

Newark and Sherwood
District Council

**MOBILE HOMES FEES
POLICY**

April 2014

CONTENTS

1.0	Purpose
2.0	Scope and Application
3.0	Key Principles
4.0	Provision of Service Regulations
5.0	Fee collection
6.0	Specific Fees Mobile Homes Act
7.0	Application Fee
8.0	Annual Fee
9.0	Transfer Amendment of Licence
10.0	Enforcement Costs
11.0	Fees for Depositing Site Rules
12.0	Exemptions
13.0	Charging Arrangements
14.0	Review and Changes to Policy
Appendix One	Calculations for Application Fee
Appendix Two	Calculations for Vary/Transfer
Appendix Three	Calculations for Annual Fee
Appendix Four	Calculations for Site Rules Deposit

1.0 Purpose of Policy

- 1.1 This policy establishes the principles and methods of calculation for fees and charges permitted to be charged under the Mobile Homes Act 2013 and related regulations.
- 1.2 The Council has a duty to grant licenses for caravan sites under the Caravan Sites and Control of Development Act 1960 for sites that have been granted planning permission. This Act has now been amended by the provisions of the Mobile Homes Act 2013.
- 1.3 This Act introduces some important changes to the buying, selling or gifting of a park home and the pitch fee review process. There is an expectation that councils will inspect sites annually and use the additional powers to ensure compliance with site licence conditions. The council can also now charge a fee for different licensing functions, serve enforcement notices and publish any site rules relating to a site

2.0 Scope and Application

- 2.1 The policy covers all fees and charges permitted to be made under the Mobile Homes Act 2013. Any review of fees shall have regard to this policy.
- 2.2 This policy shall not take precedent over any legislation or statutory guidance where it exists.
- 2.3 The changes introduced by the MHA 2013 for Site Licensing come into force on 1st April 2014. These include powers for local authorities to charge fees for their licensing functions in respect of “relevant protected sites”. A relevant protected site is defined in the Act as any land to be used as a caravan site with planning consent, other than one where a licence is:
 - Granted for holiday use only
 - In any other way subject to conditions which restrict the usage of the site for the stationing of caravans for human habitation at certain times of the year (such as planning conditions).

Relevant protected sites to which the legislation applies are typically known as residential parks, mobile home parks and/or Gypsy Roma and Traveller sites.

3.0 Key Principles

- 3.1 The following principles have been considered when setting charges

Full cost recovery – the fees and charges will aim to achieve the full cost recovery of providing the service.

Legal Compliance – compliance with all legal requirements for setting fees will be ensured. Where appropriate this will override other factors to ensure the Council is not exposed to the risk of legal challenge.

Corporate Priorities – The fee setting will be balanced against the priorities of the Council. The fees and charges must be a suitable balance of income generation and impact on the delivery of the Council's priorities.

Fair and simple to Understand – the fee structure should be easy to understand and easy to operate in practice. The fees should be designed to have a fair and equitable reflection of costs relative to the level of resources required.

4.0 Provision of Service Regulations

4.1 Fees should not be used as an economic deterrent to certain activities or to raise funds. Enforcement costs should not be assimilated with the application fee.

4.2 In order to aid clarity enforcement costs against unauthorised activities will not form part of fee costs. Compliance action against authorised activities will form part of the fee. Compliance and enforcement terms will be defined in this way.

5.0 Fee Collection

5.1 To facilitate payment and provide a customer-centred service, multiple payment methods should be available to the customer, although e-payments and (where appropriate) setting up of direct debits should be promoted as the preferred method.

5.2 Where customers fail to pay for fees and charges, they should be made liable for the additional costs of enforcement and collection where possible. Customers must be clearly aware of this additional liability. Where the law allows, any licence, permit or similar permission may be revoked or suspended until payment is received and may include historic bad debt.

6.0 Specific Fees - Mobile Homes Act 2013

6.1 Under the new Act a fee can be charged for

- applications to grant a new license
- applications to transfer or amend an existing licence
- Annual licence fees for administering and monitoring existing site licences.
- Enforcement Costs
- Depositing Sites Rules

6.2 This policy details the fees to be charged for all of these licensing functions. The fee levels have been calculated based on the estimated average time and costs involved in undertaking the activities involved

7.0 Application Fee

All sites require a site licence to operate (subject to exemptions in the CSCDA60); failure to apply for licence is an offence under Section 1(2) of CSCDA60. The council may only issue a licence for a site with a valid and correct planning permission for the use. Any application made before the planning status has been awarded must be processed within 6 weeks of the planning decision. Sites which already have the correct planning permission in place must be processed within 2 months of the licence application

7.2 The size of the site will be taken as the maximum amount of caravans permitted under the planning consent for the site.

7.3 An additional time factor may need to be added if the 'fit and proper' person test is introduced.

7.3 The fee for a new site licence is **£353 plus £8.50 per additional unit** on site to reflect the variation in the cost of processing the application depending on the size of the site.

8.0 Annual Fee

All relevant protected sites must pay an annual fee to the council (subject to any exemptions stated in this policy).

8.1 The annual fee covers the costs associated with administration, an annual site inspection to ensure compliance with the site licence conditions and a revisit to ensure compliance with any outstanding works required. If there is still a breach in site licence condition at the point of the revisit further charges may be payable to cover the cost of any enforcement action which may be taken

8.2 The following formula shall be used to calculate the base fee for the annual fee.

$$(A - 1) \times 10 = B$$

$$((B+C)/60) \times D = Z$$

A = number of pitches

B = time spent inspecting total number of pitches

C = average calculated time for inspection admin

D = officer hourly rate

Z = Fee to be charged

8.3 The fee guidance issued by the government suggests that the annual fee needs to reflect the cost of providing this service averaged across all the sites within a district. Appendix three to this policy illustrates how this will be calculated and shown the potential charge.

8.4 Following the review of sites during late 2014, the first annual fee has been set at **£7.96 per pitch**.

8.5 After year one the council may amend this fee based on the risk factor score determined during the site inspection. This will reflect the level of intervention required on an annual basis.

Low Risk	x 0.5
Medium Risk	x 1.0
High Risk	x 2.0

8.6 Annual fee is calculated as: $Z \times \text{risk factor} = \text{fee payable}$.

8.7 The Annual fee shall be payable on the 1st July each year.

9.0 Transfer/Amendment of Site Licence

9.1 Where a licence holder wishes to transfer the licence an application must be made to the council, for which a fee is payable. The fee must accompany the application to transfer the licence.

9.2 Similarly where a site owner requests an amendment to site licence conditions the council can charge a fee for this function.

9.3 Applications can be made by licence holders to vary or cancel conditions, the fee is payable at the application stage.

9.4 This fee is based on the estimate of time that it is considered a transfer of a licence will take. An additional time factor may need to be added if the 'fit and proper' person test is introduced.

9.5 Transfer of Licence fee = **£155**

9.6 Where significant amendments to the site license conditions are requested this is likely to involve a site visit, so the fee for this licensing activity will increase.

10.0 Enforcement Costs

10.1 Where there has been a breach in a site licence condition which comes to the attention of the council we may serve a compliance notice. The CSCDA60 details the elements which a local authority may include when imposing a charge for enforcement action. These include the time involved in deciding to serve and prepare the notice. A detailed breakdown of the relevant expenses would be provided with the compliance notice. Charges would be based on an hourly rate in addition to any other costs incurred for example legal costs.

- 10.2 If any works in the compliance notice are not carried out the licence holder commits an offence, and the local authority may consider taking legal proceedings. Any costs associated with this process would be at the discretion of the court. If a prosecution was successfully taken, the council would have the power to carry out the works in default of the licence holder.
- 10.3 Charges for enforcement costs cannot be passed onto the residents via the pitch fee.

11.0 Fees for Depositing Site Rules

- 11.1 Site Rules are different to the site licence conditions and are put in place by the owner of a site to ensure acceptable standards are maintained which will be of benefit to occupiers or will promote and maintain community cohesion on the site. The MHA13 changes the way site rules must be agreed between both parties. The council must keep an up to date register of site rules on relevant protected sites and publish the register on-line.
- 11.2 Before publishing the site rules the council will ensure the rules deposited have been made in accordance with the statutory procedure – a fee can be charged for this function.
- 11.3 Any site rules deposited with the local authority for the first time, or applications to vary or delete existing site rules must be accompanied by the appropriate fee. The fee is the same for either a first deposit or for a subsequent variation or deletion. This is because the process will be very similar for all three types of deposits.

11.3 The fee is £133

12.0 Exemptions

- 12.1 Sites which meet the following criteria will not be subject to the fees set out in this policy.

Exemption One

Sites that are not relevant protected sites

Exemption Two

Sites with three or less caravans

Exemption Three

Sites with caravans **all** occupied by members of the same family and not run for financial gain.

13.0 Charging Arrangements

- 13.1 For the purpose of this policy the period covered by the annual fee will be 1st April to 31st March each financial year. The fee will be charged to the site owner/license holder and invoices will be sent at the start of the financial year with payment due within 30 days. (Legislation allows the license holder to pass on the annual fee cost for 2014/15 to the resident's pitch fee)
- 13.2 Where a new site licence is issued part way through the year, the annual fee will also be due in the same year and an invoice will be sent after the licence has been granted for the pro-rata amount.
- 13.3 In the event that an annual fee is not paid within the terms of the invoice the council may apply to the First Tier Tribunal (Property Chamber) for an order requiring the licence holder to pay the amount due.

14.0 Reviews and Changes

- 14.1 The fees detailed in this policy have been determined based on historical experience of dealing with site licensing. Some of the processes are new (for example the depositing of site rules) and therefore estimates have been made as to the cost of providing these services. In addition, at the time of producing this policy some elements of the licensing regime are still awaiting further regulation by government which may impact on the processes and the time involved
- 14.1 The Council reserves the right to review and amend this Policy at any time and in any case it will be reviewed after a period of no more than two years.

Appendix 1

Applications for grant of a new licence

In order to set the fees for these applications we can take into account the following matters on which costs are incurred. This charge will be in addition to the annual fee.

Initial Licence Fee Time Calculation	Time (minutes)
Enquiry received and service request entered on Uniform and allocated. (admin)	10
Obtain planning documents and liaise with Planning. Make new site license file (officer)	30
Send out site application form with covering letter (admin)	10
Contact applicant and make appt to carry out initial site inspection (officer)	10
Travel Time (officer)	30
Carry out initial site inspection. (officer)	30
Check application valid e.g. all compulsory questions completed and correct fee included. Carry out Land Registry Search to verify applicant is owner of land (officer)	30 + cost of LRS
Examine electrical certificate and any other documentation submitted with licence for validity. (officer)	20
Prepare site licence and send to applicant with covering letter. (officer)	60
Discuss with applicant proposed site licence conditions (officer)	30
Site licence to be checked and signed by Business Unit Manager (Manager)	30
Scan documents and update public register (officer)	20
Upon occupation of site contact site owner to make appointment for licensing inspection (officer)	10

Carry out full site inspection. Make note of any breaches of site licence conditions/ works required (officer)	30
Travel time (officer)	30
Record visit and details on Uniform (officer)	20
Total fixed time (mins)	400
Additional inspection time for all pitches in addition over and above the first (Full inspection) (officer)	10
Variable time (mins per pitch)	10

Fee estimation

20 mins admin -@ £29.68 per hour = £9.89

30 mins manager -@ £66.84 per hour = £33.42

360 mins officer - @ £51.22 per hour = £307.32

Land Registry Search = £3.00

Pitch inspection

10 mins officer @£51.22 per hour = £8.54

Total fee = £353 plus £8.50 per additional unit on site

Appendix 2

Applications for Amendment or Transfer of a license

Amendment or Transfer Fee Time Calculation	Time (minutes)
Enquiry received and service request entered on Uniform and allocated(admin)	10
Send out site application form with covering letter (admin)	10
Upon receipt of application form, scan, enter on uniform (admin)	10
Check application valid e.g. all compulsory questions completed and correct fee included. Carry out LRS to confirm applicant is new owner of the site (officer)	30 + LRS fee
Look up records of outstanding historic breaches, outstanding notices etc. (officer)	10
Amend site licence (officer)	60
Amended site licence to be checked signed by EM (manager)	30
Send amended site licence to site owner with covering letter. (officer)	10
Amend public register (officer)	10
Total fixed time (mins)	180

Fee estimation

40 mins Admin@ £29.68 per hour = £19.77

120 mins Officer@ £51.22 per hour = £ 102.44

30 mins Manager @ £66.84 per hour = £33.42

Land Registry Search = £3.00

Total fee = £159

Where necessary the following cost may be added.

Additional site visit required to verify amendments

150 mins Officer@£48.85 per hour = £122.13

Total fee= £281

Annual Fee setting template

Annual license admin/monitoring time calculation – cost C	Time (minutes)
Put on service request, letter to site owner (Admin)	10
Liaison with Site owner (Officer)	15
Records check on Uniform and site file (Officer)	15
Travel to site (Officer)	30
Inspection common parts and one unit (Officer)	30
Record details of inspection (Officer)	30
Follow up letter and phone call (Officer)	30
Annual fee processing (Admin)	20
Total	180 minutes = cost of one site

The following formula is used to calculate the fee.

$$(N - 1) \times A = B$$

$$(B+C/60) \times D = Z$$

N = number of pitches

A = time spent inspecting each pitch (mins 10)

B = time spent inspecting total number of pitches

C = average calculated time for inspection admin

D = officer hourly rate

Z = Fee to be charged

Assumptions

N - A fixed calculated time is applied including the inspection of the first unit hence N – 1.

A - Each pitch is allocated an inspection time of 10 minutes

C – is made up of the elements shown below

D = Officer hourly rate (Ave hourly rate for Officer/Admin = £47.62)

Annual fee based on 17 sites with a total of 371 pitches

$(371-17) \times 10 \text{ minutes} = 3540 \text{ minutes}$

$(3540 + 180)/60 \times £47.62 = £2952.44$

$£2952.44/371 = £7.96 \text{ per pitch}$

Site rules deposit fees

Site rules deposit fee calculation	Time (minutes)
Application for site rules deposit received and service request entered on Uniform and allocated(admin)	10
Check application valid and site rules have been made in accordance with statute, consultation carried out, no banned rules, no appeals to first tier tribunal outstanding (officer)	120
Amend public register and deposit rules on website (officer)	30
Total fixed time (mins)	160

Fee estimation

10 mins Admin-@ £29.68 per hour

150 mins Officer@ £51.22 per hour

Total fee = £133