

CARAVAN SITE LICENSING FEES

Cabinet - 15 October 2020

Report of: Chief Officer People & Places

Status: For Decision

Also considered by:

- Housing & Health Advisory Committee - 29 September 2020

Key Decision: No

Executive Summary: To date, the Council has not been able to charge for the licensing of caravan sites. However, with the introduction of the Mobile Homes Act 2013 the Council is now able to charge a fee to license residential caravan sites. Charging a fee will enable the Council to monitor site license compliance more effectively which will ensure residents' health and safety are better protected and the value of their homes safeguarded. The Council is now also able to take enforcement action where site owners are not managing and maintaining their sites and services adequately.

This report outlines the background behind the Mobile Homes Act 2013, explains the types of sites that the fees can be applied to, how many relevant sites there are in the Sevenoaks district and the expected income if the recommendations below are approved.

Portfolio Holder: Cllr. Kevin Maskell

Contact Officer: Daniel Shaw, Ext. 7155

Recommendation to Housing and Health Advisory Committee:

That members comment and recommend to cabinet the adoption of:

- a) the Fees Policy for Relevant Protected Sites (see Appendix to apply from 1 September 2020); and
- b) a charge for licensing fees for Relevant Protected Sites in accordance with the Mobile Homes Act 2013 to apply as from 1 September 2020.

Recommendation to Cabinet:

That subject to comments from the Housing and Health Advisory Committee, Members:

- a) Adopt the Fees Policy for Relevant Protected Sites (see Appendix to apply from 1 September 2020); and
- b) Adopt a charge for licensing fees for Relevant Protected Sites in accordance with the Mobile Homes Act 2013 to apply as from 1 September 2020.

Reason for recommendation: Charging a fee will enable the Council to monitor site license compliance more effectively which will ensure residents' health and safety are better protected and the value of their homes safeguarded. The Council is now also able to take enforcement action where site owners are not managing and maintaining their sites and services adequately.

Introduction and Background

- 1 The Mobile Homes Act 2013, which came into force on 1 April 2014, was introduced as an addendum to the Caravan Sites and Control of Development Act 1960, and is intended to provide greater protection to occupiers of static residential caravans. The Act has enabled local authorities to charge for licensing functions in respect of "relevant protected sites". These include caravan sites typically known as residential parks or mobile home parks. Caravans are separated into 3 main types of caravan sites; Touring, Static Holiday and Static Residential (also known as Park Homes and Relevant Protected Sites). However, it does not extend to holiday or other non-permanent caravan sites.
- 2 Under the legislation, site owners can be charged for new site licence applications, for transfers and amendments to site licences, and for depositing site rules with the local authority. Local authorities may also charge an annual fee for administration and monitoring existing site licences. Fees can only be levied after first preparing and publishing a fair and transparent charging policy.
- 3 Under section 10A (2) of the Act the local authority must prepare and publish a fees policy before charging any fee in relation to a new application, an application to amend, an application to transfer or an annual licence fee. If a local authority revises its fees policy, it must publish the revised policy and act in accordance with that policy.
- 4 A static residential site, or 'relevant protected site' is defined in the Act as any land to be used as a caravan site *other* than one where a licence is:
 - granted for holiday use only
 - in any other way subject to conditions which restrict the usage of the site for the stationing of caravans for human habitation at certain times of the year (such as planning conditions), for example seasonal use of Touring sites.

- 5 The new licensing scheme enables local authorities to monitor site license compliance more effectively whilst providing better rights and protection for park homeowners. Authorities now have the tools to take enforcement action where owners are not managing and maintaining their sites and its services. This will ensure residents' health and safety are better protected and the value of their homes safeguarded as well accessing other services the Council offers such as disabled facilities grants. Therefore this Policy will support Housing and wider Health outcomes for the resident's of the park homes.
- 6 Sites which are in mixed use i.e. partly holiday with some permanent residential fall within the definition of relevant protected site and fees can, therefore, be charged. The only exception is if the residential use is by the site owner or an employee working on the site, their permanent occupation does not make the site a relevant protected site.
- 7 A local authority can consider exempting sites based on a minimum size - this may be single unit sites or sites of a size less than a given figure e.g. 3 or 5. The rationale for exempting such sites being that they are low risk, they tend to be family run sites which are not run as a business, they are rarely, if ever, the subject of complaints and the cost of inspection is outweighed by the cost of administering any charges.
- 8 In setting its fees policy, a Council can decide to exempt certain types or categories of site. Importantly, the legislation allows the site owner to pass on any charge imposed on him/her by the Council to home owners through their pitch fees. Understandably this could prove unpopular with site residents but it is something beyond the Council's control unless a decision is made to not to make charges and instead for the Council to entirely absorb its expenses for administering this licensing system.
- 9 A local authority cannot make a profit. The fees can only cover the licensing function. Income from fees cannot compensate for expenses incurred when dealing with complaints or taking enforcement action.
- 10 Where an annual fee due to a local authority under this section has become overdue, the local authority may apply to a residential property tribunal for an order requiring the licence holder to pay the local authority the amount due by the date specified in the order; and the order may make provision about the manner in which the payment is to be made.
- 11 Where a licence holder fails to comply with an order under subsection (3) of the Mobile Homes Act 2013, within the period of three months beginning with the date specified in the order for the purposes of that subsection, the local authority may apply to a residential property tribunal for an order revoking the site licence.

PROPOSAL

12 From 1 April 2014 local authorities are able to charge fees for:

- considering applications for the issue or transfer of a site licence
- considering applications for altering conditions in a site licence
- administration and monitoring of site licences
- depositing of Site Rules

It is proposed that Sevenoaks District Council charge these fees from 1 January 2021.

13 The fee for administration and monitoring is levied as an annual fee.

14 Where a local authority decides to charge fees these must be published in its Fees Policy document. Fees must be transparent and reasonable, they should fairly cover the costs (or part of the costs) incurred by a local authority under its functions in Part 1 of the Act, other than the costs of any enforcement action (which may be charged separately).

15 All time taken in establishing the information required to make an informed decision will be allowed to be included in the licence fee, whether or not the transfer or new licence is allowed.

16 The following can be considered in terms of officer time in setting fees;

a) For a first **new licence application**-

- An inspection of the site, at planning stage or on immediate planning approval, to discuss requirements with site owner;
- A second visit, following the issue of a new licence, to check conditions and occupation of site.

b) In the case of an **annual licence fee** -

- A pre-programmed full site inspection;
- A follow-up inspection to check compliance following programmed inspection.

c) In the case of an **application to amend a licence** -

- a site visit to assess the specifics of the application, any implications for the licence or its conditions and to assess whether undertakings need to be given.

d) In the case of an **application to transfer a licence** -

- generally, no site visit is required as the application is a desk top exercise only.

e) In the case of **depositing Site Rules** -

- only Officer time can be considered as this is a desk top exercise.

- 17 Travel time to and from the site, including fuel costs can be taken into account. Time spent consulting with the site owner and third parties such as Planning, Fire & Rescue, Health & Safety can also be taken into account when setting fees.
- 18 Within Kent, 7 borough/district councils are charging fees, 2 plan to introduce fees shortly, 4 are not charging with no imminent plans to change, 1 has no relevant sites (See Table D).
- 19 3 borough/district councils are charging a per pitch fee for new applications and 3 borough/district councils are charging a banding fee and 1 borough/district council is charging a one-off fee.
- 20 4 borough/district councils are charging a per pitch fee for annual monitoring, whilst 2 are charging a banded fee based on the size of the site.
- 21 It is felt that a banded scale which fairly reflects the Officer time required to inspect the site would be the best way to charge fees fairly.
- 22 The fees charged need to be based on the number of Officer hours required to complete the tasks associated with issuing/amending/transferring the licence plus associated costs such as mileage and postage.
- 23 Based on Officer time at £55.64 per hour the charges (as calculated by the Private Sector Housing department) would be as per Table A (see below) for each Band, using an average of site pitches for the band.
- 24 Guidance has been taken from the Local Government Association document by the Planning Advisory Service - The Pre-Application Suite. 'The true cost of staff time is a product of the salaries of the people involved, their on costs and non-productive time (e.g. annual leave)'.

This gives a suggested calculation of using the hourly rate for the Officer plus total on-costs of 135%. The total on-costs include accommodation, corporate costs, annual leave, training and sickness.

- a) A **new application** has been worked out with the charges made up of 4hrs Officer Time for consultation with third parties such as Planning, Fire & Rescue, Health & Safety and the Site Owner, a Site Inspection (see **Table C*** for an example of the breakdown of charges) followed by ½ hr Officer Time to issue the licence and a visit to the site to check conditions and occupation (allowing 2 hours).
- b) The Annual Fee has been worked out on a price per unit based on the total cost of carrying out our licencing functions for our sites divided equally by the total number of units over all our relevant protected sites, see Table C for breakdown of officer time.

- c) A **Transfer of Licence** has been worked out on 1½ hrs Officer time only as no visit should be required.
- d) An **Amendment of Licence** has been worked out based on a 1hr Site Visit, average travel time, 1hr Officer time in the office plus associated costs (mileage, post etc).
- e) **Depositing Site Rules** has been worked out on the basis of a total of 1hr Officer time.

- 25 The first years' fees would be in-line with the values below, however, the guidance states that a degree of flexibility can be considered. If some sites are more time-consuming, or we realise that we have underestimated, or over-estimated the time required for tasks, we can amend the fees annually as required to ensure that they are an accurate reflection of the Officer time taken.
- 26 All future ratings would be in line with the Council's annual fees and changes review.

TABLE A - based on calculations above

Charge based on Officer time (£)	Band A Single pitch	Band B (2-10 pitches)	Band C (11-25 pitches)	Band D (26-50 pitches)	Band E (51-100 pitches)	Band F (101-200 pitches)	Band G (201-400 pitches)	Band H (401-800 pitches)
New application	£0	£542	£584	£653	£792	£1,071	£2,086	£3,199
Transfer	£84	£84	£84	£84	£84	£84	£84	£84
Amendment	£167	£167	£167	£167	£167	£167	£167	£167
Site Rules	£55	£55	£55	£55	£55	£55	£55	£55

Based on the residential sites that we have listed in the Sevenoaks district the regular annual income would be as per **Table B**. It is likely that some sites will also require an amendment/ transfer of their licence or depositing of Site Rules during the year.

TABLE B

Sevenoak's residential sites						
Site name	Pitches	Band	Annual Fee	Transfer	Amendment	Site Rules
Clearways	118	F	£1155	£84	£172	£55
East Hill Farm	42	D	£411	£84	£172	£55
East Hill Park	42	D	£411	£84	£172	£55
Florence Park	23	C	£225	£84	£172	£55
Hedge Barton	80	E	£783	£84	£172	£55
Kaysland	61	E	£597	£84	£172	£55

Kingsmeadow	40	D	£391	£84	£172	£55
Millview	24	C	£234	£84	£172	£55
Pasadena	40	D	£391	£84	£172	£55
St Brelades	50	D	£489	£84	£172	£55
Stanwell House	14	C	£137	£84	£172	£55
Wickens Meadow	40	D	£391	£84	£172	£55
			£5,615			

TABLE C

<p align="center">Inspection time and calculations used in formula to calculate annual licence fee (* cost associated with new application only)</p>								
Process (Minutes)	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H
Contact site owner to notify them of the time and date of inspection, enter action on Uniform, print off site licence and plan, prepare and organise for inspection*	N/A	50	50	50	50	50	50	50
Travel Time*	N/A	60	60	60	60	60	60	60
Inspect notices/certificate/site plan*	N/A	15	15	15	15	15	15	15
Inspect road and fire fighting equipment/Signage*	N/A	30	30	30	30	30	30	30
Inspect pitches and spacing approx. 3 mins per pitch using a laser tape and noting distances*	N/A	30	75	150	300	600	1695	2895
Follow up Paperwork and correspondence, attach inspection report to case management system etc.	N/A	60	60	60	60	60	60	60
Contingency to deal with unforeseen issues etc	N/A	30	30	30	30	30	30	30

Annual admin of licence paperwork	N/A	55	55	55	55	55	55	55
Postage and printing. Larger sites require additional visits so higher mileage costs	N/A	10	10	10	15	15	15	15
TOTAL (MINS)	N/A	340	385	460	615	915	2010	3210
Number of Sites in each Band	N/A	0	3 x 385	6 x 460	2 x 615	1 x 915	0	0
TOTAL			1155	2760	1230	915	0	0

Formula $A \div 60 \times B \div D = \underline{\pounds 9.79}$ per pitch

A = Total Minutes (All pitches on all sites 6060)

B = Officer Hourly Rate (£55.64)

D = Number of mobile homes in district (574)

TABLE D

District Council	Initial Licence Fee	Transfer Fee	Amend Licence	Annual Monitoring	Other
Ashford	£385.50 (1-10 pitches), £450.49 (11-50 pitches), £627 (51-99), £756.99 (100-199 pitches), £936.99 (200+ pitches)	£77.10 (1-10), £90.10 (11-50 pitches), £125.40 (51-99 pitches), £151.40 (100-199 pitches), £187.40 (200+)	£128.50 (1-10), £150.16 (11-50 pitches), £209 (51-99 pitches), £252.33 (100-199 pitches), £312.33 (100-200+)	£40 per pitch annually, charge to site owner	£60 to deposit/amend/delete Site Rules
Bexley	No licensed sites, only their own traveller site				
Bromley	Free				
Canterbury	From 2016 - £50 per pitch	£200	£50 plus £10 per pitch	£10 per pitch	Service of compliance notices £375, £100 to deposit site licence

Dartford	Free for 1-5 pitches, £439 for 6-25 pitches, £565 for 26-99 pitches	Free for 1-5 pitches, £149 (no visit)/£235 (visit) for 6-25 pitches, £149 (no visit)/£235 (visit) for 26-99 pitches	Free for 1-5 pitches, £149 (no visit)/£235 (visit) for 6-25 pitches, £149 (no visit)/£235 (visit) for 26-99 pitches	Free for 1-5 pitches, £164 6-25 pitches, £290 26-99 pitches	Free to deposit Site Rules 1-5 pitches, £50 for 6-99 pitches
Dover	£50 per pitch	£200	£200	£10 per pitch	£30 to deposit Site Rules, charge for Notices: £250 plus additional costs for specialist reports
Folkestone & Hythe	Free for a single pitch, 2-10 pitches £538, 11-25 pitches £626, 26-50 pitches £772, 51-100 pitches £1041, 101-200 pitches £1596, 201-400 £2690, 401-800 pitches £4878.	£59	£82.60	Free for a single Pitch, 2-10 pitches £319, 11-15 pitches £407, 26-50 £552.90, 51-100 £823.20, 101-200 pitches £1377, 201-400 pitches £2471.60, 401-800 pitches £4660.40	Deposit of site rules £39.50
Gravesham	£100 (1-5 pitches), £460 (6-24 pitches), £580 (25-99 pitches)	£25 1-5 pitches, £60 6-24 pitches, £60 25-99 pitches	£50 1-5 pitches, £130 6-24 pitches, £150 25-99 pitches	Free for 1-5 pitches, £180 6-24 pitches, £240 25-99 pitches	Free to deposit Site Rules 1-5 pitches, £50 for 6-99 pitches
Maidstone	Currently no fees but plan to introduce				
Medway	No fees mentioned				

Sevenoaks	Currently no fees but plan to introduce				
Swale	No fees mentioned				
Thanet	Free				
Tonbridge & Malling	£335	£110	£60 to deposit/am end/delete Site Rules		
Tunbridge Wells	£10.50 per pitch	£166	£166	£7.10 per pitch	£38 to deposit/am end/delete Site Rules, Site Expansion Fee £166 + £7.10 per pitch

PROCEDURE

- 27 The operational implications of the proposal are low impact. The number of residential sites in the Sevenoaks district means that the additional work to invoice the site owners and chase any non-payment would be minimal. We would need to invoice the sites once a year in April, and chase up any non-payments, if payment is not made within the required timeframe enforcement action can be considered. We would also invoice the site owners if they want to make an amendment to their licence, transfer it or list their site rules on our website.
- 28 It is not thought likely that we would receive many applications annually for new residential caravan sites in the District.
- 29 The Private Sector Housing Team would be responsible for carrying out annual site inspections and ensuring that site owners have a fair sales policy in place for caravan owners.

COMMUNICATIONS

- 30 All Residential Sites should already be aware of the introduction of the Mobile Homes Act 2013 and the implications it has on the way they need to be running their sites. The Private Sector Housing Manager has already contacted these sites and arranged a Site Meeting with the Manager and/or Owner of the park. At these meetings the introduction of a Fees Policy will be discussed to ensure that all Site Owners are aware of the likely

introduction of these fees in January 2021.

CONCLUSIONS

- 31 The recommended licensing of residential caravan sites will ensure better safety and fairer sales processes for residents, hence improving the quality of life for those living on residential caravan sites.
- 32 Charging a fee for licensing residential caravan sites will raise the income of the Private Sector Housing team in-line with the officer time that will be spent licensing and monitoring the sites.

Other Options Considered and/or Rejected

The options considered as follows:

- a) To agree the proposal to adopt the Fees Policy and charge fees for the licensing of residential caravan sites;
- b) To reject the proposal and not charge for the licensing of residential caravan sites.

The option (a) proposal will enable the Council to better monitor residential caravan sites in the District and provide a better service to residents, ensuring that the standard of our residential caravan sites is as high as possible.

Key Implications

Resource (non financial)

The report will draw upon staffing resources from the Private Sector Housing team to help support the administration of caravan site fees.

Financial

The fees and charges in this report are discretionary. They are based on the full recovery of costs. Any income generated should be considered as part of the Budget Strategy for future years.

Legal Implications and Risk Assessment Statement

The Mobile Homes Act 2013 which came into force on 1 April 2014 amends a number of provisions contained within the Caravan Sites and Control of Development Act 1960. One of the main objectives is to enable local authorities to monitor site licence compliance more effectively and to provide the tools to take enforcement action where owners are not adequately managing and maintaining

their sites and services.

The changes included powers for local authorities to recoup some of their costs by charging fees for their licensing functions. Section 10A of the 1960 Act (as amended) stipulates that the local authority must first prepare and publish a fees policy. When fixing a fee the local authority must act in accordance with its fees policy; may fix different fees in different cases; and may determine that no fee is required in some cases. The Department for Communities and Local Government has issued guidance on setting licence fees and this advice has been followed in forming these proposals.

It should be noted that the fees charged must result in the Council 'charging' (therefore only recovering costs) as opposed to 'trading' (under which the Council is making a net profit). If the Council anticipates doing the latter, it is possible we may have to trade through a limited company in accordance with the Local Government Act 2003.

There are not considered to be any risks associated with charging fees for residential caravan sites.

Equality Assessment

The decisions recommended through this paper have a remote or low relevance to the substance of the Equality Act. There is no perceived impact on end users.

As the introduction of Fees is only relevant to Residential Sites there is not likely to be any diversity or equality implications. There is one Gypsy Traveller site that is owned and managed by Sevenoaks District Council. All residents should already be paying Council Tax as these caravans are their Main Home Address. The Fees will be paid by the Site Owners but these fees can legally be passed to residents so consideration should be taken as to whether charging fees will have a negative impact on those living on relevant protected sites as they tend to be primarily for the Over 50's age bracket.

Appendices

Appendix A: Relevant Protected Sites Fees Policy

Background Papers

Mobile Homes Act 2013

<https://www.legislation.gov.uk/ukpga/2013/14/contents/enacted>

Sarah Robson

Deputy Chief Executive & Chief Officer - People and Places