

## **BRITISH HOLIDAY AND HOME PARKS ASSOCIATION**

### **SUPPLEMENTARY WRITTEN EVIDENCE**

Following the evidence session attended by BH&HPA on 19<sup>th</sup> February 2014, the Convenor of the Infrastructure & Capital Investment Committee indicated that it would be in order to contact the Committee in writing if the Association had anything further to add that would be of assistance to members whilst considering the Housing (Scotland) Bill.

Firstly, we take this opportunity to reiterate our concerns regarding the proposed time limited licensing for the reasons outlined during the evidence session on 19<sup>th</sup> February and detailed in our written submission to the Committee.

It is noteworthy that, in addition to the points we have already put forward, we are in agreement with the three National Residents Associations representatives that, rather than protect those living on residential parks, a move to time limited licensing will cause great concern amongst those living on residential parks.

After reflecting on the content of the report of the Meeting on 19<sup>th</sup> February 2014, the following additional information may prove helpful.

#### **Improvement Notices**

It is our understanding that, under the proposed legislation, a park owner who provides electricity and gas through sub meters and private water and sewerage supply on his park, which is then charged out to residents, can be deprived of payment for these services because of Local Authority action regarding non-compliance with an Improvement Notice. Under such a system, the Local Authority will contact residents to inform them that due to the park owner not complying with an Improvement Notice they do not require to pay for these services.

We think that the above proposal may come from other Housing Legislation covering single property situations rather than a business like a mobile home park with a number of homes on it, which are usually occupied by quite elderly people.

We wish to highlight in more detail some of the potential downsides of the proposal that the Park Owner can be deprived of his income if he does not, or cannot, comply with an improvement notice.

Whilst we consider it unlikely that such a situation would arise, the fact that the ability for a park owner to be deprived of his income is being proposed in the legislation implies that the Scottish Government consider it to be a possibility. Consideration therefore needs to be given to the possible unintended consequences on mobile home park residents of the park owner not receiving payment for electricity, gas, water, sewerage, pitch fees etc.

**Electricity:** Most residents on parks have their electricity supplied through sub meters and make payment for it to the park owner. Some have their

electricity supplied direct by an electricity company. Those supplied by the park owner would not be paying for the electricity in the scenario outlined above whilst those supplied directly by the electricity company would be required to continue to make their usual payments.

As the park owner could not possibly afford to supply all the mobile home owners on his park with sub meters with 'free' electricity, he would have no choice but to discontinue supplying those residents with electricity.

**Gas:** On the majority of parks gas is supplied to residents in 47kg tanks of LPG (Liquid Petroleum Gas) supplied and changed over by the park owner. Some residents on parks are supplied with their gas from a bulk tank which is piped round the park and payment is then made by the residents to the park owner. Others are supplied direct to the mobile homes by a gas company.

In situations where the park owner is not being paid for the gas, he would be unlikely to replace the 47kg tanks for residents. Those supplied with gas from a bulk tank, belonging to the park owner, would have their gas supply discontinued, leaving them with no central heating and potentially no cooking facilities, etc. Those supplied direct by a gas company would be required to continue to make their usual payments.

**Water and Sewerage:** Most parks have a mains water supply but some have a private supply. We estimate that approximately 50% of the parks have mains sewerage with the others having private sewerage, by means of septic tanks or sewerage treatment plants.

Residents on parks which have either private sewerage or private water would pay the park owner for these services. It is hoped that no park owner would find it necessary to discontinue water and sewerage services for their residents.

Where parks have mains water and sewerage, residents pay for it via their Council Tax and their ability to have these services would be unaffected by the withdrawal of the park owner's income.

**Rents (Pitch Fees):** If payment of pitch fees ceases, how is a park owner going to pay for maintenance of the park, any mortgage he may have on the park and any other expenses for running the park? A drop in the level of park maintenance will impinge on the value of homes on the park and the amenity of the park itself, which will be to the detriment of the residents on the park.

Many residents on a park have their pitch fees and Council Tax (less the water and sewerage which they have to pay themselves) paid by the Local Authority/Housing Benefit. We assume that this means that as soon as the Local Authority advises residents they need not pay pitch fees, either the Local authority, or the residents receiving housing benefit, would have to inform the relevant authorities that they were no longer paying rent. If this is the case, residents in this position would not be entitled to receive housing benefit for the period during which no rent is being paid. Having to re-apply for housing benefit and repay all rent due at some future date depending on

the decision of the courts could be stressful and time-consuming for residents, many of whom are elderly.

It is our understanding that, under the proposed legislation, a park owner who provides electricity and gas through sub meters and private water and sewerage supply on his park, which is then charged out to residents, can be deprived of payment for these services because of Local Authority action regarding non-compliance with an Improvement Notice. Under such a system, the Local Authority will contact residents to inform them that due to the park owner not complying with an Improvement Notice they do not require to pay for these services.

Taking all the above into consideration, if the income of the park owner is removed, residents could find themselves with no supplies of electricity, gas, possibly water and reduced or no maintenance on the park, in a very short period of time. Should they wish to sell up, difficulties could arise in getting a reasonable price for their mobile home under such a scenario.

### **Fit and Proper Person**

Scottish Government Officials often refer to Landlord Registration during discussions about the proposed Fit and Proper Person Legislation for parks.

We have checked how landlord registration operates and find that the procedures are as we suggested should apply for mobile home parks, with all Local Authorities working on the same criteria. Interestingly, landlords can make one application centrally for all their properties and make one payment for all areas in Scotland. The information is then circulated to all relevant Local Authorities.

A central record is kept so that anyone can access the internet and find out whether their landlord is registered. All in all it appears to be a very simple and very efficient process as far as the applicant is concerned.

We are aware that some Local Authorities have quite a backlog of Landlord Registration applications to process and this is a cause for concern. The reason for our concern is that when an employee on a park leaves his job, it is imperative that a new employee is put in place at the very earliest date. This is particularly important as there is often only one employee on a park.

Whilst a park owner would normally expect to advertise for and employ a new employee in a couple of weeks, it is conceivable that a Local Authority could take 6 to 8 weeks, or possibly longer, to process an application for Fit and Proper Person status. Many applicants would not be prepared to wait for that period of time to find out if their job application is successful or not.

This could mean that residents on a mobile home park would have no-one looking after the park, possibly for a period of months. We are concerned as to how parks will be able to deal with such a situation which will leave residents, mostly elderly, with no one looking after and maintaining the park, supplying and fitting gas bottles, collecting rent and other payments and generally dealing with any issues the residents may have.

An employee with Fit and Proper status for working on a mobile home park should be able to work on any mobile home park in Scotland the same way as anyone with a personal licence to be in charge in a public house can work in any pub in Scotland.

**British Holiday and Home Parks Association**  
**11 March 2014**