade, for example, we have seen the impact at the Les Quennevais Parade and Precinct of retail units being left vacant for long periods. In some cases, the units have been empty for so long, with little to no upkeep and maintenance, that they are now almost "unlettable". This contributes to the area looking tired, run down, and uncared for. It does not meet our ambitions for a vibrant and successful economy and community.

In the case of Les Quennevais, the retail units are owned by a UK company, and there seems to be little to no interest from that company at present as to whether they are let or simply rotting away. In my view, this is not good enough. The retail units at Les Quennevais may well be in private ownership, but their operation and condition are very much of interest to the public and is unquestionably a matter of concern for the economic and social well-being of islanders. I therefore cannot stand by and allow the present circumstances to persist without some attempt to drive forward measures that would hopefully bring about improvements.

If we are to witness, as we are doing in some cases, a wilful lack of regard for the vibrancy of parts of our community, then there needs to be action and potential consequences. The problem may be especially acute in St Brelade at the moment, but it can easily spread to other parts of the island. At present, St Helier is holding its own in a competitive retail environment. Indeed, a number of units are now coming back into use after a period of vacancy and refurbishment. I do not doubt that this will be due in part to the efforts of the Parish and the Government to keep town vibrant, a focus that is perhaps lacking in St Brelade and other parts of the island. That said, we have seen some instances of units being empty for long periods in St Helier. Incentives to discourage empty units should therefore be as welcome in town as they would be in St Brelade.

Part (a) of this proposition accordingly outlines the ends, but leaves the means very much a matter for further consideration, research, and consultation. This is deliberately not a prescriptive proposition, and it does not envisage a heavy-handed approach. Ideally, the solution would be focused on incentives and arrived at by working constructively with business. It is in nobody's interests to see commercial units left empty, least of all other businesses in the area. I hope that solutions can be flexible and dynamic, and I recognise that they need to be appropriate for Jersey. Ultimately, however, it might also need to be recognised that there are some cases where only the

bottom-line counts. It is for that reason that the proposition asks that fiscal mechanisms are part of this conversation.

I should also be clear that commercial properties will include relevant States-owned properties if designated for commercial use. I recognise that the States has its own poor record of leaving properties empty for prolonged periods, and any mechanisms that apply to commercial property owned by the private sector should apply equally to relevant property which is part of the public estate.

Part b) tackles the lack of any statutory duty placed on commercial landlords to maintain and repair their properties. This is especially an issue for small businesses in Jersey.

Many areas of concern have been highlighted to me. These include:

1. **Repairs & Maintenance** – where a landlord fails to keep structures and systems in a safe, usable condition;
2. **Fair Lease Terms** – Unclear terms and conditions;
3. **Transparency** – A lack of up-front disclosure of service charges, insurance or repair liabilities;
4. **Communication** – Unreasonable response times for tenant concerns;
5. **Compliance** – Failing to meet health and safety or environmental health requirements;
6. **Sustainability** – Poor energy efficiency and waste reduction;
7. **Professionalism & Respect** – Failure to treat tenants as business partners, rather than adversaries. The first recourse is often to the petty debts court for non-payment of rent, rather than dispute resolution.

Most leases in Jersey are “Full Repairing and Insuring”, meaning that the tenant usually maintains the property, with the landlord responsible for structure/common parts, **if agreed**.

If we take the example of commercial units at Les Quennevais Parade and Precinct, as referenced in [P.67/2025](#), we can see that the full repairing and insuring lease is incredibly problematic due to the age and poor condition of the buildings. This acts as both a millstone around existing tenant’s necks, and a significant disincentive to new business.

Whilst the [Health and Safety at Work \(Jersey\) Law 1989](#) gives some protection for employees, contractors and visitors, the commercial tenant, as the operator, has no recourse to this law for their own protection from a poor landlord.

Commercial landlords are not compelled by law in Jersey to maintain a minimum standard so tenants must protect themselves through lease drafting which requires significant legal expertise. For small business, the cost of such expertise can be a disincentive. Equally, the costs of enforcing a private contract with a landlord can be very high.

I would encourage the Government to develop a system whereby retail tenants are afforded statutory protection against unfair repair obligations.

Clarifying obligations for repairs and rates should serve to reduce disputes and improve property maintenance. A standardised template for commercial leases would reduce legal ambiguity and promote fairer terms for commercial tenants and landlords.

Clear mechanisms for rent and service charges will prevent exploitative practices and support long-term tenancies.

Active commercial properties generate more tax revenue and economic activity than vacant ones. The [Future-Fit Retail Roadmap](#) sets a clear direction in this respect. Active commercial spaces foster community engagement, employment and local pride – there are some wonderful examples of where this has been achieved in St Helier. More businesses mean more options for residents and visitors.

Part c) refers to an aspect of [P.93/2020](#), which has already been adopted by the Assembly. P.93 was brought by then Deputy Mike Higgins to create a digital register of all commercial and rental properties in the Island. This proposition, despite being adopted, was never implemented. For the purposes of this proposition, I refer only to the commercial element. I wish to be clear that my proposal, consistent with that of Deputy Higgins's, is not for the digital register of commercial property to be public.

Deputy Higgins stated:

Entrepreneurs and those wanting to rent or lease commercial premises are complaining that the owners of these properties are either pricing them out of the market or if they can afford to pay the higher rents or leases that it will cause them to have higher overheads which restricts their ability to grow and prosper and causes the goods and services they sell to consumers to be higher priced than they would otherwise be thus directly affecting the cost of living in the Island.

Currently, the Government has no clear record of who owns commercial property in Jersey. As a result, it lacks the data needed to manage commercial property markets effectively. Without knowing who owns commercial property, the Government cannot identify whether monopolies or other anti-competitive practices exist that may be distorting the market and inflating rents and lease prices.

Access to this information would allow the Government to introduce appropriate measures, whether legal or fiscal, to prevent market abuses and distortions. It is therefore very much relevant to the issues that I am seeking to address through parts (a) and (b).

We are all familiar with the term *Caveat Emptor* – and we have made laws to address consumer issues. We are probably less familiar with the term **Caveat Lessee** – we need to find a means to address those issues.

Taken as a package, I hope my proposition regarding Les Quennevais Parade and Precinct ([P.67/2025](#)) and this proposition on commercial properties more generally, can contribute to the process of achieving the tangible change and progress which is needed to give a much-needed boost to our economy and community, and especially to small businesses, both in St Brelade and across the island.

Financial and staffing implications

It would be expected that the work needed to implement parts a) and b) of this proposition would be undertaken by officers in the Department for the Economy within existing resources.

In terms of any financial implications, it is possible that there would be additional revenue raised if a fiscal mechanism were chosen. Depending on how this were achieved, through a tax or an additional rate, money would potentially accrue to the Treasury and/or the Parishes. Where the policy is successful, and vacant properties which would not otherwise have been occupied are returned to the market (either for rent or for sale), these will generate income tax from property rental or stamp duty from property sales.

Part c) of the proposition would require the Government to allocate the necessary resources to establish a digital register. Given that the decision to establish this register was taken by the States five years ago, successive Governments will need to account for why the relevant funding and associated work has not already been identified and completed.

Children's Rights Impact Assessment

A Children's Rights Impact Assessment (CRIA) has been prepared in relation to this proposition and is available to read on the States Assembly website.