

PARLIAMENTARY DEBATES

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OFFICIAL REPORT

Tenth Delegated Legislation Committee

DRAFT MOBILE HOMES (REQUIREMENT FOR
MANAGER OF SITE TO BE FIT AND PROPER
PERSON) (ENGLAND) REGULATIONS 2020

Wednesday 9 September 2020

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The Committee consisted of the following Members:

Chair: MR PHILIP HOLLOBONE

† Amesbury, Mike (*Weaver Vale*) (Lab)
 † Betts, Mr Clive (*Sheffield South East*) (Lab)
 Brennan, Kevin (*Cardiff West*) (Lab)
 † Brine, Steve (*Winchester*) (Con)
 † Campbell, Sir Alan (*Tynemouth*) (Lab)
 Clark, Feryal (*Enfield North*) (Lab)
 † Clarke-Smith, Brendan (*Bassetlaw*) (Con)
 † Docherty, Leo (*Aldershot*) (Con)
 Elliott, Julie (*Sunderland Central*) (Lab)
 Evans, Chris (*Islwyn*) (Lab/Co-op)
 † Fletcher, Nick (*Don Valley*) (Con)

† Gibson, Peter (*Darlington*) (Con)
 † Green, Chris (*Bolton West*) (Con)
 † Jenkinson, Mark (*Workington*) (Con)
 † Jenkyns, Andrea (*Morley and Outwood*) (Con)
 † Johnson, Gareth (*Dartford*) (Con)
 † Tolhurst, Kelly (*Parliamentary Under-Secretary of State for Housing, Communities and Local Government*)

Hannah Bryce, *Committee Clerk*

† **attended the Committee**

Tenth Delegated Legislation Committee

Wednesday 9 September 2020

[MR PHILIP HOLLOBONE *in the Chair*]

Draft Mobile Homes (Requirement for Manager of Site to be Fit and Proper Person) (England) Regulations 2020

2.30 pm

The Chair: Before we begin, I remind hon. Members of the social distancing regulations: spaces available to Members are clearly marked; unmarked spaces must not be occupied. The usual convention of a Government side and an Opposition side is waived on this occasion, so Members may sit anywhere. *Hansard* colleagues would be grateful if Members sent any speaking notes to hansardnotes@parliament.uk.

The Parliamentary Under-Secretary of State for Housing, Communities and Local Government (Kelly Tolhurst): I beg to move,

That the Committee has considered the draft Mobile Homes (Requirement for Manager of Site to be Fit and Proper Person) (England) Regulations 2020.

It is a pleasure to serve under your chairmanship for the first time since lockdown, Mr Hollobone—I am pleased to be here. The regulations were laid before the House on 8 July. Their purpose is to prohibit the use of land as a residential mobile home site unless the local authority is satisfied that the owner or manager of the site is a fit and proper person to manage it.

The Government are committed to ensuring that all park home residents have a safe, secure and affordable place to live. Park home sites make an extremely valuable contribution to the housing sector. The majority of park owners in England provide well-maintained sites and professional services to their residents, most of whom are elderly and among the most vulnerable people in our society. Sadly, their good work can be overshadowed by the minority of unscrupulous operators in the sector.

A major step towards the effective regulation of the sector was taken in the Mobile Homes Act 2013, and I pay particular tribute to my hon. Friend the Member for Waveney (Peter Aldous) for sponsoring that private Member's Bill and for his ongoing work on this particular subject. To continue that important work, we carried out a two-part review in 2017. The evidence indicated that although there had been significant improvement in the sector, there were still some examples of serious abuses and exploitation. In some cases, residents were asked to pay £40,000 for a new long-term agreement that should have been given to them free of charge in the first place. Those practices are unjustifiable and unacceptable. The sector must not be allowed to provide rogue site owners with the opportunity to extract ever more cash from those who are on fixed or low incomes.

The case for change, to ensure that those who manage park home sites are fit and proper to do so, is compelling. The fit and proper person requirement would be a useful addition to local authorities' existing powers to help

target the worst offenders in the sector. Good site owners will not be concerned about being unable to meet the required standards; the minority who continue to abuse and exploit residents will have to improve or make way for more professional people to manage the sites.

The regulations will prohibit the use of relevant protected sites as residential mobile home sites unless the site owner or manager has been assessed as a fit and proper person to manage the site by the local authority. A relevant protected site does not include sites operated by local authorities, sites operated for holiday purposes only, or sites that are exempt from requiring a site licence. A relevant protected site that is occupied by members of the same family and is not run as a commercial residential site will be exempt from the requirements.

To manage a site, a site owner will be required to apply to the local authority for the relevant person—themselves or their appointed manager—to be included in the local register of fit and proper persons. In the application, site owners will be required to provide certain mandatory information to enable the local authority to assess the applicant's suitability for managing sites. That information includes whether the applicant is able to secure the proper management of the site and whether they have committed certain offences or contravened relevant legislation. An up-to-date criminal record certificate will also be needed for the individual being assessed as the fit and proper person and, where applicable, for other individuals responsible for the day-to-day management of the site.

In cases where a company is being assessed as the fit and proper person or a company is responsible for the day-to-day management, a criminal record certificate will be required for the individual with responsibility for the day-to-day management of the site. If that individual is not a company officer, a criminal record certificate will be required for the officer to whom the individual reports, as if the officer was the individual. It is important that local authorities have some flexibility to take account of other factors that might affect a person's suitability to manage a site. Local authorities will therefore have the discretion to take account of other relevant matters, including the conduct of any associates of the site owner.

The regulations require local authorities to establish and maintain an online register of persons whom they are satisfied are fit and proper persons to manage a site in their area. The register will enable existing residents, prospective purchasers and other local authorities to know who the person managing the site is and whether there are any concerns of which they should be aware. For site owners who do not maintain high standards of conduct and management, a local authority will be able to review their entry on the register and either remove them, attach new conditions or vary an existing condition that is attached to that entry. If the local authority rejects an application or removes a person from the register, the site owner cannot find an alternative fit and proper manager. The local authority will be able to appoint a new manager with the consent of the site owner.

In recognition of the serious abuses that the regulations are designed to tackle, there will be serious penalties for site owners who do not comply with them. The regulations introduce three criminal offences: operating a site in contravention of a fit and proper person requirement;

providing false or misleading information in, or withholding information from, an application for inclusion in the register; and failing to comply with a condition of inclusion in the register. If a site owner is convicted of any of the offences under the regulations, they will face an unlimited fine.

The regulations will also enable a local authority to revoke a site licence in certain circumstances. We expect local authorities to revoke a licence only as a last resort, as it could lead to the closure of a site and put residents at risk of homelessness. However, we want to ensure that where it is necessary to revoke a licence, local authorities are able to do so without putting the welfare of residents at any risk. The Government will therefore introduce management orders as part of potentially forthcoming primary legislation. Management orders will give local authorities powers to appoint an interim site manager to take over the management of a site where a site licence might need to be revoked.

Our local authorities are working hard to enforce standards in the park homes sector, so we are mindful of the risks of putting new burdens on them. That is why we have given them the power to charge an application fee and annual fees to cover the cost of their work. We will publish detailed guidance to assist local authorities and site operators to understand their responsibilities under the new legislation.

The changes we are making through the regulations are substantial and build on the improvements that have already been made by the Mobile Homes Act 2013. The changes form part of a comprehensive programme of work that we announced in 2018 to further improve the sector and the lives of park home residents. The regulations are necessary to drive up standards of management and conduct across the park homes sector, and they ensure that residents' rights are respected. I commend the regulations to the Committee.

2.39 pm

Mike Amesbury (Weaver Vale) (Lab): May I affirm that it is a pleasure to serve under your chairmanship, Mr Hollobone? I welcome the new Minister to her place, and I think she will be pleased to know that the Opposition support the measures before the Committee today. I do of course have comments to make, but I am sure people will be mightily pleased when I reaffirm that they will be kept brief.

We welcome this legislation, although it has probably taken several years too many to bring it to the House. That was an inevitable outcome, given the stories of exploitation and harassment experienced by residents of mobile homes and sites, which were pointed out by the Minister in her powerful introduction. Many of them have been documented in contributions from hon. Members across this House over the years.

The Minister will be aware that this legislation presents a huge amount of work for local authorities in dealing with applications and maintaining a register of those whose applications are successful. In order for these changes to work and protect people, local authorities need the funding and resources to deal with the applications and to be able to enforce action in the worst cases. I therefore seek clarity from the Minister about what meaningful support the Government are offering to local authorities to implement these measures and ensure that enforcement does take place in the worst cases.

There may be complex issues where parks are managed by companies or other corporate entities and, if proper support and expertise are not ensured, inconsistent decisions could lead to these well-intentioned regulations being undermined. I look forward to hearing the Minister speak in a little detail about how this will work beyond the simple question of funding.

I know my colleague Lord Kennedy raised this point in the other place, but it is worth getting a response from the Minister in this place. Although mobile home owners are particularly vulnerable to exploitation and harassment, such issues are present across the rental sector. When I inquired in July about the rogue landlord database, I was told by the Department that only 13 landlords had been added to it, despite a previous Government estimate of more than 10,000 rogue landlords operating in the UK.

I do not believe I should have to ask, so will the Government commit to looking at that, especially considering that legislative attention will turn to the private rented sector very soon? It has been more than a year since the Government said they wanted the list to be public, and they will have an opportunity to make it so very soon.

In conclusion, as I noted, these regulations have been a long time coming. Many stakeholders, such as the British Holiday & Home Parks Association, welcome them, as I am sure everyone in Committee does. I want reassurance that the new measures will be properly resourced and I look forward to the Minister's reply shortly.

2.43 pm

Steve Brine (Winchester) (Con): I, too, greatly support these regulations, because park homes matter and the people who live in park homes also matter. I warmly welcome the fact that we have got to this point. I have been part of the all-party parliamentary group on park homes since my arrival in this place in 2010, and I, too, pay tribute to the excellent work that our hon. Friend the Member for Waveney (Peter Aldous) did in 2013 to pass the Mobile Homes Act. It was a landmark moment for the sector, and the fit and proper persons test that we are enacting today is a key moment in that journey.

As the Minister says, that legislation paves the way for the regulations today, but I agree with the Opposition spokesman, the hon. Member for Weaver Vale, that it has taken too long—some seven years—to get from Royal Assent for the Mobile Homes Act to the commencement of section 8, which gives reality to the fit and proper persons test. There are clearly many issues going on in the world and in Parliament today, so some people might question why this is needed; I just have a couple of remarks and a couple of questions.

I have a number of park homes in my constituency. When I talk to hon. Members, I am amazed by how many reel off the list of them in their constituency; we all have them. I have Colden Common, Littleton, Alresford, Oliver's Battery, Sutton Scotney and Morn Hill. It must be said that the owners of those sites are not what anyone would describe as rogue owners; they are professional and the local authority would back me up on that.

Having worked on the subject for many years and spoken about it in this place many times, I have heard some pretty awful stories of owners abusing their position,

[Steve Brine]

residents terrified in their own homes, and family members worried sick for their loved ones. I will share one example with the Committee, which was given to me by the excellent Sonia McColl, who runs the National Park Home Owners Justice campaign and brings huge numbers of people to Committee Room 14, when she is allowed to.

This week, a lady who called the campaign's helpline left a message to say that she was facing daily demands for cash for site fees and threats of eviction if she did not pay up. The police have shown little interest and if she calls them while the threats are being made, they ask her to put her phone on speakerphone, so they can hear what is being said. She says that her council will not take any action because it cannot contact the licence holder and the landowner is currently in prison. She ended by saying that she had recently obtained a crowbar, and she will use it if she needs to. Clearly, that is not a happy situation, but it is by no means a one-off according to the helpline. I have heard many stories like that over the years.

People need the regulations to be enacted as soon as possible, because poor practices and unprofessional behaviour have a significant negative impact on the finances and health of residents, many of whom are elderly and on low incomes, and who choose to live in park homes for a little bit of peace as they hit old age or the back nine.

I have a specific point to make about the statutory instrument. I welcome the Minister to her position. I was going to congratulate my hon. Friend the Member for Thornbury and Yate (Luke Hall) on being the Minister finally holding the baby when the music stopped on getting it over the line, but my goodness, he missed it by a couple of hours. She will now be a hero of the park home sector for doing it. I can understand why local authorities have until July 2021 to get their house in order, but with another three months to get the applications in, that means it will be another year, which will be frustrating to residents.

I also have a couple of questions that came to me via my local authority, Winchester City Council. The fit and proper persons test is not just for new owners entering the market of park home owners but for current owners, which is absolutely right. My hope is that rogue owners will see the writing on the wall and change their ways or get out of the game. If they do not, however, and the local authority finds them not fit or proper, what happens to that site and the stability of those who call it home? That will create uncertainty and worry.

What mechanism is there for local authorities to liaise with one another, and how accessible will one local authority's register be to another authority when assessing an individual? In the same way that police forces in England are separate bodies, but share intelligence to help to keep us safe, what will the sharing mechanism be? What data will local authorities be able to ask for from other statutory bodies? I am thinking about the police and the courts as two clear examples.

In the case from the helpline, I referred to the difference between the licence holder and the site owner, and I am keen to understand how the law will handle that distinction. I think the Minister said that in her opening remarks. Surely the fit and proper person test has to be applied to the site owner and the manager. If that is not done, the

fear in the sector is that rogue owners will try to circumnavigate the measure. I am therefore concerned about the and/or approach. I am not asking the Minister to respond to that point, because I think she already has, but I wanted to put that on the record as a concern.

The problems of rogue owners have been out there for many years, but in my experience, local authorities rarely intervene effectively. Do local authorities have a duty to intervene? Do they have the resources and expertise to take on rogue site owners, who are often powerful, wealthy and almost exclusively men?

Finally, where next in the search for justice for park home residents? There are rumours of a park homes Bill during this Parliament, which I think would be very welcome. As the Minister will soon know, there are many issues to be grasped, such as the 10% commission issue, which we still put up with in the park homes sector but would not put up with in any other. That was also considered in the 2013 Act, and it needs careful attention. There are many other issues with park homes, and I am sure that many Members would be keen to get an update on what is next for the sector. I appreciate that the Minister is only a couple of hours into her brief, and she may wish to write to me with answers to some of these questions if she cannot answer them today—I would fully understand that.

2.50 pm

Mr Clive Betts (Sheffield South East) (Lab): It is a pleasure to serve under your chairmanship, Mr Hollobone, and to welcome the Minister to her new role. She has rightly recognised the work that the hon. Member for Waveney (Peter Aldous) did on his private Member's Bill, which he successfully introduced into the House with cross-party support. What has probably not been recognised, which is why I am going to speak today, is that the Bill was largely based on recommendations made in a 2012 report of the Communities and Local Government Select Committee. In that report, we looked in great detail at the issue of park homes and the appalling circumstances in which many people, often elderly and vulnerable, were living. It was right that we looked at the issue, and our recommendations were carried through into legislation.

I happen to remember this particular debate about the fit and proper person test, because it was the one area on which the Committee and the Minister did not quite see eye to eye. We had a good discussion about the matter with the Minister at the time, who is now the Transport Secretary—that was quite a few Housing Ministers ago, as Members will probably understand. We made our recommendations and the Minister accepted them, apart from our recommendation about the fit and proper person test. In recommendation 10 of the report, we concluded that such a test could be a useful addition to a local authority's armoury, in order to exclude the worst offenders from owning and managing park home sites.

We heard some horror stories in that inquiry. The hon. Member for Winchester is absolutely right to describe some of the things that happened, including threats to people—not just financial threats, but on occasion physical threats—trying to extort money out of them, trying to put restrictions on how they could use their homes, and other appalling stories. From our point of view, we certainly heard enough to know that people like that should not be allowed to own or run those sites in future.

However, the Government were not convinced at the time that the test should be introduced. They were “confident”, as we put it in our report, that the other reforms that were going to be introduced would do the job. What we said, therefore, was that there had to be a fall-back if the rest of the reforms in the legislation introduced by the hon. Member for Waveney were insufficient to control all the bad practices.

As a compromise, we recommended that if the Government could not agree to our clear recommendation that the fit and proper person test should be brought in at that time, they should put in the primary legislation an ability to bring in the test through secondary legislation in due course. We suggested that three years after the legislation had been passed, the Government should do a review to see how it was working, and come forward with secondary legislation in the light of that review. That was clearly stated in our 11th recommendation.

That is where we have got to now. I might say that it has taken a bit of time—the Minister referred to the fact that the review was done in 2017. All right: we can all appreciate that one or two things have happened since then, but at least it is right that we have got there now.

That is a good example of Select Committees working across party lines. The hon. Member for South Derbyshire (Mrs Wheeler) was instrumental in pushing for the Committee to undertake the inquiry. She has a lot of park homes in her constituency, and I give her the credit for our having moved forward on the Select Committee on a cross-party basis. Again, we came to a compromise: we said what we thought was necessary, but the Minister was not convinced, so we found a way forward by proposing that this test should be introduced through secondary legislation if in the end, after review, it proved to be necessary. We got there in the end, and it is the right place to have got to.

All I would say is that some of the people we took evidence from—there are some wonderful bits of evidence from that inquiry, which I had a look at last night—were park home owners. I should say straightaway that there are some very good ones, but when some of them came to give evidence, it was quite appalling: descriptions of attacking a woman and tying her to a tree, and other things that Members can read about in the evidence. Some of these people are not stupid; they are clever people who can manipulate the possibilities to extract everything they can from park home residents.

I say to the Minister that I hope this regulation is now watertight. Some of these people were trying to avoid it by appointing others—family members, maybe—to set up companies with others in control, while they were behind the scenes pulling the strings, in order to avoid this. Are we sure we have this right, so they cannot avoid it in that way?

Finally, to refer fleetingly to other issues that come before us as MPs and local supporters, I hope that this fit and proper person test works a bit better than the one operating currently in professional football.

2.55 pm

Kelly Tolhurst: I thank honourable colleagues for their comments. My hon. Friend the Member for Thornbury and Yate (Luke Hall), my predecessor in this role, is missing out on the opportunity to pass this statutory instrument today, but we wish him well in his new bigger role in the Department, in which hopefully he will continue to do good work.

I will answer some of the questions that have been posed. I thank the hon. Member for Weaver Vale for his comments expressing the Opposition’s support for the SI. On local authority support, we recognise what local authorities are currently going through, and the work they are doing on covid-19, so we do not want to put unnecessary burdens on them. In January, we set up the primary authority for assured advice, which is being run by North Somerset Council, so local authorities will be able to feed into that. That is also for local authorities and operators. We also have the local authority site licences officers forum, which we will continue to work with. We want to help, to ensure that we can implement these regulations as easily as possible and that local authorities can take action.

The hon. Member for Weaver Vale asked about the private rented sector. I hope he will forgive me, but that is not something I have yet looked at in my role. I am happy to engage with him further on anything he would like to raise in that area, to help me get up to speed. Ultimately, we believe that these regulations are really important. They move the position on and strengthen the rights of those residents. We are doing this to protect those individuals.

I, too, represent a constituency with park homes, and since being elected I have heard harrowing stories for constituents. Although I am new to the job, I am not unfamiliar with the circumstances presented to those residents. To reiterate what my hon. Friend the Member for Winchester said, the vast majority of owners and managers of these sites are very good and offer great services. Unfortunately, as with a lot of cases, there is a minority group who have no regard for the individuals that they are there to serve. That is what this debate is about.

Turning to my hon. Friend’s remarks, I recognise his work in this area and the passion with which he has represented constituents who have experienced these issues. It is really difficult to be here as a Minister and to hear some of the terrible situations that individual residents and constituents throughout the UK are experiencing at the hands of rogue site owners, particularly with something as important as the vulnerability of where they live. There should be nowhere safer than one’s own home, so it is really depressing to hear that.

Bearing in mind the pressures on local authorities owing to covid, the deadline is July 2021, enabling them to get the register in place and to get ready for applications to be submitted; this is a retroactive change, in the sense that someone who already has a site will have to apply. This gives sufficient time for local authorities to do that comfortably and for us to work with them on the implementation. The requirement is for all those sites to have gone through the process by October 2021. I understand that this is frustrating—timings are always frustrating—but we feel that, if it was any shorter, it might be a bigger burden on local authorities at this time.

My hon. Friend the Member for Winchester questioned how local authorities can liaise with each other. The register will be public, so it will be accessible for local authorities, in line with the data protection rules regarding some of that information. Under the mandatory information required, applicants must also outline any other sites in other local authorities in which they have any interest, and also whether they have had an application

refused or rejected in the past. We can prosecute them for not providing that information, or for providing misleading information. I do not think I mentioned it in my opening remarks, but the ultimate penalty is an unlimited fine. Hopefully, with those measures, local authorities should be able to liaise and to get that information easily, as should residents. While local authorities will ask for that mandatory information, they also have the discretion to ask for any further information that is material to an application, so they will have the opportunity to ask other bodies for information to support them in making their decision.

On licensing and what else we can do to tackle this area, the Government have made a commitment to bring in primary legislation. While I do not use this as an excuse, I am new to this post. However, I am really happy to engage with colleagues on this, and we are committed to moving that forward as soon as we are able to. I am really looking forward to understanding some of the work. We know that there are issues around commission, which has been hotly discussed. As I mentioned in my opening speech, if a licence is revoked, local authorities have the opportunity to apply management orders and potentially to put in a site manager. We recognise that there is lots of work to be done, but in a way we are celebrating moving on that a bit today. I am happy to write to my hon. Friend the Member for Winchester on that.

I very much thank the hon. Member for Sheffield South East for outlining his work and that of the Select Committee in this area, and for his support. I look

forward to working with the Select Committee as we move forward. I reiterate that we will continue to work with local authorities. It is really important that we understand and are able to give them the tools and support to implement the regulations. I will obviously work closely on that, because now that we have taken all this time to bring the regulations into force, we want them to work. We will continue to do that.

In closing, I reiterate that the majority of site owners are responsible, compliant and make a valuable contribution to the housing market—they provide well maintained and safe sites for residents—but a minority knowingly flout those responsibilities and exploit their residents, most of whom are elderly, vulnerable and on low incomes. The regulations are necessary to protect and improve the lives, health and wellbeing of park home residents, and will ensure that all site owners—not just the good ones—meet the required standards of management and conduct. Unscrupulous site owners will have to change their behaviour or find a more competent person to manage the site. I am very grateful to Committee members for their time and contributions.

Question put and agreed to.

Resolved,

That the Committee has considered the draft Mobile Homes (Requirement for Manager of Site to be Fit and Proper Person) (England) Regulations 2020.

3.5 pm

Committee rose.