

# Stories to be told

A snapshot of the lives of park home residents in Scotland



# About Consumer Focus Scotland

Consumer Focus Scotland is Scotland's independent consumer champion.

Our work is about helping to improve energy, post, water, digital, legal and many other essential public and private sector services in Scotland.

This means securing a fair deal for consumers by promoting fairer markets, more responsive public services and improved customer service. It also means using our statutory powers to investigate when things go wrong.

These are tough times for consumers and the most vulnerable are those who are most dependent on essential services and those in need of help and protection. That is why we are doing all that we can to support those who need our help most.

Our wins for consumers help put money back in people's pockets and improve lifeline services now. Importantly, we are also making the big arguments to shape the best possible services for life in 21st century Scotland.

Following the UK Government's consumer advocacy reforms, we will continue to act in the consumer interest across a wide range of sectors until our general advocacy role passes to the Citizens Advice service in April 2013.

As part of the reforms, Consumer Focus will establish a new unit to identify and represent consumers' interests in complex, regulated sectors,

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The images used in this report were taken by a Consumer Focus photographer, independently of the research. They therefore have no connection with any of the case studies or comments used in this report and are only to provide an illustration of the type of homes referred to.

# Introduction

In 2011, Consumer Focus Investigations, in conjunction with Consumer Focus Wales and with the support of Consumer Focus Scotland, embarked on a detailed review of the mobile homes sector across Great Britain. This review was sparked by a number of worrying stories we heard from residents and representative bodies. Our aim was to develop a robust evidence base with which to influence change and improve the lives of park home residents.

The more we spoke to residents, the more we realised that there were hundreds of stories waiting to be told. Residents talked to us about sale blocking, about the daily experience of intimidation by some site operators, about the frustration of residents, most of whom were elderly, retired and, in many cases, vulnerable.

Some of them told us that they struggle to be taken seriously by local authorities and the police. We often found it difficult to persuade residents to speak to us; their overwhelming fear of their site operator influenced every decision they took.

This short summary report gives some more information about our key findings in Scotland and lists our recommendations for change, as well as telling some of these residents' stories. The results of our project are not intended to be representative of the experiences of all mobile home residents; instead we wanted to pull together a snapshot of residents' lives on park home sites in Scotland in 2012.

## What are mobile homes?

Mobile homes, often known as 'park homes', are used by their owners all year round as their permanent home on a residential caravan site, known as a 'park'. They are prefabricated homes, built in factories and transported to a residential mobile home site on the back of a lorry. Once they are on site, in practice, they are rarely moved again.<sup>1</sup>

Modern mobile homes resemble small timber-framed bungalows and can sell for up to £250,000 in the most expensive areas of the UK. Many mobile home sites now market themselves as retirement communities, and in recent years, mobile homes have become a popular choice for older people on a low fixed income wishing to downsize. Indeed, in Scotland, the majority of our interviewees were elderly, with 80 per cent aged 61 or older.

The attraction for residents on some of the best parks is that these can be close-knit communities, with the benefits of an onsite manager, social clubs and events, and the security of knowing your neighbours on a gated site.

The rights and protections of mobile home owners (also known as mobile home residents) are covered by a specific set of legislation for mobile homes; residents are not covered by general housing law. This is because mobile home residents own their home (the 'unit'), while a site operator owns the land it stands upon (the 'pitch') and the resident pays ground rent (called a 'pitch fee') to the operator.

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<sup>1</sup> However, they must remain 'capable of being moved from one place to another' under the Caravan Sites and Control of Development Act 1960, paragraph 29(1)

This tenure arrangement means that mobile home residents, while owner-occupiers, are generally dependent on their site operator for their electricity, gas and water supplies and all park maintenance and improvements.

## Our research

Consumer Focus carried out detailed telephone interviews with 153 residents on 41 different park home sites in Scotland. There was an even split between the gender of residents we spoke to (49 per cent male; 51 per cent female). We asked residents about their experiences of selling and buying, what they thought about site maintenance and safety standards and whether they had experienced problems with their gas, electricity or water supplies or bills. We also asked whether residents had experienced bullying, harassment or intimidation on the part of their site owner or manager.

On site licensing, we conducted a detailed survey of all local authorities in Scotland to ask them about how best to protect the residents living on residential sites. All 32 local authorities in Scotland responded to the online questionnaire, and four also took part in more detailed telephone interviews. We also talked to the two industry bodies as well as a number of other stakeholders.

## Methodology

Following a thorough scoping exercise and in-depth desk research, we commissioned IFF Research to undertake in-depth telephone interviews with residents across Scotland, asking them about their experiences of living on a mobile home site.

Participants were identified in two ways. Firstly, we encouraged residents to make contact and share their experiences through a range of sources, including trusted intermediaries such as voluntary and third sector organisations, advice agencies, the media and campaign groups. We spoke to 48 residents using this approach.

Secondly, we used a commercial sample provider, targeting postcodes where mobile home sites were located, calling these contacts and asking them if they would be willing to take part. We spoke to 103 residents through this route.

## Policy and legislative context

In Scotland, the legal framework governing mobile homes is different to that in England and Wales. In England and Wales, the Mobile Homes Act 1983 has given security of tenure to residents who own the home in which they live and rent the pitch from the site operator on 'protected' sites.

The 1983 Act clarified the law in England and Wales around the termination of the contract between home owner and site operator, the selling and gifting of mobile homes, and the moving ('resiting') of mobile homes by the site operator.

However, not all of these changes have been brought into effect for mobile home residents in Scotland, and so in 2011, the Scottish Government agreed a number of proposals with the Residential Mobile Homes Stakeholder Working Group.

The new terms are intended to amend and update the rights of mobile home residents in Scotland by:

- giving residents greater security of tenure<sup>2</sup>
- clarifying the right of residents to quiet enjoyment of their home and their pitch
- clarifying the circumstances in which a site operator can gain access to a resident's pitch
- recognising qualified residents' associations for the first time
- requiring outgoing residents to give a copy of the agreement between the site owner and resident 28 days in advance of any sale
- requiring site operators to:
  - consult with residents over proposed improvement works
  - consult with qualified residents' associations over certain matters
  - apply for a court order if they want to move a mobile home for anything other than essential repair or emergency works
  - include written details and a plan of the pitch in a written statement
  - provide evidence in support of any claim for charges or expenses

These proposed changes will also ensure that residents will be free to market and sell their property without interference from the site owner. It is hoped that this will remove the opportunity for site operators to refer to hidden defects as a means of blocking the sale of a home.

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<sup>2</sup> For example, by allowing an agreement to be terminated only when the court considers that it is reasonable to do so



# Key findings

During our research, we identified 92 park home sites in Scotland, housing an estimated 3,314 mobile homes. The majority of sites comprise fewer than 50 residential homes. The majority of Scottish local authorities (22 out of 32) confirmed that they had at least one park home site under their jurisdiction.

However, sites tend to be concentrated in Perth and Kinross, Dumfries and Galloway, Fife, Angus, Argyll and Bute, and Aberdeen. These six authorities between them account for more than half of all the sites in Scotland.

The picture of mobile home living in Scotland is mixed. While the overall view of park home living was fairly positive among our sample, with three-fifths (61 per cent) of the residents we spoke to stating that they were satisfied overall with the site they lived on, over a quarter (29 per cent) expressed dissatisfaction. Almost three-quarters of respondents (73 per cent) reported at least one problem on their site in the past five years.<sup>3</sup>

Nearly half (48 per cent) of the residents we spoke to did not believe that they could buy and sell their own home freely. Residents reported problems with their electricity supply, cost or billing (42 per cent of residents) and maintenance, security or safety standards on the site (40 per cent of residents). Over a quarter (27 per cent) reported problems with their written statements or pitch fees. Around a fifth (18 per cent) reported problems around intimidation, abusive behaviour, vandalism, violence or damage to property, while slightly fewer reported problems with gas (16 per cent) or water (14 per cent) supply, cost or billing.

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<sup>3</sup> We asked about: utilities supply, cost and billing; maintenance, security and safety standards on site; issues with the sale of park homes; problems with written statements and pitch fees; and intimidation, threats or violence

## Issues around selling

Under the Mobile Homes Act 1983, the site operator has to approve a buyer before a sale can complete. The 1983 Act says that this approval should not be unreasonably withheld, but Consumer Focus has seen time and time again that an unscrupulous site owner can use their veto to 'block' the sale of a mobile home. Our research in Scotland, England and Wales, has shown that some site operators are abusing the approval process for their own economic gain.

There is a huge potential for financial gain on the part of any rogue site operators under this system. A site operator who obtains an older mobile home from a departing resident, demolishes it, and replaces it with a brand new unit, can make a six-figure sum in just one successful sale blocking incident, with the most luxurious homes selling for hundreds of thousands of pounds.

Many residents are sold an idyllic lifestyle, but if, after moving into their new home, they find themselves on a site with problems, they may only realise the reality when they have already paid for their home. On the worst sites, they are then trapped, because site operators, in using their veto, are able to repeatedly block a free sale. Finally, distressed residents are forced to give in and sell to their site operator for a tiny fraction of the market value of the property. The site operator is then free to tear down the unit and replace it, or even to rent it out, ensuring a regular income which exceeds the standard pitch fee.

‘Sale blocking’ can happen in a number of different ways. We found that site owners or managers sometimes intervene in the sales process by giving misleading information to potential buyers, attempting to scare or intimidate buyers, or interviewing and rejecting buyers outright.

There were also reports of some site owners/managers who removed ‘for sale’ signs on the site to impede the sale of a home.

Residents are therefore often unable to sell their house, and some told us that they ended up taking it off the market again. Other houses may be sold eventually, but at a much lower price, which represents a considerable loss in terms of a family’s assets.

*‘The lady next door began to suffer from dementia and her family wanted to sell the house. They approached the park manager, and the house – which cost well over £100,000 and was beautifully laid out – was taken over by [the operator] for something like £20,000.’*

Residents’ association

In Scotland, while only 3 per cent of residents we spoke to reported a specific problem with sale blocking, nearly half of our sample did not consider that they could buy and sell their home freely. Unsurprisingly, most residents who reported problems with sale blocking felt that this had a negative impact on the quality of their lives.

We believe that in order to protect residents from site owners unreasonably blocking the sale of their home, the site owner’s veto should be removed. When we asked residents about their views on this veto, all who had reported problems with sale blocking were in favour of removing the veto.

While we recognise the removal of this veto will impact on the rights of site owners to have some approval over the people who live on their sites, we believe that a robust set of site rules and a strong written statement would give the site operator sufficient legal protection. The Scottish Government has already proposed that the Mobile Homes Act 1983 be changed to oblige resident sellers to supply a copy of their written statement to the buyer 28 days before the sale goes through.

## Site maintenance, security and safety standards

Issues around maintenance, security or safety standards was one of the most frequently reported problem areas, reported by two in five (40 per cent) of all residents surveyed in Scotland. Of those who’d experienced a problem, most of the complaints related to poorly maintained roads or pathways (84 per cent) followed by inadequate street or road lighting (69 per cent).

Local authorities expressed some frustration to us that they have to report breaches of a site licence to the Procurator Fiscal, who might not be inclined to take action for what are perceived as more minor breaches of a licence.

Local authorities told us they would like to have a range of enforcement options made available, to include the issuing of compliance or enforcement notices. One local authority referred to there being a lack of a 'graduated scheme of enforcement'.

The majority (72 per cent) of residents we spoke to who had problems in the areas of maintenance, security or safety standards, said these issues were having a negative impact on their quality of life, compared to those who said it had very little or no impact at all (28 per cent).

*'Regarding maintenance, the owner has done absolutely nothing. The trees are a terrible problem, they need cutting. The roads are unbelievably bad, they are all rutted and potholed. She did some pothole repairs but only because the council threatened her with legal action. It is just bad management. The lack of maintenance is a concern.'*

Residents' association

## Written agreements, site rules and pitch fees

Under the Mobile Homes Act 1983 (as amended by the Housing (Scotland) Act 2006), if a buyer is purchasing a home from the site operator, they are entitled to a written statement at least 28 days before the agreement to buy is entered in to. The written statement is the contract between the site operator and resident and sets out certain terms which are implied by statute, and additional express terms.

However, of concern is that over a quarter of residents we surveyed in Scotland (27 per cent) reported having problems with written statements or pitch fees.

*'The owner never gave us one. We didn't know we were supposed to have one.'*

Resident

A number of residents who reported a problem with their written statement simply did not have one; many others only received their written statement after they bought their park home. Residents told us that some site operators do not supply statements at all, or have tried to arbitrarily alter the terms of the contract.

*'[Written statements have] not [been] supplied [to] a number of people who came onto the park after us. There are several here who don't have any agreements.'*

Residents' association

A number of residents who reported a problem with their pitch fees found these fees to be unreasonable. Many told us that they were never consulted when pitch fees were reviewed every year by their site operator. Most residents reporting problems with written statements or pitch fees said that this had a negative impact on their quality of life.

The position is further complicated by the fact that in addition to the written statement, most site operators will also have site rules in place.

These rules will usually include matters such as whether pets are allowed, when permission needs to be sought before work is carried out, and when vehicles are permitted access to the site. Our research indicated that some residents thought that site operators and managers sometimes bent the rules to suit themselves. It also appeared as though sometimes different sets of rules apply to different residents depending on when they bought their home.

In England and Wales, disputes concerning matters such as written agreements, rules and pitch fees are now decided by the Residential Property Tribunal in the place of the County Court. In Scotland, residents would have to take their dispute to the Sheriff Court or go to arbitration if there is an arbitration clause in their agreement.

However, we know that people in Scotland would generally prefer to avoid becoming involved in legal and court processes. They are often apprehensive about involvement with lawyers and also the potential costs, formality, delay and trauma they associate with legal processes.<sup>4</sup> Recent research undertaken by Consumer Focus Scotland found that people involved in legal disputes often prioritised finding a resolution to their problem or getting on with their lives, over enforcing their legal rights.<sup>5</sup>

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<sup>4</sup> See for example Scottish Consumer Council (1997) *Civil Disputes in Scotland: a report of consumers' experiences*, Glasgow: Scottish Consumer Council; Genn, H. and Paterson, A. (2001) *Paths to Justice Scotland: What People in Scotland Do and Think About Going to Law*, Oxford – Portland Oregon: Hart Publishing

<sup>5</sup> Consumer Focus Scotland (2012) *Facing up to legal problems: towards a preventative approach to addressing disputes and their impacts on individuals and society*, Glasgow: Consumer Focus Scotland

We think there would be merit in examining the dispute resolution options that are available to mobile home owners in Scotland involved in disputes with their site operator. In particular, access to mediation could be particularly useful for such disputes, especially given the ongoing relationship between the parties.<sup>6</sup> Mediation can help parties to consider together how they might address problems, and improve their relationship for the future.

Consumer Focus Scotland has also been supportive of creating a specialist jurisdiction to deal with housing cases, as recommended by the Civil Justice Advisory Group.<sup>7</sup> The Scottish Government is currently trying to ensure that consumers have access to a full range of methods of dispute resolution through its Making Justice Work programme,<sup>8</sup> as well as specifically considering how to improve dispute resolution processes for housing disputes.<sup>9</sup> We believe that disputes relating to mobile homes should form part of these deliberations.

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<sup>6</sup> The Scottish civil courts review recognised that mediation can be particularly useful where there is a continuing relationship between the parties. Scottish Civil Courts Review (2009) Report of the Scottish Civil Courts Review, Edinburgh: Scottish Civil Courts Review

<sup>7</sup> Civil Justice Advisory Group (2011) *Ensuring effective access to appropriate and affordable dispute resolution: the final report of the Civil Justice Advisory Group*, Glasgow: Consumer Focus Scotland

<sup>8</sup> <http://bit.ly/XWzIE0>

<sup>9</sup> See for example Scottish Government (2013) *Better Dispute Resolution in Housing: Consultation on Introduction of a New Housing Panel for Scotland*, Edinburgh: Scottish Government

## Intimidation, threats, abuse and violence

Overall, almost one in five residents we surveyed in Scotland (18 per cent) reported problems with their site owner's or manager's behaviour, including intimidation, pressure to leave, abusive behaviour, vandalism, violence, or damage to property.

A clear majority of these residents reported that these problems were having a negative impact on their quality of life.

Problems reported in this area tended to relate to experiences of threats, intimidation or bullying and verbal abuse on the part of the site owner/manager. Residents also reported being put under pressure to leave the site or sell their homes. A smaller number reported vandalism or damage to property inflicted by the site owner/manager.

*'The last two site owners, they have been nightmares. The first one sent me a threatening letter pressurising me to leave, because they wanted to evict everyone to make way for new park homes development.'*

Resident

When site owners and managers use intimidation and verbal abuse against residents, this can have serious negative consequences for their well-being.

*'There were threats of physical abuse. I was verbally threatened over the phone and to my face occasionally. In one phone call I had been accused of being a terrorist. One resident was so upset after a phone call, he had to go to another neighbour to calm down.'*

Residents' association

In Wales, a successful multi-agency pilot project – involving the local police force, the local authority and a voluntary and community sector organisation – engaged with residents and their site operator on one problem site, using a neighbourhood agreement approach. The police have told us that the site operator has since adopted a more conciliatory way of working and the police have received no further complaints from residents. We think there would be merit in adopting a similar co-ordinated approach in Scotland to tackle the problems of intimidation and harassment on mobile home sites.

## Problems with electricity

Overall, just over two in five mobile home residents surveyed reported problems relating to electricity (42 per cent). These issues were most frequently related to billing and costs – reported by almost four in five residents with electricity problems (78 per cent).

The next most common problem was inadequate supply of electricity, which nearly a third (32 per cent) of residents with electricity problems raised. Finally, one in eight (12 per cent) had problems accessing their meter.

## The lack of a direct relationship with a supplier

Mobile home residents tend to pay for their energy and water supply through their site operator. Our survey indicates that the lack of direct relationship with the utility supplier and reliance on the site operator to provide bills, can lead to issues for some residents.

Nearly all of the residents reporting electricity problems were paying for their electricity indirectly, through their site owner or manager (97 per cent). The vast majority of residents paying indirectly paid for their electricity on receipt of an individual bill from the site owner.

However, despite the existence of Ofgem rules legally entitling residents to see a copy of the electricity bill from the energy supplier, substantial numbers of residents reported that the main electricity bill from the energy supplier was often not available for them to see.

*‘Compared to people who live on other parks and in houses we're paying far more. The park owner won't let me see the bill for the park or even what electricity company they use. We are charged 0.5 per unit and we don't know how they come to this price and how much they are adding on.’*

Resident

A considerable proportion of residents who paid for their electricity indirectly (33 per cent) found the billing process unclear. Many told us that they struggled to understand how their site operator worked out the costs for each household. Furthermore, two in five (39 per cent) expressed concerns over unreasonable electricity costs, compared to just under half (47 per cent) who found them reasonable.

*‘They increased the bill by 32 per cent and we weren't given a reason or [allowed any] access to the main bill.’*

Resident

Consumer Focus believes that many of the problems faced by residents are caused by the fact that they do not receive their supply direct from the energy company.

Ofgem maximum resale price rules govern the price at which resellers of mains electricity and gas (in this case, site operators) can charge residents. These rules state that resellers cannot make a profit on reselling energy and that they must produce evidence of their calculations as well as the original bill if these are requested by residents. However, in our research across Great Britain, we found evidence of, or suspicions of, breaches of these rules by site owners.

However, to enforce these rules, residents need to apply to court for an order requiring the site owner to produce the bills before the costs can be properly challenged. We have been told by several residents that the prospect of applying to court is frightening and off-putting.

### **Inadequate supply**

A third (32 per cent) of residents who reported electricity problems said that they had experienced problems with their supply, and a sizeable proportion of these (18 per cent) considered their electricity supply to be inadequate.

*‘It doesn't seem to be high enough. The lights and TV and the fridge blink. Food takes longer to cook. The light is not bright enough and we need more lights than you would normally.’*

Resident

More than half (54 per cent) of residents reporting problems with their electricity supply did not know who their electricity supplier was. This finding could be another indicator of low levels of awareness of energy details among many residents, and it may help to explain why many felt the billing process to be unclear and difficult to understand.

Overall, nearly two-thirds (62 per cent) of residents who reported problems with their electricity supply, cost or billing, said that it had resulted in a negative impact on their life.

## Problems with off-gas supply

One in six (16 per cent) of residents we spoke to reported problems related to gas or fuel supply, cost or billing. Most commonly, residents reported receiving liquid petroleum gas (LPG) or domestic heating oil, rather than being connected to the mains gas. This means that fuel has to be delivered by trucks to individual tanks.

*‘The trucks find it difficult to get up to the site. About eight houses have problems. One resident was left a letter saying the truck couldn’t get within a hundred feet of her tank and the rest [of the residents] have just general concern about the trucks coming up. The drivers get more and more reluctant to service the park.’*

Residents' association

Most of the residents experiencing problems with their gas supply paid indirectly through their park home site owner or manager, while only a small proportion paid their supplier directly for their gas or fuel supply. Most residents said they did not have any choice over which company supplied their gas or fuel. This lack of choice may be related to the finding that there were a greater number of residents who found their gas or fuel charges to be unreasonable compared to those who found them reasonable.

*‘It is too expensive. We get the fuel from the site owner. He did not allow for us to use the gas we bought ourselves. The site owner takes a cut of the fuel price.’*

Resident

At present, Ofgem’s maximum resale price rules do not apply to the supply of LPG or domestic heating oil.

## Fuel poverty

We were very concerned to find that when we asked people who had experienced problems with either their electricity or their gas, one in five (20 per cent) found it difficult to pay for their energy bills and a quarter (24 per cent) found it difficult to heat their home in the winter.

We have found that many mobile home residents are retired and are living with a low fixed income from a pension: this makes residents particularly susceptible to difficulties caused by steep energy price rises.

In England and Wales, National Energy Action (NEA) figures suggest that mobile home residents are generally living in 'severe' fuel poverty (defined as spending 20 per cent of their income on fuel). We have not been able to find any current statistics specific to Scottish mobile home residents. However, we have no reason to believe that the instances of fuel poverty in Scotland are likely to be any less than in England and Wales, particularly as heating requirements are likely to be higher in Scotland due to the climate.

This assumption is backed up by a report commissioned by the Scottish Government in 2007, which found that:

*'[the 2001 Census] revealed that people who live in caravans, mobile homes and other temporary structures were far less likely than the general population to have central heating. Further, the research showed that fuel poverty was a very significant issue for some residents. Nineteen respondents (out of a total of fifty) stated that they were paying ten per cent or more of their incomes on fuel. This problem was exacerbated by the severe adverse weather that could affect some localities in Scotland where residents were either living in park homes or in individual units.'*<sup>10</sup>

Fuel poverty organisations have found that mobile home residents are particularly likely to live in fuel poverty because park homes are badly insulated and generally 'off-grid'; many residents are on a low income; and finally, elderly residents are often vulnerable and particularly susceptible to the cold.

## Problems with water

Residents who reported problems with water supply, cost or billing (14 per cent) mentioned a variety of specific issues in this area.

Poor maintenance was the most frequently raised problem. About half of all residents reporting water issues reported having experienced issues with water leakage or other pipe maintenance problems on the site. When this happens, residents can often end up paying for the additional cost of leaks without having an easy route to remedy the problem.

The next most commonly cited problem relating to water concerned billing and cost. We found that most residents experiencing such problems paid for their water supply indirectly via the site owner or manager, as opposed to paying for their water supply through their council tax.

Residents paying for their water indirectly tended to have a poor understanding of how the costs were calculated. Considerable numbers found the billing process to be unclear.

Generally applicable solutions to these problems are hindered by potential variability in the way in which residents pay for their water supply. This, in turn, is dependent on the way in which a park is registered with its local authority: specifically, on whether the homes are registered as domestic entities and on whether the residents are registered domestic council tax payers. Likely scenarios are as follows:

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<sup>10</sup> *Residential Mobile Homes in Scotland* by Mark Bevan 2007, a copy of which can be found at: <http://bit.ly/13uwgvM>

- If the park as a whole is logged with the Scottish Assessors Association (SAA) website as being commercial, then the park owners would be liable for water, waste and drainage costs
- If the entire park shares a metered supply, but is not registered with the SAA, the owner of the park would be liable for all charges. The individual plot owners would not pay domestic charges based on council tax banding and the owner of the park would be responsible for splitting water and sewerage costs between the plots
- If the park as a whole has an unmeasured supply, and if the plots are both unmeasured and registered domestic council tax payers, then the individual residents would be liable for domestic water charges based on their council tax band, paid through their council tax bill

However, the research indicated that none of the residents surveyed had their own water meter; either a few homes were linked to one meter, or the whole site had one meter.

Scottish Water's reselling guidance within its Scheme of Charges<sup>11</sup> indicates that resellers are allowed to recover no more than the value of the water and waste water invoices they receive from their Licensed Retailer, plus administration charges. The 2012/13 administration charges are capped at £4.80 per year for unmeasured properties and £10.40 per year for metered properties.

Furthermore, the Scheme of Charges states 'for each invoice the re-seller must provide a summary to each affected householder, which demonstrates that the invoices have been allocated correctly within the rules and that the sum of the bills is greater than the invoice only by the sum of the administration charges.'

There is no specific redress process to resolve disputes between a resident and a site owner/manager regarding the water billing. As such, it would be up to a resident to proceed via the small claims process in the civil courts. We call for easier access to redress where site operators are overcharging or are failing to disclose details of charges. Consideration could be given to whether methods of resolution, such as mediation or a tribunal process, could be utilised for resolving such disputes.

## Licensing and local authorities

When we asked local authority officers across Scotland about the site licensing regime under the Caravan Sites and Control of Development Act 1960, they told us that they considered this legislation to be out of date.

*'I have to say [the Act is] entirely unfit for purpose. It was designed for gentlemen farmers in the Home Counties who opened up their fields for people to come down with their caravans in the 1950s. It isn't designed to deal with big business. It's not designed for people being there in permanent homes.'*

Local authority, eastern Scotland

<sup>11</sup> <http://bit.ly/ZlwTSk>

The current licensing regime fails to make provision for effective enforcement of licensing conditions. In particular, there is very limited provision for local authorities to serve notices requiring certain work to be done within a specified timescale and then, if the work is not undertaken to the required standard within the timescale, to escalate to stronger forms of enforcement such as fines or the revoking of a site licence.

*'I think as far as the local authority is concerned, the big difficulty with the legislation is it is prosecute, or nothing, and the problem is the prosecution doesn't solve anything. In other circumstances you would have the option, and in any regulation that works effectively you've got that escalating scale from the informal chat, to the letter, to the threat of formal action, to formal action, to prosecution for not complying with formal action. In this thing we really have nothing other than, 'Please do it, or I'm prosecuting you.' Therefore the time and effort is put in to trying to get negotiated resolutions to things.'*

Local authority, eastern Scotland

The choice faced by local authorities was described as 'prosecute, or nothing' but it was felt that the Procurator Fiscal would perceive the matters in question to be trivial and therefore have little interest in pursuing cases.

*'My experience with taking other cases to the Fiscal is that they're not really interested when you have a dozen armed robberies or things of that nature, so trying to take something to do with caravan sites is very problematic.'*

Local authority, south-western Scotland

It is difficult to revoke a site operator's licence, which was regarded by local authorities as a further weakness of the current regime. It was considered to be very straightforward for an operator to obtain a licence but much more difficult for an authority to revoke that licence (and even if the licence were revoked, it could simply be passed on to a relative).

There was support among local authorities for the introduction of a fit and proper person test for those people involved in owning and managing mobile home sites in Scotland. One local authority told us that they thought:

*'There needs to be the equivalent of what we have for landlord registration in Scotland, of the fit and proper person test. It wouldn't deal with all the problems, but it would deal with some of them'.*

Local authority, south-eastern Scotland

Any legislation which implements a fit and proper person test should make sure that the test is proactive and robust. It should involve an enhanced disclosure check and search of the Police National Database. It should also involve checking reports of breaches of licences by operators of multiple sites across borders. If a site is to be held corporately, all company directors should undergo the test.

## Barriers to enforcement

The principal barrier to enforcement in Scotland was described by local authorities as the concern that, by seeking to take action against a site operator, the local authority might adversely affect residents, as site operators might then take out their frustration on residents.

In addition, many of the problems raised by residents are civil law rather than licensing matters, which are not within the local authority's remit and therefore not within its powers to resolve. There was also some reluctance to 'interfere' in what are perceived to be domestic issues.

*'A lot of the issues weren't site licensing issues. [Residents] were trying to make them site licensing issues ... but a lot of the time it was things where we couldn't [do anything]. I think the trouble was that a lot of the time they didn't have anyone else to turn to.'*

Local authority, south-western Scotland

Local authorities told us that they lacked the money and staff to devote to addressing the issues raised by residents. The time and effort required was regarded as disproportionate to the scale of the problem, given that the homes in question only accounted for a small proportion of the housing falling under the local authorities' remit.



# Conclusion and recommendations

The research we commissioned has highlighted a number of problems experienced by mobile home residents, including exposing some stories of poor treatment of residents by site operators and managers. Residents also reported their concerns about utilities, often created by a lack of transparency over billing.

Some of these issues may be addressed if all parties involved in the park home sector were better informed about the rights and responsibilities of park home residents and site owners, and the options available if things go wrong.

In particular, some poor practice by site owners may be the result of ignorance, rather than malice, and it is important that they are given guidance to assist them to meet their obligations. Improving residents' knowledge and understanding of their rights may empower them to assert these rights where they are experiencing poor or illegal practice, and assist them to make informed choices about where they live and on what terms they buy in to what, for some, is an idyllic rural lifestyle.

However, improved access to easy-to-understand information and advice is unlikely on its own to be sufficient to address all of the problems we have uncovered. For example, the research also highlighted some significant failings in the way in which park home sites are licensed. Local authorities told us they were frustrated by the lack of options open to them to bring poor operators to account. The mobile homes sector is therefore crying out for more significant reforms.

We hope that the Scottish Government will take this opportunity to introduce new legislation which will improve the lives of residents across Scotland by making it much harder for the rogues in the industry to own and run sites. Local authorities should also be given the tools to tackle those sites which are failing their residents.

In light of the evidence gathered by our research into residents' experiences of mobile homes in Scotland and across Great Britain, we recommend that:

- The Scottish Government undertakes a targeted campaign to raise awareness of residents' and site owners' rights and obligations under the legislative and licensing regime. While the key audiences would be residents and site owners, other appropriate audiences for this campaign would be local authorities, elected representatives, the police, advice agencies and anyone involved in buying and selling mobile homes. We recommend the following should be included in such a campaign:
  - The rules governing the buying and selling of mobile homes
  - The roles and responsibilities of relevant organisations involved in the park homes sector, such as local authorities
  - Details of information that is required to be provided to residents by site owners or that should be provided on request
  - The responsibilities of residents, site owners and local authorities in relation to site maintenance and repair
  - Rules relating to site owners' charges for energy and water supplies

- Guidance on behaviour that should not be expected or tolerated from owners, such as intimidation or threats
- Options for seeking redress where problems arise, or responsibilities are not being upheld
- To ensure consumers fully understand their legal rights and obligations, we recommend that the awareness campaign should encourage mobile home buyers and sellers to take legal advice before they proceed with this transaction; such advice is not required when buying or selling a mobile home. This may need to be supported by training for legal advisers to help them to improve their knowledge of mobile homes legislation, and professional and umbrella bodies, such as the Law Society of Scotland and Citizens Advice Scotland, should consider making such training and support available to their members.
- In order to address the problem of ‘sale blocking’, the Scottish Government should remove the right of the site operator to approve a buyer – ‘the site operator’s veto’ – as part of its plans to amend and update the rights of mobile home residents in Scotland.
- The Scottish Government, in consultation with the Convention of Scottish Local Authorities (COSLA) where appropriate, should review the current rules relating to site maintenance and repair, to ensure they are adequate. As part of this review, consideration should be given to:
  - introducing clearer rules in relation to site owners’ obligations to maintain and repair sites
  - widening the range enforcement tools available to local authorities, including the ability to issue improvement notices, so that they can properly tackle breaches of site licence conditions
  - making it easier for local authorities to carry out and then charge necessary maintenance work to site operators
- To tackle the issue of intimidation and harassment on mobile home sites the:
  - Scottish Government should make sure that all parties involved in the mobile home industry, including operators, residents, local authorities and the police are made clear what behaviour is expected from site operators and residents alike
  - police in Scotland should work together with other agencies, including the local authority, and the voluntary and community sector, to tackle issues of intimidation and harassment on mobile home sites
- To tackle the problems with cost and billing of utilities, including overselling by site owners, and the lack of transparency of charges the:
  - the Scottish Government should discuss with COSLA the potential for local authorities’ licensing regimes to be used to address site owners’ breaches of rules relating to the overcharging of electricity and water

- the Scottish Government should discuss with COSLA the potential for local authorities' licensing regimes to be used to address site owners' breaches of rules requiring residents to be given appropriate information about their utility supplier's bills
- Ofgem should review its guidance for resellers of electricity to ensure that site operators better understand their obligations
- the UK Government and Ofgem should look at introducing new measures to help the majority of residents who do not have a direct relationship with their energy supplier
- the UK Government should consider regulating LPG and domestic heating oil sales on mobile home sites where residents buy their supply through the site operator, in particular introducing maximum resale rules for such fuel supplies
- The Scottish Government should reform the site licensing system to ensure it is sufficiently robust to address the issues identified in this report. We recommend the introduction of the following reforms:
  - Introduce site licence fees to fund a new licensing regime
  - Give local authorities a greater range of enforcement options
  - Introduce stiffer penalties for breaches of site licence conditions
- Introduce a fit and proper person test for applicants for a site licence which is robust and proactive and should take in to account breaches of other licences held by the applicant and allegations of harassment and intimidation
- Make it easier for local authorities to withhold and withdraw licences
- Require local authorities to maintain accurate and easily accessible site lists
- Require site operators to deposit a set of the site rules with the local authority as a condition of their site licence
- The Scottish Government should consider how to improve means of redress for disputes concerning mobile homes, as part of its programme of civil justice reform. In particular, consideration should be given to whether forms of dispute resolution such as mediation or a housing tribunal could be used to resolve mobile home owners' disputes relating to written agreements, site rules and pitch fees, and to energy and water charges



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