

THE PARK HOMES CHARTER

YOUR GUIDE TO BUYING, LIVING IN, AND SELLING YOUR PARK HOME

The Park Homes Charter has been drawn up jointly by the residents' associations, British Park Home Residents Association, Independent Park Home Advisory Service, National Association for Park Home Residents and the industry trade associations British Holiday & Home Parks Association and the National Park Homes Council and in consultation with the Department of the Environment, Transport and the Regions. *(For addresses, see contact list at the end of the Charter.)*

The Charter has been drawn up to help the home owner and the park owner to understand and use the law in a fair and even way. The Charter does not affect the statutory rights of any party; it explains those rights and the obligations of each party. Only the Courts can give a definitive ruling on questions of law.

The Charter recognises that the park owner and the home owner share the same interest: a well-run Park Home Estate where the benefits of park home living can be enjoyed and the purchase of a park home is secure for the future.

Throughout the Charter you will see the symbol **HB** in the margin. This symbol is used to explain that further information is available within the DETR Mobile Homes Housing Booklet. Certain rights are laid down by the Mobile Homes Act 1983 - these are printed in **bold**. We strongly suggest that DETR Mobile Homes Housing Booklet is read in conjunction with this Charter.

Members of the British Holiday & Home Parks Association (BH&HPA) and the National Park Homes Council (NPHC) shall comply with the Mobile Homes Act 1983 and with this Charter and the Associations will apply their disciplinary procedures against any members who are shown to have breached the Charter.

As the owner or prospective owner of a park home, you may be aware the law already protects your security and peace of mind. The law gives you; subject to certain conditions:

HB5

- **the right to a Written Agreement under the Mobile Homes Act 1983**

HB6

- **security of tenure**

HB9

- **rights concerning the inheritance of your home**

HB13

- **the right to give your home to a member of your family**

HB12

- **the right to sell your home on the park**

HB12

The Charter explains how the law may affect the buyer of a park home during the process of buying and afterwards as a resident on a Park Home Estate. How something is done in practice is often as important as the technicalities of the law and the Charter sets out how members of the two trade associations deal with a number of common issues.

The purchase of a park home differs in many ways from 'bricks and mortar' housing. Park Home living is a unique partnership between the park owner and the home owner. Although park home owners do not own the land on which they have their home sited, they do have the right to live in their home in perpetuity. Having bought your home, you must also pay pitch fees. Legal conveyancing is not required: there is no land title to transfer thus no land registry fees and no stamp duty. Therefore, there are no obligatory legal charges. However **you might well feel you need help or legal advice, in which case you should seek it from a solicitor or other qualified body.**

Terms and conditions for buying a park home consistent with the Charter and the 1983 Act shall be made available to you in advance of your purchase.

If you have any queries concerning your park home, please ask the park owner or his authorised representative.

IF YOU ARE IN ANY DOUBT AS TO YOUR LEGAL POSITION, YOU SHOULD SEEK INDEPENDENT LEGAL ADVICE.

The Charter is intended to set out the ground rules and guides the prospective home owner and the park owner through the purchase decision making process, the purchase formalities and thereafter. Everyone is encouraged to keep all documents and correspondence relating to the purchase.

WHEN CONSIDERING BUYING A PARK HOME

- On all BH&HPA and/or NPHC member parks, you have the right to employ an independent surveyor to have the park home surveyed. You should make sure the surveyor you use has experience of park homes.
- On all BH&HPA and/or NPHC member parks, you have the right and are encouraged to tour the park unaccompanied and to meet and talk to existing home owners.
- You should enquire from the trade associations, whether or not the park is in BH&HPA and/or NPHC membership and whether, therefore, this Charter automatically applies should you proceed with your purchase. Failing that you should ask if the Charter applies.

WHEN YOU DECIDE TO BUY A PARK HOME FROM THE PARK OWNER

- You have the right to take independent advice on your purchase and the documents offered should you wish to do so.
- **Before** any final commitment is made, park owners in BH&HPA and/or NPHC membership will give the purchaser an information package to take away to help with the decision making process. This will include:
 - a copy of the written statement complying with the Mobile Homes Act 1983 between the home owner and the park owner, to study before you make a commitment. You will find that the agreement normally consists of four separate parts numbered (i) to (iv).
 - You should make sure that you fully understand and are satisfied with the Agreement and especially the provisions of part IV (*known as the Express Terms*) which are individual to the park concerned. See the section below "Your Agreement".
 - a copy of the park rules which help with the good management of the park and safeguard home owners' interests.
- a copy of Housing Booklet, 'Mobile Homes - A Guide for Residents and Site Owners', produced by the Department of the Environment Transport & the Regions and a copy of the Charter.
- The park owner in BH&HPA and/or NPHC membership will be pleased to answer your questions and will endeavour to provide any information you require. In any event, the park owner should explain:
 - the total cost of buying the home fully sited on the park, in writing. A breakdown for insurance purposes shall be given on request.
 - the amount of pitch fee to be charged, how and when it is reviewed.
 - all other services provided by the park owner such as water, sewerage, gas, electricity standing charges.
 - any Park Rules or special provisions (*e.g. that it is a retirement park or requirements regarding pets and animals*).

HB6

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HB15

- the Local Authority issues a Site Licence to the park owner. All BH&HPA and NPHC member park owners must display a copy of their site licence and attached conditions, which shall also be made available on request.

This licence requires the park owner to observe a number of standards which apply to the park, relating for example to health and safety including fire safety, electrical installations, water supply, sanitation, refuse disposal, the spacing between homes, sheds, porches and parking arrangements. If you have any concerns regarding the site licence, you should discuss these with the park owner.

HB12

- Park owners in BH&HPA and/or NPHC membership will draw your attention **to the park owner's entitlement to a transfer fee (commission) if you sell your home and assign the agreement on the park. The rate for this transfer fee will not exceed such rate as may be specified by an order made by the Secretary of State, currently 10%.**
- You should check that the home complies with the park's site licence conditions. If it does not, the park owner may be able to offer advice on this subject.
- Park owner members of the BH&HPA and/or NPHC shall ensure that two originals of the agreement (known as the Written Statement under the Mobile Homes Act 1983), are prepared, one for the home owner to keep and the other for the park owner. **The park owner and the resident should sign each copy, and their signatures should be countersigned by a witness.**

WHEN YOU DECIDE TO BUY FROM AN EXISTING HOME OWNER ON THE PARK

- When you buy from an existing home owner on the park, the agreement with the park owner must be transferred to you without alteration to its terms and conditions. You will not be entitled to a new or different agreement. Therefore, you should make sure you understand the terms of the agreement which set out the rights and responsibilities you are taking on as a home owner including the current pitch fee that applies to that agreement.

HB12

- The park owner's consent shall be required for you to purchase from the existing home owner. The park owner can only refuse if he has reasonable grounds to do so **and puts them in writing**. You should try to meet with the park owner or his representative to make sure you understand all the issues concerned with the park home purchase. Read through the section above "When you decide to buy a park home from the park owner" so that you know the questions to ask.
- If you are considering the purchase of an old park home, the park owner in BH&HPA and/or NPHC membership will advise you in writing of any possible issues that might limit your security of tenure. Your agreement could be brought to an end if a Court is satisfied that the home is having a detrimental effect on the park. The section of the Charter headed "Bringing the Agreement to an End" contains further advice.

IF YOU ARE IN ANY DOUBT AT ALL ABOUT THE PURCHASE, TAKE INDEPENDENT LEGAL ADVICE AND DO NOT PROCEED UNTIL YOU ARE SATISFIED.

WHEN LIVING ON A HOME PARK

- **You have the right to the quiet enjoyment of your home and the amenities of the park.**
- You have the right to the protection and benefits of the park rules.
- On a BH&HPA and/or NPHC member park, you have the right to receive normal household deliveries directly to your home from suppliers of your own choice. However, a degree of common sense is required. If for example, the lorries used by gas suppliers are too heavy for the park roads, then deliveries should be made by hand or using a trolley to avoid costly damage to the park infrastructure. In such circumstances, the park owner shall provide reasons in writing.

- All BH&HPA and NPHC member park owners shall maintain the common areas of the park for which they are responsible.
- All BH&HPA and NPHC member park owners shall respect the peace, privacy and rights of park home owners.
- All BH&HPA and NPHC member park owners shall adhere to the provisions of the 1983 Mobile Homes Act, this Charter and meet their responsibilities under their agreements with home owners.
- Park Homes are normally connected to all services. On a BH&HPA and/or NPHC member park, you may connect your home to any further mains services which become available, provided this is practicable and on payment of all associated costs.
- You have the right to establish or apply for membership of any residents' association or social club on the park. A democratic and fully representative residents' association can provide a valuable social forum for home owners and make for easier communications between the park owner and the home owner.

HB14

- **A change of ownership of the park will not affect your statutory rights or those contained within your agreement.**
- Good communication between residents and the park owner is essential to ensure your park is well managed and a happy place to live. It is in your interest to inform the park owner should you have any concerns relating to the park.
- In order to ensure your park is a pleasant environment in which to live, you should respect the peace, privacy and rights of your neighbours.
- You should make sure that you understand and meet your responsibilities as a home owner.
- Your park home is a valuable asset and one which should be looked after. You should make sure you are fully acquainted with the manufacturer's maintenance recommendations.
- As a home owner, you are responsible for maintenance and upkeep of the home and the designated garden area, in accordance with the rules of the park.
- If permitted by your agreement with the park owner, should you wish to make improvements or changes which alter the appearance of your home or garden area (*e.g. the erection of a porch, extension, shed, garage or fence etc.*), you are responsible for obtaining the park owner's written consent in advance. 'Guidance Notes for Park Home Refurbishment' are available from the park owner or from the BH&HPA and NPHC.

HB9

- In the interest of security and to avoid any misunderstanding, it is advisable to inform the park owner in writing if you are going to be away from the home for a long period. If your park home ceases to be your only or main residence, the park owner may apply to the Court for permission to terminate your agreement.

PITCH FEE REVIEWS

- You can expect the pitch fee to be reviewed on an annual basis, normally in line with inflation. Details of the factors taken in to consideration in a pitch fee review should be in the express terms of your agreement.
- The pitch fee normally covers routine repairs and maintenance to the park.
- Where the pitch fee increase will be above the rate of inflation, a BH&HPA and/or NPHC member park owner will consult with home owners and explain the circumstances, giving reasonable advance notice.

- A BH&HPA and/or NPHC member park owner will clearly explain all other factors including changes in legislation which are taken into account in the review of the pitch fee.
- When reviewing the pitch fees of existing park home owners, the park owner will not take into account his expenditure in development works for new homes, except where that expenditure also benefits existing residents. You may then expect the increase to be borne partly by the park owner and partly by existing residents.
- The park owner will, on request, separately identify charges for mains services (*gas, electricity, water or sewage as appropriate*) where these are included in the pitch fee. Either these charges will not exceed the controlled tariff applicable, or the park owner will justify the charges made with supporting evidence.
- A Pitch Fee Arbitration Scheme, approved by the Department of the Environment, Transport and the Regions and operated by the Institute of Arbitrators, is available as a low cost alternative to resolving disputes in Court, if your park is a member of BH&HPA and/or NPHC.

IF YOU DECIDE TO SELL YOUR HOME

- **You have the right to sell your home, either privately or through an estate agent or to the park owner.**
- Park owners in membership of BH&HPA and/or NPHC will permit one "For Sale" notice to be displayed in the window of a home for sale, provided that it does not exceed A4 size (210mm x 297mm).
- **All new agreements issued under this Charter shall not place an obligation on the park home owner to sell the park home to the park owner.**

HB12

- Before a sale can proceed you must notify the park owner of your intention to sell your home and the price required, in accordance with the agreement. The park owner may be able to assist you with the sale, or offer advice. Where appropriate, he may agree special arrangements where, for example, the home owner is moving into sheltered accommodation. Park home owners may agree a fair price for their home with a prospective customer and while they are free to conduct this negotiation themselves if they wish to, they must keep the park owner fully informed of the negotiations as he is entitled to a transfer fee based on the sale price.

HB12

- You must consult the park owner as **s/he is required to give her/his consent to your prospective buyer, but s/he is not allowed to withhold her/his approval except on reasonable grounds given in writing. Neither shall the park owner obstruct the sales process. If you believe the park owner has unreasonably withheld his approval, you have the right to seek redress through a Court if necessary.**
- Because of the unique partnership which exists between the park owner and the home owner, **the law states that where the occupier sells the home, and assigns the agreement, the park owner shall be entitled to receive a transfer fee (commission) on the sale. The rate shall not exceed such rate as may be specified by an order made by the Secretary of State: currently 10%.**
- This transfer fee is not comparable with commission payments made to Estate Agents etc. Rather, it reflects the fact that the pitch and the amenities of the park add to the resale value of the home. Transfer fees supplement the income the park owner receives from pitch fees: without them, pitch fees would have to be higher.
- Considerable investment is necessary to develop and maintain a licensed park home estate. A reasonable return on this investment is essential to ensure that the park continues as a viable concern in the interests of both the home owner and the park owner.

YOUR AGREEMENT

HB6

Parts I, II and III of your agreement under the Mobile Homes Act 1983 are fixed by law and state your statutory rights. Part IV, called the express terms, contains information relevant to your park and may vary as circumstances vary from park to park.

These describe, for example, the legal relationship between and the obligations of the home owner and the park owner. They provide for the maintenance and upkeep of the park by the park owners as well as the pitch area, garden and park home by its owner. They state when and on what basis the pitch fee can be reviewed, what to do when a home is sold and when a park home may be moved from its pitch.

Park owners can prepare and issue their own express terms but many choose to use the model form issued by BH&HPA and NPHC.

- *When you buy a park home from an existing home owner, you will be bound by the express terms of their agreement with the park owner, that will be transferred to you - therefore it is important to make sure you fully understand your rights and obligations, before you purchase.*
- *When you buy a park home from the park owner, it is equally important to ensure you understand the terms of agreement proposed to you, negotiate these with the park owner if you are not entirely satisfied and do not proceed with the purchase unless you are happy with the terms of agreement under which your home will be sited on the park.*

REMEMBER, IF YOU ARE IN ANY DOUBT AS TO YOUR LEGAL POSITION, YOU SHOULD SEEK INDEPENDENT LEGAL ADVICE BEFORE YOU PURCHASE

BRINGING THE AGREEMENT TO AN END

You can bring your agreement to an end and remove your home from the park by giving 28 days written notice to the park owner. When this happens, you are entitled to the return of any unexpired pitch fees paid in advance.

HB9

However, a park owner wishing to end the agreement has to apply to the County Court for permission. This can only happen if the Court is satisfied of one or more of the following:

1. **That the home owner has broken a term of the agreement and has not put this right when asked to do so:**

The most common way of breaching the agreement is not to pay the pitch fees (to the extent that they are not in dispute) on time. Recommended practice for the park owner is to investigate with the home owner why they are behind with their pitch fees and to try to agree a timetable for payment of arrears. It may be helpful to refer the home owner to a debt counselling service such as that offered by the Citizens' Advice Bureaux. Proceedings in court should only be used as a last resort. A minimum of 28 days' notice must be given. The court will only give leave for termination if it is satisfied that it is reasonable to do so.

It will sometimes be necessary for the park owner to take action against a home owner in the interests of other home owners and good management. Again court action is a last resort when other ways of resolving the problem have failed.

2. **That the home owner is not occupying the home as his/her only or main place of residence:**

Park owners should make sure the home owner is living somewhere else and is not merely temporarily absent from home for any reason, before proceeding to court. It is important, therefore, that the home owner should advise the park owner in writing of any prolonged period of absence in order to avoid misunderstandings. Where possible, the park owner and home owner should discuss the question before proceeding to court.

3. **That the home, having regard to its age and condition, is detrimental to the amenity of the park, or is likely to become detrimental in the near future:**

Very old and unsightly park homes can be quite out of place on a park and the law recognises this. The way the law works is to require the park owner to show that a home is having a detrimental effect on the quality or pleasantness of a park, because of its age and condition. It is not enough for a home simply to be old, it must also be detrimental because of its condition. Normally the home will be an obvious eyesore, out of place among the majority of homes on the park. Sometimes parks will consist mainly of old homes but that does not prevent the court from finding that a home is detrimental if the court is satisfied on the evidence that this is the case.

Buyers of older homes need to be aware of this provision and should seek advice from an independent experienced surveyor on the structural condition and from the park owner if they have any doubts. A park owner who intends to bring an action based on the age and condition of a park home, shall tell the home owner and any prospective buyer of the home, in writing, of his intention.

WHAT HAPPENS TO YOUR HOME IF YOU DIE

HB13

The law specifically deals with the treatment of park homes where the home owner dies. If the home owner was living with his/her husband or wife when death took place, then the surviving partner can inherit the home and the rights for the home under the agreement with the park owner. In this way they can continue to live in their home on the park. Under these circumstances no money should change hands and equally no transfer fee will be payable. This applies also for people living together as husband and wife.

HB13

A member of the home owner's family who was also living in the home when death occurred may also inherit the home and the rights of the agreement and therefore continue to live in the home on the park, so long as this does not contradict the park rules or terms of the agreement - for example, the family member should be within the age range permitted on the park. The law carefully defines who counts as a member of the home owner's family. Under these circumstances no money should change hands and equally no transfer fee will be payable.

If no family member was living with the home owner when he or she dies, then the person who inherits the home will have the right to sell it on the park but will not have the right to live in the home with the benefit of the agreement themselves.

GIFTS OF PARK HOMES

HB12

The law allows a home owner to give away his park home and pass on the benefits of the agreement to a member of his family, as defined in the Mobile Homes Act 1983 subject to certain conditions. Under these circumstances no money should change hands and equally no transfer fee will be payable.

HOW TO DEAL WITH PROBLEMS

Park owners who are members of the BH&HPA and/or NPHC will use every endeavour to assist in the settlement of complaints arising on their parks. They will also be able to advise you of the conciliation and arbitration procedures, which do not affect your statutory rights.

STEP ONE

The home owner with a complaint is advised in the first instance to take her/his written complaint directly to the park owner.

STEP TWO

The home owner may at any time seek help and guidance in settling complaints from the National Residents' Associations, Local Trading Standards Departments, Citizen's Advice Bureau and Consumer Advice Centres.

STEP THREE

Complaints involving members of the BH&HPA and/or NPHC, which are not resolved can be referred for conciliation to:

The Director General
British Holiday & Home Parks Association
Chichester House
6 Pullman Court
Great Western Road
Gloucester GL1 3ND

OR

The Director General
National Park Homes Council
Catherine House
Victoria Road
Aldershot
Hants GU11 1SS

The Conciliation Service aims to ensure that both parties in any dispute understand the point of view of the other and is not a method of arbitration.

The undertakings of park owner members of both BH&HPA and NPHC are clearly laid out within this Charter. If investigation through the conciliation service shows that these terms have been breached, every effort will be made to ensure compliance. The Associations' disciplinary procedures include, as a final measure, expulsion from trade association membership, with all the attendant negative publicity this implies.

STEP FOUR

Pitch Fee Problems

In the case of disputes concerning pitch fees, if the complaint is still not resolved to your satisfaction, you may once more approach the respective trade association's Director General for advice on the availability of an independent Arbitration Scheme. It is intended to be a scheme which can be used without the parties having to employ experts, but does involve fees for the arbitrator's time. In many cases, the issue can be determined "on paper" without a hearing. Arbitration can only be used to resolve a dispute if both parties agree.

Site Licence Issues

If you are concerned that the park does not reach the standards set down in the Site Licence issued by the local authority, you should discuss this with the park owner. If you are not satisfied by the response you receive from the park owner, you may also take this up with the local authority's Environmental Health Department.

CONTACT LIST

NATIONAL RESIDENTS' ASSOCIATIONS

British Park Home Residents Association
3, Lewis Way
Lamins Lane
Killarney Park
Bestwood
Notts NG6 8UJ

Independent Park Home Advisory Service
17 Ashley Wood Park
Tarrant Keyneston
Blandford Forum
Dorset DT11 9JJ

National Association of Park Home Residents
Flat 1, 6 Rhiw Bank Avenue
Colwyn Bay
North Wales LL29 7PH

NATIONAL TRADE ASSOCIATIONS

British Holiday & Home Parks Association
Chichester House
6 Pullman Court
Great Western Road
Gloucester GL1 3ND

National Park Homes Council
Catherine House
Victoria Road
Aldershot
Hants GU11 1SS