

## **ALL-PARTY PARLIAMENTARY GROUP ON PARK HOMES**

The minutes of the meeting of the All-Party Parliamentary Group on Park Homes which took place in Room M, Portcullis House, Westminster, on Monday, 1 July 2019, commencing at 5.00pm.

**PRESENT:** Sir Christopher Chope MP (convenor and Chairman)  
Peter Aldous MP  
Richard Benyon MP  
Sir Peter Bottomley MP  
Alex Sobel MP  
Ben Rowden, representing Helen Whately MP

Grace Duffy, MHCLG  
Jules Dufty, MHCLG

Alicia Dunne, National Caravan Council (NCC)  
Anthony Essien, LEASE  
Sonia McColl OBE, Park Home Owners' Justice Campaign (PHOJC)  
Ros Pritchard OBE, British Holiday & Home Parks Association (BH&HPA)  
Anne Webb, volunteer

**APOLOGIES:** Baroness Maddock, Brian Doick MBE, National Association of Park Home Residents (NAPHR), Lisa Osborn, North Somerset Council, Alan Savory MBE, Independent Park Home Advisory Service (IPHAS)

### **1. Approval of Minutes**

The meeting approved the minutes of the AGM of the All-Party Parliamentary Group on Park Homes which took place in Room S, Portcullis House, Westminster, on Monday, 22 October 2018, commencing at 2.00pm.

### **2. Park Home Policy**

Ms Duffy (MHCLG) reported the Ministry had made considerable progress with the Government Response in terms of preparing the primary legislation. It was hoped that the consultation on 'fit and proper person' would be launched within the next few weeks. The Working Group, which had met four times, had made significant progress and would be taking forward some of the more technical aspects of the Government Response.

Ms Dufty (MHCLG) said that the Working Group had put a lot of time into various aspects of communication and LEASE were being established as a single point of contact for people about park homes legislation and the sector generally. Alongside this, the Working Group were seeking ways of getting appropriate information to people *before* they committed to buying a park home. Some professionals such as estate agents didn't have the expertise, so the Working Group had suggested taking this forward and working with LEASE. The Working Group were considering streamlining administrative processes and had identified that there was a need for a checklist to be drawn up to help people ensure that they have taken all the steps necessary in the buying/selling process.

Mr Aldous MP said there had been talk some time ago about building up the expertise of estate agents and solicitors and, in his view, this had not been achieved.

Mrs McColl said the advisory services needed to know what information was out there at present and whether it was kept up to date.

The Chairman said he had raised the matter with organisations representing solicitors and estate agents and they recognised this as a problem, and were working on ways of dealing with it. They also recognised that rogue solicitors could get into the business and they had been actively trying to root them out.

Ms Dufty agreed there was a need to engage with professional bodies representing solicitors and estate agents.

Sir Peter Bottomley MP mentioned an owner who had sold his park business to others who were not believed to be reputable. He said there was a need to publicise bad experiences to warn others. There was also a need to get the local authority officers group involved because people often turned to local authorities for advice and it was important that they should be able to respond appropriately.

Ms Duffy said that the ‘fit and proper person’ test would be important in curbing the behaviour of ‘crooks’ and she hoped the consultation would be published within the next few weeks.

Mrs Pritchard said that Brian Doick (NAPHR), who had been prevented from attending the meeting due to ill health, had been working with Lease on various aspects of ‘rogue activity’ in the sector and had put in a complaint to Trading Standards some time ago, but awaited response.

The Chairman recalled Ms Duffy’s earlier reference to the drafting of new legislation. He asked how far it had got. He mentioned Peter Aldous MP’s success in presenting the current park homes legislation which had been a Private Member’s Bill and subsequently became law. He asked whether there was now a Bill ‘in draft’ and ‘ready to go’. Ms Duffy said there were important steps to be made before this could happen, such as the economic research into the commission.

The Chairman said he thought that the commission rate was going to be separated from other issues. He asked why concentration couldn’t be directed towards the other issues which centred around enforcement. He asked why more progress had not been made on the drafting of the legislation to deal with the loopholes in the enforcement of the existing arrangements.

Ms Dufty said some complicated issues had been raised and time had to be taken to work them through, and they would need primary legislation. She said that the aim was to deliver ‘fit and proper’ first, which she hoped would be by the end of this year.

Mr Aldous MP said that was helpful because he recalled that at the last meeting it was stated that ‘fit and proper’ required primary legislation, and now it seemed that it did not. Ms Dufty confirmed that it needed secondary legislation but warned that there was a very busy parliamentary timetable ahead. She said that the technical consultation would be published in the next few weeks. It was more complicated than had been anticipated.

The Chairman asked about the timetable for addressing loopholes in the current legislation. Representatives from MHCLG felt the primary legislation was likely to be introduced in the third session which Mr Aldous MP interpreted as likely to be 2021-2022 at the earliest.

Mrs McColl said that APPG members were originally told that the economic research would be undertaken in the springtime and then summer this year. She said that her 30,000 members wanted to

know when the resolution of the causes for which they had campaigned would be delivered. They wanted a clear answer. She also asked whether the change from RPI to CPI would be included.

Ms Dufty said that the park homes sector had changed since the last research was conducted in 2002/4 so research was needed to assess the impact of changing the commission rate. That research would start this year. The impact of the change from RPI to CPI would also be researched.

Mrs Pritchard said that when RPI was changed to CPI in Wales, the index went negative for a time which had a significant impact on the sustainability of businesses.

### **3. Misuse and mis-selling of holiday caravans**

Mr Benyon reported on mis-selling scams where holiday lodges were offered to buyers with attractive promises of income from letting. One constituent had lost £180,000 when the company selling the lodges went out of business and the new (and notorious) owner declared that the park was residential (not holiday) and his lodge could not be rented out. The lodge owner paid £7,000 a year just to keep it on the park.

Ms Dufty said she hadn't come across this particular problem, but the Ministry took these matters very seriously, and there had been meetings addressing the problems of mis-selling. BEIS and MHCLG were both working on the issues arising.

Mrs Pritchard said she was aware of people buying caravans as investments with guaranteed returns and the company then going to the wall. She said this particular case looked 'too good to be true' which is what it turned out to be. She said BH&HPA had issued advice to park owner members. Ms Dunne confirmed the NCC has refused membership to applicants using this business model.

It was noted that park owners had to apply for a licence to operate a park, and the park could also apply for change of use to the planning consent (i.e. holiday to residential or vice versa). It was also the case that a home owner could apply for change of use, too – the person applying did not have to have an interest in the land.

Mrs McColl cited the case of a small residential park whose park owner was a member of the BH&HPA. The park owner had been granted a Certificate of Lawful Development to site some holiday homes, which were to be sold, not rented out. The park was developed, roads were laid, sewers dug and an electricity supply installed, all without planning permission. The local planning department put an enforcement notice on the site and the result of an appeal was awaited. The licensing officer intended to issue a holiday home licence without any occupation time constraints. So in effect, she reported, the holiday homes could be occupied residentially. The officer was worried that the site owner might challenge any time limits applied to the holiday licence, although other local authorities had seemed to manage to do so. To date, according to the council's legal officer, no licence could be issued until the planning appeal was heard.

Another letter received by Mrs McColl said that some site owners had been installing homes without planning consent. Councils had reviewed council tax on these homes, had charged retrospectively and residents had had to pay for a problem that was not of their making.

Ms Duffy said that she did not know the answer to these questions but would find out.

Mrs McColl said that she would support a recommendation that all park owners, whether operating within the holiday or residential market, be required to provide a signed, written and dated declaration that the home sold had been sited in accordance with prevailing planning consents, with a copy to the purchaser. Such a declaration would have to be standardised and form part of the sales procedures. She added that it should include a caveat that the person who signed the declaration had understood that they could be prosecuted in the event of any false declaration. This would require the site owner to think twice before proceeding in the absence of the requisite consents and could be used as evidence of misleading trading practices by a local authority, or the occupier, in any subsequent legal dispute, and also (in relevant circumstances) any criminal prosecution.

Other suggestions from Mrs McColl and her members included:

- that there should be exchanges in intelligence between local authorities where a site owner operated on a cross-county basis.
- planning applications must have taken into account the applicant's previous adherence to regulation.
- the suitability of the land should be approved by building control before planning consent was given.
- building controls should stipulate any required infrastructure, including that bases must be certified as fit for purpose and occupancy prohibited until approved.
- A copy of the planning consent must at all times be provided to the prospective purchaser.
- There should be a requirement to notify local authorities of the siting of a new home
- Licence enforcement officers should be entitled to undertake unannounced site visits.
- Occupiers are notified of action taken, or the reasons action is not considered appropriate.

Ms Duffy agreed that these should be discussed.

#### **4. Update from LEASE – Anthony Essien, Chief Executive, Leasehold Advisory Service**

Mr Essien explained that his colleague, Mr Richard Hand, had been a regular attendee at the APPG meetings, and he was pleased to be stepping into his shoes and providing an update on what the Leasehold Advisory Service - or LEASE, as it was usually called - had achieved.

Explaining a little about LEASE, he said it was formed originally as a private company in 1994 and became a public body in 2005. In the beginning, its mandate had been narrower than it was today, in that it provided advisory services on enfranchisement only, and similar rights, arising from the then new leasehold reform legislation.

LEASE's leasehold remit had expanded over time, with the addition of advisory services for park home residents in 2013, and not long after the commencement of the Mobile Homes Act of that year. Now, with funding from the Ministry of Housing Communities and Local Government (MHCLG) and the Welsh Government, LEASE staff sought to provide initial advice to residents in England and Wales to empower them to understand their rights and obligations and consequently engage more confidently with third parties like site owners.

Advice was offered online, by outreach and through traditional channels – a telephone helpline and written advice. LEASE's park home website included:

- Advice guides and articles
- Helpful tools (such as flow charts) to explain processes such as selling a park home
- A searchable database of determinations made by the First-tier Tribunal (Property Chamber).

Mr Essien said that he was aware that park homes offered an attractive housing option for retired people, who were less prevalent users of the internet. However, the Office of National Statistics data on internet use in the UK, between January and March 2019, revealed that recent internet use in the 65 to 74 years age group was 83 per cent compared to 52 per cent in the same period in 2011. This was reflected in the growth by 11 per cent of older online users of the LEASE website. The website achieved almost 35,000 visitors over those 12 months.

In seeking to help residents, and to do so conveniently for them, LEASE also provided an outreach service. LEASE advisors went out to sites, or locations near them, and discussed issues raised by groups of residents. These sessions were based on the issues that the residents wished to raise and provided an opportunity for residents' associations to come together. In cases where there was no association, these sessions provided an opportunity for residents to meet and discuss their concerns and receive advice and information.

Mr Essien said that LEASE had recently worked with Arun District Council to help residents at five different sites in the district. The residents were facing complex ownership structures and threats of eviction, or payment of very large sums to remain on their sites.

In conclusion he said that park home advice offered by LEASE through traditional channels – telephone helpline and written advice – totalled nearly 2,000 during 2018-2019.

## **5. Any other business**

Mr Soble, MP, reported that there was a strong suspicion that a park in his Leeds constituency had been purchased by the former owners of a park which had a bad reputation. Mr Essien said he would be happy to help if Mr Soble would contact him privately. Mrs McColl said that she had been dealing with the park in question and this was one instance where 'fit and proper' was needed. She had contacted DCI Mark Colquhoun of West Mercia Constabulary (who was involved with prosecuting park owners in his area in a case involving arson, blackmail and fraud against the residents) and was awaiting news from him on this matter. She added that residents on the Leeds park were terrified. Mrs McColl cited an example of the treatment handed out to an elderly gentleman on the Leeds site by the new park owners. This gentleman wanted to sell his park home in order to go into care. It was up for sale for £50,000 but the park owners said they would conduct a survey and then gave him £10,000 for his home. Another resident had difficulty accessing his property because a digger had been parked outside.

Ms Duffy said that many of the things that her Department hoped to cover would address this kind of behaviour and demonstrate how important it was to have clear guidance. She said that the Department's guidance on enforcement was updated regularly.

The Chairman mentioned the matter of park homes being described in advertisements as bungalows. He mentioned one group which was guilty of doing this and commented that this company was buying up parks at a rapid rate.

Mr Essien said that LEASE was aware of this case, adding that this is a situation where the Law Society should be encouraged to get involved, and to ensure that its members were familiar with park homes and the associated legislation and regulation. Mrs Pritchard added that it was also important for local authority officers to take these cases on board.

The Chairman asked Mr Essien if he ever got involved with the Advertising Standards Authority. Mr Essien said he could see the problems with holiday homes being described as park homes and park homes being described as bungalows in advertisements, and he would bear the ASA in mind if he encountered problems of this nature.

Mrs McColl asked where the money came from for the purchase of so many parks. Ms Duffy said that she had contacts with the financial services industry and if there were multiple instances of problems of this nature, that might be a route to pursue.

**6. Date and venue of next meeting**

The Chairman said that members would be notified of the date and venue of the next meeting.