
STATES OF JERSEY



POLICY AND PRACTICE RELATING TO THE PROVISION OF CARPETS AND FLOORING FOR TENANTS: REVIEW

**Presented to the States on 17th March 2014
by the Minister for Housing**

STATES GREFFE

REPORT

Introduction

P.19/2014, “States Housing: arrangements for new tenants”, asks for a review of the policy and practice requiring new tenants to provide their own carpets and flooring when moving into a States rental property. In response, a review of policy and practice has been undertaken as outlined below.

Background

In answers to Question 8169 asked of the Minister for Housing by Deputy M. Tadier of St. Brelade at the States Sitting on 4th March, the Minister outlined that the Housing Department has not previously had a policy of providing carpets to its ingoing tenants.

The Housing Department, however, does provide safety (non-slip) flooring in kitchens and bathrooms (toilets and wet-rooms) within its stock of 4,500 properties. In addition, where my Department requires a tenant to move to enable a comprehensive refurbishment of a unit (or units), as we have done most recently at De Quetteville Court, the cost of installing new carpets is met by the Department. Historically, the Department has had an annual budget for this purpose of £10,000 per annum, but this was increased recently to £40,000 in 2014, in recognition of the increased need to decant tenants ahead of the accelerated Decent Homes Standard refurbishment programme.

Other social housing providers

In assessing the current policy of the Housing Department, contact has been made with other social housing providers. I am not surprised to learn that their practices are overwhelmingly similar to those of the Housing Department.

Both Guernsey and the Isle of Man operate a similar policy to Jersey, in that social housing tenants are expected to provide their own carpets and coverings. Again, in Scotland, in Wales and in Northern Ireland, there is no requirement in place for social landlords to provide floor covering, but there are avenues – for example, the Scottish Welfare Fund – for providing financial support for individuals who are in need and eligible for assistance.

In respect of local Housing Trusts, the picture is much the same. Appropriate floor covering is provided in kitchens and bathrooms, but not in any other living-space.

All social housing providers operate similar arrangements to the Housing Department regarding existing floor coverings. If an outgoing tenant leaves their carpets, they would be left for the incoming tenant, provided they meet all health and safety requirements, are in good condition and wanted by the incoming tenant.

“Voids” (being re-let properties)

The Housing Department relets around 7% of its stock each year. The refurbishment of void properties is tightly controlled, not only to ensure that the public receives value for money from all contract work undertaken on its behalf, but also to ensure that the unit of accommodation is re-let as quickly as possible.

The laying of carpets has the potential to delay this turnaround as they are likely to be the last fix, especially if an element of choice is to be given to tenants as opposed to fitting a common product throughout. Carpet colours, textures, patterns, etc., are very personal choices. Voids are on average turned around in 28 working days. Delays impact, not only upon the tenant, but also upon the Department with the loss of rental income.

If carpets were to be laid across all voids, it is estimated that this would cost in the region of £300,000 per annum. The average cost to carpet a one-bedroom flat would be in the order of £620; a two-bedroom flat; £750, and a three-bedroom property around £1,100.

This spend would be in addition to the Department’s regular void refurbishment programme budget of £720,000 per annum. Thus, the void budget would increase to over £1 million per annum, something that is not sustainable, given current budget restraints and projected resource allocations, without impacting significantly on the ability to deliver our commitments to our tenants, such as achieving the Decent Homes Standard within 10 years.

Provision

There are opportunities for help for those who need assistance with carpeting or flooring.

The Income Support system, as well as providing a weekly benefit, provides one-off loans and grants in a variety of circumstances to people who qualify for Income Support (or households who are just outside the Income Support eligibility conditions). These are known as special payments, and are used to meet the cost of a service or an essential item, including replacement carpets or vinyl flooring, and including the reasonable costs of purchasing carpets from a previous tenant, and undertaking professional cleaning, if this is necessary. In such cases, the Social Security Department arranges for the purchase, delivery and fitting of the goods by the supplier, with these special payments in respect of carpets totalling approximately £100,000 in each of 2012 and 2013.

In comparison, in most private rentals, new flooring would be seen to be the responsibility of the landlord, and so no special payment would be available.

For those tenants who are unable to afford new carpets and who fall wholly outside of the Income Support system, there are also a number of charitable organisations in the Island who are very generous in providing support to those in need, Community Savings Ltd. being one.

Although it could be argued that public money would be saved by Income Support in not having to make payments if carpets were already provided, the extra cost to the

public purse would still be significant, given that the special payments only assist those on Income Support or just outside the eligibility criteria, whereas the universal provision of carpets would mean that all States rental properties would be carpeted irrespective of a tenant's household income.

Fairness and consistency

The Deputy, in his report, made comment about the differences between the public and private sector with regard to the provision of floor covering in rental units, and whether consistency is applied within the social housing sector.

Accommodation in the private sector is more typified by short-term lets, and in such cases some landlords may be willing to invest in carpets to support the swift re-letting of a property. However, that comparison alone does not necessarily make a case for providing carpets in all States rental accommodation. The carpet in the private sector rented accommodation may be of poor standard, for example. Moreover private landlords, in the main, require a tenant to pay a deposit as part of the lease arrangements. States' tenants historically have not been charged a deposit. However, if floor covering and items such as carpets were to be laid in States rental accommodation at a cost to the public purse, it would not be unreasonable for the Housing Department to levy a deposit from ingoing tenants against potential damage.

Carpets, unlike many other landlord fixtures and fittings, will tend to have a shorter life-cycle and be subject to much greater wear and tear than other household items, and so need to be replaced periodically.

It has been estimated that the cost of replacing carpets (based a rolling 10 year life-cycle) across the whole of the housing stock could add a further £300,000 per annum to the Department's refurbishment budget. This sum is in addition to the £300,000 referred to earlier that has been estimated as necessary to cover void stock.

Furthermore, highlighting floor coverings as one difference between the private and public sector does not fully reflect the range of differences. Carpets and flooring should not be taken in isolation. The position should be looked at in the round. Many tenants in the private sector pay higher rentals – indeed, the 90% of market rent policy adopted in P.33/2013 “The Reform of Social Housing” is explicit in providing social housing tenants with a lower rent, benefiting social housing tenants.

In addition, unlike the private sector, the Housing Department provides a range of additional services which are afforded for the benefit of its tenants. For example, tenants have the security of a 24 hour emergency service and are able to contact a duty maintenance officer, who has the ability to direct contractors to issues without need of waiting until the next working day. All repairs are covered free of charge unless deliberate damage has been caused.

In short, social housing tenants in many areas are in a preferable position to private sector tenants, and highlighting carpets alone as an issue is not a full picture.

Habitable

The Deputy is correct to state in his report that there is a requirement under the Residential Tenancy (Jersey) Law 2011 that properties should be habitable, and this of course includes States rental accommodation. The Deputy questions whether the absence of flooring constitutes a property being uninhabitable.

Article 9 of the Law is concerned with affording protection to a tenant when serious fundamental problems that might affect a property, such as significant fire damage, dangerous flooring (as distinct from a bare but safe floor), or health hazards, exist that render the premises unsuitable for occupation by the tenant. The drafting was not intended to deal with issues such as the general standard of carpeting or floor covering. Indeed, if one takes a moment to think of the consequences that might ensue had that been the case, it soon becomes clear why the suggestion cannot be tenable.

Conclusion

I hope Members agree that whilst it may be desirable to provide carpets/flooring in all States rental units of accommodation, it is impracticable for reasons of cost, and would jeopardise the business case underlying the refurbishment programmes and new developments planned by the Housing Department. This is reflecting on potential additional costs to the Housing Department of £600,000 in total should carpets be provided, against potential savings in the Social Security Department of £100,000, i.e. a net additional cost of £500,000 (and this is prior to considering other social housing providers in the Island).

Ultimately, the current system provides support to those on Income Support, which seems reasonable, as well as providing choice.

We should also recognise that Housing Department property does not command a deposit, and brings with it a range of benefits, including lower rents, and a range of services.

In this context, and reflecting the consistency with other jurisdictions, this review points to the current policy and practice regarding carpets and floor coverings to being reasonable.