



**Residential Mobile Home Parks** provide accommodation primarily for older persons. Whilst many parks are operated within the law, there is a not insubstantial “rogue sector” who bully, intimidate and exploit residents by providing poor facilities and infrastructure not compliant with site licence conditions and by imposing unlawful and excessive additional charges.

**In recent years the Mobile Homes Act 2013 (as amended)** sought to provide Park Home Owners with additional protections against rogue site operators. Whilst satisfactory in theory, legislation is at the discretion of Local Government. Many are either ignorant of their obligations under the law or ignore their obligations due to other pressures



### **PHOJC will campaign for regulatory enforcement by Local Authorities in:**

- Planning, Licensing and the prevention of bullying and intimidation.
- A statutory duty for Local Authorities with licensed residential sites in their jurisdiction to have a park homes officer, conversant in the LA's duty under the law and able to receive and investigate complaints by residents.

- **A change to The Mobile Homes (Site Licensing) (England) Regulations 2014** to impose a statutory duty on Local Authorities to review site licences and site licence Conditions and to take into account representations by residents.
- **A change to The Mobile Homes (Site Rules) (England) Regulations 2014** to impose a statutory duty on Local Authorities to publish in a public Register all Site Rules deposited with them in accordance with the regulations and ensure that all rules are lawfully drawn up, deposited in accordance with regulations and do not include any prescribed matters as scheduled in the regulations.
- **A change to The Mobile Homes (requirement for Manager of site to be a Fit and Proper Person) (England) Regulations 2020** to impose a statutory duty on a Local Authority to make a decision (to issue, refuse or impose conditions) within a specified time period following an application for a Fit and Proper Person Certificate.
- **Proper monitoring of planning applications** for both new parks and extensions to existing parks to ensure compliance with licence and planning requirements and wherever possible, ensure the supply of utilities is undertaken on the same basis as any other housing development; thus providing supplier choice for the homeowner.

### **The Long-Term Future of the Mobile Home Sector**

A report commissioned by the Department for Levelling Up entitled Research & Analysis said “There is a high level of dissatisfaction with some operatives’ behaviour in managing parks. Poor quality practice was repeatedly identified by home owners regarding a small number of operators.”



**National Enforcement on Parks** - The enforcement of parks is currently distributed across a large number of Local Authorities. Further work should explore the efficacy of local authorities in undertaking this enforcement and consider whether a national enforcement body could ensure a more consistent and higher quality of park operations.

**PHOJC strongly believes that a national enforcement body** is critical to the future success of the park home sector which has to be a much greater force in the expansion of the UK housing sector.

**Unfortunately, it is stagnating** in many ways due to a combination of rogue operators attempting to exploit the system together with a regulatory regime via Local Government that, despite the legislation, is **totally unfit for purpose**.

*Please find on the following pages the PHOJC report that challenges anomalies in the report from the Universities of Liverpool and Sheffield Hallam. Due to the high inflation rates in 2023, our report covers areas that could not have been foreseen when the Universities produced their report*

## The National Park Home Owners JUSTICE Campaign

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**Park Home Owners JUSTICE**  
**Campaign**

**Updates and Conclusions**  
**Following Research by Liverpool**  
**and Sheffield Universities into the**  
**10% Commission Paid to Park**  
**Home Site Owners**

August 2023

## [Update on Figures Regarding the Average Pitch Fee in Relation to the 10% Commission](#)

The document **Average Pitch Fee** contains two sheets:

**Example 1** uses the figures produced following the research into the 10% Commission by Liverpool and Sheffield Universities.

In the publication, [Park\\_Homes\\_Research\\_Report.pdf](#) ([publishing.service.gov.uk](http://publishing.service.gov.uk)) the following were provided:

Average Pitch Fee at time of Survey (May 2021) £151.66 per month

Average number of homes per site 56.5

Average Commission received per resale £11,064

Average number of re-sales per site per annum 2.6

The above information indicates that the average income from pitch fees was £102,825 per year.

Added to which an average commission from re-sales of £28,766.40 per year.

**Example 2** uses the figures produced on October 21st 2022 in the document [Impact Assessment template](#) ([parliament.uk](http://parliament.uk))

Average Pitch Fee for 2021, £172 per month - Average homes per site 54.8. As this document is not related to the Commission no figures concerning re-sales are given. Both examples are calculated on the basis that 1/12th of site fees are reviewed each month and real RPI figures are used up to and including May 2023. CPI is used from June 2023. As from the % increase in May 2023 a comparison % increase is made to the figure produced in May 2021. These show an increase of 20.42% following the May RPI and 21.13% increase following the June CPI.

## Conclusions

The publication example 2 confirms that the figures regarding the average pitch fee came from the research carried out by Liverpool and Sheffield Universities yet the start point is different (page 9).

The question remains why are they different if they came from the same source?

The Universities' report shows a table labelled 7.1 with the following:

Table 7.1. Average park income per pitch from different income categories

Small (25 or fewer pitches)

Medium (26-80 pitches)

Large (81 or more pitches)

All Pitch fees £1,690 £1,863 £1,908 £1,820

These figures give the impression that the average annual income across all sites is £1,820. That figure is then used to produce the average monthly pitch fee per home in England. (£151.66)

That figure of £1,820 can only be correct if there are equal numbers of parks in each size range.

Since the above figures were formulated in 2021, site owner's income has increased far more than anyone could have forecast at that time. Prior to the research being carried out the average annual increase per month in RPI in the previous 5 years was 3.04%.

There was no indication given at that time of any major change in inflation rates, so any business model was probably built around inflation remaining in the 2.5%-3.0% range.

## The Effect of Inflation on Site Owners

Whether the current rate of inflation has the same impact on site owners is debatable. It is unlikely that site owners have increased the salaries of their employees in line with the RPI and likewise the major drivers of inflation for the last 2 years have been energy prices, fuel prices and food prices all of which have little impact on site owners' costs, as, on off-grid sites it is the residents who pay for most of the energy bills.

The use of fuel is probably limited to garden machinery with limited effect on profit margins, however the price of petrol has increased by 11.4% since May 2021.

Also to be noted is the reduction in Employer's and Directors National Insurance Contributions since April 2022 which could result of savings of up to £522 per annum per employee.

## Increases in Income

In the first example the site owners' income, on average, will have been increased by £6,339.30 in the first 12 months and increased by a further £13,648 in the 12 months ending July 2023. These increases will continue year after year and be augmented by inflation.

The second example shows the increase as being £6,977.14 and £15,013.00 for the same two periods.

The abolishment of the commission would reduce the income of the average site owner by £28,776 per year if resale prices remain the same. However this is a pre-tax profit figure so the actual loss could be far less.

If a Limited Company lost £28,776 from their pre-tax profits the net loss would be £21,582.



## The Effect of the 10% Commission on Social Care

Section 6.21 of the report indicates that around 70% of residents do not intend to move from their home, thus the 10% commission payment is not relevant to them.

However not all residents can achieve their plans as health problems can affect the future. Any sole occupant of a Park Home whose health requires them to move into care will also be required to sell their home in order to fund the cost of the Care Home.

So 10% of their equity will be lost to the site owner and the amount available to fund their care will be £1,000s less. Eventually when the former resident's available funds lower to the threshold (currently £23,250) should they survive until then, the Local Authority will be left funding the care much earlier than it would have been if the resident had not had to hand over the 10% commission.

The Site Owner will have the 10% in their bank account and the Council Tax payer is now making up the difference, that includes Council Tax payers living on the same Park Home Site as the Care Home resident.

So the legal theft of equity does affect everyone on that site and beyond.

If the proposed increase in the Upper Capital Limit, from £23,250 to £100,000 takes place in October 2025, then it is likely that more Council Tax payers will be picking up the bill for the 10% commission in the future.

**If there ever was a time to justify the abolishment of this commission it is now, as how can any Site Owner plead poverty if it is removed?**

## Estimated Average Pitch Fee up to June 2023

### EXAMPLE 1

	2020/21 RPI		2021/22 RPI		2022/23 RPI		Review Date	% increase since survey
	Change in Average Pitch Fee	New Average Pitch Fee	Change in Average Pitch Fee	New Average Pitch Fee	Change in Average Pitch Fee	New Average Pitch Fee		
Nov	0.90	£ 150.46	Nov 7.10	£ 155.5		£	February	
Dec	1.20	150.57	Dec 7.50	156.4	Nov 14.50	1.88	172.45	
Jan	1.40	150.72	Jan 7.80	157.4	Dec 13.40	1.75	174.20	March
Feb	1.40	150.90	Feb 8.20	158.4	Jan 13.40	1.76	175.96	April
Mar	1.50	151.08	Mar 9.00	159.6	Feb 13.80	1.82	177.78	May
Apr	2.90	151.27	Apr 11.10	161.0	Mar 13.50	1.80	179.57	June
May	3.30	<b>151.66</b>	May 11.70	162.4	Apr 11.40	1.53	181.10	July
Jun	3.90	152.15	Jun 11.80	163.9	May 11.30	1.53	182.63	August
July	3.80	152.63	July 12.30	165.5	June 7.90	1.08	183.71	September
Aug	4.80	153.25	Aug 12.30	167.1				October
Sep	4.90	153.87	Sep 12.60	168.7				November
Oct	6.00	154.64	Oct 14.20	183				December
								January

## Estimated Average Pitch Fee up to June 2023

### EXAMPLE 2

	2020/21 RPI		Change in		New		2021/22 RPI		Change in		New		2022/23 RPI		Change in		New		Review Date	% increase since survey	
	Average	Pitch Fee	Average	Pitch Fee	Average	Pitch Fee	Average	Pitch Fee	Average	Pitch Fee	Average	Pitch Fee	Average	Pitch Fee	Average	Pitch Fee	Average	Pitch Fee			
	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£			
Nov	0.90	-0.13	170.67		Nov	7.10	1.01	176.39		Nov	14.50	2.13	195.58		Feb				February		
Dec	1.20	-0.17	170.80		Dec	7.50	1.07	177.46		Dec	13.40	1.98	197.56		Jan				March		
Jan	1.40	-0.20	170.97		Jan	7.80	1.11	178.57		Jan	13.40	1.99	199.56		Feb				April		
Feb	1.40	-0.20	171.17		Feb	8.20	1.17	179.74		Feb	13.80	2.07	201.62		Mar				May		
Mar	1.50	-0.21	171.37		Mar	9.00	1.29	181.02		Mar	13.50	2.04	203.66		Apr				June		
Apr	2.90	-0.42	171.58		Apr	11.10	1.59	182.61		Apr	11.40	1.73	205.39		May				July		
May	3.30		<b>172.00</b>		May	11.70	1.68	184.29		May	11.30	1.74	207.13		Jun				August		20.42%
Jun	3.90	0.56	172.56		Jun	11.80	1.70	185.98		Jun	7.90	1.22	208.35		Jul				September		21.14%
July	3.80	0.55	173.11		July	12.30	1.77	187.76											October		
Aug	4.80	0.69	173.80		Aug	12.30	1.78	189.54											November		
Sep	4.90	0.71	174.51		Sep	12.60	1.83	191.37											December		
Oct	6.00	0.87	175.38		Oct	14.20	2.08	193.45											January		

The Park Home Owners  
**JUSTICE Campaign**

Working to help all park  
home residents

**[www.phojc.co.uk](http://www.phojc.co.uk)**

