

## **Executive Summary**

The Mobile Homes (Wales) Act 2013 became law in November 2013 and the powers of the Act will come into force on 1<sup>st</sup> October 2014. The Act allows Welsh Ministers to set out new procedures for:

- selling or giving away your mobile home,
- making changes to the pitch fee, and
- making and changing site rules.

The purpose of this consultation is to seek your views on the new processes set out in the regulations so that they can be made as clear and easy to use as possible, whilst also being an accurate reflection of what is set out in the Act itself.

### **1. Selling & Gifting**

Currently, when a mobile home owner wants to sell their mobile home they must have the agreement of the site owner. If the owner does not give his agreement, the owner can stop the sale of the home from going through. Similarly, if a home owner wished to give their home away, the site owner would have a role in assigning the written agreement (the contract that allows a resident to site their home on a pitch.) The Mobile Homes (Wales) Act 2013 removes the site owner's role in approving a sale or gift.

The new regulations set out a new process that should be followed when a home owner wishes to sell or give away their mobile home. Where there is not already a written agreement in place, the home owner can sell the mobile home and assign the agreement to whomever they wish and notify the site owner of the completed sale. The new owner of the home will need to pay the site owner the relevant commission on the sale. A form is provided for the home owner to give to the purchaser setting out the full details of the sale, the written agreement, the pitch fees, site rules and utility charges.

Where there is already a written agreement in place between the home owner and the site owner. The home owner must notify the site owner of the proposed sale or gift with the form provided. This form provides the site owner with the name of the proposed new home owner. If the site owner wishes to object to the sale then they must apply to the Residential Property Tribunal for a 'refusal order' which prevents the sale.

Forms are also provided to notify the owner of a home owner's intention to give away their home, to assign the written agreement from the seller to the new home owner and a form which informs the site owner that this has taken place.

### **2. Pitch Fees**

When a site owner wishes to change the rate of the pitch fee, the new Act requires site owners to consult with their residents about the change. The Act also says that the percentage increase or decrease of the pitch fee must not exceed the Consumer Price Index. Previously, the Retail Price Index was used.

The form contained in the regulations is designed to help the site owner communicate any proposed change to the pitch fee to the site residents. It allows the site owner to set out the proposed new pitch fee, the date it is proposed to take effect, how the fee has been calculated (including the CPI adjustment) and what to do if you do not agree to the proposal.

If a home owner does not agree with the proposed pitch fee then an appeal can be made to the Residential Property Tribunal to determine the new pitch fee. Similarly if a home owner does not agree with the proposal, but the site owner considers the change reasonable, the site owner can apply to the Tribunal to determine the fee. Until a new pitch fee is agreed, site owners are not obliged to pay the increased fee, but must however still pay the original fee.

### **3. Site Rules**

These regulations set out a new procedure that site owners must follow when making or changing site rules. Currently, site rules can be used which may prevent home owners from undertaking certain activities or which give the site owner an unfair advantage or economic benefit. These regulations look to ban any such rules and ensure that rules are only made which ensure good site management and community well-being.

The regulations give site owners a year from 1<sup>st</sup> October 2014 to review all existing site rules and to propose new rules. The site owner must consult for a minimum of 28 days with all the home owners on the site and a form is provided to help them do so. The form sets out the proposed new rules, the reason for each of the rules being adopted, their effect and a list of all the banned rules.

No later than 21 days after the close of the consultation, the site owner must communicate the results of the consultation to the site residents and a form is provided to help them do so. Once agreed, the site owner must lodge the new site rules with the local authority, subject to a fee. Forms have been provided to notify the site residents that the site rules have been deposited with the local authority. The site rules then become part of the express terms of the pitch agreements and are enforceable as a contract term.

Home owners can appeal to the Residential Property Tribunal if they do not agree with the proposed rules, if the correct procedure has not been used or they disagree with the site owner's decision. Until such an appeal has been disposed of, the rules can not be deposited with the local authority and are not enforceable.

### **Consultation responses**

Your views on each of the three regulations are welcomed and a response form is provided at the back of the document. The questions ask for your views on the clarity and completeness of the proposals and your thoughts on whether the regulations are in keeping with the policy set out in the Mobile Homes (Wales) Act 2013.