



# Regulatory Services and Health

## Mobile Homes Fees and Charges Policy

**2024-2025**

# Appendix 1 - Mobile Homes Fees and Charges Policy 2024-2025

## Contents

- 1 Executive Summary
- 2 Introduction
- 3 Setting of Fees and Charges
- 4 Establishing number of units (Caravans) per site
- 5 Licensing Fees
  - 5.1 Considerations
  - 5.2 Annual Fee
  - 5.3 New Licence Fee
  - 5.4 Transfer Fee
  - 5.5 Licence Amendments Fee
  - 5.6 Fee Combination
  - 5.7 Fees and Charges Payment Timeframes
- 6 Fees for Depositing Site Rules
- 7 Fit & Proper Person Determination
- 8 Exemptions
- 9 Charges for Enforcement Notices
- 10 Review

## **1. Executive Summary**

The Mobile Homes Act 2013 (MHA 2013) introduced new requirements for residential caravan sites, which are referred to as Relevant Protected Sites in the legislation. The legislation also amended the Caravan Sites and Control of Development Act 1960 and the Mobile Homes Act 1983. Reference to the Mobile Homes Act 2013 within this Policy therefore recognises the extant requirements of the 1960 and 1983 Acts.

The Mobile Homes Act 2013 also contained the requirement for sites to be managed by a 'Fit and Proper Person'. This was subsequently enacted through the Mobile Homes Regulations 2020.

The changes included the ability to be able to charge for a range of licensing functions on a cost recovery basis following the development and publication of a Fees and Charges Policy. Cheshire East has taken this approach for several years, and includes the following as chargeable functions;

- Licence applications;
- Annual licence fees;
- Licence amendments, when requested by the site owner;
- Transfer of a licence;
- Deposit of site rules; and,
- Determination of a Fit and Proper Person

In order to be able to implement any fees and charges, Cheshire East Council must publish a fees and charges policy setting out all the relevant charges and how they have been calculated. This policy document is designed to fulfil the requirements of the legislation and enable Cheshire East Council to levy a charge for undertaking the licensing of residential caravan sites. In accordance with guidance, the Policy will be reviewed annually to ensure all the fees and charges are updated to cover costs of administering the licensing regime to the relevant sites. The Policy will be published and available on request from members of the public.

The fees will not apply to sites which are classed as non-residential such as those used for recreational or holiday use or those which do not require a site licence.

## **2. Introduction**

The MHA13 received royal assent on the 26<sup>th</sup> March 2013, and introduced important amendments to the Caravan Sites and Control of Development Act 1960 and the Mobile Homes Act 1983. The legislation amends how local authorities license residential caravan sites, which are termed as "relevant protected sites" under the MHA13.

The MHA13 introduced the ability for local authorities to charge fees for a range of activities associated with regulating relevant protected sites. Local authorities were able to implement the new fees and charges from the 1<sup>st</sup> April 2014 (Fit and Proper person from 1<sup>st</sup> July 2021). The range of site licensing functions, which attract a charge include;

## Appendix 1 - Mobile Homes Fees and Charges Policy 2024-2025

- Determining and issuing new site licences;
- Annual fee for licensing existing residential sites;
- Amendments to site licences;
- Transferring existing licences to new site owners;
- Deposit of site rules with the Council;
- Costs associated with issuing Enforcement Notices on site owners; and
- Determination of a Fit and Proper Person

The Mobile Homes Regulations 2020 requires all park home (permanent residential) sites which operate on a commercial basis to be managed by a 'fit and proper person', and for the Council to keep a public register of those persons managing sites in their area. Sites which are in mixed use i.e., partly holiday with some permanent Mobile Homes Act protected residential pitches, fall within the definition of a relevant protected site, and are covered by Fit and Proper Person requirements.

Such sites cannot operate unless the Council is satisfied that the site owner or their appointed manager qualifies as a fit and proper person. They must therefore apply to the Council to be assessed as to whether they meet the relevant conditions to be deemed as 'fit and proper' and for their details to be added to a published register.

The Council can charge fees in respect of applications to be included in a register of fit and proper persons and can require additional payments by annual fee if an application is granted subject to a condition.

The site owner or licensee is responsible for the payment of all associated fees, as set out above, however they are only allowed to pass the equivalent cost of the annual licensing fee to site residents.

### **3. Setting of Fees and Charges**

In setting the fees and charges relating to the MHA13 functions, the Council has taken into account both national guidance and local policies. The aim being to ensure that the setting of the various fees is proportionate and transparent. In line with this, the MHA13 only allows Councils to set fees and charges to recover the actual costs incurred.

In 2015, it was decided to set the fees based on the number of units per site, which are banded into the following categories:

Less than or equal to 10 caravans  
Less than or equal to 20 caravans  
Less than or equal to 30 caravans  
Less than or equal to 40 caravans  
Less than or equal to 50 caravans  
Greater than 50 caravans

This approach is based on using the number of units set out in the planning permission granted for the site or as historically numbered in the site licence where there is no specific number in planning terms.

#### **4. Establishing the units (caravans) per Site**

All sites have varying numbers and types of units (qualifying caravans); the most equitable method for setting fees would be to make it relative to the number of units on site. This is supported by officer experience; more time is spent licensing and inspecting those sites with a greater number of units compared to those with only a few, however size alone is not the only factor to consider. Therefore, it is important to establish the definition of a unit and how the Council determines the number of units per site.

For the purposes of this policy a unit (caravan) is classed as a single dwelling, which is capable of being moved from one place to another. This can be in the form of a traditional caravan, which is towed on the back of a vehicle or a chalet type dwelling normally made up of one or two parts joined together on site. The precise definition of a caravan can be found in Section 29(1) of the Caravan Sites and Control of Development act 1960 (as amended).

It is important for the setting of fees and charges to be able to determine the precise number of units on each site. All sites must have planning permission, deemed permission for those sites in existence with the enactment of the Caravan Sites and Control of Development Act 1960 or a Certificate of Lawful Use, which sets out the maximum number of permissible units. This will be the determining factor for calculating the number of units for each site. However, there may be occasions due to historic use where this information is not available within the planning permission granted for the site and in these instances, calculations will be based on the number of units set out in the existing site licence.

#### **5. Licensing Fees**

##### **5.1 Considerations**

The following fees per band have been set using officer experience and previous time records as to the typical time taken for various activities, officer grades and on-costs, which include;

- Administration of licence fees;
- Pre and post inspection preparation and administration;
- Site inspection and where required re-inspection (including travelling time and mileage allowances at current rates);
- General administration and Licensing activities outside of the inspection related role (site liaison/advice, complaints and enquiries regarding caravan sites, maintaining files, electronic records and cost accounting);
- Training and research;
- Maintenance and development of ICT systems;
- Support and shared services on-costs e.g. HR and Legal
- Officer pay grades – these range from a grade 5 officer to grade 11 and reflects the amount of time required for each grade.

## 5.2 Annual Fees

The annual fees are;

<b>Number of pitches</b>	<b>Cost</b>
<=10	£225
<=20	£280
<=30	£340
<=40	£416
<=50	£471
>50	£521

## 5.3 New Application Licence Fee

It is estimated that processing a new licence would not be considerably different to the work proposed for the annual licence and as such it will duplicate the annual licence fee. Therefore, the fees for processing all new licence applications will be the same as the annual fees in 5.2.

## 5.4 Transfer Fee

A fee of £124 will be charged to cover this function, which is estimated to take 4 hours of officer time plus associated administration cost.

## 5.5 Licence Amendments Fee (application)

There is a statutory requirement to consult appropriate parties with regards to changes to any site licence conditions; this in turn has an impact on officer costs. Therefore, in setting the fees below, the same considerations will be used in section 5.1.

1. Licence amendment (simple) £124.  
Simple amendments are those requested by the site to change non condition related details e.g. site name change or changes to registered offices or mail addresses.
2. Licence (condition etc.) amendments application fee £372.  
Changes to the condition(s) will require consultation with both residents and the respective resident association, which will greatly increase the work required for undertaking of this function.
3. Changes imposed by Local Authority – no charges payable.

## 5.6 Fee Combination

New sites are required to apply for a site licence on a non-refundable fee basis as this will cover the administration and verification of application

documents, whether granted or refused. Where the licence is granted the annual fee is also payable within the same year.

In cases where both simple and 'condition' amendments are requested the fees will be whichever is the greatest.

### **5.7 Fees and Charges Payment Timeframe**

Annual Fees and Charges will be levied from the 1<sup>st</sup> of April each year and all other fees are per application or required function. The payment of fees will be in line with the Council's current terms, which is 28 days from the date of the invoice. Where a fee becomes overdue the council will issue a reminder to the site licence holder seeking payment. Where fees remain outstanding the service will liaise with the legal team on options available to recover debt. The ultimate sanction for non-payment can be that the Council may apply to the Housing Tribunal for an order to revoke the site licence.

## **6 Fees for Depositing Site Rules**

Site rules are different to site licence conditions in that they are neither created nor enforced by the Council. They are a set of rules created by the site owner with which residents have to comply and whilst they may reflect the site licence conditions, they will also cover matters unrelated to licensing. The MHA13 amends the Mobile Homes Act 1983 and requires existing site rules to be updated and deposited with the local authority within a specified timescale.

Local authorities will also be required to establish, keep up to date and publish a register of sites, which have deposited their site rules. In doing so, a local authority may levy a fee for the deposit, variation or deletion of site rules.

The administrative system for holding and publishing site rules estimates two hours of officer time per site. It is therefore appropriate to set a fee of £44 (based on the appropriate hourly rate and associated administration) for the checking and depositing of site rules by site owners.

## **7 Fit & Proper Person Determination**

### **7.1 Establishing Fit and Proper Status**

All applicants must demonstrate that they have suitable financial and management arrangements in place for the site and are required to provide information relating to their general conduct. This includes details relating to:

- Offences relating to fraud, dishonesty, violence, arson or drugs or listed in schedule 3 of the Sexual Offences Act 2003
- Contraventions of law in relation to; housing, caravan sites, mobile homes, public health, planning, environmental health or landlord and tenant law
- Contraventions of law in relation to the Equality Act 2010
- Contraventions of law in connection with the carrying out of any business

## Appendix 1 - Mobile Homes Fees and Charges Policy 2024-2025

- Harassment of any person in connection with the carrying out of any business
- Insolvency within the last ten years
- Disqualification from acting as a company director within the last ten years
- Their right to work in the UK

The site owner/site manager may only apply to be added to the register if they hold or have applied for a site licence.

This provision also applies where the site owner or site manager is a registered company.

The Regulations permit the Council to determine a fee for processing an application to be added to the register.

### **7.2 Fit & Proper Person Fees & Charges**

In setting the fees and charges relating to the MHA13 functions, the Council has considered both national guidance and local policies. The aim being to ensure that the setting of the various fees is proportionate and transparent. In line with this, the MHA13 only allows Councils to set fees and charges to recover the actual costs incurred.

Fees have been calculated for the following aspects of the fit and proper person process.

- Initial Application Fee
- Annual Fee
- Five Year Reapplication Fee

Prior to charging for this service, the department had already accepted and determined Fit and Proper Person applications and used this experience to determine the level of fee to be set.

It is acknowledged that the work involved in dealing with different applications will not be equal. Therefore, in all cases fees are based on what would be considered an average application rather than a best case or worst case. As experience of the process develops, for all parties involved, then this will have the potential to be reflected in subsequent fee calculations.

### **7.3 Initial Application Fee**

To calculate the costs incurred in processing an initial application the Council has taken the following matters into account when determining its fee policy:

- Initial enquiries
- Sending out forms to applicants
- Letter writing/telephone calls etc to make appointments, request documentation or any other information from the site owner or from any third party in connection with the fit and proper process



## Appendix 1 - Mobile Homes Fees and Charges Policy 2024-2025

- Updating files, computer systems and websites
- Land registry searches
- Processing the application fee
- Time spent reviewing necessary documents and certificates
- Preparing preliminary and final decision notices
- Review of representations made by applicants or responses from third parties
- Consultation with service manager and/or Legal services
- Carrying out risk assessments where this is considered necessary
- Reviews of decisions (and defence of appeals)
- Updating the public register

The Council must also carry out relevant background checks regarding the applicant's background in management and their financial standing which will enable it to decide on whether to accept the application. The time taken for these checks is also accounted for in the calculation of the fee.

Having assessed the work involved the Council believes that the fit and proper person assessment and associated checks required to be included on the register will take approximately 9 hours per application. This time also includes updating and publishing the register itself and is split between several officers including management oversight.

A detailed breakdown of activities, timescales and officer costs has identified that this work amounts to a total cost of £385.00.

### **7.4 Annual Fee**

Where the Council agrees to the inclusion of a person on the fit and proper person register subject to condition, those conditions may include the requirement for additional payment by way of an annual fee.

To calculate the costs incurred in establishing an annual fee, the Council has taken the following matters into account:

- Letter writing / telephone calls etc to make appointments, request documentation or any other information from the site owner or from any third party in connection with the fit and proper process
- Handling enquiries and complaints
- Updating files, computer systems and websites if appropriate
- Time spent reviewing necessary documents and certificates
- Review any representations from an applicant or third parties, including reviews carried out by managers and/or legal services
- Carrying out risk assessments where this is considered necessary
- Time spent on consulting the site owner and third parties
- Time spent on meetings/discussions and in giving informal advice and assistance to site owners
- Monitoring and enforcement of fit and proper person requirements.
- Travel costs

## Appendix 1 - Mobile Homes Fees and Charges Policy 2024-2025

The annual fee will be set as a condition of entry of being added to the register. The condition will state the amount and date by which the annual payment is due. Failure to make such a payment will be breach of the condition and may lead to legal proceedings being issued.

A detailed breakdown of activities, time scales and officer costs has identified that this work amounts to a total cost of £122.00.

### **7.5 Five Yearly Reapplication**

Site owners or their appointed manager must renew their entry on to the register of Fit and Proper Person every five years and where there has been no change to the named individual within that period.

This process will mirror that of the original application, however it is accepted that processing time will be shortened due to previous experience and so officer costs will be reduced.

A detailed breakdown of activities, time scales and officer costs has identified that this work amounts to a total cost of £197.00.

### **7.6 Payment of Fees**

The Council is not required to consider an application for entry on to the Fit and Proper Person register unless the application is accompanied by the correct fee. If the correct fee is not included, the application will not be valid.

### **7.7 Refunds**

If the Council decides not to approve an application the applicant is not entitled to a refund of the fees paid.

## **8 Exemptions**

Local Authorities can elect to exempt sites for reasons of risk and/or cost, scale etc.

- Any site that does not require a licence.
- Any site used exclusively for recreational type use.
- Any site exempted by legislation such as the Caravan Sites and Control of development Act 1960; Schedule 1.
- A recreational site where planning permission/Certificate of Lawful Use has been issued and the number of residential units on the site is 5% or less of the overall capacity.
- In accordance with the legislation Gypsy and Traveller sites owned by the Local Authority that do not require a site licence.
- Sites limited to 1 unit only, as they are low risk, tend to be family run sites and therefore do not operate as a business.
- For Fit and Proper Person, a site is exempted from a fee if it is occupied only by members of the same family and is not being run as a commercial residential site. There is specific guidance available to the

Council to determine the applicability of this exemption which will be considered as part of the formal decision-making process.

## **9 Charges for Enforcement Notices**

From the 1<sup>st</sup> April 2014, Section 9A of the MHA13 allows local authorities to serve statutory notices on site owners for non-compliance with licence conditions and to make a charge for that notice. These notices set out what the site owner must do to comply with the relevant licence condition(s) and the timescales. In accordance with the legislation, the site owner is not allowed to pass this charge on to residents of the site.

In accordance with the amendments imposed by the MHA13, the Council is entitled to recover costs associated with the service of a notice. This includes the costs incurred with inspections, preparing the notice and obtaining expert advice (including legal costs) and any interest the Council intends to charge. The demand for recovery is served with the notice and must provide a clear breakdown of the costs incurred. The right to recover costs is subject to appeal by the site owner in certain circumstances. These will therefore be calculated on a case-by-case basis. Where compliance with a notice is achieved through works in default then these costs would be passed on to the site owner.

Please note that this charge is only for the service of enforcement notices. Any associated costs with taking any action for non-compliance such as action in Magistrates Court are recoverable through the court costs.

## **10 Review**

This fees and charges policy will be published on the Cheshire East Council website. The fees detailed in this policy have been determined based on experience of dealing with mobile home site licensing and with consideration of the changes the MHA13 has introduced.

This policy will be revised no later than 31<sup>st</sup> March 2025 in line with the Council's fee setting process.