



Cynulliad Cenedlaethol Cymru **The National Assembly for Wales**

Y Pwyllgor Cymunedau, Cydraddoldeb a **Llywodraeth Leol** **The Communities, Equality and Local Government** **Committee**

Dydd Mercher, 28 Tachwedd 2012
Wednesday, 28 November 2012

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Cynnig o dan Reol Sefydlog Rhif 17.42 i Benderfynu Gwahardd y Cyhoedd o'r Cyfarfod
Motion under Standing Order No. 17.42 to Resolve to Exclude the Public from the Meeting

Cofnodir y trafodion yn yr iaith y llefarwyd hwy ynddi yn y pwyllgor. Yn ogystal, cynhwysir trawsgrifiad o'r cyfieithu ar y pryd.

The proceedings are reported in the language in which they were spoken in the committee. In addition, a transcription of the simultaneous interpretation is included.

Aelodau'r pwyllgor yn bresennol
Committee members in attendance

Janet Finch-Saunders	Ceidwadwyr Cymreig Welsh Conservatives
Mike Hedges	Llafur Labour
Mark Isherwood	Ceidwadwyr Cymreig Welsh Conservatives
Ann Jones	Llafur (Cadeirydd y Pwyllgor) Labour (Committee Chair)
Gwyn R. Price	Llafur Labour
Joyce Watson	Llafur Labour
Lindsay Whittle	Plaid Cymru The Party of Wales
Kirsty Williams	Democratiaid Rhyddfrydol Cymru (yn dirprwyo ar ran Peter Black) Welsh Liberal Democrats (substitute for Peter Black)

Eraill yn bresennol
Others in attendance

Tony Beard	Cynghorwr Cyfreithiol, Cymdeithas Parciau Gwyliau a Pharciau Cartrefi Prydain Legal Adviser, British Holiday and Home Parks Association
Alicia Dunne	Dirprwy Gyfarwyddwr Cyffredinol, y Cyngor Carafanau Cenedlaethol Deputy Director General, National Caravan Council
Rachel Jebbett	Cynghrair Gweithredu Preswylwyr Cartrefi mewn Parciau, y Gyngres Cartrefi mewn Parciau Cenedlaethol Park Home Residents Action Alliance, National Park Home Congress
Tim Jebbett	Cynghrair Gweithredu Preswylwyr Cartrefi mewn Parciau, y Gyngres Cartrefi mewn Parciau Cenedlaethol Park Home Residents Action Alliance, National Park Home Congress
Andrew Morris	Llywydd, y Tribiwnlys Eiddo Preswyl President, Residential Property Tribunal
Ros Pritchard	Cyfarwyddwr Cyffredinol, Cymdeithas Parciau Gwyliau a Pharciau Cartrefi Prydain Director General, British Holiday and Home Parks Association
Geoff Threlfall	Aelod, Cymdeithas Genedlaethol Preswylwyr Cartrefi mewn Parciau Member, National Association of Park Home Residents
Wendy Threlfall	Cadeirydd, Cymdeithas Genedlaethol Preswylwyr Cartrefi mewn Parciau Chair, National Association of Park Home Residents
Charles de Winton	Cynghorwr Aelodaeth, Cymdeithas Tir a Busnesau Cefn Gwlad Membership Adviser, Country Land and Business Association

Swyddogion Cynulliad Cenedlaethol Cymru yn bresennol
National Assembly for Wales officials in attendance

Helen Finlayson	Clerc Clerc
Claire Griffiths	Dirprwy Glerc Deputy Clerk
Joanest Jackson	Cynghorydd Cyfreithiol Legal Adviser

Dechreuodd y cyfarfod am 9.11 a.m.
The meeting began at 9.11 a.m.

Cyflwyniad, Ymddiheuriadau a Dirprwyon
Introduction, Apologies and Substitutions

[1] **Ann Jones:** Good morning, everyone and welcome to the Communities, Equality and Local Government Committee. We have ongoing apologies from Ken Skates, who is substituting on another Assembly committee. We have apologies this morning from Rhodri Glyn Thomas, who is on Assembly business elsewhere, and Kirsty is substituting for the Member in charge of the Bill that we will be scrutinising.

[2] I remind everyone around the table to switch off their mobile phones or pagers as they do affect the translation and broadcasting equipment. We are in a formal session, so we do not have to touch the microphones; they are operated by staff who keep us in check. We are not expecting a fire drill, so if the alarm sounds we will take our instructions from the ushers. At this point, I normally say that, if you follow me, I will be the first one out of the building if there is a fire. The assembly point is by the Pierhead building, which is to my left of this building. The meeting is conducted in either Welsh or English and simultaneous translation is available. The translation from Welsh to English is on channel 1, and channel 0 provides amplification of the floor language. Do Members wish to declare any interests that they have not already declared before we started this process? I see that you do not.

9.12 a.m.

Bil Safleoedd Rheoleiddiedig Cartrefi Symudol (Cymru): Cyfnod 1—Sesiwn
Dystiolaeth 3
Regulated Mobile Home Sites (Wales) Bill: Stage 1—Evidence Session 3

[3] **Ann Jones:** We now move on to the main item. We are joined by a panel of people for our first session. Would you like to introduce yourselves for the record? Then, if you are happy, we will move straight into questions.

[4] **Ms Dunne:** Bore da, good morning. I am Alicia Dunne from the National Caravan Council.

[5] **Ms Pritchard:** I am Ros Pritchard from the British Holiday and Home Parks Association.

[6] **Mr Beard:** I am Tony Beard from Tozers solicitors, and I am a legal adviser for the British Holiday and Home Parks Association.

[7] **Mr de Winton:** I am Charles de Winton, a chartered surveyor representing the

Country Land and Business Association.

[8] **Ann Jones:** Thank you all for coming. We have had written evidence from you, which Members will have received in their packs and will have read, I am sure. So, we will move straight to questions. Kirsty, will you take the first set, please?

[9] **Kirsty Williams:** Good morning. Do you think that the Bill, as currently drafted, delivers the stated objectives as set out in the explanatory memorandum? In your evidence, you highlighted a number of concerns that your organisations have with the Bill as it is currently drafted. Do you believe that the Bill could be amended in any way that could address your concerns?

[10] **Ms Pritchard:** As our evidence states, both trade associations support the objectives of the Bill and recognise the need for reform. We have gone through the Bill and tried to scrutinise it, and the recommendations that we are making in our evidence relate to how to make it work in practice. We have a few major concerns that we would appreciate addressing. One is that, in removing the park owner from the private sales process, no procedures or protections are proposed to protect the community on the park or, indeed, the park business. That leaves the purchaser in a very difficult position because, if, in ignorance, a young buyer buys a home on a retirement park, what happens to their interests? Equally, there are no procedures for the park owners. They need to know when to come to read the meters and so on. All the practical things needed to make a sale go through have not been addressed.

9.15 a.m.

[11] We are glad that you are leaving in place the 1960 site licence, which runs with the planning. Therefore, the regulated site licence proposed under the Bill addresses the fit-and-proper-person-status issue. However, there are duplications in the terms of the Bill and the 1960 Act that we do not believe are appropriate and which could create double jeopardy, which would not be appropriate. We have also looked at the procedure for the fit-and-proper-person test, which follows very closely that for houses in multiple occupation. A residential park is a very different proposition, the big difference being that, if an HMO is closed, although people have the inconvenience of finding a new home, they will find somewhere else to live, but, if a site licence is revoked and a residential park is no longer able to trade, people still have their investment in their home on the park, so we believe that further provisions are necessary to address that situation. We have a provision for an interim manager but nothing after that, which leaves a big question mark.

[12] On the economics of this, a couple of times during discussions in the Assembly you have talked about multi-million-pound businesses. We do not recognise that picture from the micro-businesses we have in our membership that are running small parks. If you take the consumer prices index and apply it over the years, income will be reduced every year. That will have a compound effect. You cannot just look at year 1; you need to look at where you are going to be in year 10. The CPI does not include housing costs. The Office for National Statistics is already looking at a CPI(H) to include housing costs. These businesses will be deprived of income over time, with increased costs that we cannot evaluate until we fully understand how the licensing is going to work, and, without a procedure on sales, probably starved of commission income also. We are concerned that you are therefore just going to be running down the economics of park-home businesses, which is obviously not in the interests of the industry or home owners in those parks because, if the parks do not have money to invest in keeping standards up, everyone loses.

[13] Those are the main areas of concern, and our recommendations in our evidence seek to address those areas in order to make the regime as proposed work in a practical sense.

[14] **Kirsty Williams:** Thank you very much. Mr de Winton, in your evidence you say that you have sympathy with the victims of a minority of unscrupulous park owners. We have a great deal of evidence to suggest that some of those practices are particularly vicious and can be very difficult to live with. Do you think that this Bill is a proportionate response to those problems?

[15] **Mr de Winton:** Make no mistake, the CLA would not condone unscrupulous activity. The CLA takes the view that, possibly, it is the small minority that effectively spoils it for the majority. We think that the proposed legislation is a bit heavy-handed. It is possibly a hammer to crack a nut in order to drive out those smaller operators that no industry wants to have. That is to the disadvantage of the greater number of people who do the job properly.

[16] **Kirsty Williams:** So, in your view, if this legislation is not the way to address those problems, what is?

[17] **Mr de Winton:** I would think that the existing legislation could be better implemented in some respects but that we could also seek punitive measures with regard to those characters who are hellbent on making life a misery for their park inhabitants.

[18] **Kirsty Williams:** Which existing legislation do you think is not being properly implemented that could have that effect?

[19] **Mr de Winton:** Obviously, the Caravan Sites and Control of Development Act 1960.

[20] **Kirsty Williams:** To move on, the Bill confers 14 regulation and Order-making powers on the Welsh Government, as well as two guidance documents. There has been a lot of discussion about the appropriateness of the reliance on regulation, which will, at some point, follow this legislation, hopefully. What are your views on the powers in the Bill for Welsh Ministers to make subordinate legislation, and what are your views on the balance between what appears on the face of the Bill and what is left to regulation at a later date? Are there things that the Bill currently leaves to regulation that you would like to see on the face of the Bill to give greater certainty?

[21] **Mr Beard:** I think that, in principle, we agree that there are a number of issues here that are best dealt with by regulation, and we can see the merit in doing that because you have a greater degree of flexibility going into the future and you are able to meet any discrepancies that arise as a result of experience. I do not think that we are saying that there are any inappropriate suggestions for matters to be dealt with by regulation. What we are saying to you is that there is a very large chunk of material there, which, in practice, the associations have to disseminate to their membership. I do not think that it is unreasonable for them to ask to be involved in the consultation process in the drafting of those regulations, and to have them as soon as possible, because there is a very large job for them to do with their membership and out there with the public and their residents, of course. It is essential that there is time for that process to be dealt with competently.

[22] **Kirsty Williams:** So, you are content with the balance, are you?

[23] **Mr Beard:** Yes, I think that we are content with the balance between primary and regulatory matters here.

[24] **Kirsty Williams:** It is just about ensuring that any regulations that follow should be consulted upon adequately.

[25] **Mr Beard:** Yes.

[26] **Kirsty Williams:** Thank you very much. That is very clear. As you say, in moving to the new regime there will be a huge job of work for the industry bodies to do in disseminating this information. I do not think that any of us would underestimate the size of the job of work to be done. Do you have any concerns regarding any transitional arrangements that would need to be in place in order to implement the Bill, and could you give us an idea of how much of the industry you represent? Do you have any comparisons with regard to parks that are not members of your bodies, and do you have any views on how transitional arrangements might work for those individuals who, for whatever reason, may not choose to be a member of a professional body such as yours?

[27] **Ms Pritchard:** I checked the database when I submitted the written evidence. We have 49 residential and mixed-use parks owned or managed by members. Some of those mixed-use parks could be a holiday park with five warden's units. So, if around 40 are members of our organisation and you have identified that there are 92 residential parks in Wales, that is less than half. It is not an enormous number, however, is it? If you have the addresses, presumably the Welsh Government can also inform the businesses of what is coming. To talk about the transition, one has to look at the detail of what is proposed, and that is as much in the regulations, which we have not seen, as it is in the Bill. There are all sorts of questions with regard to the fit-and-proper-person regime, as proposed in the same way as for houses in multiple occupation, as to what are appropriate financial arrangements, and what is the approach at management structures, and there needs to be guidance on both sides, presumably coming out from the Government, as to what is meant by that for people to know what they need to do to comply.

[28] **Kirsty Williams:** Given the fact that there are capacity issues within the Welsh Government and there may be a phased approach to the regulations, do you have any views on what should be prioritised?

[29] **Ms Pritchard:** The greatest concern is the handful of rogues whose names are often used, is it not? Therefore, looking at licensing has to be the first priority. It is difficult, because you are looking at it in terms of, 'We have to tackle the rogues and we are addressing standards', but the rogues cause the most misery and therefore must be the priority to address. So, that would be one way to go about it. The greatest priority has to be those causing the greatest misery and resolving that.

[30] **Ms Dunne:** Also the protection of the home owners in light of that, because you could argue that there are mechanisms in existing legislation, which, for whatever reason, are not working. That needs to be addressed. This minority behaviour is impacting on the lifestyles that people choose and in which businesses invest. It is a lifestyle choice for many that is being tarnished badly.

[31] On our representation in Wales, it is on a much smaller basis. Our residential park membership in Wales is less than 0.5% and the average size of park would be probably less than 20 pitches—they are very small. However, that does not detract from what is happening out there and the importance of putting something practical and pragmatic in place to change this for the better.

[32] **Kirsty Williams:** That takes us nicely on to the existing legislation and how this new proposed legislation will interact with the existing legislation. Why do you think the current legislation has proved inadequate in dealing with the rogues, as you have just described them? Mr de Winton seemed to think that greater application of the current legislation would solve the problem of the rogues—I am dubious about that, given my own experience of dealing with some of them.

[33] Furthermore, what are your views on the interaction between the Bill and the existing

legislation? You mentioned earlier that one of your main concerns was the issue of having to hold two licences. What will be the impact of having to hold two licences and will that pose any particular problems for the mixed sites that you have also referred to, which are a mixture of permanent homes and holiday properties?

[34] **Mr Beard:** On your last point, we think that how the Bill covers the mixed sites is satisfactory, so we need say no more about that. On the existing legislation, it is right to say that the two associations have supported the idea of a fit-and-proper-person for many years. The necessity to hold two licences in itself is not a problem. However, problems may arise in relation to the fact that there is an existing licence under the 1960 Act and there is the potential under this Bill for the fit-and-proper-person licence, namely the regulated site licence, as you call it, to encroach on matters that are dealt with by the 1960 Act, which are dealt with by the same authorities and which will be dealt with by the same environmental health officers in the main. We cannot see the point in that and think that it is likely to cause confusion and a blurring of the distinctions here. We support the fit-and-proper-person requirement, so that you cannot operate a regulated site without a fit-and-proper-person licence, but how far do you need to go in addition to that to deal with site standards and conditions affecting health and safety and how the park is laid out and run, all of which are matters quite satisfactorily dealt with by the 1960 Act—or which could be, if councils enforced it to the hilt?

9.30 a.m.

[35] **Kirsty Williams:** Councils constantly tell me that they do not have the powers; we bring countless issues to the door of the council, to trading standards, to environmental health, and to the chief executives, and they tell me that they do not have the powers. We go to the police, and the police say that it is not a matter for them and that we should go back to the council, and the council says that they do not have the powers. The councils say, ‘We’d love to do something to help you, Kirsty Williams, but we don’t have the powers’.

[36] **Mr Beard:** You are changing the powers in terms of the fines that can be levied, for example, for harassment; you are increasing those, but you are not changing the harassment provisions themselves. Those are in place, and they were reviewed by Westminster fairly recently. They are pretty powerful pieces of legislation—they are much more powerful than they used to be. The power that you are giving the local authority, under the fit-and-proper-person licence, relates to the service of notices that require works to be done. It is true that there is no formal notice system under the 1960 Act that will affect Wales—they are bringing it in in England, but it is not proposed for Wales. You are doing it through the fit-and-proper-person licence—through the regulated site licence. That is the power that environmental health officers feel that they are without. They have dealt with it in the past, in the main, by writing to park owners, threatening to bring a prosecution if certain works are not brought up to standard. That, in itself, is quite a powerful weapon, which I have frequently seen used in the absence of a formal notice procedure. The 1960 Act is now being amended to bring in a compliance notice procedure, and you are addressing it through the fit-and-proper-person licence. Equally, I cannot see that there is any real reason why you should not stick to that, without necessarily dictating, through the fit-and-proper-person licence, the conditions and everything else that we regard as being potentially in conflict with the 1960 Act.

[37] **Kirsty Williams:** I wish to move on to the issue of the residential property tribunal. The British Holiday and Home Parks Association and the National Caravan Council state in evidence that they agree that the residential property tribunal should have jurisdiction to deal with disputes relating to the Bill. However, we have had other evidence, from other organisations, which states that it is not clear enough. Could the Bill more clearly establish the jurisdiction of the residential property tribunal, in relation to dispute resolution and, particularly, the termination of written agreements, or are you content?

[38] **Mr Beard:** We are supportive of termination provisions being left with the court, as they are at present. Those provisions are seldom used. However, we are very supportive of the RPT dealing with appeals in relation to site licensing conditions. That is not something that you are proposing in relation to the 1960 Act, but we believe that that would be a significant advance. We are content with how the RPT is being used, by both parties—park owners and residents—since it came into force in April 2011. There has been a surge in cases, and many disputes have been resolved through that process.

[39] **Kirsty Williams:** I wish to move on to the financial impact, which, again, has been one of the main areas of concern for all the organisations represented here this morning. In your evidence, you seem to take particular exception—you have mentioned it this morning—to the industry being described as ‘multi-million pound’. You are keen to stress that that is not the case, although my understanding from the briefings that we have received is that the industry has a turnover of around £3 billion. Therefore, collectively, there is a lot of money involved in this industry. How might the financial impact on site operators affect their ability to carry out improvements, to invest in sites, and to invest in their businesses? Furthermore, what financial assessment have you been able to carry out on the impact on businesses from this Bill? You are very concerned about added costs. Could you clarify what you believe the added costs to a business would be?

[40] **Ms Pritchard:** It is very difficult, until we see the regulations, to know what this is going to cost businesses. We do not know what the licence fee is going to be. I do not think that local authorities can know what it is going to be until it is clear what they have to do. We have suggested that, to keep costs to a minimum and to make the fit-and-proper provisions work, local authorities should not have a duty to consider co-operation but should have an absolute need to co-operate. If you have 92 residential parks in Wales, owned and managed by 72 people, it would make far more sense to have each one of those people licensed once under a personal licence scheme, than having one person licensed three times for three sites. It would make sense for that to be done centrally in Wales. Meanwhile, in respect of site licences under the 1960 Act, which relate to physical situations on the ground and the need to recognise the local position of sites, it would make more sense for the local authority to do that. That would save on costs.

[41] This might be a multi-million-pound industry, but the majority of the sector is made up of microbusinesses: you are looking at husband and wife teams. Your explanatory note talks about a park with turnover of £54,000. We do not think that that is too far wrong, in terms of the average. However, that means that half of the operators have a smaller turnover than that. Reducing operators’ income by applying CPI as opposed to RPI has a compound effect over the years. They will have the cost of the licence, and we have no idea what that will be. They will also have other costs that they may or may not need to bear in order to obtain the licence. You are asking people to prove that they are not incompetent and that they are financed appropriately. Will operators spend money on solicitors, accountants and so on, because losing their licence would be the end of their business? Then, the things that they will be asked to do by the local authority represent yet another cost. So, overall, there is a reduction in income and increased costs, at a time when the housing market is incredibly flat. That is a matter of great concern.

[42] **Kirsty Williams:** Thank you; that is it from me.

[43] **Mike Hedges:** I would like to come in here. You said that half of the turnover figures were higher than £54,000 and half were lower. So, are you talking about median turnover or the average turnover?

[44] **Ms Pritchard:** I am talking about average turnover.

[45] **Mike Hedges:** We could be in a room with a multimillionaire, and the average income of the people in the room would be hundreds of thousands of pounds because it was driven up by that one figure. Do you know the median turnover figure?

[46] **Ms Pritchard:** No, but you are quite right. More than half will have a lower turnover than £54,000. Most of the operators are tiny.

[47] **Ann Jones:** We may pursue that issue through other avenues. We will now move on to licensing and administration. Mark and Janet will take the next set of questions, on Part 2, sections 3 to 16. Mark will ask the first two questions.

[48] **Mark Isherwood:** Good morning. You have already indicated your general support for the fit-and-proper-person test, but how effective and appropriate are the proposals in the Bill for that test, in respect of site operators?

[49] **Ms Pritchard:** I think that this might be more complicated than it needs to be. The biggest issue that you are looking at is a lack of morality and a lack of care for customers. That is not about management structures or financial arrangements. The only proof that you have are convictions for breaches, harassment and that sort of thing. If you could concentrate on licensing under the 1960 Act in order to address infrastructure, while directing resources toward personal licensing in order to look at the people about whom we are talking and the harassment that we are seeing, you might have a more streamlined and more effective deterrent against these people. The unintended consequences could be decreased income, increased costs and more people leaving the industry. When they do, if their parks are bought by rogues, you are going backward rather than forward, and that is a real risk. I have spoken to husband and wife teams about this legislation and they do not understand it, because they have a happy park where there has never been a problem. They do not understand why the National Assembly is doing this to them. If they leave, and the wrong person with a different attitude comes in and buys their park, we will be in a worse situation. If someone is convicted of harassment, for example, they should not be able to operate not only the park for which they have been convicted, but any other parks either, because it shows that they should not be managing a park. Also, if that conviction is in England or Scotland, should it not be relevant to their operation of a regulated mobile home park in Wales? By reducing the criteria that you are looking at and directing them to where the real problem is, you could have a more effective system and, most importantly, a more effective deterrent. That is what we want; we want to see these people leave the industry, so that people can live happily in their park homes.

[50] **Mark Isherwood:** How do you respond to the statement by Peter Black, the Bill sponsor, to the committee a fortnight ago that he will now bring forward an amendment that would only require site managers, rather than managers and park owners, to be fit-and-proper persons?

[51] **Ms Pritchard:** It would leave a door open, would it not, for a very nasty person to own parks and employ somebody else to run them? Most people who are employed have to respond to their boss. There is an issue there. It is more the other way around. In a lot of cases, there is not a lot for a park manager to do; people are living in their homes and lots of parks do not have managers at all, and do not need one. A park manager might be making sure that the roads are swept; do they need to be fit and proper, or do they need to be able to make sure that the roads are swept? It is almost the other way around. Who is responsible for that business and who is setting the way that that business is treating home owners? It is the owner, surely, who sets the tone.

[52] Many people who are being called park managers would probably be park wardens. I

do not know that you need all these fit-and-proper criteria. We have stated that there are many park wardens employed today with the job title 'park manager', and we have an issue with their employment rights if, whatever the criteria, they are not fit and proper. However, I do not know that that is what you are driving at. You are driving at the abuses, and that has to come from the top in a business. You have a lovely line in the Bill, which we have applauded, about looking at the associates of the park owner, because you can have families whose names are known and where things are passed between members; you need that check and control. We have it in our articles of association, where I think we call it a 'colleague'; we have done a lot of work over the years to apply membership standards and we needed to change our articles to stop membership being passed between people.

[53] **Mark Isherwood:** In your evidence, both the BHHPA and the NCC call for the clearest guidance from Welsh Government in respect of criteria such as sufficient level of confidence, management structures and funding arrangements. Could you expand on what clarity of guidance would be required? You mentioned that someone who already had a conviction could be identified as unfit, but what about someone who has not had a conviction but has been subject to continuous complaints of harassment or false allegations from a park owner?

[54] **Ms Pritchard:** I do not know that harassment has anything to do with competence. Those terms are taken straight from the houses in multiple occupation legislation, and we do not know what they mean in respect of a residential park operation. Funding arrangements for a four-pitch park with a husband and wife team are not the same as funding arrangements for a 100-pitch park. We do not know what that means, but we know that it is causing incredible concern. Funding arrangements today, with the banks taking a very different attitude to the one that they took in 2006, are very different and when somebody's loan comes up, or whatever, they will change. How does that apply to whether or not they are harassing their home owners? I cannot see the connection. I do not know what a management structure means, for a husband and wife team, but it is in the Bill, so we need to understand what it is that the Assembly is seeking to legislate for. It is not clear to us, which is why we said that there needs to be clarity. Otherwise, why include it? It is just red tape and you are not driving at how the business is funded; you are driving at how the business treats its customers.

9.45 a.m.

[55] **Mr Beard:** We have to be able to tell people, because everybody has to apply for a licence straight away. Nobody is grandfathered into this process. We have to know from the word go exactly what is required. Otherwise, we will find people meeting these difficulties in making the application for a licence to continue to do something they have been doing for, maybe, 50 years. So, it is a significant hurdle for us to overcome.

[56] **Ms Dunne:** Does competence mean knowledge, experience, awareness or communication? The answer is that it is all of those things. We would argue that they should know what they are doing, should have all of that experience, knowledge and awareness, and should want to make sure that they are running a good business and operation and have happy residents. Is that what is required? Can we put our finger on it to that extent, or not? It is about knowing and understanding, and then being able to work with it, because once we know where we are, we can make sure that that is applied.

[57] **Janet Finch-Saunders:** You suggest in your evidence that local authorities should be required to collaborate as regards licensing regulated sites, rather than just having a duty to consider it. What do you think would be the benefits of that approach?

[58] **Ms Pritchard:** The benefits of that approach would be enormous. We have 92 sites in Wales, for which you want a personal licence in order to show the right management

attitude. The explanatory memorandum suggests that, through collaboration, four environmental health officers could do that work between them, and become experts. Whereas, if they are not required to collaborate, you could have an EHO in every local authority, and some of whom would be very good because they have a lot of residential parks, and others will be completely out of their depth because they only deal with this every now and then. It would also have the advantage of, as we mentioned earlier, one person not having to do the same thing three times. Also, you would have the advantage of the deterrent: if these EHOs knew those 92 park owners and knew what was going on over there, they could discuss it when they are all together. It is about efficiency as well as about having an effective deterrent to help residents.

[59] **Janet Finch-Saunders:** Do you see any merit in having one lead local authority?

[60] **Ms Pritchard:** If that is what this achieves. At the moment, you have all sorts of issues in the 1960 Act that are also in the 2013 Bill. You do not need to regulate the same thing twice. If the management—the person in the centre—or the lead local authority would achieve the same, as well as one central register, as opposed to having a register in every local authority, that would do it.

[61] **Janet Finch-Saunders:** Do you think that EHOs or the departments have the knowledge now? Do you think that there is capacity to increase that knowledge and to make it work? I, like Kirsty, have experienced problems, where it is the local authority that has said, ‘Look, it is very difficult to get too involved’. I have experienced problems more to do with the site licence. I have residents on a site who have never seen their site licence conditions, and, apparently, have been advised by their local authority that they are not allowed to see them, and when I have tried to request the site licence for the residents, I have been told, ‘You cannot see it either’. What is this secret document that includes the licensing conditions that people have the right to see? So, do you think that there is scope, with all the cuts in local government funding in Wales, to be able to implement a good system?

[62] **Ms Pritchard:** Certainly, resources are needed to make it happen. I am surprised to hear about a site licence being a secret document. Most agreements make not breaching the site licence a condition for the home owner as well as the park owner. That condition could not apply if they did not know what it said. However, that is an important point to take into account: a breach of the 1960 site licence is not always within the park owner’s control. A home owner can erect a porch or an extension that will breach the site licence, and the local authority has an important role in managing that enforcement, so that a wicked park owner does not use it as a reason to harass a home owner with an extension. There is an issue there that needs addressing.

[63] Today, local authorities do not have a duty and therefore have not put resources into it. So, there is a lack of knowledge that needs to be addressed for this to work. If it is not addressed, there is great concern that local authorities do not have the knowledge today to do it, and applying woolly criteria, such as management structures, is not a good recipe. That is another reason to have a lead authority—a handful of people who can be trained and who will develop the expertise needed for the regime that is proposed.

[64] **Ms Dunne:** I think that you almost answered your own question by outlining the difficulties that you have experienced with local authorities. I must say that we have heard this over a number of years now, working in other countries. We believe that there is scope for more information, more joined-up thinking, more sharing of information and getting more agencies involved. The police were mentioned earlier; they do not understand what they can and cannot do in terms of enforcing the laws of the land.

[65] **Janet Finch-Saunders:** Do you think that there should be a centrally held database

of site licences?

[66] **Ms Pritchard:** Of personal site licences?

[67] **Janet Finch-Saunders:** Yes.

[68] **Ms Pritchard:** Yes.

[69] **Ann Jones:** We started to touch on enforcement in response to that question. Joyce, do you want to take the next question?

[70] **Joyce Watson:** Yes. Let us assume that we have got to a point where everything has been agreed, where everybody is happy and knows what they are doing and where we are trying to enforce the rules and regulations. In your view on enforcement powers in the Bill, particularly in relation to the inspection of sites, what do you think will work well? In mentioning capacity to deliver—and I am as confused as you, by terminology and by what you have just said—you said that you would be quite happy to see that on a national level. How do you think that that is going to be rolled out by a handful of people doing the job across Wales?

[71] **Ms Pritchard:** There are 92 locations in Wales. It would make more sense to have a handful of people in a car visiting all of those 92 than many people—I do not know how many local authorities there are—

[72] **Mike Hedges:** There are 22 local authorities.

[73] **Ms Pritchard:** It is about the expertise that you want to build. It would make more sense if you had an expert enforcement officer or four expert enforcement officers covering the four corners of Wales and meeting together, than having one in every local authority.

[74] **Joyce Watson:** I would like to explore that a bit further. I am a regional Assembly Member for Mid and West Wales and I know, realistically, how long it takes to get around mid and west Wales to do some work; I have a bit of experience of covering large areas. How do you see it working? This is what I am trying to get at. If you have a handful of say, four inspectors, how do you think they are going to respond to issues right across Wales, if you are expecting those to be the only people on the ground delivering that?

[75] **Ms Pritchard:** What work would be involved for an enforcement officer? An awful lot at the beginning because you would want everybody to jump through the hoop at the same time and get their licences. Then you would be looking at enforcement. On a good park that ticks over very quietly, there is not a lot of work to be done at all—you would need a cursory check, a drive around the park to see that it all looks fine, knowing that there has never been a complaint—so why invest local authority resources there? On another park where complaints are flooding in, AMs are standing up for their constituents and there are obvious problems; that is where resources would need to be focused. You need expertise to do that, because if your enforcement officer does not understand the law, then nobody is winning.

[76] **Joyce Watson:** I understand that, but I think that the issue of capacity has not been answered. If you want to go away to think about that and come back to us, that would be fine. The other issue that I would like to explore is whether you think that it would be a good idea for unannounced inspection of sites to happen?

[77] **Ms Pritchard:** I read the debate on this, last week or the week before. You can drive onto any park today to go to visit a friend, so does it matter whether it is announced or not because you can just go to have a look? If you want to meet with a park owner and take a look

at the underground pipework or something, then it is probably an idea to give him a bell to make sure that he is there and has the keys. However, anyone in this room can drive onto any residential park today to have a look at it. So, I am not sure whether the issue of announcement is really an issue.

[78] **Joyce Watson:** Okay, thank you.

[79] **Mike Hedges:** I want to talk about fixed penalties. What is your view on licensing authorities being able to issue a fixed penalty? Is it a good idea? Is £100 appropriate? At what stage should they stop issuing fixed penalties and move on to taking further action?

[80] **Mr Beard:** A fixed penalty of £100 would have to be for a very trivial breach, would it not? What we are accustomed to seeing for a breach of a site licence condition, where the maximum fine is £5,000 at the moment, is a fine of nothing less than about £500 given by a court for a low-level breach. So, a fixed penalty would have to be for something of a trivial nature, really.

[81] **Mike Hedges:** Do you agree with the approach of people coming along and seeing a minor breach, giving a warning notice and asking, 'Look, there is this minor breach, can you put it right?'. If you come back seven days later and see that the notice has been ignored, you could then say, 'You now have to pay a £100 fine for ignoring the notice. If you ignore us next week, it's another £100'. Do you agree with that approach in order to deal with these minor breaches?

[82] **Mr Beard:** Most people who are given notice of a minor breach will fix it. A fixed penalty for a minor breach, in that context, would give the immediacy and the incentive to deal with the matter quickly. However, presumably, it is an option that the council does not have to take; it would only use it where it thought it would be effective.

[83] **Ms Pritchard:** We have also included in the evidence the suggestion that there should be the right to appeal to the RPT if penalties are used inappropriately, to prevent the potential for abuse. It would never be used unless it was being abused, but there needs to be that check and balance.

[84] **Ann Jones:** We will move on to the contractual relationship between site operators and home owners. Lindsay has this question.

[85] **Lindsay Whittle:** Good morning. One of the impacts of this Bill would be to remove the requirement for site operators to approve buyers. What assessments have you made of the unintended impacts of that?

[86] **Ms Pritchard:** I think I mentioned this at the outset—it could be enormous if it is not done appropriately. The buyer needs protection, as does the community on the park and the park business. Not all home owners are angels and when people are trying to sell their home, human nature is such that their only incentive is to sell their home at the best possible price. They do not have the incentive, for example, to advise the buyer of any park rules to do with age or pets or to ensure that their buyer has a copy of the written statement. A sale can take place, the seller is long gone, nobody knows where he or she is, the park owner does not know what is going on, and the buyers discover that they should have paid a commission, so the assignment, as drafted, has no effect. That could be news to the buyers and therefore mean that they do not have the money to pay the commission and that the park owner does not know when to read the meter to start charging the electric to the new owner, rather than the old owner who is long gone. There is an enormous gap given that there is no procedure and no protections.

[87] The English private Member's Bill that is going to be considered has a whole series of procedures just to protect the buyer, the community on the park and the business. We can only commend these. A lot of park owners are very concerned. The good park owner is the one who informs the buyer of the Mobile Homes Act 1983 so that people know what it means and how it is financed, and are aware of the fact that they pay a pitch fee and that it is reviewed and of their rights and responsibilities.

10.00 a.m.

[88] As drafted, the purchaser is in a very exposed position and they are vulnerable consumers as much as the seller. The community on the park likes that the park owner basically vets who is coming on; they like to know who their neighbours will be. That has gone, which is fair enough, as long as the park rules are enforced. So, there is a big gap there in that nothing is proposed as to the procedure and the information that should be given to the buyer—if it is not being given by the park owner, it needs to be given by the seller. It is a great concern, because that will upset the community on the park and the economics of the business, and there needs to be a check and control.

[89] **Ms Dunne:** It is important to understand that this is a unique housing tenure. It is not widely known about, sadly, even now, among those who are excited by the lifestyle and want to get involved; they think that they just hand over the money and that that is it. We are staggered by how little advice is taken or information that is available. We have campaigned for some time to try to raise awareness and get more information out there about the buying and selling procedures. That is not to take away the important role that the park plays in this, and we know from our discussions with residents associations that they value having that interaction. That has to be balanced against the abuse of that, which we know has happened, but it is about not throwing the baby out with the bathwater and making sure that there is informed information and that mistakes do not happen a bit further down the line simply because the procedure was not clear or the information was not available. So, we would urge that work is done to address that.

[90] **Mr de Winton:** I was going to support that. We feel that the park owners should certainly have a role in vetting new entrants to the site, purely and simply so that they can continue the same regime, with people coming on who they know will not disrupt the site—assuming that there is a good community there already—or put the proverbial spanner into the works and upset the current good management of the site.

[91] **Lindsay Whittle:** With respect, we live in Wales, which they say is the land of twitching curtains. We would all like to choose our neighbours. I am fortunate that all the neighbours that I have ever had in my life have been good people, but there is no jurisdiction as to who moves into my street. At least here you have park agreements, so if a bad person is living on the park, site owners can use park agreements to remove them. What is wrong with that?

[92] **Ms Pritchard:** If somebody, in innocence, moves with a young family onto a retirement park, yes, there is a park agreement, but why would the Assembly want to set up a situation where the park owner has to take that young family to the RPT and then to court to make them homeless? It would be far better to make sure that they have the information beforehand. Yes, you have no control of your neighbours, but if you had chosen to live in a retirement community, you would have done so with the reassurance that you would continue to live in a retirement community. That is a choice that home owners have made and one that they do not wish to lose. That is the biggest one, but you also have the practicalities, such as, if there is no procedure, who is paying the electric bill or who is reading the meters? How is the commission being paid, remembering that the commission is fundamental to the income of the business, so if the commission goes, pitch fees are down and costs are up, and

everybody will lose? There needs to be a procedure that people understand.

[93] **Lindsay Whittle:** So, what changes would you like to see in the Bill to address that?

[94] **Ms Pritchard:** I would like to see something akin to the English procedures that are being drafted at the moment. We have included a list somewhere in our evidence. In practical terms, the park owner needs to be informed of the date of the assignment so that they can do the meter readings and they need the home owner's address for service to send on their bills. The dates of birth of occupiers for a retirement park, details of pets and those sorts of things, and the purchase price all need to go to the park owner. If, as a purchaser, you buy from a park, you have to receive your written statement 28 days before you purchase, to give you the time to understand what you are entering into. The English Bill says that that should apply if you buy from a private owner as well, whereas there is nothing in the Welsh Bill to make sure that the purchaser is informed what park home ownership means. If you do not know what you are buying into because your seller has not told you and has disappeared, you could find yourself paying a pitch fee that you had not budgeted for and with park rules to adhere to of which you were not aware. Buyer beware does not work; that came out in the evidence taken by the select committee. There needs to be a procedure for information to be given to the buyer and a procedure for information to be given to the park so that the transaction can be administered.

[95] **Lindsay Whittle:** Are there any other issues that you would like us to examine and reform in relation to the contractual relationship between site operators and home owners?

[96] **Ms Pritchard:** We looked at the way in which the Bill is drafted with regard to qualifying residents associations and we are concerned that it could be ambiguous. It needs to make it clear that a qualifying residents association should have representatives from more than 50% of the homes on the park, to prevent there being three or four qualifying residents associations. I think that is just a drafting issue, but it is rather an important one, given the role of QRAs going forward, which will fall down if you have conflicting QRAs.

[97] **Mr Beard:** I think we drew attention to the possible conflict between one vote per home and 50% of the occupiers. The Mobile Homes Act 1983 quite clearly, for reasons that are well established, states that there should be one vote per home. It would be a pity if the implied terms for Wales cause any confusion over that. There is a section in our written submission that deals expressly with that point.

[98] **Janet Finch-Saunders:** As part of this exercise, we have had some anecdotal discussions and examples have been given where the site owner has the potential to become involved and embroiled in a sale. There is a perception that that could affect the value and there are questions as to whether the site owner could influence a potential buyer. We have heard anecdotal evidence of examples where the value of a mobile home could have been affected. It could have been on the market for a long time and potential buyers might have come along, but they might not have bought because the site owner spelled out all the terms and conditions. You hear horror stories. I have spoken to a lady who spent £150,000 on one, three or four years ago, and has been given to understand that it might be worth only £20,000 or so. You hear these disproportionate figures. How can we get around that? The park owner has rights, because you are buying only the mobile home and not that piece of land. You are buying the chance to put your mobile home on a pitch on the owner's land. How do we get around the situation and protect the people coming in, who want to buy, and also the people who have already invested in those mobile homes?

[99] **Ms Pritchard:** That is exactly what the English Bill is trying to do by putting procedures in place. So, it is the home owner who has a legal responsibility to give the written statement to the purchaser, not the park owner, in the English Bill. It is there that the home

owner should provide the information to the purchaser.

[100] **Kirsty Williams:** May I clarify something? I feel that the industry has got itself into this situation by failing to tackle the rogue elements within it, and we have now come to a situation where legislators feel that there is no other option than to remove the park owners from this process altogether, because nothing to date has stopped the sale-blocking issue. Are you saying that you do not object to the park owner being removed as long as this Bill states clearly the legal responsibilities of the seller and there is a procedure in place?

[101] **Ms Pritchard:** First, how could an industry address rogues in its midst without any powers? It is not a fair criticism. We have done much to address the rogues within the industry. We accept that there is abuse with regard to a park owner's approval being given for a sale, and therefore reform is necessary. However, what is necessary in that reform is to take into account not only the interests of the seller, but also particularly the interests of the purchaser and the community on the park. This is the same issue that Westminster has been grappling with, and it is looking at procedures. Whereas the majority of the Welsh Bill addresses, basically, the licensing of houses in multiple occupation, the bulk of the English Bill addresses just the issues that we are talking about, and the issues are identical in England and Wales, so there is an opportunity there.

[102] **Ms Dunne:** On procedures and information and education, there is a bit about that, too. It is about making people aware and empowering them to know what to ask. I accept that there are many vulnerable park home owners out there, and perhaps they would not feel empowered to ask lots of different questions, however, if they at least had pointers to use, procedures to follow and information to look up, perhaps they could say, 'There's something out of line here, maybe that's something I should question or maybe I should get my son or daughter to help with this', just so that we can start to question behaviours, so that people will hopefully benefit. The behaviour is there—we accept that—and it needs to be eliminated.

[103] **Ann Jones:** We have to move on to the management of sites. Gwyn, you have a couple of questions on this.

[104] **Gwyn R. Price:** A lot of these have been answered, because I think that you were saying to follow the English version. Are you satisfied that the Bill is sufficiently clear as to the purpose of the code of practice that would be made under Part 4 of the Bill? What should be included in a code of practice made under Part 4 of the Bill?

[105] **Ms Pritchard:** That is a fascinating question, because it is the Assembly that has proposed the code of practice, and we would love you to tell us—

[106] **Ann Jones:** It is a Member-proposed Bill, actually.

[107] **Ms Pritchard:** I am sorry. We need to know what would be in it. A code of practice that becomes a legal code of practice is essentially part of the law, so it is like having secondary legislation—it is tertiary legislation—because if you make the code of practice mandatory through your Bill, it is a form of legislation. What should be in there? It should include an explanation in plainer English of what the law actually says and what people should be doing. It is not clear to us; it is just another layer of regulation unless there is something else that you want to address.

[108] **Kirsty Williams:** Forgive me if—[*Inaudible.*]—you talked earlier about addressing your own membership standards and articles of association. Fair play to you, because I know that you have taken action against some of the rogue elements, you have rules about who can be a member of your organisation, and you have nothing to do with some of the rogues who are well known to both of us. Could you supply your membership standards and articles of

association to us, because that might be a basis for what a code of practice could look like?

[109] **Ms Pritchard:** Our articles require members to refrain from conduct unworthy of a member, which is as broad and as deep as it needs to be.

[110] **Kirsty Williams:** Oh, right; okay.

[111] **Ms Pritchard:** That includes actions likely to bring themselves, their business or the industry into disrepute and breaches of the law. That is the broad canvas that we need. However, that is for membership of a trade association, and not the criteria by which you would deny someone their livelihood. The test will obviously have to be much tougher in law than it is for a trade association. A broad test has enabled us to do what we have done in terminating memberships based on evidence. It is hard work and takes an awful lot of resources.

[112] **Ms Dunne:** We are the same; we have similar procedures and checks in place.

[113] **Gwyn R. Price:** So, what you are saying is that the Bill is not clear enough to satisfy you.

[114] **Ms Pritchard:** Due to the fact that the Bill as drafted is essentially the Housing Act 2004, tailored for HMO licensing, there are a lot of areas where it has not been tailored appropriately in recognising the big difference between 92 residential parks in Wales as opposed to, I believe, 2,000 HMOs in Swansea alone. So, it is a completely different issue in terms of scale and what is required. For example, the HMO legislation talks frequently about overcrowding with regard to the number of households in a HMO. It makes perfect sense. However, the 1960 Act already talks about the maximum number of homes on a park, so why does the 2013 Bill also need to talk about the maximum number of homes on a park? The HMO licensing Act talks about anti-social behaviour or the landlord preventing certain residents from accessing different parts of the HMO. I am not an HMO expert, but that makes sense. However, the Bill talks about the park owner preventing homeowners from accessing certain parts of the park, which does not make sense to me at all in respect of a residential park.

10.15 a.m.

[115] **Kirsty Williams:** No, but I have had that scenario reported to me.

[116] **Ms Pritchard:** How would a park owner prevent a homeowner from exercising their rights to use the park?

[117] **Kirsty Williams:** By scaring the living daylights out of them.

[118] **Ms Pritchard:** Within the law, as you suggest, there is no way in which they can do that without harassing them, is there? So, I question why that line has been included in the Bill. What is it there for? What is it trying to achieve?

[119] **Ms Dunne:** To clarify, we would like to say that we would be happy to share whatever information we have on how we operate our trade associations, our membership criteria and work that we specifically do in relation to best practice, because we operate codes of practice for our members. However, that is a different issue and relates to how they run their businesses. If it is of assistance in this, we would be happy to share that information.

[120] **Ann Jones:** Members would like to look at that to help with our scrutiny. Other witnesses will come forward, and we will then see the Member in charge of the Bill once

again to ask him certain questions, so it would be handy to have that information.

[121] We have run out of time on this section, but thank you very much for giving your evidence today and for your written evidence. We will send you a copy of the transcript of this meeting to check for accuracy, just in case we have attributed something to you that you did not say. Thank you again for coming today.

10.17 a.m.

**Safleoedd Rheoleiddiedig Cartrefi Symudol (Cymru): Cyfnod 1—Sesiwn
Dystiolaeth 4
Regulated Mobile Home Sites (Wales) Bill: Stage 1—Evidence Session 4**

[122] **Ann Jones:** We will now continue taking evidence on the Regulated Mobile Home Sites (Wales) Bill, and our next witness is Andrew Morris from the residential property tribunal. Thank you for joining us, and I apologise that we are running a little late. We have received your written evidence, so thank you for that. We will move straight to questions from Members, if that is okay with you. Kirsty Williams will ask the first.

[123] **Kirsty Williams:** Good morning, Mr Morris, and thank you for your time this morning. Do you think that the Bill, as drafted, delivers the stated objectives set out in the explanatory memorandum?

[124] **Mr Morris:** I think that it goes a long way towards doing so with respect to the licensing part of the regime. Clearly, there is a gap in the current legislation as regards licensing. On the sale of mobile home properties, I am not sure that the Bill provides sufficient protection for the park owners and for residents on the site, which is why we propose the alternative measure of there being a positive presumption in favour of the buyer, with the option for the park owner to apply to us if there are substantive reasons for challenging it. I was listening to the earlier evidence while I was waiting, and it is clear that there is a balance to be drawn, which I am not sure the Bill covers at this moment in time.

[125] **Kirsty Williams:** Are you satisfied with the balance in the Bill on the powers for Welsh Ministers to make subordinate legislation, or do you feel that there is a need to have more of that on the face of the Bill?

[126] **Mr Morris:** Again, from listening to the previous evidence, I think that there needs to be more detail in the Bill regarding the sales process. Whether that can be done in subordinate legislation or whether it should be in the Bill itself is another matter. My one concern is the test for a fit and proper person, insofar as I think that there ought to be at least some guidelines beyond the items that are mentioned in the Bill itself, so that there is consistency across local authorities and so that everyone is asking the same questions, if you see what I mean.

[127] **Kirsty Williams:** I understand. The Bill has consequences for your organisation. Do you believe that the Bill clearly establishes the jurisdiction of the RPT in relation to dispute resolutions, and are you clear about what the responsibilities will be for the RPT under this Bill? Furthermore, is there sufficient understanding and awareness of the RPT among mobile home owners?

[128] **Mr Morris:** I will take your last question first. No, there is probably not sufficient understanding and awareness. There is probably insufficient knowledge of the position of the RPT generally. One thing that I have been trying to do for the whole of my period of office is get a website up and running. I am glad to say that that will be coming online hopefully next April. That is not only to cover mobile homes, but also to cover our current jurisdictions. I

notice that a comment was made in the evidence about transparency. It is our intention to publish all our decisions, to give people an idea of what we do, and how we look at things. So, if this legislation is passed, there will need to be publicity about it, so that people know about it.

[129] **Kirsty Williams:** Are you clear about what your roles and responsibilities would be under this Bill?

[130] **Mr Morris:** I think so. It is quite clear that there are several matters, in relation to licensing, for instance, on which there would be appeals to us. There is the question of repayment orders, and of moving, or re-siting, mobile homes. However, I believe that it is fairly clear where we come in.

[131] **Kirsty Williams:** I believe that you quite rightly identified that there may be a lack of knowledge and understanding among the whole population about the roles and responsibilities of the RPT. However, it has also been suggested to me that there may be issues around capacity and an understanding of the mobile park industry within the RPT. So, you are being asked to make decisions in this particular area, but are you confident that you have the knowledge and expertise in your organisation to take on this role?

[132] **Mr Morris:** It is a completely different ball game from what we have previously been involved in. However, I think that our members are, generally speaking, bright people who are willing to learn. We have co-ordinated with the English RPT to train our members. We have visited a mobile home factory to see how they are built. In particular, I have looked at many of the cases that have come up in England, in relation to sale blocking as well as, largely at the moment, it seems, pitch fees. It is something that we will have to grow into. We have had meetings with Consumer Focus Wales, and we are aware of the issues that it has raised, and we have seen its report. However, it will be a steep learning curve, there is no question about that.

[133] **Kirsty Williams:** In its written evidence to committee, Consumer Focus Wales, which you have just mentioned, told us that applications to terminate written agreements should continue to be heard by the courts. That has just been corroborated by the site owners, who believe that it should be a matter for the courts. Do you have a view on that?

[134] **Mr Morris:** I would tend to agree with that.

[135] **Kirsty Williams:** Okay. Finally, from me, what do you believe would be the financial impact on the RPT should the Bill become law?

[136] **Mr Morris:** How long is a piece of string? It is difficult to know. When the most recent transfer of the jurisdiction under the 1983 Act was proposed, we had no idea how many cases we might get. Strangely, we had quite a number of queries before the transfer of the jurisdiction. In fact, we have had only two applications, one of which was out of time so we could not deal with it and one of which is ongoing. Again, that may be as a result of people's lack of knowledge of the ability to apply, but it is very difficult to know what impact this will have. It will depend, certainly on the licensing side of things, on how strenuously the local authorities pursue the licensing regime, what kind of conditions they try to impose, and so on. I can see the figures that have been quoted in the consultation document, and because we have received more complicated matters, particularly service charge matters, over the past 18 months to two years, it is the case that the number of sitting days for members has increased quite considerably. That in itself causes an on-cost, which has put the budget under a bit of pressure, let us say. So, obviously, any additional jurisdiction would be a further pressure.

[137] **Ann Jones:** We will move on to licensing administration with Mark.

[138] **Mark Isherwood:** Good morning. In your consultation response, you agreed that the fit and proper person test

[139] ‘should apply to the person having “control” of the site as well as the owner’.

[140] How, therefore, do you respond to the statement by Peter Black AM, the sponsor of the Bill, made to this committee two weeks ago, that he now intends to bring forward an amendment that would require only site managers to be fit and proper persons, rather than site managers and site owners? In particular, how do you respond in light of the evidence that we heard in the last session that the manager might just be a warden, effectively, with the person with primary responsibility for the site, the owner, being an absentee?

[141] **Mr Morris:** Not having heard that proposal before, my reaction would be to look at it by drawing an analogy with HMOs, where very often you have a situation in which an estate agent or managing agent is running the show, but they are not the owner. In that kind of situation, where they have basic day-to-day control of what goes on, I think that they should also be covered by the test. So, to the extent that that is analogous in a mobile home situation, I would suggest that the person who has effective control of the park should also be the person subjected to the fit and proper person test.

[142] **Mark Isherwood:** If the person who has day-to-day responsibility for the site is not the owner, should both be covered by the test?

[143] **Mr Morris:** I would have thought so, yes.

[144] **Ann Jones:** We now move to licensing enforcement and to Joyce Watson.

[145] **Joyce Watson:** You raised concerns in your evidence about repayment orders. Would you like to expand on that?

[146] **Mr Morris:** Do you mean the point that I made in the second paper?

[147] **Joyce Watson:** Yes.

[148] **Mr Morris:** Okay. We have had some experience of rent repayment orders, which has been quite frustrating, to be honest, because an application cannot be made to us until a conviction takes place. Once an application is made, we can go back only 12 months from the application date. We have had cases in which the freeholder or the landlord has avoided being actually convicted, let us say, for a long period of time. In one case, it was over six to nine months. That means that, although an application could be made, we could go back only 12 months, and the rental period may well have been a long time ago, so we end up making a rent repayment order to the sum of pennies, effectively.

10.30 a.m.

[149] That may not have a considerable impact on the tenants in those situations—in relative terms it does, but in monetary terms it possibly does not. If we are talking about the repayment of the price of the mobile home, we are potentially talking about tens of thousands of pounds. If, by hook or by crook, the park owner manages to avoid conviction for a long time, it may be that that 12-month period will have expired. Some consideration ought to be given to the question of whether, in such cases, tribunals should be given longer to go back, or whether, in cases relating to the price of the mobile home, there should be no time limit. If you have paid a lot of money to buy your mobile home, presumably to a site that is not licensed, why should there be a time limit on getting that money back?

[150] **Joyce Watson:** Do you believe that amending the Bill by putting in some timeframes would address the issue?

[151] **Mr Morris:** It would address that particular issue.

[152] **Joyce Watson:** Are there other amendments that you would like to see?

[153] **Mr Morris:** I go back to the sale and purchase issue. Removing the 'veto' completely is probably dangerous, not only for the park owner but also for the other owners on the sites. There needs to be a safeguard against the odd case where the buyer is perhaps not an appropriate person to be living in a particular place. As I said in the evidence, we are well aware that there are good and bad landlords, and good and bad tenants. I suppose that there is an analogy with sheltered accommodation. You will often find that, in the procedure for someone buying a leasehold flat in sheltered accommodation, they are required to provide proof of age, and required to be interviewed. Generally speaking, that is to find out whether they are capable of independent living. However, there is a slight analogy there in that the landlord in that case is given protection against someone moving into the accommodation if it is totally unsuitable for them to be there.

[154] **Ann Jones:** We now move on to contractual relationships, and I bring in Lindsay Whittle.

[155] **Lindsay Whittle:** I have a question of my own to ask first. One of the issues relating to the Bill is the site owners' veto, which we wish to remove. I notice that, in your evidence, you give us a different option. Could you explain that option a little further? Bear in mind that Consumer Focus Wales has told us that, based on discussions with residents, awareness of the tribunal is very low in Wales. No doubt awareness of the tribunal among site owners is quite low as well. How would your option work?

[156] **Mr Morris:** Once a sale had been agreed, it would be necessary for information relating to that sale to be given to the park owner. It is then a question of the extent to which the buyer would then have to provide evidence as to his good standing. I can see that there would be an option for the park owner to come to us if there was something obviously wrong with the person concerned. Raising the profile of the tribunal to the extent of making site owners and mobile-home owners aware of it is something that, hopefully, a website would partially address. When this Bill does become law, hopefully there will be sufficient publicity so that people know what the role of the tribunal is.

[157] **Lindsay Whittle:** To protect the buyers, and to make sure that they are fully aware of their rights and responsibilities, do you think that the Bill goes far enough?

[158] **Mr Morris:** It is possible that one should consider whether, in supplying the written statement and the terms and rules of the site, there should perhaps be something along the lines of notices required for administration charges and service charges—a statutory notice, setting out the rights of the buyer and advising them of their right, in certain circumstances, to go to tribunal. If you serve a service charge notice on a leasehold property, you have to serve a notice telling the occupier that they have the right to appeal to us in respect of the reasonableness of that service charge. I wonder whether a similar kind of notice provision could be brought into the procedure.

[159] **Lindsay Whittle:** I must say, Chair, that I am quite warming to that idea. Thank you for your evidence. That is fine for me, Chair.

[160] **Ann Jones:** Okay. The management of sites is next.

[161] **Gwyn R. Price:** On the management of sites, are you satisfied that the Bill is sufficiently clear as to the purpose of the code of practice that would be made under Part 4?

[162] **Mr Morris:** I think that the kinds of things that should be in the code of practice should perhaps be clarified. I listened to the previous speaker talk about the vague rules that they have regarding standards in their associations. I do not think that you can go down that kind of route; you would have to be a lot more specific. Clearly, this is an area where there is conflict, and to avoid conflict one has to be clear. Certainly, if we are to be involved in interpreting whether it is broken or not, we need to know exactly what is in it.

[163] **Gwyn R. Price:** So, it is really about having further clarity as to the position of the code of practice.

[164] **Mr Morris:** Yes.

[165] **Gwyn R. Price:** That is fine, thank you.

[166] **And Jones:** I see that no-one has any further questions. Thank you very much, Mr Morris, for that; it was helpful. We will send you a copy of the transcript, as you will have heard me say earlier, for you to check for accuracy. Thank you very much for your time today.

*Gohiriwyd y cyfarfod rhwng 10.38 a.m. a 10.51 a.m.
The meeting adjourned between 10.38 a.m. and 10.51 a.m.*

**Bil Safleoedd Rheoleiddiedig Cartrefi Symudol (Cymru): Cyfnod 1—Sesiwn
Dystiolaeth 5
Regulated Mobile Home Sites (Wales) Bill: Stage 1—Evidence Session 5**

[167] **Ann Jones:** If you switched on your mobile phone during the break, please ensure that it is off again, as it affects the broadcasting. We continue with our scrutiny of the Regulated Mobile Home Sites (Wales) Bill, introduced by Peter Black as a Member-proposed Bill. We have had written evidence from the National Association of Park Home Residents and from the Park Home Residents Action Alliance. We were due to have Mr Doick, the president of the National Association of Park Home Residents with us, but he is unwell. We hope that he is getting better. I do not know whether he will be watching this on the television at home. We have Mr and Mrs Threlfall with us. Mrs Threlfall is the chair of that organisation and Mr Threlfall is a member of the committee. You are attending in place of Mr Doick, so thank you very much for that. Also joining us from the Park Home Residents Action Alliance and the National Park Home Owners Congress are Mr Tim Jebbett and Mrs Rachel Jebbett. Is that right?

[168] **Mrs Jebbett:** Tim is representing the organisation; I am just here as a resident.

[169] **Mr Jebbett:** I am the deputy chair.

[170] **Ann Jones:** Fine. That is great. Thanks very much for that and thank you very much for the written evidence from your associations. We will now move into some questions. Kirsty has the first set, on the general principles of the Bill.

[171] **Kirsty Williams:** Good morning to you all. Do you believe that the Bill, as currently drafted, delivers the stated objectives as set out in the explanatory memorandum? Do you believe that the Bill addresses the problems that are experienced in some parks and do you

think that the Bill is a proportionate response to some of the problems that we all know can occur in parks?

[172] **Ms Threlfall:** I think that it has covered most things pretty well, but I am sure that other things will crop up. The main thing is that we will be better off than we have ever been if this Bill goes through. We live in a park home on a site owned by a well-known park owner and we know of the problems at first hand. I think it covers most things, but I am sure that other stuff will crop up that we will need to go through. However, if we can get the main part of this legislation through now, it will really be of benefit.

[173] **Mr Jebbett:** First, the Bill should improve the issue of sale blocking. That has been the big bugbear for park-home owners for years. I, personally, have no objection in principle to having the approval of the owner when you find a buyer; the big problem, of course, is that the law as it stands states that the approval shall not be unreasonably withheld. If that was the case, then it would be fine, but we all know of the abuse and we all know what happens. The owner will procrastinate, or he will put the buyer off and so on, and we know why—it is to get the price down so that he can buy it for a song and sell it for its market value, or to have it removed so that he can put a new one on and make even more money out of it. So, from that point of view, we are very happy with it.

[174] One point is that there seems to be no way of improving what I call the ‘sanctity’ of our pitch. We know of owners who say ‘It’s my land and I’ll go where I like and do what I like; I can walk across your garden because it’s my land’. In conventional property law, if you are a leaseholder of a piece of land with a house on it, that land becomes acquired ground, which I believe is the technical term in law. We do not have that facility or privilege and we have no redress, because the Mobile Homes Act 1983 states that the owner can enter our pitch if he gives us 14-days’ notice. Often, owners will walk up and bang on your door. Where is the 14-days’ notice? If the owner does that to me, I am quite capable of saying ‘Go away and give me a 14-day letter’, but other people perhaps are not. We have no redress, because the Mobile Homes Act 1983 is civil law and not criminal law. I cannot phone the police and say ‘This guy has broken the Mobile Homes Act’; they would say ‘Tough, it’s civil law’. I see nothing in the Bill that would beef that up, shall we say. Otherwise, in general terms, I am happy with the main thrust of the Bill.

[175] **Janet Finch-Saunders:** When you have a mobile home, and you pay your site rental, the mobile home is on blocks—the foundations, so to speak—but do you rent the land around?

[176] **Mr Jebbett:** Yes. We are also required in law to maintain it in a good condition. We lease it, if you like, but we have no redress for an owner who tramples all over it, or drives a digger across it and chews up our lawn.

[177] **Ms Jebbett:** The pitch is what amounts to our garden—the hard standing is not the pitch. We are beginning to find that the owners are saying that that is the pitch, but it is not. The garden, which is the surrounding land, is our pitch.

[178] **Janet Finch-Saunders:** I appreciate that clarification; thank you.

[179] **Kirsty Williams:** The Bill confers 14 regulation-making and Order-making powers on the Welsh Government. Do you have any views on the powers in the Bill for Welsh Ministers to make regulations and subordinate legislation? Are you concerned about the balance between what is on the face of the Bill—where there is a great deal of certainty in front of us—and the balance of what is then left unsaid, for the Minister to decide upon at a later date? Often in the Assembly, we have a great deal of discussion about the detail on what we call the face of the Bill, so it is in black and white at the very beginning, and what is more

appropriately left for the Minister to decide upon as subordinate legislation at a later stage. Are you happy with the balance?

[180] **Ms Threlfall:** I personally feel that the main problems must be dealt with quickly—the blocking of sales and so on. I do not know whether this has ever happened here, but—

[181] **Kirsty Williams:** Lots and lots of times.

11.00 a.m.

[182] **Ms Threlfall:** We have had lots of blocking of sales as well. They will put all kinds of things in your way to stop you from selling, especially if they dislike you. They have even gone as far as to bribe people and pay them to say that the rent is more than it is. This is where we find big problems. So, if we have this going on in legislation, with sale blocking, it is really important. There are some niggly bits that could probably wait, but sale blocking is the main thing. Councils should be given more power to help us, because, at present, we phone councils to say that something is wrong, and they cannot help us, because they do not have the power. Also, with the licences coming in, there is talk of passing the cost of paying for the licence on to residents, which, I believe, is totally out of order.

[183] **Ms Jebbett:** I think that the aims of the Bill, as they are set out in the explanatory memorandum, are well addressed, provided that adjustments and refinements that result from these evidence sessions and responses to the consultation are made. I think that there is a bit of an argument about whether too much has been left out for secondary legislation; some of that may depend on the time that you have before your completion deadline. With that in mind, I would prefer that the core of the legislation is utterly solid, reliable and workable. It would be a shame to risk quality for quantity.

[184] **Kirsty Williams:** Thank you, Rachel. I will move on to the interaction between the Bill and existing legislation. Do you have any views on that interaction? As you will be aware, as a consequence of the Bill, site operators will need to hold two licences. Are you happy with that or would you prefer to see a regime that would require them to consolidate the licences into one? Do you have any concerns that the Bill could affect the security of tenure for park home residents?

[185] **Ms Threlfall:** I think that, perhaps, one licence would be enough, providing the fit-and-proper-person test came into it, because that is also important. The fit-and-proper-person test should not just apply to the owner; it should apply to his family or those who work for him. Otherwise, we could have the problem that, if the owner is not a fit-and-proper person, the licence could be passed on to the son, and if the son is not a fit-and-proper person either, where do we go from there? However, one licence is what we need.

[186] **Ms Jebbet:** I have struggled a little bit to understand the basis of two licences. There is no time for explanations now; can I do a bit more research and write to you?

[187] **Kirsty Williams:** That would be very helpful, because it is massively complex, is it not?

[188] **Ms Jebbet:** Yes, I know.

[189] **Mr Jebbett:** We understand, Kirsty, that the Caravan Sites and Control of Development Act 1960 is the fundamental basis for licencing. Is that correct?

[190] **Kirsty Williams:** Yes, that is right.

[191] **Mr Jebbet:** The Bill is now proposing that a new regime takes over from that, but would that replace the licence issued under the 1960 Act?

[192] **Kirsty Williams:** My understanding is that you would still require a licence under the 1960 Act and you would require a licence to fulfil the terms of this Bill. So, this Bill would not supersede the existing legislation and you would need to be licensed under two regimes, hence the need for the two licences. There may be advantages to that, or there may be advantages in trying to move to one system. What we have heard from Wendy is that it is important that a fit-and-proper-person test is established, whether that is in one licence or two licences. That is the principle that you are most interested in as park home owners. Am I correct, or am I putting words in your mouth?

[193] **Ms Threlfall:** That is correct.

[194] **Ann Jones:** There is the opportunity for us to consider the evidence received on one or two licences, and we could make some recommendations, as the committee looking at the scrutiny of this Bill, but it could be complex if we start looking at the 1960 Act as well. That could be very complex. We are looking at the best way in which we can move that forward, but that was very helpful.

[195] **Kirsty Williams:** On transitional arrangements and how we go into this new regime, transitional provisions will be required to explain how holders of licences under the current arrangements are able to move to the new regime. Other parts of the Bill are more self-contained and should be capable of being implemented more quickly. Those relating to pitch fees, for example, could be implemented more quickly, but transitional arrangements will need to specify whether changes take effect from a certain date or from the next review. Do you have any concerns regarding transitional arrangements? Are there particular aspects of the legislation that you feel should be prioritised? If we cannot do it all at once, via regulations, do you have any views on which parts of the regulations we should do first, so as to address the most pressing concerns that you have as residents?

[196] **Ms Threlfall:** I think that it should be the fit-and-proper person and the sale blocking, which is very important.

[197] **Ms Jebbett:** Obviously, those are the two most important things. Also, local authorities will need a lot of information to get them started, but as they have been given the information about what is required, local authorities already have a lot of knowledge about what they are doing, whether or not they have done it over recent years. So, a bit of it is just a wake up call. They could easily work on what they understand they need to do, simply by beefing up what they already have, and the knowledge that they already have. Another important thing, in the long run, is to save costs. There is also the issue of collaboration, because a lot of people have a lot of knowledge. Local authorities that have made the effort, without this legislation, to look after park-home sites in their areas will have a lot to share. Even a phone call will do, as a start—rather than lots of pieces of paper—to ask ‘What do you do?’ and to say ‘Let’s get on with it’.

[198] **Kirsty Williams:** I will move on to the role of the residential property tribunal in the system. Are you satisfied that the Bill clearly establishes the jurisdiction of the residential property tribunal in relation to dispute resolution and the termination of written agreements? Do you have any views on the role of the RPT?

[199] **Mr Jebbett:** If we get rid of the sale blocking issue, then the RPTs will not be involved as much as they have been, certainly in England. They could concentrate their efforts on things under the Bill. The RPT should not go as far as the termination of an agreement. That should always stay with the court. I understand that there has been a threat of

moving that to the RPT. Some park owners believe that they can use an RPT to evict a home owner. That must never happen. However, RPTs are very good on pitch-fee problems, and as they gain more expertise, hopefully, they will join me in beefing up the pitch.

[200] **Kirsty Williams:** You will be pleased to know that Consumer Focus and the trade associations that represent park owners that were here earlier all agree that the ability to terminate a written agreement should remain with the court. So, they did not make any attempt earlier to change that—just to put your mind at rest. I will now turn to the issue of the financial implications of the Bill. Part 3 of the Bill makes amendments to the Mobile Homes Act 1983 in relation to the contractual relationships between home owners and site operators. It states that site operators cannot pass on the cost of licensing compliance to home owners by increasing pitch fees. Are you glad that that is there? Is it reasonable for that to be there? Do you have any other views on the financial impact of the Bill on site operators? For instance, we have received evidence that says that if you increase the cost to site operators, that will mean less investment in the parks, and that they will do less for their parks. Do you have views on investment to date? What are your experiences of investments where you live? Are you fearful of that?

[201] **Ms Threlfall:** Most of the unscrupulous park owners do not do anything on the parks anyway. You pay a ground rent, which should include maintenance. We have been on our park for 24 years, but it was bought by one of the unscrupulous park owners and we have not had sight nor sound of him for 12 years. So, although it says that you should not do your own maintenance on the park, if we did not cut the grass, it would be dreadful. We have a field at the bottom that is six inches tall in rank growth. The council has tried to do something about it, but nothing is forthcoming and it has been like that for 12 years. If we did not keep the rest of the park looking tidy, it would never get done. Why should the park owners get away with not paying all the time? That is good, if we do not have to pay for the licence, but if they added that on to our licence, why should he gain from that when he is not even paying for the maintenance that we pay for?

[202] **Ms Jebbett:** I have a short statement that I would like to read. Initially, there will be a financial impact on the site operators' business. I would like to refer first to rogue site operators who are the reason that this Bill has come into being and requires funding for its implementation. The highly significant impact on residents' finances of increasing levels of fraud and extortion over a considerable number of years must be set against site operators' claim that the implementation of the Bill will financially disadvantage them. Many former elderly residents are now forced to access support from the state because their financial resources, which were planned to provide a sizeable contribution to their ability to be self-supporting in their final years, were criminally depleted. Therefore, many local authority and government departments join them as victims of fraud. Consequently, I see no reason to uphold the view that these site operators will suffer losses, since the loss means nothing more than a threat to affluence and opulence, which is achieved by a criminal lifestyle.

[203] Honest site owners should consider initial costs as an investment, since their industry is heading downhill towards anarchy and collapse, which will destroy their livelihoods as well. They are no less vulnerable to criminal acts themselves, as rogue owners who wish to buy another park are not above using physical threats as one of their negotiating tools. The investment will pay off via a clean and vibrant industry.

[204] The amount of the licence fee must be proportional to the number of homes on the site to which the licence will apply, in order to share the burden fairly. In all events, residents must not be made to pay for the good behaviour of site operators, since they are the victims of the problems that the Bill is addressing, not the cause.

[205] I agree that the commission on sales, noted in the explanatory memorandum as

essential to the business plan, should continue to apply for the time being at least. However, in all other respects, business plans must be tailored to the requirements of the Bill; the Bill must not be tailored to the requirements of business plans.

[206] Predictably, it will be a consequence of new legislation that guilty park owners who will remain in situ will maintain a low profile for a period, while devising alternative methods of illegal profit-making, such as setting up ownership of bogus utility companies, through which they can charge for utilities at inflated price levels of their own choosing—a trend that is already in progress. This will require strenuous vigilance from all agencies associated with park home regulation, in order to prevent the war from simply moving to a different battlefield.

11.15 a.m.

[207] **Ann Jones:** Thank you for that. Are you happy now, Kirsty?

[208] **Kirsty Williams:** Yes, I am. Thank you.

[209] **Ann Jones:** Okay. We will now move on to licensing administration. Mark, can you take the next question?

[210] **Mark Isherwood:** In your view, how effective and appropriate are the Bill's proposals in relation to a fit-and-proper-person test for the site operator?

[211] **Ms Jebbett:** I have not written anything on that.

[212] **Mr Jebbett:** I think that there is a move to apply the fit-and-proper-person test to just the managers of the site. I do not agree with that. I think that it should apply particularly to the owners, since we know of some owners who are definitely not fit or proper. The manager should also be a fit-and-proper person. I do not know whether the HMO criteria are enough. In my view—and this is also the view of Park Home Residents Action Alliance and National Park Home Congress—the enhanced Criminal Records Bureau check should be added to the fit-and-proper-person legislation. It should definitely be in situ; we must have that.

[213] **Mark Isherwood:** Thank you. You have also answered the next question.

[214] **Ann Jones:** So, you are happy with that. Thank you.

[215] **Mike Hedges:** I tend to agree with your view about the enhanced CRB check. We have talked about the owner and the site manager; do you think that that check should apply to anyone else who is employed on the site, or do you think that stopping at those two is sufficient?

[216] **Mr Jebbett:** Sorry, site owner and manager? Yes, that is my view.

[217] **Ms Jebbett:** And anyone else.

[218] **Ms Threlfall:** I think that it should apply to anybody who works for the owner. They should be checked, in the same way that we would have to be checked if we were going to rent an apartment or whatever. They do checks and we should have the same.

[219] **Ann Jones:** Mike, are you happy with that?

[220] **Mike Hedges:** Yes, thank you.

[221] **Ann Jones:** Good. Joyce, you are next.

[222] **Joyce Watson:** We have talked about giving enforcement powers in the Bill in relation to the inspection of sites. Do you think that they are adequate and that they meet the needs that you see? If they are, would you like to see some inspections unannounced and, if the answer to that is 'yes', could you give the reasons why?

[223] **Ms Threlfall:** Yes, I would. I would love to see these things unannounced. As I said, the owner has not been on our site for 12 years and, at present, we have two fire extinguishers that were last checked in 2002. I have spoken to someone in the council, who is now trying to get our owner to replace these. She has written to him and phoned him and done everything possible. He tells so many lies—he told her that he has been to the site and replaced them. The council came to the site last month and checked the fire extinguishers and found that they had not been replaced at all. It is the same with everything else on the park, such as the septic tanks. I wrote to our owner to ask him to come to get the septic tank emptied, but he told the council that he had done that last month. Nothing has been done. They just lie. So, yes—

[224] **Ann Jones:** You said that they 'lie', but we have to be a bit careful with the language that we use. I, and certainly others around this table, can understand where you are coming from, but we do have to be a little bit careful, because we do not want to damage the Bill in any way before it goes forward. So, I can understand where you are coming from, but we need to be careful with the language that we use.

[225] **Ms Threlfall:** Yes, okay. But we do need inspections as often as possible—two or three times a year.

[226] **Joyce Watson:** We have established the reasons why you would want spot checks or unannounced inspections. The key question is: what are your views on the enforcement powers in the Bill and do you think that they are sufficient?

[227] **Ms Threlfall:** Yes, I think that they are.

[228] **Ms Jebbett:** I agree that they are appropriate and that they will work, mainly through the local authorities, which have the relevant expertise already in relation to other areas they administer.

[229] **Mr Jebbett:** Local authorities will have to adjust their powers and staff a little bit. Taking our own area as an example, site licensing is governed through environmental health, which is fine up to a point, but can a person qualified in environmental health look at the hard-standing under a home and say whether it is adequate? Can they investigate the electrical infrastructure of a park? The local authorities are going to need a broader enforcement role. They are going to need to incorporate lots more skills; they already have them, but they are going to have to apply them to park home sites whereas, in the past, I do not think that they have done that. I believe that the Bill is right in that respect. I am quite happy with the enforcement powers.

[230] **Mike Hedges:** Perhaps to reassure you, most, if not all, environmental health departments will have their own building inspector as part of their complement of employees. So, they have experience of inspecting buildings at all stages.

[231] I want to ask you about licensing and the issue of fixed penalties. If, for example, an inspector comes to inspect a site and finds that the fire extinguisher is a month past the expiry date, I would imagine that, at that stage, they would issue a warning notice giving the park seven days to put it right. If the park failed to do that, it would pick up a fixed penalty notice.

Do you believe that a fine of £100 is suitable as a fixed penalty notice at that stage? If they continued not to do anything about it, do you believe that it should be possible, following a certain number of fixed-penalty notices, to take further action?

[232] **Ms Threlfall:** Yes, I think that it should be.

[233] **Mr Jebbett:** I think that they should use the judicial scale, rising from £100 to the top level. I think that the top level is now level 4 or 5 at £5,500. It could be set a little bit below that I think.

[234] **Mr Threlfall:** It is a joke. It means nothing; £5,500 means nothing to them.

[235] **Ms Threlfall:** The problem with these fines is that the unscrupulous park owner does not pay the fines anyway until they are taken to court. They teeter on the fence, waiting until the last minute, and then they will pay it.

[236] **Mike Hedges:** I know of a case—not with mobile homes, but unlicensed waste—where the person kept ignoring everything until such time as they ended up in jail, which concentrated their mind admirably. Do you see that, somewhere along the line, if people are behaving badly and they keep being fined but do not pay the fines, the courts should be brought in to get the fines implemented, because they would then be found in contempt of court and could spend six months in prison thinking about it?

[237] **Ms Threlfall:** Yes, I agree with that.

[238] **Ann Jones:** Okay, that is good. Thanks very much. We are going to move on to contractual relationships between site operators and home owners. Lindsay has the next set of questions.

[239] **Lindsay Whittle:** Good morning. I was interested in your comments earlier about the requirement for site operators to approve buyers, and, of course, we are thinking of removing that veto. However, we have had evidence from some witnesses that the veto is there to protect residents from bad neighbours or someone with a dog or a cat; I am not sure how a dog or cat is going to make your life into one of abject misery, but there you go. What are your experiences of this? Previously, we heard evidence from a residential property tribunal representative who said that it may be a better option to say that the purchaser is deemed to be approved unless the site owner applies, within a certain time limit, to the residential property tribunal to declare them unsuitable. What are your thoughts on going to a totally independent body for such decisions? Sorry, there were two questions there.

[240] **Ms Threlfall:** My feelings on that are that, if we do not want the owner to interview, is there any reason why there could not be a form that could be filled out by the incoming buyer and sent to the owner, answering the questions that the owner has put on the form, along with the age and perhaps a photocopy of the birth certificate? It would then be a matter for the park owners to decide what to do with it. However, I do not think that they should interview people. Our site right now insists on knowing who the estate agent is, and who the buyer is. They want to know the name, address and whatever, and then the park owner phones the new buyer and says, 'If I were you, I would not buy that home because the underneath is all rotten', and whatever else, because, on the side-lines, he has a brand-new home that he could sell this man for twice the price.

[241] **Ms Jebbett:** Could I offer a suggestion? I know that the local authorities will have plenty of work to do, but why does someone from the local authority not talk to the proposed buyer?

[242] **Ann Jones:** Do you mean for suitability?

[243] **Ms Jebbett:** Yes, for suitability.

[244] **Ann Jones:** In the way that they do for their own tenants, I suppose, with unregistered social landlords. Do you think that they are the best people equipped to interview people?

[245] **Ms Jebbett:** I think so.

[246] **Ms Threlfall:** I do not see why not. If you have someone trained to do this job, in the same way as the people from the residential property tribunal have been trained, there is no reason why the council should not do it.

[247] **Mark Isherwood:** I do not know whether you heard the evidence from the British Holiday and Home Parks Association in the first session, but its representatives said that we should be looking to the parallel legislation at Westminster in the context of what we do when the veto is removed. For example, perhaps we could require the home seller to notify the park owners so that they can ensure meter readings et cetera, so that they have a contact address for the home seller to forward final bills, so that the buyer is aware of things like the commission arrangements and so on in advance, and also so that you do not get, for example, a young family on a site that is largely for older people, which might lead to avoidable friction. Do you agree with them that perhaps we should be looking at implementing some form of safety checks at that level to ensure that, in effect, we take the park owner out of it while still addressing the practical issues?

[248] **Ms Threlfall:** At the minute, the park owner does as he pleases anyway. We live on a park for those aged 55 and over, but a home was sold to a young man of 43 with two children. I wrote to our owner telling him that this was not allowed, but the problem with park owners is that, if they know that they are annoying you, they will let it go on in any case. So, it does not really matter.

[249] **Ann Jones:** I know that you probably have some very poor experiences, but we have to look at all the sites across the spectrum, including those that are being run okay, and find a system for them all. We are trying to test the legislation to find a system that will accommodate everything. You have come up with a very good suggestion there, and perhaps housing associations or the housing officers of authorities could undertake such a role, which we could look at.

[250] **Mr Jebbett:** There is a problem in general with the park home industry, or the park home lifestyle, if you will, in that there is a lack of knowledge from people who want to move into park homes. I think that Consumer Focus Wales has suggested that there should be some kind of website that people can go to, to get information. It also suggests—and it is probably a good idea—that people should buy a park home via a solicitor. The slight downside to that is that there are so few solicitors sufficiently knowledgeable in park home law. Nevertheless, there are some legal problems that could be ironed out through a solicitor. We bought our home without a solicitor, and a lot of people do, because it is a chattel. So, for that reason, we went into it virtually blind, legally.

11.30 a.m.

[251] We had very little information about what constitutes a park home lifestyle. We went into it thinking that it would be idyllic, which it should be, and if this Bill were not necessary, it would be. However, a website or some sort of information source, which CFW has suggested, I believe, would mean that people know that, on a particular site, they cannot have

a dog or children, apart from visitors, and they can put only one car by the side of their home et cetera before they even think about buying a home. That is one of the big problems, or it certainly was as far as we were concerned. We went into it not knowing enough.

[252] **Lindsay Whittle:** I wanted to ask about the contractual relationship between site owners and home owners. Mrs Threlfall, I think that you mentioned some important points about fire extinguishers being old, which is quite life threatening, and septic tanks not being regularly checked or even emptied. Should something further go into this Bill to strengthen the position—

[253] **Ms Threlfall:** That would be for the local authority, would it not? If it is given the power to go further than it can currently, the local authority should be allowed to sort that problem out.

[254] **Lindsay Whittle:** No, it is for this Bill. So, you want some provision in this Bill for local authorities to—

[255] **Ms Threlfall:** Yes, I think that it would be a good idea, because maintenance is a no-no for unscrupulous park owners.

[256] **Mr Jebbett:** An important thing with this Bill, as I said to Peter a few weeks ago, is that he used a four-letter word when he introduced the Bill in Llandrindod—a vital four-letter word. He said that the local authorities will now have a ‘duty’ as well as the power. At present, they do not have a duty to carry out their responsibilities. We know that they do not always do that, so if you give them a duty, the money and the tools to do the job, that will vastly improve things.

[257] **Ann Jones:** We will move on to the management of sites now, and Gwyn has a couple of questions on that. Can we try to keep it general? I am thinking more for your protection than for the committee. Obviously, you can use examples, but we need to look across the whole management of sites.

[258] **Gwyn R. Price:** Good morning to you all, and welcome. Are you satisfied that the Bill is sufficiently clear on the purpose of the code of practice that would be made under Part 4? I know that you have touched on things like rate and sale blocking and other main things, but should anything else in the code of practice be beefed up to make the Bill clearer?

[259] **Ms Threlfall:** I have to be honest and say that I am quite happy with the way that it is. When Grant Shapps first put this forward, he did a really good job.

[260] **Kirsty Williams:** Those are words that you do not hear in the Assembly very often: ‘Grant Shapps has done a good job’. Mark it down. [*Laughter.*]

[261] **Ms Threlfall:** I think that he did a good job. For anybody who has problems on their site, such as those run by unscrupulous people, we were so pleased that all this went through. It ticked all the boxes for us.

[262] **Gwyn R. Price:** What you are saying is that there are lots of things in the Bill that we should get implemented, as they would make your life easier.

[263] **Ms Threlfall:** Yes, even if it is not immediately and we have to wait for the little things. That is fine, as long as we get the sale blocking and the fit and proper person test, too, perhaps. I think that he did a really good job.

[264] **Gwyn R. Price:** It has come over clearly this morning that sale blocking and the fit

and proper person test are important—and not just the manager on the site. The owner and anybody else who has represented him should count as a responsible person—

[265] **Ms Threlfall:** We do not have a manager on our site. We have to do everything ourselves.

[266] **Gwyn R. Price:** For 12 years. Yes, that is quite right.

[267] **Ann Jones:** Does anyone else have any questions or do we think that we have covered all that we need? Are we all happy? I see that we are. Thank you all for coming. That has been very interesting. I am sorry that I had to stop you, but I also want this Bill to go through, as well. Most of us have had constituents come to us raising the issues that you were describing, but we have to try to keep an overview and a strategy on this. We are keen to see it go through. Thanks ever so much for your evidence. I think that you are going to send us a note on your thoughts on two licences. That is fine. If there is anything else that you feel you want to submit as part of this, we would be happy to accept it, but we will need it within the next week or 10 days. Sorry for that, given everything that is coming up in December. We will then gather all the evidence and bring Peter Black, who is the Member in charge of this Bill, back and we will also see the Minister, so we will put some of the points that you have raised in evidence in questions to them.

[268] **Mr Jebbett:** Can I make one small point?

[269] **Ann Jones:** You can, certainly.

[270] **Mr Jebbett:** I have got my PHRAA hat on now. I am not an officer of the Park Home Residents Action Alliance, but I am here on the subs' bench. However, it has asked me to mention that utilities are a sore point, because gas and electrics are controlled by Ofgem or Ofwat, the Government watchdogs, but liquefied natural gas, which is often used on park homes, is not a regulated commodity. It is a gas, after all, so PHRAA is asking whether the Assembly could pressurise Ofgem to include LPG in its rules. There is a situation where some park owners are buying LPG in bulk at 44p a litre and are charging residents—and this may not happen in Wales, because PHRAA is a national organisation—100p a litre plus an admin charge. There is no control over that. I do not know whether the Assembly as a body can push Ofgem a little in the right direction.

[271] **Ann Jones:** We could take a look at that. The utilities have been raised before, and we have concerns about that. Constituents living in park homes have raised these issues with some of us, and it is a big factor that we will look at. Thanks for that and thanks for coming today.

11.37 a.m.

**Cynnig o dan Reol Sefydlog Rhif 17.42 i Benderfynu Gwahardd y Cyhoedd o'r
Cyfarfod**

**Motion under Standing Order No. 17.42 to Resolve to Exclude the Public from
the Meeting**

[272] **Ann Jones:** I move that

the committee resolves to exclude the public from the remainder of the meeting in accordance with Standing Order No. 17.42(vi).

I see that Members are in agreement.

[273] *Derbyniwyd y cynnig.*
Motion agreed.

Daeth rhan gyhoeddus y cyfarfod i ben am 11.37 a.m.
The public part of the meeting ended at 11.37 a.m.