

ALL-PARTY PARLIAMENTARY GROUP ON PARK HOMES

The minutes of the meeting of the All-Party Parliamentary Group on Park Homes which took place at 15.30 on Monday 22 April in Committee Room 17, Upper Committee Corridor, House of Commons, London SW1A 0AA

PRESENT: Sir Christopher Chope (convenor and Chairman)

MP for Christchurch

Sir Peter Bottomley MP for Worthing West

Peter Aldous MP for Waveney

Nick Gibb MP for Bognor Regis and Littlehampton

Dr Ben Spencer MP for Runnymede and Weybridge

Steve Brine MP for Winchester

Lee Rowley, Minister for Housing

William Tando DLUHC

Hannah Price DLUHC

Jamie Richards DLUHC

Amy Barnett DLHUC

Richard Hand LEASE

Debbie Walker BH&HPA

Karl Hobley BH&HPA

Sonia McColl OBE PHOJC

David Isles PHOJC

Martin Wheeler IPHAS

Nat Slade, Arun District Council

Anne Webb, minutes secretary

Sir Christopher Chope MP welcomed everyone to the meeting.

1. Approval of Minutes

The meeting **approved** the minutes of the previous meeting of the All-Party Parliamentary Group on Park Homes which took place on Monday, 29 January 2024.

2. Annual General Meeting

- a) ***Statement of Purpose.*** ‘Bring together parliamentarians, park home owners and industry representatives to discuss issues of common interest including legislation and its enforcement to eliminate abuse and disadvantage.’ This was agreed unanimously.
- b) ***Election of four officers.*** Sir Peter Bottomley MP proposed that Sir Christopher Chope MP should be re-elected as chair for a further term

and this proposal was carried unanimously. Sir Christopher proposed that vice chairs should be Dr. Ben Spencer MP, Alex Sobell MP, and Sir Peter Bottomley MP. This was agreed unanimously.

c) **Public Enquiry Point.** The Public Enquiry Point will be Debbie Walker (BH&HPA), email: appg.bhhpa.org.uk

a) Income and expenditure statement.

Income: The APPG on Park Homes received no financial income in the year to 22 April 2024

Expenditure: The APPG on Park Homes had no expenditure in the year to 22 April 2024.

Benefits in Kind: The APPG on Park Homes received no benefits in kind from a source which exceeded £1,500 in the year to 22 April 2024.

The Minister of State for Housing, Lee Rowley MP, was not able to join the meeting until 4 p.m. so agenda items were taken out of order. Sir Christopher first asked William Tandoh (DLUHC) for an update on the progress made on the various points raised at the last meeting, but Mr Tandoh said that would have to wait for the Minister's address.

Nat Slade from Arun District Council said it would be helpful to know whether there was any progress on park home matters in the Department so that, should there be an opportunity in the legislative programme, the Department would be in a position to 'move'.

Mr Tandoh replied that matters could not be taken forward until Parliamentary time was available, but some background work had been undertaken.

3. (formerly agenda no. 4). Update on park home sites in West Sussex.

Sir Christopher asked whether any progress had been made with Trading Standards.

Nat Slade replied that the same situation that he had reported previously was continuing. When Arun District Council refused to grant 'fit and proper' status to six sites, these decisions were appealed at tribunals and then further applications were made and rejected, appeals rejected and so this 'merry-go-round' situation had perpetuated with the result that 'fit and proper persons' were not appointed on any of the sites in question. He went on to say that West Sussex Trading Standards had obtained a small amount of money to employ an officer for three months to do some scoping work to assess the prospect of success in order to ask the DLUHC for funding to investigate specific offences. Investigations had also been undertaken with regard to other issues that had been raised, such as instances where additional homes had been sited on parks in breach of site licence condition numbers. In one instance, a compliance

notice was served by the Council and was subsequently appealed by the site owner who had exceeded the licensed number of homes on the park. This meant that the owners of homes that had been sold on the park which caused the stated number of homes to be exceeded were strictly not entitled to live there and, in a worst case scenario, they could be required to remove their homes and leave the site, which would inevitably cause a huge degree of financial hardship.

Martin Wheeler (IPHAS) commented that his organisation received complaints that a great number of site owners and managers had no knowledge or experience of running a site. Surely, he said, only someone who was actively involved in the day-to-day running of a park should be nominated as 'fit and proper'.

Nat Slade commented that the site owner or an appointed person should be on the site licence. William Tandoh added that either the site owner or the person appointed to run the park should be named on the licence. He added that sometimes several people were named and there was no limit on the number. There were, however, several key questions which the local authority had to ask. One was, who was responsible for the day-to-day running of the park. Some local authorities had approved applications for, two, three or four people. It was the local authority's decision, so long as they could justify it.

Sir Christopher asked if there was any way of breaking the merry-go-round of applications being refused, going to appeal, appeal denied and then applying again. He added that there were also cases where sites did not have a fit and proper person and he wondered whether enforcement action could be taken. He called on Peter Aldous for his views because Mr Aldous had brought forward the fit and proper person legislation which became law in 2013.

Peter Aldous MP said he did not regret having brought forward the Bill. At the time, he said, it was concluded that it was 'the best we were going to get'. It was very much part and parcel of the deal that 'fit and proper' would be introduced in 2018 but six years later that had not happened (i.e. bringing in extra legislation). Mr Aldous raised other matters that needed urgent attention and which he had mentioned at previous APPG meetings, such as dealing with complex ownership models and service charges and plugging the loopholes to give teeth to the 'fit and proper person' regime. This could be done by capping the number of 'fit and proper' applications which could be made, and allowing local authorities

to obtain management orders without the current need to do so with the site owner's consent.

William Tandoah agreed to take forward the items mentioned and report back to Mr Aldous.

Peter Aldous added that he would be drawing these matters to the attention of the Minister when he arrived. He also said that no-one knew how much time remained in the current Parliament. However, if there was a will to get something done, he suggested these matters could be brought forward before the current Parliament ended.

Nick Gibb MP commented that there were many examples in his constituency (Bognor Regis and Littlehampton) of complex management structures.

Steve Brine MP asked what questions should MPs be asking local authorities about licensing.

Nat Slade responded, saying that 80% of the work came from just 20% of site owners. He added that there were just a small number that made life for their residents very difficult.

Steve Brine MP stressed that legislation was still badly needed.

Sonia McColl (PHOJC) said that local authorities were not doing what was expected of them, and without legislation everyone was going around in ever decreasing circles.

Sir Christopher referred to timescales, assessing that the time between an Upper Tier Tribunal being appealed and resolution would probably be about a year.

4. formerly agenda no. 3. Address from the Minister of State for Housing, Lee Rowley MP

At this point, the Minister of State for Housing, Lee Rowley MP joined the meeting. He said that he had always taken an interest in the park home sector and, as he could only stay for half an hour, he would just respond to questions.

Nat Slade told him that there were problematic parks and park owners and also difficulties with complex management structures.

Mr Slade started by explaining the ways in which the ‘fit and proper person’ regime was being misused by some site owners. When a ‘fit and proper person’ application was rejected by the council, the site owner concerned then often took the matter to appeal. When that appeal was rejected, the site owner re-applied, and so the merry-go-round went on and on. That meant that there was no ‘fit and proper person’ on the register and nothing could be done about it. What might help, though, was if the local authority could take on the day-to-day management of the site, should such a situation arise.

The Minister responded by saying that he had some 500 park homes in his constituency and had seen the problems at first hand. He suggested that there should be a separate round table discussion about how the ‘fit and proper person’ test was working, and he hoped it would be possible to organise that in May or June. He said that if anyone had examples, questions or suggestions, he would see what could be done. Sir Christopher commented that time scales were so long that they played into the hands of those who were not ‘playing by the book’ and the illegalities continued. He wanted to see those matters taken to the First Tier Tribunal.

Speaking about the practice of putting more park homes on site than the licence permitted, Amy Barnett (DLUHC) remarked that there should be no pressure on county courts, which is where site owners can terminate individual residents’ agreements.

Nat Slade said that in his area there were five more homes on one site than the licence permitted. This situation was referred to the First Tier Tribunal but to date nothing had been achieved and the homes were being marketed. Anyone naively buying one of those homes could at some stage in the future be faced with losing their home and life savings. Lee Rowley agreed to take all these reported problems away and study them in detail.

Nat Slade returned to the matter of the complex management structures and variable service charges. Residents tended not to dispute these charges in court because, if they lost, they would be responsible for the site owner’s legal costs. The Government recognised in 2018 that these matters should be governed by primary legislation, and said that this would be done when legislative time allowed. Now, six years later, Mr Slade wondered when there would be time for primary legislation to take these matters forward.

The Minister responded by saying that he couldn't answer that question and indicated that the time limit of the current Parliament was a problem and that it might be necessary to look to the next Parliament.

Nat Slade said that his council had asked Trading Standards to investigate unfair terms and that led to further discussions with DLUHC.

Sir Christopher said that although all concerned were trying to enforce the existing law, National Trading Standards hadn't got the resources to do so, and the Department's response to the victims should be to say to them that it regarded the matter very seriously and was insisting that Trading Standards should be enabled to carry out this work. Sir Christopher commented on the need for funds to be made available so that draft legislation could go forward early in the next Parliament or be available as a handout Bill for a Private Member to progress.

The Minister said he wouldn't over-promise because the drafting capacity of his Department was very limited.

5. Sales commission on park homes: round table

Steve Brine MP asked what the Minister knew about the 10% commission rate payable on the on-site sale of park homes. He added that Sonia McColl had led a protest about it in London last autumn. With legislation currently going through Parliament about tenants' rights, he thought that park home residents were probably feeling very left out. The reaction of the BH&HPA to Sonia McColl and her PHOJC group protesting about the 10% commission was to say that if it was changed it would have a severe impact on site owners' incomes.

The Minister said he couldn't comment about that. He went on to say, though, that he deliberately asked for his current portfolio (Housing) because he felt it was very important to protect the rights of park home residents. He intended to spend time looking at the various issues and hoped to be able to say more 'in the not-too-distant future'.

Sonia McColl asked when the round table meeting that was promised for 2023 would be taking place.

The Minister asked her to be patient and promised to come back to her about this in due course. When pressed repeatedly for a time frame, the Minister responded "soon".

Peter Aldous MP asked the Minister about the research that had been carried out in connection with the 10% commission.

The Minister replied that he was attending this meeting because he wanted to listen, but there were naturally limits on what he could say. 'Please be assured,' he said, 'that this is an important part of the portfolio, but I cannot guarantee anything.'

Referring to the BH&HPA's response to the research undertaken on the commission rate, Debbie Walker stressed that it was intended to convey that any changes to the 10% would have a substantial impact on the businesses of responsible park owners and it was important that existing legislation was enforced to protect park home owners against unscrupulous park owners. The business model for thousands of responsible, well-run parks was predicated on the 10% commission. Steve Brine MP commented that such a change wouldn't come like a bolt out of the blue, so he suggested that the BH&HPA should make provision for the future.

Debbie Walker responded that the outcome could be that responsible park owners could go out of business and their parks be sold to those who were not so scrupulous in their dealings.

Minister Lee Rowley thanked everyone for the important work done by the APPG over the years and was very keen to see even more progress.

Sonia McColl referred to the 10% commission rate, saying that it was an unquantifiable number on which no business could base its business model. Park owners might not sell any homes in one year but in another they might sell 30. Site owners buy homes at discounted prices from manufacturers and put their own mark up on them and any reasonable business would want at least 100% mark up. When the time comes for a resident to sell and move out, the site owner is receiving a profit on his own profit margin and residents felt this was grossly unfair.

Debbie Walker said that it wasn't 'unfair' because it was a term that park home owners signed up to at the outset, when purchasing their park homes. And although precise numbers of caravan sales would not be known in advance, responsible park owners, knew their customers well, and were also aware of the lifespan of the park homes on their parks, and so had a very good idea of the commission income they could expect in any one year. She added that responsible park owners live and breathe their businesses and it was not right to tar all park owners with the same brush. The money the 10% commission generated was most often reinvested in the park, for the benefit of residents, and it would be the responsible business owners who might suffer as a result of any change to

the commission rate. Rogue traders could continue to get their rewards by illegal means.

Peter Aldous MP commented that in his experience over the years the commission had been used by responsible park owners to improve their sites and to take this away, or reduce it, could make businesses unviable and mean that the rogue traders could step in to buy up parks and not run them as well as the previous owners.

He added that if it was the intention to achieve fundamental reform of the whole sector, responsible park owners needed to be treated fairly. At this point the Minister made his apologies and left the meeting.

6. Any other business

There being no other business, Sir Christopher closed the meeting at approximately 4.30 p.m.