

HCS 1

National Assembly for Wales

Communities, Equality and Local Government Committee

Holiday Caravan Sites (Wales) Bill

Response from: Professor Steve Fothergill, Centre for Regional Economic and Social Research Sheffield Hallam University

Basis of this submission

The debate about the use of holiday caravans as a main residence needs to be informed by hard evidence, especially if the intention (as in the present Bill) is to significantly change the legal and administrative framework.

I led the research team at Sheffield Hallam University that in 2011 published what is widely regarded as the most thorough study to date of the extent to which holiday caravans are used for residential purposes¹. The study was undertaken along the Lincolnshire coast, which is thought to have the largest concentration of static caravans in Europe, but there is little obvious reason why its conclusions would not apply in Wales.

Our research is referenced in the consultation document on the present Bill. However, our assessment of the nature of the issue diverges significantly from the one on which the Bill appears to be based. Indeed, the proposal to prohibit the residential use of holiday caravans seems, on the basis of our evidence, to be seriously mistaken.

Living in caravans: the evidence

During the course of our research we carried out interviews with 374 households living for much or all of the year in holiday caravans. We also had discussions with a wide range of local stakeholders including site owners and service providers.

On the basis of the survey findings, we estimated that along the coast in East Lindsey district in Lincolnshire around 1,400 households, accounting for 2,700 people, live in a holiday caravan as their main home. This is in an area with a total stock of 25,000 static caravans. If the same ratios apply in Wales, where the consultation document reports there are 70,000 holiday caravans, around 4,000 households in Wales, accounting for around 7,500 people, might be expected to be using a holiday caravan as their main home.

¹ C Beatty, S Fothergill, R Powell and S Scott (2011) *The Caravan Communities of the Lincolnshire Coast*, report to East Lindsey District Council.

Our research did not start with any particular preconceptions about the scale or nature of caravan living. Our evidence, however, is that:

- Caravan residents are a predominantly older group – around 40 per cent are over 65, and 70 per cent over 55
- Around 90 per cent own their caravan, and nearly three-quarters were formerly owner-occupiers elsewhere
- The reasons for moving into a caravan are overwhelmingly positive – this is a preferred lifestyle and location, not a last resort
- There is a high level of satisfaction with caravan living – more than 80 per cent say they like this way of life
- There was no evidence of illegal occupancy

A typical pattern is that an older, often working class couple who have long holidayed in the area choose on retirement to sell their modest home elsewhere and buy a static caravan instead, pocketing the difference to help supplement their pension. This choice is facilitated by the high standard of many modern units, which are centrally heated, double-glazed and connected to mains services – a far cry from the holiday caravans of childhood memory or the ‘tourers’ towed behind family cars.

Our study dispels the notion that caravan residents are mainly ‘problem families’. We found no evidence that caravan sites have become social ‘dumping grounds’ for the poor and disadvantaged or those who simply don’t fit in elsewhere. Indeed, the fact that most residents own their own caravan – usually at a cost of a few tens of thousands – guarantees a degree of social exclusivity.

All but one of the sites we surveyed were required, under planning conditions, to close for at least two months of the year and we encountered no evidence that either site owners or caravan occupiers were flouting this rule. Indeed, it appeared to be rigorously enforced. During this closure period, caravan residents would typically stay elsewhere with family members, in temporary accommodation or, in some cases, head abroad.

As we noted in our report, a more forensic investigation would no doubt have uncovered instances of rule breaking, and indeed of problem families, but this should not be regarded as the norm.

A more disturbing aspect of the findings is that the caravan population largely goes unrecorded. Few caravan households are registered for Council Tax and only around half are included on the local electoral register. They are mostly omitted too from local population figures, which means that local authorities along the coast (and presumably in inland locations where holiday caravans are concentrated) are short-changed by population-driven formulae.

It is also worth bearing in mind that beyond those for whom a holiday caravan is their only home there is a further sizeable group who live for extended periods in holiday caravans. In Lincolnshire this group outnumber the 'full-time' residents by three-to-two, which would suggest that in Wales there may be a further 10-12,000 people in this category. On average, this group spend between five and six months a year living in their caravan, though not necessarily all in one stint of course.

There is in effect a blurred distinction between caravan 'visitors' and 'residents' when so many visitors live on-site for so long.

Implications for the proposed legislation in Wales

It is understandable that the legislation regarding holiday caravan sites in Wales might wish to address issues of illegality (in terms of planning conditions), anti-social behaviour by a minority of occupants, and bullying by unscrupulous site owners.

However, the proposal to enforce a residency test, requiring caravan occupants to have a principal home elsewhere, is unnecessary and liable to be damaging. The effect of strict enforcement would be to:

- Make homeless the households who currently live in holiday caravans – an estimated 7,500 people in Wales
- Victimise, in the main, an older retired group that would mostly be unable to re-access owner-occupation given their low income and the disparity between the capital value of their caravan and house prices
- Deny a large number of people a lifestyle that they value highly, and disrupt their social networks, which are often strong on caravan sites
- Add to the existing high numbers of statutory homeless and to social housing waiting lists
- Remove significant spending power from coastal economies (in particular) as caravan residents are replaced by shorter-term visitors
- Add to the seasonality of local economies where there are large numbers of holiday caravans

Enforcing a residency test to holiday caravans would also, in truth, remove a form of 'housing of last resort' for some individuals and households – albeit a modest share of the stock of caravan residents – who face acute though temporary problems, for example arising from marital breakdown or repossession.

Our study indicates that some site owners do already apply a residency test to new occupants, though the consultation document suggests that application of the test is patchy. As the site owners and managers we interviewed pointed out, this is not an easy rule to enforce: a new occupant may demonstrate that they still have a home

elsewhere but they may subsequently sell up. Rigorous enforcement and checking is, in most cases, in the interests of neither the site owner nor the occupant.

Because so many 'visitors' with homes elsewhere live on-site for extended periods – often more than six months a year – the proposed legislation would also introduce a somewhat arbitrary distinction between holiday caravan occupants. It would be perfectly legal (planning conditions permitting) to live on-site for up to nine or ten months of the year if the occupant has another home, but not without this other address.

A better way forward

There is actually an opportunity in the new legislation in Wales to adopt a quite different – and potentially much better – way forward.

Since significant numbers of households already live for most of the year in caravans there is a case for regularising the situation:

- Either by allowing all-year-round residency on a larger number of sites. This would not involve endorsing illegality as there is little evidence that present-day rules are being flouted. These sites would then come under the Park Homes legislation.
- Or, where site closure still applies for some months of the year, by dropping the present ineffective residency test and thereby clarifying that caravan living is acceptable

Decisions on all-year-round occupancy would of course be a matter for planning authorities and the site owners. There might also be a requirement that the caravans themselves meet a minimum standard for all-year-round occupancy.

By way of background it is worth noting that all-year-round residency in static caravans is not unusual: the Westminster government's 2002 study of Park Homes, for example, suggests that there are around 2,000 sites of this kind in England and Wales with an estimated population of more than 115,000².

The benefits to caravan occupants of 'regularisation' are that it would facilitate registration at the caravan address for a range of purposes, from the electoral register to benefits, GP's lists and banking. If year-round living were permitted, they would no longer have to move off site for a number of weeks, which can be a source of resentment.

The benefits to Welsh local authorities are that a significant population that is presently largely hidden would in future be more easily counted, resulting in additional funding from population-driven formulas. Caravan residents' liability for Council Tax would also be clearer-cut, and the number paying increased.

² Berkeley Hanover Consulting et al (2002) *Economics of the Park Homes Industry*, ODPM, London.

Our figures in Lincolnshire suggested that only around one-in-five of the households living in a holiday caravan as their main home were registered for Council Tax. If the proportion is the same in Wales, perhaps 3,000 caravan households may be failing to pay Council Tax, which probably equates to a revenue loss of £3-4m a year.

For every household that fails to be counted, the Lincolnshire authorities expected to lose a total of £4000 a year, including government grant as well as Council Tax. Applying the same figure to Wales would bring the total loss to Welsh local authorities to around £16m a year.

A key to regularising and uncovering the hidden population is probably the issue of an address for each caravan, even if it were just very basic such as 'Unit X, Site Y'. This would facilitate the delivery of everything from Census forms to Council Tax demands. It would be more useful, perhaps, for the proposed legislation in Wales to focus on this aspect of site management than on residency tests.

Concluding remarks

Legislation to regulate the holiday caravan industry in Wales needs to catch up with the rising standards of static caravans and with their growing desirability as a form of accommodation to many households, especially retirees.

The proposals in the Bill may reflect a genuine concern about 'undesirable' occupants. However, the evidence demonstrates that it would be quite wrong for the Welsh Assembly to respond by trying to ban all long-term occupancy.

Prof Steve Fothergill
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