
Meeting: Social Care, Health & Housing Overview and Scrutiny Committee
Date: Monday 27 January 2014
Subject: Draft Central Bedfordshire Council Park Home Site Licensing Fees Policy
Report of: Cllr Carole Hegley , Executive Member for Social Care, Health & Housing
Summary: The report proposes the adoption of the draft Central Bedfordshire Council Park Home Site Licensing Fees Policy

Advising Officer: Julie Ogley, Director of Social Care, Health & Housing
Contact Officer: Terry Gilbey, Private Sector Housing Area Manager
Public/Exempt: Public
Wards Affected: All
Function of: Central Bedfordshire Council

CORPORATE IMPLICATIONS

Council Priorities:

1. The ability for the Council to recover costs associated with the licensing of park home sites through the fees set out in the Park Homes Licensing Fees Policy will enable the Council to monitor conditions on sites more effectively. This will therefore contribute to the Council's priority of promoting health and wellbeing and protecting the vulnerable as the most park home residents are older people.

Financial:

2. The Council currently does not recover the costs associated with its park home site licensing function. From 1st April 2014, the Mobile Homes Act 2013 enables the Council to recover relevant costs but only if it has published a Fees Policy setting out what these fees will be. There are several risks if such a policy is not published by that date, including a risk to revenue.

Details on how fees have been calculated can be viewed in Appendix A of the proposed Fees Policy.

Legal:

3. Section 3 (2A) of the Caravan Sites and Control of Development Act 1960 (the Amended Act) as amended by the Mobile Homes Act 2013 (the 2013 Act) allows Local Authorities to charge a fee for applications for park home site licenses.

Section 5A (1) of the Amended Act allows local authorities to charge an annual fee.

Section 8 (1B) of the Amended Act allows local authorities to charge a fee for applications to amend conditions on an existing site licence.

Section 10 (1A) of the Amended Act allows local authorities to charge a fee for the transfer of a site licence.

However, Section 10A (2) states that before charging a fee under the above sections the local authority must prepare and publish a fees policy.

Risk Management:

4. The key risks of the Council not having an approved Fees Policy in place by 1st April 2014 are:
- Failure to realise potential income streams
 - Failure to comply with legislation by not publishing a Fees Policy in advance of levying charges,
 - Reduced ability/resources to monitor sites more effectively and thus contribute to delivering the Council's priority of promoting health and wellbeing and protecting the vulnerable.
 - Reputational risk to the Council, this is explained below.

The Mobile Homes Act 1983 as amended by the 2013 Act allows park home site owners to incorporate the increased cost of managing the site as a result of new legislation (i.e. annual licensing fees) only at the next pitch fee review immediately after the legislation comes into force (in this case, 1st April 2014). As pitch fee review dates are set in stone, site owners will be reliant on the local authority to have a published fee policy in place before the first pitch review date after 1st April 2014 occurs in order to be able incorporate these costs. This is their only opportunity to recover these costs from residents as the costs cannot be included in subsequent pitch fee reviews. Therefore, failure to have a published Fees Policy in place could leave the Council open to claims for compensation from aggrieved site owners to offset the annual licensing fees. It is therefore essential to have an approved Fees Policy published before 1st April 2014.

Staffing (including Trades Unions):

5. Not Applicable.

Equalities/Human Rights:

6. Work has commenced on an Equalities Impact Assessment. Residents on park home sites tend to be older persons. As site owners are able to pass on the cost of annual licensing fees to residents through increased pitch fees, the introduction of annual fees may have a financial impact on this client group. Gypsies and Travellers also reside on park home sites and whilst many are owner occupiers on single pitch sites (which the proposed policy seeks to exempt from annual fees), some reside on multiple pitch sites and therefore may be affected. However, the ability to charge annual fees enables the Council to monitor conditions on park home sites more effectively which will be to the advantage of the residents.

Public Health

7. Park home site licence conditions relate to many aspects that would have an impact on the health and well being of residents. However, the most significant of these are those that relate to health and safety issues such as fire safety. The ability to recover the cost of its licensing function through fees would enable the Council to monitor conditions on sites more effectively and thus protect the health and wellbeing of residents.

Community Safety:

8. Not Applicable.

Sustainability:

9. Not Applicable.

Procurement:

10. Not applicable.

RECOMMENDATION(S):

The Committee is asked to:-

1. **To consider and comment the draft Central Bedfordshire Council Park Homes Licensing Fees Policy.**

Background information

11. The Council administers site licenses for 82 Park Home sites (plus two touring sites). These sites range in size from the 44 single pitch sites to the largest site which contains 175 pitches. The total number of pitches on park homes sites in Central Bedfordshire exceeds 1,200. The Council monitors sites to ensure that site licence conditions are being adhered to. Licence conditions cover a wide range of issues including the following:
 - Type and condition of caravans/mobile homes
 - Fire fighting equipment, fire points and emergency telephones
 - Fire hazards (including separation zones around units)
 - Safety and maintenance of electrical installations
 - Maintenance and safety of roads and footpaths
 - Hard standings to caravans/mobile homes
 - Water supply
 - Drainage, sanitation and washing facilities
 - Car parking and recreational areas
 - Storage of liquefied petroleum gas

12. Usually, residents are older people, moving to park homes as a retirement choice, to live with residents of similar age in generally more rural locations. Residents own their home but pay a pitch fee to the park owner and have to abide by park rules, which should be consistent with site licence conditions. Gypsy and Traveller sites are quite different in that they are often home to families and not just older persons. Whilst there are a few multiple pitch sites the majority of them are “owner occupied” single pitch sites meaning that the resident will own the land as well as the home on that land.

13. The Department of Communities and Local Government (DCLG) stated in the Impact Assessment of their consultation “A Better Deal for Mobile Home Owners - Changes to the Local Authority Site Licensing Regime” (published November 2012) that the existing legislation did not allow local authorities to charge fees for issuing and monitoring site licenses, or taking enforcement action if conditions were not met. They added that in practice, this severely limited local authorities’ resources to provide effective scrutiny of the sector.

14. As a consequence, the Mobile Homes Act 2013 (The 2013 Act) was introduced (receiving royal assent on 26th March 2013). This Act amended several pieces of existing legislation. One of the changes introduced was the ability, from 1st April 2014, for Local Authorities to charge site owners a fee for applying for a site licence, for amendments or transfers of existing licences, and for annual fees. The ability to recover the cost of its licensing function through fees would enable Central Bedfordshire Council to monitor conditions on sites more effectively and thus contribute to the Council’s priority of promoting health and wellbeing and protecting the vulnerable as the many of the residents of park home sites could be considered to fall within the definition of vulnerable.

Licensing Fees

15. Licensing fees have been determined using templates that indicate a time for the individual steps in each process. As annual fees will apply to each non-exempt site every year these are the most likely to come under scrutiny and as a consequence Central Bedfordshire Council has been working closely with other members of the DCLG Working Group to ensure that the methodology is appropriate.
16. Annual fees were determined by using the aforementioned templates and officer's hourly rates to determine the total cost of providing the service to all non exempted sites. This cost was then divided by the total number of pitches on these sites to give a per pitch fee. The annual fee for a site will therefore be dependant on how many pitches it contains. When annual fees are fixed for subsequent years any surplus or deficit in the account will be considered to ensure that fees reflect the true costs.
17. Single pitch sites will be exempted from annual fees as it will not be cost effective to collect the very small fees that would be associated with such sites. However, other fees covered by the policy will apply.
18. Fees for applying for a site licence and for amendments or transfers of existing licences were determined in a similar way, although as standard amendments and transfers do not require inspections a simple per site figure that would apply to all sites regardless of size was determined.
19. The fees proposed in the Fees Policy are as follows:
 - (a) Initial Licence Fee = £53.61 per pitch
 - (b) Transfer or Standard Amendment Fee = £249.88 per site/application
 - (c) Site Expansion Amendment Fee = £27.87 per pitch
 - (d) Annual Fee = £11.62 per pitch

Other Fees and Charges

20. The 2013 Act made provision for regulations to be made to require site owners to deposit site rules with the local authority and for the local authority to publish a register of these site rules. The local authority is able to levy a fee for rules that are deposited. A fee of £30.91 was determined as being appropriate given the amount of time it is likely to take to carry out the associated tasks.

21. This Act also made provision for regulations to be introduced requiring managers of sites to be registered as “Fit and Proper Persons” and for local authorities to publish a register of such persons. Local authorities may levy a fee for Fit and Proper Person applications. Although at the time the proposed policy was drafted there was no indication as to when these regulations may be introduced, it was felt prudent to include a fee within the policy. A fee of £105.75 was determined as being appropriate given the amount of time it is likely to take to carry out the associated tasks.
22. Licensing fees cannot recover costs associated with enforcement as there are separate mechanisms for recovering such costs, including charges for enforcement notices and recovery of costs associated with carrying out works in default. These mirror what is currently in place in respect of Housing Act enforcement, but have been included in the proposed Fees Policy.
23. Further details on how fees have been calculated can be viewed in Appendix A of the proposed Fees Policy.

Conclusion and Next Steps

24. Whilst there is no legal requirement to consult on the Fees Policy it was felt that a shorter informal consultation should take place. This consultation runs from 9th December 2013 until 20th January 2014 and the outcome will be reported once this has been completed.
25. An overarching Park Homes Strategy will be developed during 2014/15 which will incorporate the approved Fees Policy. An engagement event for site owners was held on 30th September 2013 where views were sought on what should be included in an overarching strategy. The output from this and a similar event that will be held for park home residents on 22nd January 2014 will help in the development of the planned strategy.

Appendices:

Appendix A Draft Central Bedfordshire Council’s Park Home Site Licensing Fees Policy 2014

Background papers and their location: (open to public inspection) - None