

National Assembly for Wales
Communities, Equality and Local Government Committee
Holiday Caravan Sites (Wales) Bill

Christine Chapman AM

Response from: The Plassey Leisure Park Ltd

Chair, Communities, Equality and Local Government Committee,
National Assembly for Wales

Dear Ms Chapman,

Re: Consultation on the Holiday Caravan Sites (Wales) Bill.

As the owner of a large Holiday and Touring Caravan Park situated in North Wales, I write in response to the consultation on the Holiday Caravan Sites (Wales) Bill.

I have deep reservations with regards to this, and I have detailed those in a letter as attached. I ask please that you ensure my park business is not placed at competitive disadvantage, jeopardising the direct and indirect employment we sustain.

Kind sincerely,

John Brookshaw
Managing Director
The Plassey Leisure Park Ltd
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21st May 2014

Subject: **Consultation on the Holiday Caravan Sites (Wales) Bill**

Christine Chapman AM
Chair, Communities, Equality and Local Government Committee,
National Assembly for Wales

Dear Ms Chapman,

I am the owner and Managing Director of **The Plassey Leisure Park** in Wrexham, North Wales. This is a family business (working alongside my wife, Sarah), of which I am the 2nd generation of Brookshaw's having owned and managed The Plassey for over 50 years.

Now we are a multi-faceted Holiday Park business that has 210 pitches for touring caravans, motorhomes and tents, and 15 pitches for holiday homes (statics). In addition to this we have a golf course, retail & craft village, and an all year Visitors Attraction. The Holiday Park employs 16 people, of which 12 are full time, and indirectly through the other businesses at The Plassey, an additional 78 persons.

The Plassey is a nationally recognised holiday park, having won many awards including recently:

- Winner National Tourism Awards for Wales 2013 : Best Place to Stay
- Winner Best Park in Wales 2013, 2012, 2011 & 2010 - Practical Caravan
- Visit Wales 5 Star grade (2002 – 2013)
- AA 5 Pennant (2004 – 2013)
- AA Best Park in Wales 2011

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

I would like it noted that of particular concern to myself are the following issues, **highlighted in yellow**, contained within the BH & HPA submission:-

General principles

4. For example, the industry recognises the need to modernise site licensing for holiday parks under the Caravan Sites and Control of Development Act 1960 including in order to provide local authorities resources for their licensing work. However rather than modernising the system, the Bill proposes radical reform.

5. Such sweeping change creates risk for the industry and its contribution to the Welsh economy. Given the magnitude of the changes proposed, they should not be enacted in the absence of an evidence base for the problems the Bill seeks to address, nor without proper evaluation of their costs and impact. A more cautious approach is necessary to give knowledge and experience to safeguard the economics of the industry and the employment it sustains, whilst ensuring a regulatory system to safeguard the industry and its consumers for the future.

6. The Bill modifies and applies the requirements of the Mobile Homes (Wales) Act 2013 to holiday and touring parks. However, protections designed for housing vulnerable elderly residents are inappropriate when applied to tourism businesses and would create a disproportionate burden.

7. Whilst residential parks trade in a relatively stable market, consumers of and investors in tourism businesses can simply decide to take their custom and/or investment elsewhere. Flexibility is essential to respond to the volatility of the holiday market. **Tourism is price sensitive and regulation should not disadvantage Welsh park businesses' ability to compete.**

8. Despite incorporating elements of industry best practice amongst its proposals, when viewed in the round, the whole is greater than the sum of its parts. **Combined, the measures would create a disproportionate burden of uncertain cost and unknown impact.**

9. The regime for residential parks upon which the Bill is based will not be commenced until October, so its costs and consequences for residential parks are as yet unknown. **If the Bill is enacted, Wales's holiday and touring parks would be unique in the UK to be trading under such a complex regulatory regime as is proposed. There is considerable potential for unintended consequences – and therefore high risk - in applying such an untested, burdensome system to the sector which is central to Wales' tourism economy. In the absence of evidence, we also question the justification for such a complicated – and therefore costly - regime.**

Licensing (Part 2)

10. As above, the Bill tailors the licensing regime for residential parks to the industry. Yet, there **is no justification for the application of, for example, £500 fixed penalty notices, fit and proper person licensing and interim managers to a microbusiness - say a husband-and-wife team - receiving holidaymakers on a touring park for short breaks.** It is the market rather than regulation which ensures standards as their business survival depends on their park infrastructure and customer service. However, regulation could increase their prices making them less competitive, or uncompetitive.

11.2. 21 Fixed Penalty Notices - Both the Mobile Homes (Wales) Act 2013 and the Bill refer to Local Authorities' use of fixed penalty notices where a breach of site licence condition is identified. **For residential parks, the maximum penalty is set at £200, for holiday and touring parks, the Bill proposes £500. This is a disproportionate penalty for a minor breach of a site licence.** The rationale for Fixed Penalties is to provide the putative offender the opportunity to avoid prosecution by payment of the penalty. However, this principle falls down when the level of penalty is set at up to £500. **Natural justice dictates this level of fine should only be levied following independent judicial scrutiny (a fair hearing) and that there should be an appeal mechanism. A £500 fee is open to abuse as it creates too much of an incentive for councils to maximise revenue, whilst being sufficient to cripple a small business. In addition, setting the penalty at such a high level means that many businesses would opt for prosecution, thereby defeating the object.**

11.3. 33 Fit and Proper Person Licensing – **There is neither evidence of the efficacy of a fit and proper person regime for tourism businesses, nor of the need for one.** The same regime must be applied to micro-businesses, say managing a tiny family touring park with pitches for six touring units and a corporate business running many parks across the UK with thousands of pitches. **For a husband-and-wife team managing a micro-business, there is no evidence to justify a fit and proper person regime. Equally staff changes within corporate business would necessitate frequent re-testing of the fitness of park managers, creating cost, unnecessary work for local authorities and reducing the flexibility of corporate groups to deploy their management staff across parks within their group.**

12. Without evidence in justification and whilst parks in Wales compete with those across the border and with all other tourism businesses in Wales, **we fear the proposals can only place Wales' parks requirements on the providers of bed and breakfast accommodation or holiday villages, whilst self-catering holiday properties are specifically to be exempted from the licensing requirements of the Housing (Wales) Bill.**

Residence test (Part 3)

13. The Bill's primary objective is to 'address unlawful occupation of caravans'. However, **there is no authoritative research as to the extent of residential misuse of holiday parks across Wales.** The only research study of the issue was conducted by Sheffield Hallam University relating to the East Lindsey local authority area in Lincolnshire⁴. The report makes clear that the circumstances in East Lindsey are unique and so its findings cannot be extrapolated to the whole of Wales.

14. Anecdotal reports indicate that there may be a problem away from tourism 'honeypots' in Wales, and particularly in areas of both over-supply of caravan pitches and the presence of multiple deprivations (see appendix). In these circumstances, economic and social factors may drive individuals to seek the cheapest forms of residential accommodation. However, **in the absence of a clear evidence base, we question both the regulatory burden the Bill proposes and the enforcement approach which may raise issues with regard to homelessness/rehousing for the consumers it targets.**

17. The Residence Test proposed by the Bill would not therefore achieve its objective, but its repeat every year would create considerable cost and would generate bad feeling between Welsh holiday parks and their customers (customers who would have the option to take their business elsewhere).

Holiday caravan agreements (Part 4)

19. The requirements of the Bill reflect industry best practice in providing customers written Agreements setting out the important terms agreed between consumer and park business.

20. However, the terms the Bill proposes to imply into all such agreements are wrong:

20.1. 56 (3)(d) proposes that the park should provide copies of the most recent utility bills to the consumer, **whether or not** the consumer has any interest in those bills. Whilst the law already requires the provision of such evidence where utilities are recharged to the consumer, the Bill goes further in requiring the business to divulge commercially-sensitive information **whether or not** those utilities are recharged to consumers. This is wrong.

Barriers to implementation

22. Perhaps the greatest barrier to implementation of the Bill would be a shortage of local authority human resources to implement the complex licensing regime. It seems the new law could be introduced during the early days of commencement of the Mobile Homes (Wales) Act 2013, as well as the licensing of private rented sector landlords under the proposals of the Housing (Wales) Bill.

23. Scarcity of resources to implement licensing (based on a housing model) to 1,322 tourism businesses would create a considerable barrier. **Are there sufficient competent enforcement officers available in Wales?**

Unintended consequences

24. Only with hindsight can a clear picture of unintended consequence be established. However, the following may be envisaged:

24.1. **Competitive disadvantage** - The single most important unintended consequence would be the competitive disadvantage created by the Bill's requirements for holiday and touring parks in Wales. The costs and red tape of the proposals are both sufficient to drive customers and investment to competition in England.

24.2. **Unfair competition** – Like the 1960 Act, parks operated by local authorities and the recreational parks operated by the Exempted Organisations (such as the Caravan Club and Camping & Caravanning Club) are excluded from the Bill's requirements. Given the unknown costs and impact of the regime proposed, this creates potential issues of unfair competition between the public and private sector and between commercial and consumer-operated recreational parks. An expensive licensing regime applied to parks would also create unfair competition with other tourism businesses, e.g. chalet parks, holiday villages, self-catering, B&B, hotels etc.

24.3. **Disadvantage for small business** - Further, the costs of the licensing regime would create a disproportionate burden on small parks businesses. For example, the costs to evaluate whether a park manager was 'fit and proper' would be the same, whether that manager was responsible for six or 600 pitches.

Financial implications

25. The Bill proposes complex requirements to be applied to over 1,300 park businesses, providing over 70% of Wales tourist beds. We consider the figures outlined in the Explanatory Memorandum considerably underestimate these costs.

In conclusion, whilst certain aspects of modernisation of the current regulatory system would receive my support, I have grave concerns over the impact of complex and inappropriate "red tape" burden – putting Wales's holiday and touring parks at a competitive disadvantage and risking the jobs they sustain.

Yours sincerely,

John Brookshaw BSc (Hons)
Managing Director
The Plassey Leisure Park Ltd

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