

HCS38

National Assembly for Wales

Communities, Equality and Local Government Committee

Holiday Caravan Sites (Wales) Bill

Response from: Whitehouse Leisure Park

Christine Chapman AM

Chair, Communities, Equality and Local Government Committee,

National Assembly for Wales

Dear Ms Chapman,

I am the owner of Whitehouse Leisure Park, Towyn. Our 3rd generation family business is situated in the constituency of Mr Darren Millar AM. Our park provides for 348 static caravan & lodge pitches, with related leisure facilities and employees approximately 20 local people.

I write in response to the consultation on the Holiday Caravan Sites (Wales) Bill. My trade association, BH&HPA has responded on behalf of all members and I endorse their evidence – [on this link](#) – to you.

Further to that I wish to make certain other responses to the Bill that are of concern to me and attach this as evidence.

I would please ask that you ensure our family park business and indeed the wider caravan parks industry in Wales are not placed at a competitive disadvantage, jeopardising the direct and indirect employment we sustain.

Yours sincerely,

Mark Whitehouse

Managing Director

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Exclusive Holiday Home Resort

Communities, Equality and Local Government Committee

Consultation on Holiday Caravan Sites (Wales) Bill

Evidence of Mark Whitehouse, Managing Director of Whitehouse Leisure Park.

21st May 2014.

Whitehouse Leisure Park is a 348 pitch static caravan & lodge park located in Towyn, North Wales. We are a 3rd generation family business and employ approximately 20 local people as well support many local tradesmen & ancillary businesses.

We, along with other parks in this constituency and indeed Wales as a whole, are a significant contributor to the local economy. The turnover and visitor expenditure as a result of Wales' holiday and touring park industry is some £727m per annum. Its economic impact to Wales has been calculated as a GVA contribution of £317m per annum, supporting 10,645 direct and indirect jobs in Wales, with further employment sustained in other areas of the UK.

In the most part I support the proposed Private Members Bill and am pleased to note that Mr Millar has incorporated many of the concerns voiced by the industry in this latest draft. Our industry, by its' very nature & culture, in the vast majority supports high standards that this Bill seeks to formalise. As an industry we constantly invest in improving & modernising our product in line with customer expectations and this carries through into working practices as well as the very fabric of our parks.

However, there are still a number of concerns that I would seek amendment on before the Bill progresses. As the BH&HPA evidence also states, the impact of the aggregate of the many facets of the bill has not been properly assessed and could place park businesses in Wales at an operational & financial disadvantage to other forms of accommodation providers or in fact our own sector across the border. This could result in tourism revenue losses and inward investment from Wales into England due the more favourable licensing environment. My main areas of concern are;

1) ANNUAL SITE LICENCING FEES

I would like to see a maximum / formula in the Act. As it is the LA's are free to "pluck a number out of the sky" which could have undue financial consequence on park businesses.

2) FIXED PENALTY NOTICES

I do actually agree with these and the progression to compliance notices. However, the level is disproportionate in comparison to those imposed on Residential parks and as such are more likely to be open to abuses by Local Authorities for minor breaches that could be remedied without need for a fine. Particularly on a small park these could impact heavily on finances for small easily remediable breaches. It should be the role of licensing inspectors to guide in the first instance rather than be tempted to punish.

3) PARTICULARS OF AGREEMENTS

Points 2 & 3 are impractical. This has been taken from the MHA where it is appropriate as part of the home buying process. The purchase of a holiday caravan is less involved and often customers will visit the park, buy a caravan and expect to be using it within days. At present we do not allow a new owner to take possession / occupation of the caravan without a written agreement in place. Under these points the owner would have to wait for 28 days before they could take possession / occupation of their caravan which, with such a short peak season makes it less attractive. Section 3 states this period may be shortened as it is in MHA but then goes on to say "unless the owner proposes to sell the holiday caravan to the proposed occupier" which is the case in almost all new agreements. We issue new licence agreements on every sale and so even an existing occupier who is upgrading their holiday home would have to wait 28 days. If it is intended that the occupiers may take possession and move in then there would be a "limbo" period where they are

occupying the park without agreeing to the conditions of the agreement. I would seek an amendment that occupiers have the opportunity to waive the 28 day period in all circumstances or at the very least reduce it to 7 days, allowing the occupier the opportunity to go away and digest fully the agreement before entering into it. This is how we operate now, the sale agreement & key points are signed and a copy agreement taken away, to be signed when they return to take possession of the caravan (usually in a weeks time). I see the intent but think the method is inappropriate for our sector.

I also have concerns on the statutory consultation requirement. This would bring about unnecessary cost, bureaucracy and potential for litigation that would hinder park owners in developing their businesses. It is not in the interest of any park owner to make changes to their business that would be unattractive to their customers and customer expectations are the driver for nearly all park developments, both physically and operationally. Some credit should be given to our industry in this regard and our ability to respond to customer needs without such formal processes. These processes may serve only to create conflicts of opinion where there need not be and there is a grey area of what should and should not be consulted on. As an example, our occupiers are happy with how our park is run, but if I gave them the option for a reduced site fee by reducing the manpower employed at the park, I would guess most would opt for it. As time passed however, these same occupiers would then become dissatisfied with the reduced service & standards that the reduced workforce are able to achieve. Alternatively we could ignore the results of the consultation and equally the occupiers would feel dissatisfied that their opinion wasn't acted upon. Either way gets the same result, bad feeling & customer dissatisfaction. Please consider removing this requirement – don't try and fix what aint broke! What evidence is there to support the need for this requirement?

4) PROTECTION FROM HARRASSMENT

Whilst I see the purpose of this, cases of this level of harassment are very rare in the holiday caravan sector and this section came about from the Mobile Homes Act (Wales) Bill introduced by Peter Black following some intimidation and sharp practice prevalent in the residential mobile homes sector. These are not appropriate in the holiday homes sector. As I see it, this section renders a park owner powerless to remove persons and / or holiday caravans owned by persons whose behaviour and / or actions are of detriment to other occupiers of the park. Fair enough you can't prevent someone from entering & using their home so the provision in the Black Bill was appropriate. However, when you get an aggressive, anti social individual making other holiday caravan occupiers lives a misery, a park owner should retain the power to have them removed from the park without delay. As I read it Mr A could rent his caravan to Mr B who gets drunk, plays his music too loud, speeds around the park and becomes abusive to others and the park owner cannot ask him to leave. This section needs revision and clarity. As it stands a good park owner would be committing an offence in protecting his other occupiers. Effectively, this section will work in reverse by removing power from the park owner to create & maintain a pleasant environment for their occupiers. What evidence is there to support the need for this restriction?

5) RESIDENCY TESTS

I was pleased to see that the Bill recognised that in most cases this breach is due to occupier breaches rather than park owner, by the approach where such a breach is identified. It could be argued that the tests to be applied could still be flawed but I cannot see how they can be improved. In my opinion, these tests are adequate to "flush out" most abuses if employed in a unified manner. We employ this method anyway and it does work. Making it a legal requirement that all parks apply the same checks with periodic review points and Local Authority inspections will ensure a unified approach to the alleged problem and significantly reduce any such breaches.

However, I do have concerns. The first being the frequency that parks are required to review these checks. Caravan owners are not the best at responding to any sort of information request, purely because they don't fully appreciate the importance of such administrative matters. The time and cost burden of requesting this information annually and then chasing for it when it is not forthcoming will be quite substantial. Furthermore, if an occupier does not provide the evidence then we have to restrict access & use of their holiday home to force them to respond. In cases where the occupier is in breach this is all well and good but in most cases it will be just because of the lack of attention from the occupier who is not actually in breach of the residency condition. Such chasing & punitive actions every year can harm relations between the occupier and the park that could ultimately lead occupiers to opt for parks across the border where they are not "nagged" by the park owner. My suggestion would be that such evidence must be provided upon the sale of a caravan (or caravan coming on site) so at the start of the agreement and then the park having a 3 yearly review of all current occupiers, almost like a census. This would reduce the administrative burden on the parks and reduce the friction it may create between park owner & occupier. It would also mean that if this 3 yearly review point was synchronised from the effective date of the Bill, that all parks would be seeking this information at the same time, again reinforcing the unified approach. Annual inspection by Local Authority is acceptable as

there should always be residency evidence on file for every occupier at any given time that is no more than 3 years old. Given the churn on parks at between 10 & 25% per annum, anywhere between 30 & 75% of all occupiers would have refreshed their evidence between 3 yearly reviews in any case. Of course park owners should still be required to seek fresh evidence if they believe that a change of circumstance has occurred or breach is being committed. So to summarise, I seek revision on the frequency of the residency test to be applied at the commencement of all agreements and then a 3 yearly review commencing in the first year that the Bill comes into effect, with annual inspections by LA's.

My other concern on this issue is that there is no provision for dealing with the potential impact the initial "purge" may have on the industry. As there is no authoritative research on the issue, the scale of the problem and the financial impact of dealing with it has not been properly assessed. It would be very difficult to conduct accurate research upon which to make this assessment, although the potential impacts should be considered. If the scale of the problem is as widespread as Mr Millar has suggested then the removal of this many occupiers from caravan parks in Wales, particularly along the North Wales coast where he has carried out some forms of research, would create an unprecedented exodus and glut of available pitches. This has a range of detrimental issues, the first of which being the re housing of such occupiers and the pressure this may bring on local housing authorities. The financial impact on the industry the Bill seeks to protect could also be devastating, creating a set of circumstances that puts the industry into a downward spiral, impacting on standards, economic contribution, investment and employment. If such occupiers have to be removed immediately, there could be a large drop in site fee revenues on those parks, an over supply of pre owned caravans going on sale driving down pricing & margins, plus an oversupply of empty pitches leading to unhealthy competition between parks to replenish their occupancy levels. All this will impact on prices & revenues which will ultimately devalue the industry and cost jobs. Something has to give somewhere.

My suggestion would be that, in line with my earlier suggestion of 3 yearly set review dates, the initial review / purge will identify illegal occupiers. These should be given notice by the local authority but not given a fixed penalty or have action taken by the LA or the park owner. Instead they should be made aware of the breach and given notice to remedy it before the next review date. This gives the occupier adequate time to find alternative housing and will lead to a more steady, spread out reduction in occupancy that can be replenished more naturally over the 3 year period. If these occupiers are still in breach at the next review date then they should be treated as per the provisions of the Bill.

Please consider my points, that I would be happy to discuss if deemed appropriate. The Bill in the most part is a good thing for our industry but there are still parts that require amendment to not put the holiday parks industry in Wales at a competitive disadvantage to those parks elsewhere in the UK.

I understand it is the intention on Mr Millar and The Assembly to get this Bill right for the sustainable future of our industry and the Welsh economy. Please take on board my views and those of the other respondents in assisting this.

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