

Park Homes Fees Policy November 2014

Contents Page

| 1. Executive Summary | 3 | |
|--|----|----|
| 2. Introduction | 5 | |
| 3. Fees Policy | 7 | |
| 4. Department of Communities and Local Government (DCLG) Guidano | ce | 12 |

1. Executive Summary

1.1

The introduction of The Mobile Homes Act 2013 (The Act) provides greater protection to occupiers of residential park homes and caravans. It introduces important changes to the Caravan Sites and Control of Development Act 1960. The changes directly affect the way the Council licenses permanent residential sites (known as relevant protected sites). Amongst a number of changes introduced on 1 April 2014, local authorities can now charge fees, on a cost-recovery basis, in relation to applications for new licences, transfers and amendments. An annual fee can also be charged for holding a site licence. Fees only apply to those sites that fall within the relevant protected site definition. The Council is required to publish a fees policy and the level of fee is based upon the estimated time and cost involved in undertaking the inspection and administrative activities involved. The Council's fee structure is set out in Table 1 below.

Table 1: Summary of Park Home Fees

| Item | Units | Fee (£) |
|-----------------------|---------|--|
| New Park Home Licence | 1-5 | 248.94 |
| | 6-24 | 267.16 |
| | 25-99 | 285.37 |
| | 100+ | 303.59 |
| Annual Licence Fee | 0-3 | 0.00 |
| | 4-5 | 197.33 |
| | 6-24 | 248.94 |
| | 25-99 | 400.73 |
| | 100-199 | 713.42 |
| | 200+ | 928.97 |
| Licence Transfer | N/A | 106.26 |
| Licence Variation | N/A | 106.26 (plus inspection fee if applicable) |
| Deposit of Site Rules | N/A | 78.93 |

*NB. The Council may also decide it is necessary to inspect the site before agreeing to issue an amended licence.

1.2

Sites that do not fall within the definition of relevant protected sites are still subject to the licensing requirements contained within the Caravan Sites and Control of Development Act 1960, but the provisions relating to payment of fees do not apply. This exemption includes sites for holiday use only and those sites that are only allowed to have units stationed on them at certain times of the year.

- 1.3 The Council will charge fees if it incurs costs in carrying out enforcement activities, such as the service of a compliance notice (for a breach of a site condition). Enforcement costs will be calculated on a case-by-case basis and therefore no set fees apply.
- 1.4 The Act also introduces changes to the administration of site rules. Site rules are not the same as the site licence conditions but are an agreed set of rules between the site owner and residents. Regulations came into force on 4 February 2014 that set timescales (12 months from that date) by which time site owners are required to deposit new site rules with the Council. There is no requirement for sites to have site rules, but where they exist, they must be consulted upon and deposited with the Council, for which a fee can be charged.
- 1.5 The Act also makes provision in the future for site owners to meet a "fit and proper persons" test and for local authorities to keep a register. Fees for maintaining a register will be added as an addendum to this policy should regulations enacting this part of the legislation be issued.

2. Introduction

2.1

The Caravan Sites and Control of Development Act 1960 came into force on 29 August 1960. Part 1 of the Act introduced a licensing system to regulate the establishment and operation of caravan sites. The Mobile Homes Act 2013 ("The Act") amends this primary legislation.

2.2

The Act received royal assent on 26 March 2013 and implementation of the Act commenced in phases from 26 May 2013. The Act introduces important changes to park home site licensing and amends the Caravan Sites and Control of Development Act 1960. The changes give local authorities the power to charge site owners a fee for applying for a site licence, transferring an existing licence or amending a site licence. An annual fee for holding a site licence can also be charged.

2.3

Section 10A (2) of the Caravan Sites and Control of Development Act 1960 as amended by the Act, requires local authorities to publish a fees policy in relation to the licensing of park home sites. This policy has been developed to enable the Council to charge appropriate fees from 2014. All fees are calculated on a cost-recovery basis and represent the cost incurred by the Council in undertaking its licensing functions.

2.4

Subject to the exemptions listed at 3.2, there is a legal requirement for site owners to ensure that their park home sites are licensed. Failure to do so is an offence, punishable by a fine of up to £2500 upon summary conviction.

2.5

The Council will review the fees on an annual basis with adjustments based upon full cost recovery. Site owners may recover the annual fees through an increase in pitch fees, should they wish.

2.6

The Act gives local authorities the power to serve compliance notices and to carry our works in default to remedy breaches of site licence conditions. The Council intends to charge for enforcement activities at sites falling within the relevant protected site definition on a case-by-case basis based on full-cost recovery.

2.7

The Mobile Homes (Site Rules) (England) Regulations 2014 came into force on 4 February 2014. The Regulations amend the procedure for the introduction of site rules, requiring a site licence holder to consult with tenants on any new site rule proposals. In February 2015, any site rule made before the Regulations came into force will cease to have effect. There is no requirement for any site to have any rules, but where they exist and the site is a 'protected

site', as defined in the Mobile Homes Act 1983, the definitive copy must be deposited with the local authority. The Council will publish and update a register of new site rules for which a deposit fee will be charged on each occasion.

2.8

Regulations regarding a register of fit and proper persons for managing relevant protected sites have yet to be published and will therefore be added to this policy as an addendum if and when they are enacted.

3. Fees Policy

<u>3.1 Fees</u>

3.1.1 New Licence

The Council will charge a fee as shown in **Table 2** below, in respect to any new application for a site licence relating to a relevant protected site. The Council may only issue a licence for a site with valid planning permission for the use.

The Council will not charge a fee for licence enquiries.

3.1.2

Some costs incurred by the Council will apply equally to all sites (e.g. sending out and validating applications/request forms, examining site rules etc) and will be charged to all licence holders. Some other costs may vary depending on the site, such as the size of the site affecting the length of time it takes to undertake an inspection.

<u>Table 2: Park Home Fees – New Licence (Relevant Protected Sites only)</u>

| Processing | Time (minutes) | Hourly Rate (£) | Total (£) |
|---|-------------------|-----------------|-----------|
| Examine application documentation, associated certificates. Check to ensure that details are correct and correct fee is attached. | 60 | | 36.43 |
| Make assessment of site layout, provision of amenities/utilities, examine fire risk assessment | 60 | 36.43 | 36.43 |
| Finance receive payment of fee, process payment and issue receipt | 60 | | 36.43 |
| | | Total | 109.29 |

| Inspection | Pitches | Time (minutes) | Hourly rate (£) | Total (£) |
|-------------------------------------|---------|-------------------|-----------------|-----------|
| Verification inspection of the site | 1-5 | 60 | | 36.43 |
| Verification inspection of the site | 6-24 | 90 | 36.43 | 54.65 |
| Verification inspection of the site | 25-99 | 120 | | 72.86 |
| Verification inspection of the site | 100+ | 180 | | 91.08 |

| Issue of New Licence | Time (minutes) | Hourly rate (£) | Total (£) |
|---|-------------------|-----------------|-----------|
| Prepare licence documents and certificates | 120 | | 72.86 |
| Check and sign certificates / licence as necessary, and serve by post | 30 | 36.43 | 18.22 |
| Update database register and public register | 20 | | 12.14 |
| _ | | Total | 103.22 |

Combined adjusted total fees for new park home licence applications

| Number of Pitches | Total Fee (£) |
|-------------------|---------------|
| 1-5 | 248.94 |
| 6-24 | 267.16 |
| 25-99 | 285.37 |
| 100+ | 303.59 |

3.1.2 Annual Fee

The Council will charge site owners an annual fee as shown in **Table 3** below in respect of each existing relevant protected site licence.

Table 3: Park Home Fees – Annual Fee (Relevant Protected Sites only)

| Number of pitches | Band Z | Formula | A Admin Time (minutes) | B Inspection Time (minutes) | Fee (£) |
|-------------------|-----------|---------------------------|------------------------|-----------------------------------|---------|
| 4-5 | 1 | $=((A_1+B_1)/60 \times C$ | 185 | 140 | 197.33 |
| 6-24 | 2 | $=((A_2+B_2)/60 \times C$ | 200 | 210 | 248.94 |
| 25-99 | 3 | $=((A_3+B_3)/60 \times C$ | 270 | 390 | 400.73 |
| 100-199 | 4 | $=((A_4+B_4)/60 \times C$ | 375 | 800 | 713.42 |
| 200+ | 5 | $=((A_5+B_5)/60 \times C$ | 450 | 1080 | 928.97 |

(Calculations based upon Local Authority guidance)

3.1.3 Transfer or Amendment of a licence

The Council will charge a fee for amendments and variations to licence conditions where requested by a site owner and where an application to transfer the licence to another person/organisation is received. If the Council deems it necessary to alter conditions, there will be no fee payable.

Table 4: Variations and Amendments

| Variations and Amendments | Time (minutes) | Hourly rate (£) | Fee (£) |
|--|----------------|-----------------|---------|
| Examine amended application documents and associated certificates. Check to ensure details are correct and correct fee is attached | 60 | | 36.43 |
| Check site history for any outstanding issues | 30 | | 18.22 |
| Make decision as to whether amendments are appropriate | 30 | 36.43 | 18.22 |
| Prepare new license documents | 20 | | 12.14 |
| Check, sign and post new documents | 15 | | 9.11 |
| Update database and public register | 20 | | 12.14 |
| | | Total | 106.26 |

*NB. The Council may also decide it is necessary to inspect the site before agreeing to issue an amended licence.

| Site Inspection Fees | Pitches | Time (minutes) | Hourly rate (£) | Total (£) |
|-------------------------------------|---------|----------------|-----------------|-----------|
| Verification inspection of the site | 1-5 | 60 | | 36.43 |
| Verification inspection of the site | 6-24 | 90 | 36.43 | 54.65 |
| Verification inspection of the site | 25-99 | 120 | | 72.86 |
| Verification inspection of the site | 100+ | 180 | | 91.08 |

Table 5: Licence transfer fee

| Transfer | Time (minutes) | Hourly rate (£) | Total (£) |
|--|----------------|-----------------|-----------|
| Check from is correct including correct fee. | 30 | | 18.22 |
| Check site history and any outstanding issues. | 30 | | 18.22 |
| Examine request documentation and make decision. | 60 | 36.43 | 36.43 |
| Prepare new licence documents. | 20 | | 12.14 |
| Check, sign and post new documents. | 15 | | 9.11 |
| Update database and public register. | 20 | | 12.14 |
| | | Total | 106.26 |

3.2 Site rules

The Council will charge a fee of £78.93 to deposit site rules, examine, amend, approve and to publish them on the Council's website on each occasion.

3.2.1

Some site rules, such as those pertaining to the cutting off of services or those which require permission from the site owner to sell a home etc. are banned. The Council must examine these rules and remove them if necessary.

3.2.2

Site rules will be accepted and published by the Council if the correct fee is paid, the contents are consistent with legislation, the site owner can provide evidence that the rules have been correctly consulted upon and that there are no outstanding appeals.

3.2.3

Site rules that have been duly deposited with the Council will be published on the Council's web site and available to view or download.

| Deposit of site rules | Time (minutes) | Hourly rate (£) | Total (£) |
|--|----------------|-----------------|-----------|
| Examine rules, checking for banned rules | 60 | | 36.43 |
| Check site history | 30 | | 18.22 |
| Accept rules or suggest amendments | 20 | 36.43 | 12.14 |
| Update database and public register | 20 | | 12.14 |
| | | Total | 78.93 |

3.3 Exempting certain sites from paying fees

3.3.1

Fees will only apply to relevant protected sites, therefore no fees shall be payable in relation to other sites such as those solely providing holiday or recreational accommodation or sites that are only allowed to have units occupied at certain times of year.

3.3.2

Sites where there are three or fewer pitches are exempt from the annual licensing inspection fee, as the Council does not intend to carry out annual inspections of these sites. Fees will still apply for licence issue and amendment etc. The Council will however continue to respond to complaints at these sites and take any appropriate action.

3.3.3

Sites for the sole use of the owner and their families (does not include sites that are run for financial gain) are also exempt from the annual licensing fee.

3.4 General Fees

3.4.1 Cost Recovery

Fees are calculated on the basis that they will recover the costs incurred by the Council in administering licences, including both fixed costs and officer time spent inspecting the sites. Relevant considerations when calculating the fees include administering applications, issuing licences, officer time, annual inspections, report writing, stationery costs, postage, consultations with other organisations, legal advice, licensing software.

3.4.2 Review of Fees

The Council will review the fee structure on an annual basis and future fees will take into account any budgetary surplus or deficit applicable to the licensing of relevant protected sites in previous years.

3.5 When Fees are payable

3.5.1 Annual Fees

The annual fee covers the costs associated with an annual site inspection, undertaken to ensure compliance with the site licence conditions, and a follow up visit following the issue of any informal schedule of works. In situations where a licence condition continues to be breached at a relevant protected site following

Informal communication, additional charges may be payable to cover the cost of any further enforcement action taken.

Existing sites fees are payable **beginning 1 May 2015** and then on each anniversary.

3.5.2 New Site Licences

The appropriate application fee should accompany any application for a new site licence. Where the Council issues a new site licence, the annual fee will be payable from the September following issue.

3.5.3 Enforcement costs are not included in annual fees

Annual site licence fees do not include any costs incurred in relation to enforcement activities, such as serving of compliance notices, emergency action, and works in default. Enforcement costs will be charged on a case-by-case basis to cover the full costs of enforcement incurred by the Council.

4. Department of Communities and Local Government (DCLG) Guidance

4.1

DCLG guidance offers a variety of suggested options for local authorities in calculating licensing fees. The Council has adopted this approach as it is considered to offer the most transparency and fairness to both residents and site owners.

4.2

Pluses and deficits to be included in the fee policy. Future revisions of the fee policy will take account of any surpluses or deficits from previous years.

4.3

The DCLG guidance sets out the activities that the Council can include when calculating its annual fee, these include:

- •Letter writing/telephone calls etc. to make appointments and requesting any documents or other information from the site owner or from any third party in connection with the licensing process;
- · Handling enquiries and complaints;
- Updating hard files/computer systems;
- Updating the EU Directive website if appropriate;
- Processing the licensing fee;
- Time for reviewing necessary documents and certificates;
- Downloading photographs;
- Preparing reports on contraventions;
- · Review by manager or lawyers;
- Review any consultation responses from third parties;
- Carrying out any risk assessment process considered necessary;
- · A pre-programmed full site inspection; and
- A follow-up inspection to check compliance following programmed inspection.

Contact information

For more information please contact our Private Sector Housing team:

Email: ps.housing@eastsuffolk.gov.uk

Telephone: 01502 523119

Or visit the Councils web site at www.eastsuffolk.gov.uk

Help and advice for residents of protected sites

Free and independent legal advice for site residents is available from:

http://parkhomes.lease-advice.org/

Telephone: 020 7832 2525.