

Number: WG35916



Llywodraeth Cymru
Welsh Government

Welsh Government
Consultation Document

Implementing changes to the park home
commission rate.

Consultation on the Mobile Homes (Selling and
Gifting) (Amendment) (Wales) Regulations 2019

Date of issue: 26 September 2018
Action required: Responses by 14 December 2018

Mae'r ddogfen yma hefyd ar gael yn Gymraeg.
This document is also available in Welsh.

Overview

This consultation does not revisit the decision to lower the commission rate. Views are however being sought as to how the decision is implemented. The questions focus on how best to introduce the reduction, what guidance is needed to support the change (if any) and how best to communicate that change.

How to respond

Your views are welcomed and a response form is provided at the end of this document.

Return date for completed forms is 14 December 2018.

Please send the completed form by email to:

Privatesectorhousingmailbox@gov.wales

If you are sending a response by email please mark the subject of your email: Consultation on park home regulations

Or by post to:

Private Sector Housing Reform
Housing Policy
Welsh Government
Rhydycar Business Park
Merthyr Tydfil
CF48 1UZ

Further information and related documents

Large print, Braille and alternative language versions of this document are available on request.

The consultation which sought views on the reduction or abolition of commission fees on the sale of park homes can be viewed by clicking on the following link: <https://beta.gov.wales/park-homes-commission-rate>

The Minister announced her decision to lower the commission rate on 5th June 2018. This can be viewed by clicking on the following link: <http://record.assembly.wales/Plenary/4987#A43971>

Contact details

For further information:

Contact the Private Sector Housing Reform Team by sending an email to:

Privatesectorhousingmailbox@gov.wales

Or by post to:

Private Sector Housing Reform Team
Housing Policy
Welsh Government
Rhydycar Business Park
Merthyr Tydfil
CF48 1UZ

telephone: 0300 062 8155 or 0300 062 8199

General Data Protection Regulation (GDPR)

The Welsh Government will be data controller for any personal data you provide as part of your response to the consultation. Welsh Ministers have statutory powers they will rely on to process this personal data which will enable them to make informed decisions about how they exercise their public functions. Any response you send us will be seen in full by Welsh Government staff dealing with the issues which this consultation is about or planning future consultations. Where the Welsh Government undertakes further analysis of consultation responses then this work may be commissioned to be carried out by an accredited third party (e.g. a research organisation or a consultancy company). Any such work will only be undertaken under contract. Welsh Government's standard terms and conditions for such contracts set out strict requirements for the processing and safekeeping of personal data.

In order to show that the consultation was carried out properly, the Welsh Government intends to publish a summary of the responses to this document. We may also publish responses in full. Normally, the name and address (or part of the address) of the person or organisation who sent the response are published with the response. If you do not want your name or address published, please tell us this in writing when you send your response. We will then redact them before publishing.

You should also be aware of our responsibilities under Freedom of Information legislation

If your details are published as part of the consultation response then these published reports will be retained indefinitely. Any of your data held otherwise by Welsh Government will be kept for no more than three years.

Your rights

Under the data protection legislation, you have the right:

- to be informed of the personal data holds about you and to access it
- to require us to rectify inaccuracies in that data
- to (in certain circumstances) object to or restrict processing
- for (in certain circumstances) your data to be 'erased'
- to (in certain circumstances) data portability
- to lodge a complaint with the Information Commissioner's Office (ICO) who is our independent regulator for data protection.

For further details about the information the Welsh Government holds and its use, or if you want to exercise your rights under the GDPR, please see contact details below:

Data Protection Officer:
Welsh Government
Cathays Park
CARDIFF
CF10 3NQ

e-mail:

Data.ProtectionOfficer@gov.wales

The contact details for the Information Commissioner's Office are:

Wycliffe House
Water Lane
Wilmslow
Cheshire
SK9 5AF

Tel: 01625 545 745 or
0303 123 1113

Website: <https://ico.org.uk/>

Introduction

The Park Home Commission Rate is a fee payable to the site owner when a park home is sold. In Wales this is set at a maximum of 10% of the purchase price of the park home. In practice, this means that the amount a seller receives when they sell their park home is reduced at the time of sale, as 10% of the sale price is required to be paid to the site owner. The current commission rate is set by regulations made under the Mobile Homes (Wales) Act 2013 and has remained at 10% since 1983 when an order set the rate at 10%.

There is a power for the Welsh Ministers under the Mobile Homes (Wales) Act 2013 to prescribe the commission rate in regulations. On 5 June 2018, the Minister for Housing and Regeneration, Rebecca Evans AM, announced her decision to lower the commission rate by 1 percentage point per year, over a 5-year period, until it is reduced to a maximum of 5% of the purchase price.

This decision followed a 12 week consultation which gave both residents and site owners the opportunity to have their say. The consultation ended in August 2017, having received almost 400 responses. Independent financial analysis was also commissioned.

This consultation does not revisit the decision to lower the rate. Views are however being sought as to how the decision is implemented. The questions focus on how best to introduce the reduction, what guidance is needed to support the change (if any) and how best to communicate that change.

Consultation Response Form

Your name:

Organisation (if applicable):

email / telephone number:

Your address:

Implementation of the Commission Rate

These questions relate to the timing of the change to the Commission Rate and what accompanying information is needed.

Question 1: So that site owners and residents have enough time to prepare for the change, which year would you prefer the first percentage reduction in the commission rate to occur? Please indicate your preferred option and a brief explanation of why that is your choice:

Date	Choice	Comment
2019		
2020		
Other (please enter a year)		

Question 2: It is our view that bringing in a change to the rate in April to coincide with the financial year would be the best approach. Do you agree with this?

Yes	
No	

Question 2 (a): If no, then which month would you prefer the new rate to come into force? Please indicate your preferred option:

May	
June	
July	
August	

September	
October	
November	
December	
January*	
February*	
March*	

* The earliest year in which the change can take place if January, February or March are chosen is 2020.

Question 3: What The Welsh Government is also considering producing non-statutory guidance to ensure all parties are clear about the change?

Do you think this would be useful?

Yes	
No	

Question 3 (a): If you said yes, what should the guidance which accompanies the reduction in the rate contain?

Please choose all that apply:

Date of first reduction	
Dates of subsequent reductions	
Clarity on which maximum rate applies depending on when a sale goes through (potentially including worked examples).	
Further clarification, for sellers, buyers and site owners, on who pays the commission rate, and to whom	
Other (please enter below)	

Question 4: How should any changes to the prescribed commission rate change be communicated to site owners, residents and prospective buyers, as well as any other interested parties who may be involved in park homes (estate agents, solicitors etc.)?

Please choose all that apply:

Information leaflet	
Communication through representative bodies (British Holiday and Home Parks Association, the National Caravan Council, National Association of Park Home Residents, Independent Park Home Advisory Service etc.)	
Communication from local authorities	
Other (please enter below)	

Question 5: Attached are the draft regulations which will need to be agreed by the Assembly before any change in the commission rate comes into force.

Should you have any comments on this draft please make them below:

Question 6: We would like to know your views on the effects that the Mobile Homes (Selling and Gifting) (Amendment) (Wales) Regulations 2019 would have on the Welsh language, specifically on opportunities for people to use Welsh and on treating the Welsh language no less favorably than English.

What effects do you think there would be? How positive effects could be increased, or negative effects be mitigated?

Question 7: Please also explain how you believe the proposed regulations could be formulated or changed so as to have positive effects or increased positive effects on opportunities for people to use the Welsh language and on treating the Welsh language no less favorably than the English language, and no adverse effects on opportunities for people to use the Welsh language and on treating the Welsh language no less favorably than the English language.

Question 8: We have asked a number of specific questions. If you have any related issues which we have not specifically addressed, please use this space to report them:

Please enter here:

Responses to consultations are likely to be made public, on the internet or in a report. If you would prefer your response to remain anonymous, please tick here:

Mae'r ddogfen yma hefyd ar gael yn Gymraeg/ This document is also available in Welsh.

Draft Regulations laid before the National Assembly for Wales under section 63(5)(c) of the Mobile Homes (Wales) Act 2013, for approval by resolution of the National Assembly for Wales.

DRAFT WELSH STATUTORY INSTRUMENTS

2019 No. (W.)

MOBILE HOMES, WALES

**The Mobile Homes (Selling and Gifting) (Wales) (Amendment)
Regulations 2019**

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend regulation 8 of the Mobile Homes (Selling and Gifting) (Wales) Regulations 2014 (“the 2014 Regulations”). They prescribe the maximum rate of commission which is payable to the site owner by the new occupier of a mobile home upon the sale of a mobile home under paragraphs 9 and 10 of Chapter 2 of Part 1 of Schedule 2 to the Mobile Homes (Wales) Act 2013 (“the 2013 Act”).

Regulation 2 substitutes a new regulation 8 into the 2014 Regulations and provides that from 1 April 2019 the maximum rate of commission is to be reduced to 5% from the current rate of 10% over a five year period, by means of an annual reduction of 1% until 2023 when the prescribed rate of commission will be 5% of the purchase price of the mobile home.

Regulation 3 revokes the Mobile Homes (Commissions) Order 1983 (“the 1983 Order”) in relation to Wales. The 1983 Order set the maximum rate of commission at 10%, to which an owner was entitled under paragraph 8 of Chapter 2 of Part 1 of Schedule 1 to the Mobile Homes Act 1983 on the sale of a mobile home by an occupier. By virtue of article 4(6)(b) of the Mobile Homes (Wales) Act 2013 (Commencement, Transitional and Saving Provisions) Order 2014, the 1983 Order continued to have effect for the purpose of determining the amount of commission due to the owner where there was a sale of a mobile home and assignment of the agreement after 1 October 2014, when changes made to the sale of a mobile home under the 2013 Act came into force.

The Welsh Ministers’ Code of Practice on the carrying out of Regulatory Impact Assessments was considered in relation to these Regulations. As a result, a regulatory impact assessment has been prepared as to the likely costs and benefits of complying with these Regulations. A copy can be obtained from the Department of Housing, Welsh Government, Rhydycar Business Park, Merthyr Tydfil, CF48 1UZ.

DRAFT WELSH STATUTORY INSTRUMENTS

2019 No. (W.)

MOBILE HOMES, WALES

**The Mobile Homes (Selling and Gifting) (Wales) (Amendment)
Regulations 2019**

Made ***

Coming into force ***

The Welsh Ministers make the following Regulations in exercise of the powers conferred on them by section 63(9) of, and paragraphs 9(4) and 10(8) of Chapter 2 of Part 1 of Schedule 2 to, the Mobile Homes (Wales) Act 2013⁽¹⁾.

In accordance with section 63(5)(c) of that Act, a draft of this instrument was laid before and approved by a resolution of the National Assembly for Wales.

Title and commencement

The title of these Regulations is the Mobile Homes (Selling and Gifting) (Wales) (Amendment) Regulations 2019 and they come into force on 1 April 2019.

Amendment of regulation 8 of the Mobile Homes (Selling and Gifting) (Wales) Regulations 2014

—a) The Mobile Homes (Selling and Gifting) (Wales) Regulations 2014⁽²⁾ are amended as follows.
For regulation 8 (maximum rate of commission payable on the sale of a mobile home) substitute—

“**8.** The rate prescribed for the purposes of paragraphs 9(4) and 10(8) of Chapter 2 of Part 1 of Schedule 2 to the 2013 Act is—

- (a) 9% of the purchase price of the mobile home from XXX;
- (b) 8% of the purchase price of the mobile home from XXX;
- (c) 7% of the purchase price of the mobile home from XXX;
- (d) 6% of the purchase price of the mobile home from XXX; and
- (e) 5% of the purchase price of the mobile home from XXX.”

Revocation

The Mobile Homes (Commissions) Order 1983⁽³⁾ is revoked in relation to Wales.

(1) 2013 anaw 6.

(2) S.I. 2014/1763 (W. 178).

Name

Minister for Housing and Regeneration, under the authority of the Cabinet Secretary for Local Government and Public Services, one of the Welsh Ministers

Date