

Carl Sargeant AC / AM  
Y Gweinidog Tai ac Adfywio  
Minister for Housing and Regeneration



Llywodraeth Cymru  
Welsh Government

Eich cyf/Your ref P-04-519  
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William Powell AM

[committeebusiness@Wales.gsi.gov.uk](mailto:committeebusiness@Wales.gsi.gov.uk)

Dear William

Thank you for your letter of the 16 December on behalf of the Petitions Committee regarding the petition from Caerwnon Park Residents Association, which calls for the removal from legislation of the commission paid to park owners on the sale of a mobile home.

The 10% commission rate is paid by the new occupier of the mobile home to the site owner. The commission rate was introduced in 1983 and the rate of commission has not been changed since its introduction. The Mobile Homes (Wales) Act 2013 restates this provision and allows for Welsh Ministers to amend the rate by regulation.

The commission rate is a core element of the business model for residential mobile home site owners and any change to the rate would potentially have a knock-on effect on other fees paid by home owners, otherwise the financial viability of sites would be undermined. The UK Government consulted in 2006, on what the appropriate maximum rate should be. Some residents who stated that they intended to sell their home at some point in the future favoured a reduction in, or abolition of, the commission rate, but accepted that it would result in higher pitch fees. Other residents who saw their mobile home as their "home for life", wished to retain the existing rate in return for the protected pitch fees.

The commission on sales is an important source of revenue for site owners and provides funding for the management and maintenance of sites. A change could disturb the balance between commission and pitch fees, resulting in a significant and unwelcome increase in pitch fees for many residents on fixed incomes. Given this I see no strong reason to amend the commission rate at this time.

Yours sincerely



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