

Communities, Equality and Local Government Committee
Regulated Mobile Homes Sites (Wales) Bill
RMHS 17 Anonymous

1. Is there a need for a Bill to amend the arrangements for licensing and make provision for the management and operation of regulated mobile home sites in Wales?

The original Consultation Paper brought forward by Mr Peter Black AM acknowledges that only a 'minority of operators' do not meet required standards, but proposes to impose additional costs and expenses with less control of their Parks on all Park Owners. It is important to acknowledge that the current legislation under Mobile Homes Act imposes strict requirements on all Park Owners and provides a security of tenure for residents which is not available elsewhere in the private residential rental market. Assured Shorthold Tenancies only offer short term security but the Park Owner accepts the longer security of residents prescribed by the Mobile Homes Act.

2. Do you think the Bill, as drafted, delivers the stated objectives as set out in the Explanatory Memorandum?

There is a current licensing regime in existence and administered by local authorities. It is suggested that the existing licensing be made more effective rather than introducing unnecessary and costly new procedures.

3. In your view, will the licensing and enforcement regime established by the Bill be suitable?

The current restrictions imposed by the Mobile Homes Act, the Site Licence and the individual Park Rules are an essential safeguard for the Park Owner in his quest to maintain his property for his own benefit and for that of the other residents on the Park. Amending the current provisions in the manner proposed will seriously undermine the ability of the Park Owner to fulfil these requirements leading, in the longer term, to a deterioration in the quality of Home Parks and the living standards of residents. A reduction in the profit to the Park Owners, by an increase in costs and administration, as proposed in the Bill, will inevitably lead to a reduction in the ability of Park Owners to continue improve Home Parks for the benefit of residents. Local authorities already have powers to remove Site Licences. The level of fines may require further consideration, but large fines may have an adverse effect on the ability of the Park Owner to improve standards on the Park. If the Park Owner cannot operate his business at a profit he is likely to dispose of the Park or close it. Disposal may not be possible if the proposed changes to legislation are perceived as draconian and not conducive to operating an effective and profitable business. Management by local authorities is not regarded as being practical. The costs would be increased and any mortgagee is likely to 'step in' and seek a sale under its mortgage powers.

4. Are the Bill's proposals in relation to a fit and proper person test for site owners and operators appropriate, and what will the implications be?

The logic seems to be confused as existing Park Owners could not be forced out of their Parks unless they are compensated for their loss. New Park Owners already have to run the Park in accordance with the Site Licence and the provisions of The Mobile Homes Act. Their background is irrelevant if they operate the Park in accordance with the Site Licence and the Act. Is it intended to extend this requirement to all private landlords as if not there could be implications under Human Rights legislation?

5. Are the amendments to the contractual relationship between mobile home owners and site owners which would result from the Bill appropriate?

Site Rules must be fair and reasonable and protect both the interests of the Park Owner and the residents. The Park Home is however sited on land owned by the Park Owner and residents should always be obliged to comply with any fair and reasonable Site Rules imposed by the Park Owner. The Paper only appears to envisage the Park Owner breaking the Site Rules or Written Agreement. Why is there no proposal to allow the award of damages or compensation against a resident in breach? His breach is equally likely to affect other residents on the Parks.

6. In your view, how will the Bill change the requirements on site owners/operators, and what impact will such changes have, if any?

The Bill simply adds to the cost of the Park Owner, reducing the funds available to provide improved services and amenities to the Park. Over a period of time this is likely to result in a deteriorating standard throughout the industry. Many parks may be forced to close resulting in a loss of pitches for Park Homes. A reduction in the availability of Mobile Home Parks is surely a backwards step when the need for residential accommodation is increasing.

7. Do you agree that the Residential Property Tribunal should have jurisdiction to deal with all disputes relating to this Bill, aside from criminal prosecutions?

The Residential Property Tribunal is already hearing disputes in this sector. The problem is that the decisions of the individual Tribunals are not binding on itself or on other Tribunals. The result is that there is no consistency, either for Park Owners or residents, with the result that uncertainty exists and is likely to become more prevalent in the future. This is harmful to all parties.

8. What are the potential barriers to implementing the provisions of the Bill (if any) and does the Bill take account of them?

The proposal for Park Owners not to be able to pass on fees connected with the proposed changes to legislation is unacceptable. If the changes are designed to improve the rights of residents then surely those residents should also bear the costs. If the Park Owner is unable to meet the cost of repairs how is the local authority to meet these costs if it intervenes to take over the operation of the Park? All residents will probably agree that they would like to see improvements on their Park. However they are less willing to meet the cost of those improvements when their site rent is increased as a result. Park Owners are already having difficulty in collected RPI increases let alone improvement increases. If the cost is spread over a period of years then once again the Park Owner will be less likely to incur that cost and not carry out the improvements as he will have to bear the bulk of the cost in the initial years. Consideration should also be given to the position of Lenders. If there is a mortgage on the Park and the Park is 'taken over' by the local authority, what action is the Lender likely to take to protect its security? Will Lenders consider withdrawing from this sector if the legislation is introduced resulting in a reduction of the number of Mobile Home Parks and pitches.

9. What are your views on powers in the Bill for Welsh Ministers to make subordinate legislation (i.e. statutory instruments, including regulations, orders and directions)? In answering this question, you may wish to consider Section 5 of the Explanatory Memorandum, which contains a table summarising the powers delegated to Welsh Ministers in the Bill.

Great care should be taken in becoming involved in a sector which is providing a valuable service to those members of the public (particularly the retired sector) who choose to purchase a mobile home and site it on a mobile home park. The current legislation is perfectly adequate to protect the interests of residents, if it is properly enforced, and the proposal to pass addition legislation is flawed.

10. In your view, what are the financial implications of the Bill? Please consider the scale and distribution of the financial implications. In answering this question you may wish to consider Part 2 of the Explanatory Memorandum (the Regulatory Impact Assessment), which includes an estimate of the costs and benefits of implementation of the Bill.

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11. Are there any other comments you wish to make about specific sections of the Bill?

Buying & selling Removal of the veto could severely impact on the lifestyle of the existing residents by giving effective freedom to dispose of a Park Home to anybody. The Park could suffer from the introduction of persons whom the Park Owner would otherwise refuse permission to reside. The existing residents could suffer a reduction in the value of their Homes unless control is maintained. If 'deemed consent' were introduced, what factors would the Residential Property Tribunal (RPT) have to consider to describe somebody as 'unsuitable'. That person or persons would also be in effective occupation of the Home by the time the issue was heard by the RPT, making their removal even more sensitive and unlikely. Alterations External alterations are often problematic. The Park owner has to ensure that the alterations do not cause a breach of the Site Licence by taking the Park Home outside the definition of a caravan under the 1960 Act. The current restriction is similar to covenants imposed by builders on new housing estates and designed to protect the value and amenity of other properties on the estate. If this right were to be removed then the Park Owner will lose effective control over his land to his detriment and that of other residents on the park. If a proposed external alteration were referred to an RPT by the Park Owner it is likely that the alteration will already have been made. Is the RPT likely to order its removal in those circumstances? Succession It must always be remembered that although the Home is owned by the resident, the pitch upon which is sited belongs to the Park Owner. In the same way that local authorities control rights of occupancy following the death of the tenant, there should be equal protection for the Park Owner.