



Cynulliad Cenedlaethol Cymru The National Assembly for Wales

Y Pwyllgor Cymunedau, Cydraddoldeb a Llywodraeth Leol The Communities, Equality and Local Government Committee

**Dydd Mercher, 7 Mai 2014
Wednesday, 7 May 2014**

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Motion under Standing Order 17.42 to Resolve to Exclude the Public from the Meeting

Cofnodir y trafodion yn yr iaith y llefarwyd hwy ynddi yn y pwyllgor. Yn ogystal, cynhwysir trawsgrifiad o'r cyfieithu ar y pryd.

The proceedings are reported in the language in which they were spoken in the committee. In addition, a transcription of the simultaneous interpretation is included.

**Aelodau'r pwyllgor yn bresennol
Committee members in attendance**

Leighton Andrews	Llafur Labour
Peter Black	Democratiaid Rhyddfrydol Cymru Welsh Liberal Democrats
Christine Chapman	Llafur (Cadeirydd y Pwyllgor) Labour (Committee Chair)
Jocelyn Davies	Plaid Cymru The Party of Wales
Janet Finch-Saunders	Ceidwadwyr Cymreig Welsh Conservatives
Mike Hedges	Llafur Labour
Mark Isherwood	Ceidwadwyr Cymreig Welsh Conservatives
Gwyn R. Price	Llafur Labour
Jenny Rathbone	Llafur Labour
Rhodri Glyn Thomas	Plaid Cymru The Party of Wales

**Eraill yn bresennol
Others in attendance**

Darren Millar	Aelod Cynulliad, Ceidwadwyr Cymru a'r Aelod sy'n Gyfrifol am y Bil Assembly Member, Welsh Conservatives and the Member in Charge of the Bill
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**Swyddogion Cynulliad Cenedlaethol Cymru yn bresennol
National Assembly for Wales officials in attendance**

Jonathan Baxter	Uwch Ymchwilydd Senior Researcher
Chloë Davies	Dirprwy Glerc Deputy Clerk
Gareth Howells	Cynghorydd Cyfreithiol Legal Adviser
Matthew Richards	Uwch-gynghorydd Cyfreithiol Senior Legal Adviser
Ben Stokes	Uwch Ymchwilydd Senior Researcher
Elizabeth Wilkinson	Clerc Clerk

*Dechreuodd y cyfarfod am 09:15.
The meeting began at 09:15.*

**Cyflwyniadau, Ymddiheuriadau a Dirprwyon
Introductions, Apologies and Substitutions**

[1] **Christine Chapman:** Bore da and welcome to the National Assembly's Communities, Equality and Local Government Committee. First of all, I remind Members and witnesses that any mobile phones should be switched off as they affect the transmission. We

have not received any apologies this morning.

**Y Bil Safleoedd Carafannau Gwyliau (Cymru): Cyfnod 1—Sesiwn Dystiolaeth 1
Darren Millar AC**

**Holiday Caravan Sites (Wales) Bill: Stage 1—Evidence Session 1 Darren Millar
AM**

[2] **Christine Chapman:** I remind Members that this Bill was introduced by Darren Millar AM, the Member in charge, on 17 March 2014. The Business Committee has referred the Bill to this committee for Stage 1 scrutiny with a reporting deadline of 24 October this year. At our meeting on 27 March, we agreed our approach to scrutiny and we have subsequently launched a call for evidence, so today is our first evidence session to inform our scrutiny of the Bill. May I give a warm welcome to Darren Millar AM, the Member in charge of the Bill, and to Gareth Howells, a legal adviser to the Assembly Commission, and Jonathan Baxter, a researcher for the Assembly Commission? Thank you for attending this morning.

[3] **Mike Hedges:** I would just like to put on record that I am a co-owner of a holiday caravan.

[4] **Jocelyn Davies:** I am also the owner of a holiday caravan.

[5] **Christine Chapman:** Okay. Any other declarations of interest on that? I see that there are none. Darren, for the record, can you just outline the main aims and objectives of your Bill?

[6] **Darren Millar:** Yes. Thank you, Chair, and thank you for the opportunity to give some oral evidence to the committee today. The purpose of this Bill is to provide for new duties and powers for local authorities and to modernise the licensing regime for holiday caravan sites. The existing licensing regime dates back to a 1960 piece of legislation and, of course, while it may well have been fit for purpose in 1960, the modern holiday caravan industry is somewhat different from the industry that legislation was developed for. So, it is time to modernise and update the licensing regime, and that is what this Bill seeks to do. So, it has new duties and powers for local authorities to enable them to inspect and enforce against licences. There are new rights for caravan owners within the Bill as well in terms of written agreements, protection from harassment and the responsibility or opportunity, if you like, to be included in the decision making around holiday caravan parks. It empowers the site owners as well to help them to resolve disputes that might arise between them and caravan owners on their sites.

[7] **Christine Chapman:** Okay, thanks. Following on from that, can you tell me why you think it is necessary to prohibit the occupation of holiday caravans as an only or main residence?

[8] **Darren Millar:** Yes. I think that the big issue here is that, as in my own constituency, where the holiday caravan industry is obviously an important part of the tourism economy, there have been concerns for some time about the impact that people using holiday caravans as their main homes is having on the local population. Of course, when someone is living in a community, they are often accessing public services, and that can be a drain on the public purse, particularly if they are not included in official statistics that count local populations. Holiday caravans are also not generally designed for all-year occupation and, of course, it can have a negative impact on the tourism industry. If somebody turns up to a holiday caravan park with the intention of having a holiday, they will have a very different experience if the person in the neighbouring caravan, for example, is having their children collected and taken to school every day or going to and from work in a work van. The nature of tourism means

that, if someone is a short-term visitor to an area, they tend to spend more money in the local economy than somebody who is there as a general resident. So, all of these things can have a negative impact on the tourism economy and the economy more generally. Given the size and scale of the holiday caravan industry in Wales, it is important that this particular issue is dealt with.

[9] **Christine Chapman:** Okay; thanks. Gwyn, did you have some questions?

[10] **Gwyn R. Price:** Yes. Good morning.

[11] **Jocelyn Davies:** Chair, may I just ask, following on from—

[12] **Christine Chapman:** May I bring Gwyn in first, and then I will bring you in, Jocelyn?

[13] **Gwyn R. Price:** Good morning. Why have you chosen to model the new licensing regime for holiday caravan sites on the existing framework for mobile homes, given that the intended effects of the Bill and the Mobile Homes (Wales) Act 2013 are completely different?

[14] **Darren Millar:** Yes. Essentially, there are two reasons, really. First, obviously, Peter Black's Bill is Welsh law; it is a Welsh licensing regime, and that provides a platform, if you like, from which to be able to build my Bill. There are obviously differences, though, between the holiday caravan industry and the mobile park home industry, which is why significant parts of Peter's Bill have not been incorporated into my own stand-alone Bill. So, that is the first and major reason. I think that the second reason that I have adopted significant parts of Peter Black's Bill is because it is very sensible to do so. Some of the experiences of holiday caravan owners have been very similar in terms of some of the abuse that they have suffered at the hands of some of the rogue operators, if you like, within the holiday caravan industry. It felt, to me, to be important to extend some of the provisions that were in Peter Black's Bill to the holiday caravan industry because of some of the similar experiences that people have had.

[15] **Gwyn R. Price:** So, you believe that this is piggybacking on the back of that to strengthen it.

[16] **Darren Millar:** I think that there are important features of Peter Black's Bill that equally apply to the holiday caravan park industry, but as I have said, there are significant differences between my Bill and Peter's. We have also incorporated some of the information from the 1960 legislation, which is still applicable for modern holiday caravan sites. We have taken some elements of Peter Black's Bill away from my Bill and disappplied it because, obviously, there are differences between the industries, although there are similarities too.

[17] **Gwyn R. Price:** Thank you.

[18] **Christine Chapman:** I now call Jocelyn.

[19] **Jocelyn Davies:** Just on this issue of the negative impact on the tourist industry that you mentioned just now, why would site owners undermine their own industry by permitting it?

[20] **Darren Millar:** There is a short-term financial gain for the industry in allowing somebody to use a holiday caravan as a main home. Very often, holiday caravan parks make money on the sale of caravans and if someone is in a caravan more often, that is more likely to have an impact on wear and tear, and that means that they can procure another sale more easily, if someone is in that holiday caravan more regularly than someone who visits perhaps

every weekend or for long periods in the summer. So, there is a financial incentive for people to be able to have somebody living in a holiday caravan on their site. You also have to remember that, on some holiday caravan parks, it is not just the sales from the purchase of a holiday caravan by which people derive money, but also the day-to-day sorts of opportunities to trade with that person on the site. Some holiday caravan sites are almost like small villages or towns in their own right, with their own shops, stalls et cetera. So, there is a money-making opportunity in the short term for some of the operators to take advantage of.

[21] **Jocelyn Davies:** However, you cannot have it both ways. You are saying that, on the one hand, people who are residents spend less money because holidaymakers spend more money, so the opportunity for the site owner to be trading with them on a daily basis is less, yet on the other hand you are saying that there is a financial interest in having permanent residents. It seems to me that the industry would not want to undermine itself by having permanent residents there when it clearly does undermine this industry. You have said that there is a negative impact on the tourist industry.

[22] **Darren Millar:** There is a negative impact on the tourist industry, but those rogue operators who are operating in the industry, albeit that they are in the minority, do take advantage of the short-term money gain, which can be gleaned by allowing people to use holiday caravans as their main homes. Of course, in the longer term it will have a much more significant negative impact on the wider tourism economy.

[23] **Christine Chapman:** I have Mark and then Peter who wish to come in, and we then need to move on.

[24] **Mark Isherwood:** Is there an incentive for a site owner to classify the site as a holiday home park and seek a holiday home park licence, knowing that it will not be used solely as a holiday site, in order to bypass the more stringent regulations that apply to home parks? Are you aware of comments by reputable site owners, the British Holiday and Home Parks Association, that it has had approaches, and is receiving approaches, particularly over the last few years, when it has been difficult to sell caravans, from people saying, 'Nudge, nudge, wink, wink; would you look the other way? Of course, we are going to use this as our main home, but we want you to be complicit in understanding that and then we will spend all that money on your caravan'? Do you agree that this is substantially more of an issue than perhaps has so far been indicated?

[25] **Darren Millar:** Yes, I would agree that it is a sizeable issue and there is plenty of evidence from lots of people who have fed back during the extensive engagement exercise, which I had during the development of the Bill, and indeed the consultation exercise, from site owners who told me that precisely that is happening. People are turning up on their sites asking if they can purchase a holiday caravan and making it very clear to the site owners that they intend to use it as their only or main home. Responsible site owners then have to turn down the opportunity of making some money on a holiday caravan sale because they want to stick within the rules. However, there are some rogue operators who will still actively engage with people who want them to turn a blind eye to them using holiday caravans as a main home.

[26] **Christine Chapman:** A number of Members want to come in now. We will have Peter first, then Rhodri and then Leighton.

[27] **Peter Black:** In the explanatory memorandum, you made the assertion that falling site standards are associated with the use of holiday caravans as permanent residences. What evidence do you have to support that?

[28] **Darren Millar:** In my own constituency, and indeed on other parts of the north

Wales coast, unfortunately, what I have seen is that, sometimes, when a new owner comes and acquires a site, they can have a very different attitude from the responsible owner who has been there before them. I have personally seen a decline on a number of holiday caravan sites in my own constituency, and there have been more complaints in relation to those sites as a result of people sometimes turning a blind eye to people using holiday caravans as their main homes on those sites. So, it has certainly contributed to something of a decline on a number of sites in my own constituency, but, of course, I am not familiar in the same way with all parts of Wales.

[29] **Peter Black:** Could you be more specific in terms of what exactly has declined?

[30] **Darren Millar:** Yes. The visitor experience has declined. There has been a different experience that visitors to those sites have been having as a result of residential occupation taking place on those sites. When somebody comes away for a holiday, they do not want to see social services visiting a caravan and providing a service to somebody. They do not necessarily want to see children being picked up and being taken to a local school. What they want to see are people enjoying themselves on holiday, and then to be able to feel that it is a very different environment to the one that they have come away from to have that holiday. So, the visitor experience, I think, is very much undermined. Many people have contacted me during the course of the development of this legislation to tell me that they have been concerned or that they have decided to give up the holiday caravan that they have had for many decades as a result of residential misuse of the holiday caravan sites that they have been on.

[31] **Peter Black:** So, the falling standards that you refer to are more to do with a confusion of uses as opposed to ongoing dereliction.

[32] **Darren Millar:** Yes.

[33] **Rhodri Glyn Thomas:** O wrando ar yr hyn rydych yn ei ddweud, mae'n ymddangos i mi fod eich profiadau chi o'r broblem hon yn gyfyngedig i ogledd Cymru ac, i raddau helaeth iawn, eich etholaeth chi eich hunan. Pa brawf gwrthrychol sydd gennych chi bod hyn yn broblem? Hynny yw, o'r hyn rydych yn ei ddweud, mae wedi'i seilio ar yr hyn rydych wedi ei glywed gan unigolion. A oes gennych chi brawf diriaethol bod hyn yn broblem wirioneddol?

Rhodri Glyn Thomas: In listening to what you have been saying, it appears to me that your experiences of this problem are limited to north Wales and, to a great extent, to your own constituency. What objective proof do you have that this is a problem? That is, from what you are saying, it is based on what you have heard from individuals. Do you have tangible evidence that this is a real problem?

[34] **Darren Millar:** I have had complaints during the course of the development of my legislation from all parts of Wales—south Wales, mid Wales, west Wales and anywhere where there are significant clusters of holiday caravan parks. In fact, many of the problems that I have experienced in my own constituency have been replicated in other parts of north Wales, and north-west Wales, in places like Gwynedd, for example, where the local authority has been calling for changes in legislation.

09:30

[35] So, the problems are certainly not just confined to the part of the north Wales coast that I represent. Indeed, it would not surprise me if other Members around this table had been contacted by people about problems on holiday caravan parks in their constituencies or regions in the past.

[36] **Rhodri Glyn Thomas:** Pan fyddwch yn sôn am bobl yn cysylltu â chi, a ydych yn sôn am unigolion yn cysylltu â chi, a ydych yn sôn am ddegau o bobl ledled Cymru yn cysylltu â chi, neu a ydych yn sôn am gannoedd o bobl yn cysylltu â chi? Hynny yw, beth yw maint y dystiolaeth hon sydd gennych bod hon yn problem wirioneddol?

Rhodri Glyn Thomas: When you talk about people getting in touch with you, are you talking about individuals, are you talking about tens of people throughout Wales getting in touch with you, or are you talking about hundreds of people getting in touch with you? That is, what is the size of the evidence base that you have that this is a real problem?

[37] **Darren Millar:** There is plenty of evidence out there that this is an issue. During the question-and-answer session following the statement that I made in the Chamber, I listed some of the evidence that has been emerging over a period of time within the industry. To be fair to the industry representative bodies themselves, they recognise that there is a problem with rogue operators in the industry with residential misuse, which is why they have attempted, on a voluntary basis, to be able to deal with the problem among their membership bodies. So, the British Holiday and Home Parks Association and the National Caravan Council recognise this as an issue and have sought to try to address it.

[38] However, just to give you some of the evidence that appears in the explanatory memorandum, there are about 400 people living in holiday caravans in six local authorities, which have been registered for council tax, and 62 housing benefit claims, across six local authorities, are also noted in the explanatory memorandum. There are at least 82 GP registrations from just a small sample of holiday caravan park sites in Conwy as a local authority, and 83 people, in a 12-month period, who were arrested or named as suspects by North Wales Police, gave holiday caravan sites as their permanent addresses when they had contact with the police. In Conwy alone, 361 concessionary bus passes were issued to people with holiday caravan addresses in 2007-08. I also referred in the statement—although it is not in the explanatory memorandum—to census data from 2011, which suggested that there were 6,000 households in caravans or mobile structures around Wales, with around 3,400 of these on park home sites, leaving many of the rest on holiday caravan park sites. We know, of course, that census data are likely to underestimate the scale of people who would be in holiday caravan park sites, because, very often, people do not want to be detected because they know that the misuses are not something that local authorities would welcome.

[39] **Christine Chapman:** Okay, thanks. Again, a number of Members wish to contribute—I will bring everyone in. Leighton has the first questions, then Jenny, then Jocelyn.

[40] **Leighton Andrews:** How many rogue operators are there in your constituency?

[41] **Darren Millar:** It is impossible to identify the total number of rogue operators in my constituency, or in any other part of Wales.

[42] **Leighton Andrews:** Why?

[43] **Darren Millar:** Because it is impossible. The nature of this problem within the industry means that it is—

[44] **Leighton Andrews:** You have referred specifically to rogue operators, so you must have a view of what a rogue operator is.

[45] **Darren Millar:** Yes, and whenever I encounter a rogue operator, of course I report those matters to the local authority.

- [46] **Leighton Andrews:** How many times have you reported a rogue operator?
- [47] **Darren Millar:** On many occasions.
- [48] **Leighton Andrews:** How many?
- [49] **Darren Millar:** I could not precisely give you the number of times, but—
- [50] **Leighton Andrews:** Are we talking about five, are we talking about 10, or are we talking about 20 times?
- [51] **Darren Millar:** I have met on a number of occasions with local authority representatives.
- [52] **Leighton Andrews:** Are we talking about five, are we talking about 10, are we talking about 20, or are we talking about more?
- [53] **Darren Millar:** There are a number of sites that I have reported to the local authority in my constituency over the years.
- [54] **Leighton Andrews:** So, you cannot give me any figures as to the number of rogue operators that you have reported in your own constituency.
- [55] **Christine Chapman:** Are they in double figures, Darren, do you think?
- [56] **Darren Millar:** Over the years, double figures, yes.
- [57] **Leighton Andrews:** Over the years, double figures.
- [58] **Darren Millar:** Yes.
- [59] **Leighton Andrews:** How many per year, then, roughly—one or two a year?
- [60] **Darren Millar:** It depends on the number of times that things are reported to me. If they are reported to me on a regular basis, I report them. I do not have the figures to hand.
- [61] **Leighton Andrews:** Okay. Let me change the subject of the questioning. Could you give me an estimate of what percentage of operators in your constituency are rogue operators?
- [62] **Darren Millar:** It would be a small percentage. I do not have figures to hand in terms of the total number of sites that I have reported versus the total number of sites in my constituency, but it is a small percentage. Unfortunately, though, the bad apples in the barrel affect the whole of the industry, which I think is a bit of a disappointment.
- [63] **Leighton Andrews:** When you have reported them, has action been taken?
- [64] **Darren Millar:** The local authorities that I have reported problems to have assured me that they followed matters up, but none of those actions have generally led to serious enforcement having taken place.
- [65] **Leighton Andrews:** When you say that you have examples of people staying on a permanent basis, do you have any sites where the majority of people on that site are there as permanent residents?
- [66] **Darren Millar:** I do not think that there are sites where the majority of people on

those sites are permanent residents, no. As I said, I have always reported, when a matter has come to my attention, to the local authorities. The fact is that local authorities do not always have the resources to be able to follow up on enforcement.

[67] **Leighton Andrews:** You say that you have reported them, but you have not seen evidence of strong enforcement action. How will your Bill change that?

[68] **Darren Millar:** My Bill will give new duties to local authorities so that they have to inspect, on at least a triennial basis, each individual holiday site in their area that is licensed. It will also require them to take enforcement action when they find evidence of residential misuse.

[69] **Leighton Andrews:** Shall I move on to my questions?

[70] **Christine Chapman:** No, I have a few others first, Leighton. Jenny is first, then Jocelyn.

[71] **Jenny Rathbone:** I appreciate that you have a significant number of caravan sites in your constituency, but the way you have currently drafted this Bill will catch farmers in remote rural areas who may wish to supplement their income during the summer with caravan tourers and people who wish to enjoy the rural environment. It seems to me that there may be a particular issue in your constituency, but there are whole swathes of the countryside where people may or may not be able to earn a little bit extra by a touring caravan coming along and being accommodated on that farmer's site. So, have you considered limiting the licensing to caravan sites over a certain size?

[72] **Darren Millar:** No. The intention of the Bill is to apply the new licensing regime to all holiday caravan sites, including small touring sites. Very often, the fact that a touring site is remote, and the fact that touring caravans are in some cases bigger than the static caravans that were around in the 1960s when the original legislation was developed, means that there is a potential for the problem in terms of residential misuse to shift from the static caravan industry more into the touring caravan industry. In fact, just this week, I have had complaints about a touring caravan site that appears to be allowing touring caravans to stay on for long periods of time. Some of the owners of those caravans are developing structures and little gardens around the pitches they rent, and there is some suggestion that there may be some misuse of those holiday caravans as a permanent or main residence. So, there is an issue here that equally applies to static caravan sites, where the risk is greater, but it could potentially drift—although I have not seen a great deal of evidence, other than the occasional report—to the touring caravan industry. It is important that this legislation captures both sides of the industry in order that we do not need to revisit it in the future.

[73] **Jenny Rathbone:** So, have you had any evidence from people who have a small number of places for a caravan in the tourist season on an opportunistic basis? They might get none in a year, particularly if it is a very poor weather year. Have any of them supported them being included in this Bill?

[74] **Darren Millar:** If I can just make it clear, the Bill is proportionate. So, for those small touring caravan sites, while they would fall under the licensing regime, the residence test that will be created by the Bill will apply to individuals only if they occupy a holiday caravan on a site for a six-week period or longer. The vast majority of individuals, in terms of residential misuse, who stay for short periods of time on a touring caravan site would not be impacted greatly by the licensing regime.

[75] **Jenny Rathbone:** However, the farmer who opportunistically wishes to offer his land for a tourer caravan would not be able to do so unless he was licensed. He might never have

thought that there would be somebody requesting this service.

[76] **Darren Millar:** The Bill does provide for some very small sites to be able to apply for exemption from regulation, but the essence of the Bill is that it does nothing more, really, than promote good practice that is already being encouraged and promoted by the industry itself in terms of the British Holiday and Home Parks Association and the National Caravan Council. So, it puts that on a statutory footing and tries to make it more consistently applied across Wales. I want Wales to be a place where people can come to holiday on caravan sites and where they can come and buy caravans on holiday parks with the confidence of knowing that there is a licensing regime that means that they are going to have a positive visitor experience. That equally applies, I believe, to small and large sites, to static caravan sites, and, indeed, touring caravan sites. What I do not want to do, by dealing with what is certainly a problem in some parts of the industry in terms of residential misuse of static caravans, is to shift that problem so that it pops up more regularly in the touring caravan industry, whether that is on small or large sites.

[77] **Jocelyn Davies:** I wonder how you justify—. You said that there were 6,000 households in caravans in the census. You say that 3,400 are on park home sites—we know that. How do you make the jump that the rest of them, the 2,600, are bound to be on caravan sites? I know people who lived in caravans for a number of years while they were doing up a property, and those were parked in the driveway. We all know people like that. Why are you making the jump and expecting us to believe that the rest of them must be on caravan sites?

[78] **Darren Millar:** I am not saying that they are all necessarily on holiday caravan sites—

[79] **Jocelyn Davies:** You are. You said that. Your words were

[80] ‘that leaves 2,600 that were on holiday caravan park sites’.

[81] Those were your words.

[82] **Darren Millar:** I said that it suggests that there could be 2,600—

[83] **Jocelyn Davies:** No, you said ‘that leaves’—I am quoting your very words:

[84] ‘that leaves 2,600 that were on holiday caravan park sites’.

[85] **Darren Millar:** The point that I am making is that there is a body of evidence within the census data that suggests—

[86] **Jocelyn Davies:** Yes, but you do not have to exaggerate it.

[87] **Darren Millar:** Well, I think that, actually, the census data underestimates the figures—that is the point that I am making—because Consumer Focus Wales, which referred to this evidence when it was supporting Peter Black in the development of his Bill, suggested that people did not want to disclose, necessarily. In fact, the Sheffield Hallam research—I understand that you are taking some evidence from Sheffield Hallam University during the course of your work on this Bill—suggests that people tend not to complete the census data forms if they are living on holiday caravan parks, because they know that their occupation of those holiday caravans is generally inappropriate. So, a good proportion, a significant proportion, the vast majority of the 2,600—

[88] **Jocelyn Davies:** No, you are just making a guess.

[89] **Darren Millar:** Well, if you consider the evidence in the round that comes from places such as Sheffield Hallam about the studies that it has undertaken on the Lincolnshire coast, where the density of holiday caravans is very similar to the density in some parts of Wales, in places such as Porthcawl, some parts of north Wales, and some parts of west Wales, it is easy to suggest that the overwhelming majority of those figures are actually people who are living in, as their main home, holiday caravan park sites.

[90] **Christine Chapman:** Obviously, we can test this out when we get evidence from Sheffield Hallam. I am going to move on now, because we have got only about half an hour. Leighton is next.

[91] **Leighton Andrews:** The truth is that you have not really done your homework, have you?

[92] **Darren Millar:** Of course I have done my homework.

[93] **Leighton Andrews:** Well, no, you have come to the committee with a Bill, and you have said that you have got evidence from your own casework, but you cannot even give us data from your own casework about the scale of the problem. I have asked you for them, and you could not give them.

[94] **Darren Millar:** Well, I have told you that there have been occasions when I have reported matters—

[95] **Leighton Andrews:** Well, why did you not go through—? You must record your casework; I do. I could go back and analyse all my casework and identify precisely how many cases I had had in this instance. Why can you not do that? Why have you not got that for the committee?

[96] **Darren Millar:** I have just given you a schedule, a list of the sources of evidence that we have provided in the explanatory memorandum.

[97] **Leighton Andrews:** No, I want to know numbers. You cannot produce those for us, for this committee. You are bringing forward legislation to this Assembly and this legislation needs to be backed by decent evidence, but you have not even analysed your own casework to tell us the figures.

[98] **Darren Millar:** I would be very happy to analyse my own casework—

[99] **Leighton Andrews:** Well, it would have been helpful if you had done it earlier.

[100] **Darren Millar:** —and to provide some further information to you, but what I will say is that the evidence base is much more than my own casework and, in fact, I have just given you a list of the number of people who are living in holiday caravans and registered—

[101] **Leighton Andrews:** Indeed, and I will come to that in a moment, but the regulatory impact assessment that you have submitted is pretty ropey, is it not?

[102] **Darren Millar:** In what way are you suggesting that it is ropey?

09:45

[103] **Leighton Andrews:** Well, you have been unable to deal with the questions asked by Jocelyn Davies in respect of the 2,600 and you have not included the 2,600 in the explanatory memorandum, have you? Why is that?

[104] **Darren Millar:** I have not included the 2,600—

[105] **Leighton Andrews:** You are not confident in those figures then, are you?

[106] **Darren Millar:** Well, I have given you how I arrived at that particular figure and it is based on census data—

[107] **Leighton Andrews:** Why is it not in the explanatory memorandum?

[108] **Christine Chapman:** Leighton, could you allow Darren the time to come back, please?

[109] **Darren Millar:** The explanatory memorandum is not a full schedule of all of the evidence that I believe is available. You are going to receive further evidence from bodies such as Sheffield Hallam University. It would be completely inappropriate for me to publish all of its evidence, for example, within the course of my own explanatory memorandum.

[110] **Leighton Andrews:** The regulatory impact assessment is based on 18 responses, is it not?

[111] **Darren Millar:** Yes.

[112] **Leighton Andrews:** Okay. Let us take some of this material that you have supplied in respect of the numbers of residents claiming housing benefit, et cetera. These have been identified and presumably, therefore, it is open to the authorities to pursue the question of whether those people are permanent residents or not. Do we need your Bill to take action here?

[113] **Darren Millar:** May I just clarify that the 18 responses to which you referred are 18 responses of 22 local authorities across Wales? I think that is a very good rate of response, actually, from local authorities in terms of the way that they have engaged in this particular process. I think the important thing to remember is that the regulatory impact assessment in the explanatory memorandum does reflect that there is no clear evidence base in terms of the scale of residential misuse in Wales. I have been completely upfront about that. I do not have the sort of resources that the Welsh Government has, for example, to be able to test the scale of this problem in Wales, but we do give the key data and information within the regulatory impact assessment—

[114] **Leighton Andrews:** My question really is whether this is a proportionate response. I will take a different one: '83 people were arrested'. Well, that suggests to me that the system is working. Why do we need your Bill to—

[115] **Darren Millar:** Well, the 83 people were not necessarily arrested in relation to holiday-caravan-site-related crime or licensing-related issues. Those 83 people are just in north Wales. I have not taken survey data from anywhere else, but, in north Wales, they record this because they recognise that it is a particular problem within the region.

[116] **Leighton Andrews:** Let us take the ones with concessionary bus passes. If Conwy local authority now knows that there are 361 people with concessionary bus passes, surely it is open to it to take action on that.

[117] **Darren Millar:** Absolutely, and the first thing that it did was to withdraw those bus passes and any opportunities for—

[118] **Leighton Andrews:** So, the system is working now. We do not need your Bill.

[119] **Darren Millar:** Well, no, it is not. As I said to you earlier on, the system was devised for a holiday caravan industry in 1960 when people generally would not have wanted to have occupied caravans all year round because, frankly, they were not built to the same sort of specification that they are in the twenty-first century, when, actually, they can be very pretty palaces that people enjoy coming to on a regular basis and it is hardly surprising that people therefore might want to make them their own permanent homes.

[120] However, the existing licensing regime does not require local authorities to take enforcement action when they see a problem. It does not require inspection of any site licences—

[121] **Leighton Andrews:** They can, though, can they not?

[122] **Darren Millar:** They can, but they do not have the resources to be able to do that.

[123] **Leighton Andrews:** Your Bill does not give them any resources.

[124] **Darren Millar:** Yes, it does. It gives them powers to be able to charge for site licences.

[125] **Leighton Andrews:** Yes, but it does not give resources. Powers are not resources.

[126] **Darren Millar:** Okay. It gives local authorities the opportunity to charge fees in respect of the new licensing regime. I think that it would be very strange—I am sure that you would find this from your experience of local authorities—to see a local authority not take the opportunity to charge if it wanted to do something new and had an opportunity to do so.

[127] **Christine Chapman:** Okay. We are running out of time and I want to make sure that we cover some of the other sections of this Bill. I have allowed this to run over, but I think that we need to look now at some of the detail of the Bill. So, I want to bring in Mike first on the existing law.

[128] **Mike Hedges:** May I just ask a very simple question?

[129] **Darren Millar:** Yes.

[130] **Mike Hedges:** Why can we not just have it so that caravan parks close for two months of the year and anybody can have a home in a caravan park when they have registered to buy it and just provide a copy of their council tax bill annually? In which case, without any legislation, we could deal with this with those two things happening, and without a very long Bill.

[131] **Darren Millar:** Okay. When people purchase a holiday caravan, the best park operators provide a written agreement and request evidence that the individuals purchasing the caravan have a main home elsewhere. They also test, on an annual basis, whether that person still has a home elsewhere. In fact, my Bill will simply introduce and extend those sorts of provisions to the whole industry, rather than it just being best practice. So, when somebody buys a holiday caravan, they will have to produce evidence that they have a main home elsewhere. That evidence will have to be reviewed by the local authority on an annual basis and updated by the site owner, who will have to collect that evidence on an annual basis and test it. So, it is pretty clear. However, there is currently no requirement at all in the current licensing regime for that sort of evidence to be provided.

[132] Just picking up on your other point, about the closure of holiday caravan parks for two months or even six weeks of the year, most holiday caravan parks do have a period during which they are closed—a closed season, if you like. What seems to happen in some parts of the industry is that people who have a holiday caravan on those parks will decant themselves into other accommodation for a six-week period, and they will sometimes go overseas for a six-week period and then return to their holiday caravans in order to avoid the problems that the closed season causes. The industry itself is actually seeking, in a much greater way now, the opportunity for 12-month licensing periods, so that they can open throughout the year. That could have big benefits for the tourism economy in Wales. However, I think that, under the current regime, because there are not any tests or requirements for tests to be in place, or requirements for local authorities to inspect or take any enforcement action, there is a risk in being able to manage residential misuse. If a new licensing regime were brought in—the sort of regime that I am proposing in my Bill—it would present an opportunity to the holiday caravan industry to have more widespread use of 12-month licences, because they will be properly policed, and that could have major benefits for the tourism economy in Wales.

[133] **Mike Hedges:** May I come back to that? If somebody had to produce—I am sure that this could be done through secondary legislation very simply—a utility bill and their council tax bill, or one other, annually in order to show that they are there, would that not be much easier than having a fairly lengthy Bill? Also, could I raise the bus passes issue? I am sure that you are aware that English bus passes are not usable outside England, and vice versa, but is it not the case that people may well be registering in Wales, though they come from England, and they have a bus pass in England and they want to use a bus pass in Wales?

[134] **Darren Millar:** I am sure that people want to take advantage of the money provided by the Welsh Government for Welsh residents to be able to use the bus network in Wales free of charge, but I do not think it appropriate that money that is supposed to be spent on the people of Wales should be spent on people who want to holiday here and have a bus pass in order to get around.

[135] **Mike Hedges:** I am not saying it is appropriate; what I am saying is that it might be the reason why they are registering, not because they live here all the time, but they are on holiday for six months or three months in Wales and they ask for a bus pass so that they can use it in Wales. I think that Conwy should not have given them out, and I think that it is not appropriate, but it does not indicate that people are living here as their main home; it is just that they want the bus pass when they are here.

[136] **Darren Millar:** I think that you have to couple it to the other evidence that was gleaned by Conwy County Borough Council in 2007, when it did a piece of work on the hidden or transient population in the county. That was just one part of the evidence that pointed to a sizeable population living in holiday caravans in the local authority area. As I said to you earlier, we have people who are registered with GPs, individuals in the local authority area who were claiming housing benefit while they were living in holiday caravan parks, and, indeed, there is the number of arrests made by the North Wales Police.

[137] Just very briefly, in response to your question about secondary legislation, of course, Ministers do have powers in secondary legislation to require tests, but it requires a change to the whole of the regime. It is not just the residential misuse that I am trying to deal with in my Bill; it is actually to modernise the whole of the licensing regime, to make it fit for purpose for the twenty-first century, to safeguard the future of this industry and to give a positive visitor experience to people who come here. The tourism economy is hugely important in my constituency. I would never bring forward legislation that was going to harm a very important part of the tourism offer, which provides many jobs in my constituency and brings many hundreds of thousands of pounds into my constituency on an annual basis. This legislation is

designed to enhance the visitor experience, to provide an opportunity for the industry to deal with this problem of residential misuse, and to give local authorities the powers and resources they need in order to deal effectively with a problem that is not going away and which we need to be able to deal with on a longer-term basis.

[138] **Christine Chapman:** Jocelyn, do you want to come in?

[139] **Jocelyn Davies:** I just wonder why the Bill does not just say that local authorities shall not issue bus passes to people who live there, and your explanatory memorandum says so. Some people can legitimately live there, if they work there, after your Bill goes through. If you work there, you can live on the caravan site. You might be arrested; you might be registered with a GP. So, some of the statistics that you have provided us with might relate to people who, even after your Bill has passed, might quite legitimately be living on a caravan park. However, why put the onus on the site owner? From what you have said today, it is highly likely that the vast majority of people who are running caravan sites in Wales, because they do not want to undermine their own business, are making sure that people are not living there. So, you will put extra costs and an onus on people who are already running legitimate businesses. Why not just bring forward a Bill that prevents local authorities from providing services unless they are satisfied that people are not illegitimately occupying a caravan?

[140] **Darren Millar:** It is not just local authorities that sometimes face additional costs as a result of a hidden population within their locality. Public Health Wales, for example, also flagged up concerns about the number of people who might be occupying holiday caravans on the north Wales coast and might be having an impact on the resources within the NHS.

[141] The Bill is not designed, necessarily, to stop local authorities from providing what might be a legitimate service to people who may need to occupy a holiday caravan as a part of their work. In fact, we give special dispensation, if you like, within the Bill—or opportunities for dispensation within the Bill—so that, if somebody has to live in a holiday caravan in order to undertake their role on a holiday caravan site, it is perfectly appropriate. In fact, we say that. The issue here is the scale. We have talked about GP registration—you made reference to that; we just looked at a small sample of the number of sites just in Conwy, and there were 82 GP registrations. They are not all going to be people who are necessarily staying and living on holiday caravan parks because they have to do so as part of their employment. That sort of scale suggests that there is a bigger issue here that needs to be dealt with.

[142] **Jocelyn Davies:** Yes, but why not just prevent people from being able to access services, rather than putting the onus on the site owner to police this?

[143] **Darren Millar:** As I said to you earlier, the British Holiday and Home Parks Association and the National Caravan Council have done a great deal to try to promote best practice in the industry. Those holiday parks that are well run are already doing the things that I described in my legislation that we will be requiring. So, there is no additional work for those good operators that already exist; it will simply try to ensure that things like written agreements, which give some protection to site owners and, indeed, caravan owners, will be standard practice. It is ridiculous that there are no requirements at the moment for written agreements for somebody who purchases a £40,000, £50,000, £60,000 or £100,000 mobile home on somebody's holiday caravan site. I believe that needs to change, and that is why I have put forward my legislation. It is not just about preventing services from being delivered to people; it is more about ensuring that we have a fit regulatory regime for the twenty-first century. We just do not have that with a Bill that was developed in the 1950s and became law in 1960.

[144] **Christine Chapman:** Janet, do you want to come in?

[145] **Janet Finch-Saunders:** I will raise my point during the next part.

[146] **Christine Chapman:** As we are running short of time, although we will come back to all of these sections if we have time to do so, I want to move on to the residence test, because this is a particularly critical element. That is Part 3. Mike, do you want to come in on this part first?

[147] **Mike Hedges:** I will, but you threw me a bit there, Chair.

10:00

[148] **Jocelyn Davies:** Shall I start, because I have been looking at this section?

[149] **Christine Chapman:** Okay, yes.

[150] **Jocelyn Davies:** A number of documents would meet the requirement of the legislation. Do all the institutions mentioned there have to carry out a check that ensures that you live at the address that you give? I am registered with my GP in Newbridge. I could provide the site owner with that registration. I did not have to prove to my GP in Newbridge that I lived at the address that I gave; they just accepted it. So, which institutions from that list would definitely check that you lived at that address?

[151] **Darren Millar:** If you look at the residence test, it requires two documentary pieces of evidence to be provided to site owners that are available for inspection by local authorities on an annual basis to demonstrate that someone has a main residence elsewhere. It is not an onerous test; it just requires that things be copied and kept in a file and be available for inspection.

[152] The items listed in Schedule 2 at the back of my Bill are the same pieces of evidence that HMRC requires to demonstrate that someone has a main home somewhere. So, we felt it was appropriate to lift the Schedule and place it at the back of the Bill, so it is designed to fit in with the existing regimes, effectively, that people use to demonstrate that there is a main home elsewhere. However, I recognise—

[153] **Jocelyn Davies:** I can see why you have used it; I accept that. That is for inheritance tax purposes, and so on, so there would be ramifications for someone providing wrong information if something happened to them in terms of their tax. That is a different reason. Does anyone on that list have to check that you live at the address that you have supplied in order to give this information? I still have mail at an address that I have here in Cardiff 10 years on from some of these institutions for people who lived there before.

[154] **Darren Millar:** I appreciate that. That is why I have asked for two pieces of evidence to be provided. That is why I have asked for it to be updated on an annual basis, because I recognise that sometimes there might be a lag in people updating their records. However, I think the fact that the test is going to be revisited on an annual basis and has to be made available for inspection gives local authorities the opportunity to check with the organisations that have issued the documentation to see whether they are people who are still resident at those addresses. I accept that not every one of those organisations is going to send an inspector out to check that you are physically at an address.

[155] **Jocelyn Davies:** Why would you have to prove that you lived at another address? Forget the fact that you might not live at these addresses to get this information; we will put that to one side. Why would you have to prove to somebody by giving them this information unless they suspected that you did not?

[156] **Darren Millar:** It is because best practice in the industry is already requiring this sort of information to be provided. So, why would you not want to provide evidence that you did not have a main address anywhere else? If it is going to protect the visitor experience on a holiday caravan park and site owners are already doing it because they want to protect the visitor experience on their holiday caravan parks, then why not extend that best practice to the rest of the industry?

[157] **Jocelyn Davies:** This test would apply not only to those of us that own a caravan on a holiday site, but people who occupy it. For example, another member of my family that was using that van might have to provide this information if the site owner suspected that that person was living there.

[158] **Darren Millar:** Yes. If they are a longer term occupier and were expected to be in a holiday caravan for six weeks or longer, but only for six weeks or longer, then they would be required to pass the test or provide evidence that they were able to pass the test.

[159] **Jocelyn Davies:** What is so magic about this six-week period?

[160] **Darren Millar:** The six-week period gives an opportunity for people to be able to use holiday caravans during the six-week school holiday period. It was initially envisaged that the residence test would need to be met after a 28-day period, but, following the consultation and engagement that we had with the industry, it was suggested that that be extended to six weeks, which is why it is six weeks within the—

[161] **Jocelyn Davies:** Can you explain why it is so important that it is the school holidays? My youngest child is 23—it is a long time since they were in school; perhaps yours are at a different age. What is so magic about six weeks? You are saying that people cannot go on holiday for longer than six weeks.

[162] **Darren Millar:** No, there is no suggestion that people cannot occupy for longer than six weeks.

[163] **Jocelyn Davies:** They would have to provide this information.

[164] **Darren Millar:** No-one is trying to prevent people from being able to use their holiday caravans for holiday purposes—that is what the 1960 Act was designed to achieve. It did not envisage holiday caravans becoming attractive accommodation for longer periods than for holiday periods. However, the reason that we have six weeks in the Bill is, very simply, because that is what the industry requested.

[165] **Christine Chapman:** Okay, we will move on to Mike now.

[166] **Mike Hedges:** I have two questions, Chair. Have you looked at how the French deal with this? There are quite a lot of holiday caravans in France and quite a lot of people stay in them for several months. Have you looked at how the French deal with it?

[167] **Darren Millar:** I have not, but I am sure that the committee would like to visit France to explore that in more detail.

[168] **Mike Hedges:** I would prefer to find it out without visiting, actually. I will go on to my second question. You talk about proving residency, and, for most of us in this room who are council tax payers et cetera, there is no difficulty at all. However, if we go back to Jocelyn's 23-year-old son or daughter, if they happen to be living at home, how would they prove residency? Residency is very easy to prove when you are in our position, but what about somebody who is retired and has moved in with their children, which is not abnormal?

What if they owned a caravan for a number of years and decided that they wanted to keep the caravan but had sold their house and moved in with their children? That is not an unusual event, but how would they prove residency?

[169] **Darren Millar:** There is a whole suite of evidence that they could provide. They could provide evidence of general practitioner registration at the address; they could provide a copy of a mobile phone bill, given that an overwhelming majority of people have mobile phones these days; or they could provide a copy of their bank statements. Likewise, people who have moved in with their children will usually be in receipt of a pension; it is very easy for them to be able to provide a copy of a pension statement or other communication from the Department for Work and Pensions et cetera.

[170] **Mike Hedges:** However, any of those could be sent to an accommodation address. I would not have to be living there to have my bills sent there. In addition, as Jocelyn mentioned, I still get bills and letters for my stepdaughter who moved out five years ago. I am sure that other people have got children who—

[171] **Jocelyn Davies:** She is probably hoping that you will pay them. [*Laughter.*]

[172] **Mike Hedges:** Bills and letters still keep on coming to addresses well after people have moved out. Most people will have experience of that.

[173] **Darren Millar:** That is precisely why the residency test has to be applied on an annual basis in order that this can be checked again. Remember as well that there is a requirement in the Bill for a site owner, if he suspects that somebody who may have provided the documentary evidence is actually using the holiday caravan as his or her main home, to take action and report that matter to the local authority. So, regardless of whether the documents have been provided, if there is still suspicion that someone is using a holiday caravan as a main home, there is still a requirement for action by a site owner and, indeed, by a local authority once they have received a report. So, the residency test is something that is a marker, if you like; it is an indication, but it is not the only evidence that can be used to determine whether somebody is using a place as their main home or not.

[174] **Christine Chapman:** Okay, thanks. Mark, did you have a question on this?

[175] **Mark Isherwood:** Yes, if I may. I recognise the situation that you describe. Site owners tell me, for example, about parents asking their children to buy the caravans for them to then occupy, which is why the occupancy criteria apply. Denbighshire has produced an evidential basis for this because it is concerned about the scale of the problem. I have had casework from Conwy officers who say that they need new legislation to give them the enhanced duties and powers to intervene. I have also had casework from Flintshire, where residents of holiday caravans have asked for my help to get bus passes because they live in the caravans as their main residence, apart from going to Spain for a few weeks each year. So, I am surprised that Members do not recognise the scale of the problem. I have also seen the model agreement that the BH&HPA has produced, which I suggest that Members use because of the scale of the problem.

[176] You refer to the six-week definition. How would you incorporate bank holidays and weekend usage, and could that perhaps be considered on an extended term? Also, what is the evidential base for once-a-year residency tests, even if a caravan owner has not been using a caravan very often during that year, and what is the three-month requirement for proof of residency or residency test indicated in the draft Bill?

[177] **Darren Millar:** Okay, there are a few questions there. First of all, I appreciate that not everyone will have had significant experience of the holiday caravan industry, because

some people represent constituencies with precious few holiday caravan sites. You, Mark, are in an area where, of course, there are significant numbers of sites across the whole of the North Wales region, and it does not surprise me that you have been contacted in relation to your constituency case work, in the same way that I have.

[178] In terms of the six-week period, and the incorporation of bank holidays, the Bill provides it to be a six-calendar-week period. So, if that was over the summer period, and that incorporated bank holidays, then that would make absolutely no difference. The frequency with which people visit their holiday caravan is irrelevant for the purposes of the test, if they are the owner of the caravan. So, if they are the owner of the caravan, they are required to pass the test on an annual basis, regardless of the number of days that they might occupy the holiday caravan, or the length of the period of their occupation of the holiday caravan. The reason that there is a provision of three months to initially pass the test is that it is part of the bedding down of the new licensing regime. So, it gives three months for people to be able to provide the documentary evidence, because we recognise, of course, that it may well be that Ministers—if the Bill becomes law—decide to bring in certain parts of what, hopefully, will become an Act at different times of the year. Of course, if they choose a time of the year when holiday caravan parks are closed, you will need a bit of time to be able to gather the evidence from all of the people on your site. If you have a large site, it may take a while to be able to gather that evidence. So, it allows some flexibility for sites, and a period of grace by which they can collect the necessary information.

[179] **Mark Isherwood:** I can leave the finance questions to Peter, but I have one more question. The remedies that you detail relate to the caravan owners.

[180] **Darren Millar:** Yes.

[181] **Mark Isherwood:** Should there not be some remedies included against the site owner, if there is a high incidence of this? I know that Peter's Bill, for example, provided not only for mobile home parks, but also for parks that were split between mobile home usage and holiday park usage. So, there was some remedy to intervene with the site owner, where the incidence is frequent.

[182] **Darren Millar:** There are two potential avenues for enforcement in the Bill. The first is against caravan occupiers, where there is an opportunity to enforce against an occupier who is clearly using a holiday caravan park against the wishes of the site owner as their main home, which sometimes occurs. The other is an opportunity to take enforcement action against the site owner where they are clearly allowing the misuse of a holiday caravan to take place on their site. So, there are two opportunities to be able to deal with the misuse problem, via two different enforcement routes, and it is up to the local authority to determine which route it might want to take, according to the circumstances that might occur on a site. So, it is not that site owners are being let off the hook, in any way.

[183] **Mark Isherwood:** Okay, thank you.

[184] **Christine Chapman:** Before I bring Peter in, I would like to say that we have about a quarter of an hour left. Can I just remind Members that this is a scrutiny session, and I would like you to have some concise questions, so that we give Darren Millar the opportunity to answer those questions as fully as possible? Peter Black has the next questions.

[185] **Peter Black:** In the Bill, if an occupier has failed the residency test, the onus is on the local authority to serve the notice, and to pursue that particular occupier. Why is the local authority being asked to do the job of the site owner?

[186] **Darren Millar:** What I wanted to do here was to give site owners more strength to

their elbow to be able to deal with problems that might occur on their sites. So, during the development of the Bill, it became quite clear from the industry's perspective that they actually wanted the support of local authorities in dealing with residential misuse that might be taking place on their parks. That is why this provision for enforcement notices to be served against holiday caravan occupiers was incorporated within the Bill—it was essentially at the request of the two big industry bodies, namely the British Holiday and Home Park Association and the National Caravan Council.

[187] **Peter Black:** The service of a notice by a local authority is actually quite labour intensive, in that you have to give a period of time, you have to monitor it, and, of course, there is also provision in the Bill for appeal to the magistrates' court. So, from the point of view of the local authority, there will be a cost involved. Is there any provision in the Bill for the local authority to recover its costs as a part of this process?

10:15

[188] **Darren Millar:** The whole Bill is designed around the polluter pays principle, where it will be the rogue operators effectively that should be picking up the tabs, and those people who are misusing holiday caravans picking up the tab for the occupancy. So, there are opportunities within the Bill for fixed penalties to be charged, for example, which should be much more straightforward than having to take a matter all the way through to the magistrates' court.

[189] **Peter Black:** I understand that. In sections 49 to 53, which cover this particular part of it, you state that there is provision for a fixed penalty and provisions for a final appeal to the magistrates' court, but there is nothing in there about reclaiming costs.

[190] **Darren Millar:** I think that that is a matter for the courts to determine, is it not, Gareth? Can I pass you over to Gareth, in order to have some clarity on that?

[191] **Mr Howells:** The cost regime for recovering costs is in relation to the breach of a site condition. I think that there is a very thorough regime for that. If the local authority included a condition relating to residence, it could recover costs that way. There is nothing specifically there against the failure of the residence test notice itself.

[192] **Peter Black:** My final question is in relation to the costs. Basically, the figures provided in the explanatory memorandum estimate that the administrative cost of site owners meeting all of the requirements in relation to the Bill to give £100 per site in the first year specifically in relation to the residence test will be £75 per year from year 2 onwards. On what basis were those costs estimated?

[193] **Darren Millar:** The costs were developed largely in consultation with two local authorities with extensive experience of the holiday caravan industry. We contacted two north Wales local authorities to explore and probe with them how long it would take to undertake the duties that are required in the Bill, and we asked them to estimate costs with us. In fact, we were more conservative than the figures that were provided by those local authorities when we were estimating the cost. So, we actually overemphasised them in the Bill. However, I do think that the costs are very small, and I think that it is likely that, if that is going to improve and enhance the visitor experience, it is a price worth paying.

[194] **Peter Black:** In your consultation with local authorities, was there any concern about the cost of administering this Bill?

[195] **Darren Millar:** No. We did not have any significant concerns drawn to our attention. Local authorities were of course grateful for the opportunity to be able to recover some of the

costs associated with the inspection and enforcement, for which the Bill provides, of course, for the first time.

[196] **Peter Black:** I am surprised by that because they did express concern in my Bill. However, let us move on.

[197] **Christine Chapman:** We are running short on time. I want to move on to Parts 4 and 5. I ask you to be very concise. In some of these areas, I think that we may have to write to you, Darren. I then want to open it up for any short questions that Members have, as well as the questions that they have already asked. So, on Part 4, I think that Gwyn wanted to come in on this.

[198] **Gwyn R. Price:** Could you outline why the requirements in the Bill in relation to holiday caravan agreements are needed, given that there is already industry best practice for the agreements to be in writing in any case?

[199] **Darren Millar:** It is industry best practice for agreements to be in writing, but unfortunately not all parts of the industry use best practice. That is why, as I said earlier, the Bill is designed to put that best practice on a statutory footing effectively. As I said earlier, people in Wales today, as is the case in other parts of the UK, can still make a significant purchase with tens of thousands of pounds to have a holiday caravan on a site and not have to have a written agreement. So, Part 4 of the Bill, in terms of holiday caravan agreements, gives some protection to site owners and holiday caravan owners by requiring certain things to be incorporated within the written agreement. The particulars that we have included on the face of the Bill are those things that the holiday caravan industry already incorporates into the written agreements—the model licence agreements—that they produce for use among their membership. It is just to give some clarity to the agreements that are already in place.

[200] **Gwyn R. Price:** Would you buy a holiday caravan at all that expense without a written agreement?

[201] **Darren Millar:** There are many people who unfortunately do and come a cropper as a result, and have disputes with their holiday caravan parks as a result. Very often, it is a wink and a nudge exchange, a shake of hands with very little else. Unfortunately, that is a practice that occurs on many sites the length and breadth of the country and I believe that it is something that needs to be dealt with. That is what this Bill attempts to do through the requirement for written agreements in respect of holiday caravan sites in the future.

[202] **Christine Chapman:** I will bring Jenny in now on Part 5. I know that other Members want to come in on other aspects.

[203] **Jenny Rathbone:** I want to pick up on Part 4. Under section 56(3)(d) and (e), how would that address the issue that I certainly have among my constituents, where site owners are charging different rates for service charges to people receiving exactly the same service? A significant proportion of them are being charged compound interest, so it escalates every single year. Eventually, it will cost them £1 million and that appears to be quite legal. They are facing bankruptcy. I appreciate that, proactively, they have to be able to show these bills, which they are not doing at the moment, but, how could it tackle that equity, where people are paying the same money for the same service?

[204] **Darren Millar:** I am aware of the problems with some of your constituents. I am grateful to you for drawing them to my attention during the course of my work on the Bill. The issue here is that the terms and conditions could be different for different people in holiday caravans on different parts of an operator's site. What I am essentially trying to do is to make sure that both parties go into the agreements, when they purchase a holiday caravan

or pay for one to be sited on a pitch, with their eyes wide open, so that they understand the implications of the agreements that they are entering into. Hopefully, in doing that, it should help to resolve disputes and enable them to see the potential pitfalls within agreements upfront. One of the common complaints that have come in during the course of the development of the legislation is about commission arrangements, for example, upon the sale of a holiday caravan if someone decides to leave a site. It is a very similar sort of situation that was occurring that Peter Black's Bill attempted to deal with. So, without specifying what those commission arrangements should be within the Bill, I am simply saying that they ought to be specified upfront, so that people know about them and that attention is drawn to them when they receive their written agreement. In doing that, I am trying to ensure that people go into these agreements with their eyes open. There is not going to be anything that is going to stop an operator having a different agreement with one person on their site than they have with another. In order to improve the transparency around service charges and other fees, there are these requirements to provide information on things like utility bills and non-domestic rates, which should help people to be able to see, before they make that transaction to purchase a caravan or place it on a site, whether those fees are proportionate and in line with the sort of bills and information that is available for holiday caravan purchasers to be able to see.

[205] **Christine Chapman:** Jenny, do you want to move on to Part 5?

[206] **Jenny Rathbone:** Okay, moving on to Part 5, I wonder under what circumstances this clause would be used to try to prevent site owners from conducting a vendetta against a particular caravan owner who they decided they did not like. There is already the opportunity here for discrimination against some of the people you mentioned, like somebody who is in receipt of housing benefit or something like that. Can you describe how this clause would protect somebody who may well be unemployed at the time, but who still wishes to have a holiday in their caravan or in somebody else's caravan that they have been lent?

[207] **Darren Millar:** Essentially, this Part of my Bill is largely based on some of the provisions that were in the 2013 Act, which was developed by Peter Black. These provide an opportunity to guarantee that no-one would be harassed while wanting to enjoy the opportunity for a holiday in their holiday caravan. However, there might be examples that crop up if a holiday caravan agreement came to an end or if people had not paid their bill on time. There could be a potential dispute between the site owner and the holiday caravan owner that could give rise to incidents of harassment. In fact, again, through my own constituency casework and from information that came in during the course of developing the Bill, it appears to be quite clear that harassment is a problem on a number of holiday caravan parks in Wales. So, we felt it appropriate to put some protections from harassment on the face of the Bill to give some security to holiday caravaners that, when they come to Wales, they can expect not to be harassed by whoever the site owners might be.

[208] These provisions will have some safeguards. If, for example, a local authority has requested, as part of an enforcement against an occupier, that a site owner stop the services that are being provided to a holiday caravan, that will be permissible. However, generally, those things will not be permissible and would be deemed as harassment, if they took place without the local authority requesting that of a site owner.

[209] **Jenny Rathbone:** Okay. I can understand that if someone has not paid for the services, they should not be allowed to enjoy them. However, what about the harassment of somebody who did not fit in to the proposed culture of the site? For example, if it was under new management and they wanted to clear out people they thought were not appropriate or—

[210] **Darren Millar:** All holiday caravan sites will have site rules and things of that nature that they will want people who stay in holiday caravans to abide by, and they will form part of

the written agreements, which, of course, everyone will be aware of upfront when they become an occupier of a caravan. So, those sorts of situations ought not to arise. At least if they had written agreements, which not all sites give at the moment, it would give people an opportunity for redress if there was a problem with harassment relating to something that was not part of the site rules.

[211] **Christine Chapman:** Okay. We are coming up to the end of the session, but I have Janet and Rhodri to bring in. Are there any other Members who want to ask very short questions? We will be going over time. I see that Mark wants to come in. So, we have three Members with questions and then we will finish the session. Janet is first.

[212] **Janet Finch-Saunders:** Thanks. Good morning. I think it is fair to say—and I wonder whether you agree with me, Darren—that the Act that is in place currently is not working. You will be aware also of the cross-party task and finish group, of which I was a member, to do with transient numbers, where, you know, the fire, police—

[213] **Christine Chapman:** Janet, can you just ask a question because we are running short of time?

[214] **Janet Finch-Saunders:** Yes, I just want to give the preamble to the question. Basically, the emergency services and, indeed, our local authority were struggling to cope with what we believe were transient numbers. We did an extensive piece of work, which I hope and can see is feeding into your evidence base, and we were quite shocked really to find that the figures were that there were nigh on 4,000 people who were not actually sort of—

[215] **Christine Chapman:** Janet, can you come to a question because, obviously, we want Darren to answer questions?

[216] **Janet Finch-Saunders:** How do you feel that this new Bill will address those issues? And they are there. I felt today that there has been some negative questioning with regard to this. You have set out quite clearly the detail in the explanatory memorandum. There is the evidence to back it up. However, how do you feel, Darren, that this will certainly help in terms of the current Act that we have got that is not working, so that we can enhance the visitor experience and save local authorities from picking this up, where they are not aware of the true numbers living—actually residing—within their own areas?

[217] **Darren Millar:** The current Act—

[218] **Christine Chapman:** Darren, there is no need to repeat any—

[219] **Darren Millar:** The current Act is not working—

[220] **Janet Finch-Saunders:** With respect, Chair, this is the first question I have asked.

[221] **Darren Millar:** It is not working because there are absolutely no requirements for local authorities to inspect or enforce anything. In fact, there has been no enforcement action in the past five years, according to the survey that we undertook across the 22 local authorities in Wales, against any licence conditions on holiday caravan sites. Furthermore, the penalties in the current legislation are so small that, on many sites, the maximum penalty is less than the single pitch fee that might be charged in respect of a holiday caravan that is in breach in terms of residential misuse. So, that is why we need to refresh and update the current legislation.

10:30

[222] In addition to that, you mentioned the emergency services; there is absolutely no requirement at the moment for local authorities to consult with flood protection agencies like Natural Resources Wales when a licence application is made for a holiday park. The new regime will change that. We have all seen some of the devastating images of floods in holiday caravan parks and the damage that those can do to a site and how such events can undermine confidence in the holiday industry in certain parts of Wales, including in my own constituency and in west Wales. We want to avoid that if at all possible. That is why we need new licensing regimes—to take into account these new risks in the industry and to hopefully address them for the future and to safeguard that important visitor experience.

[223] **Christine Chapman:** Do you have any other questions, Janet?

[224] **Janet Finch-Saunders:** No, I think that Darren has answered that fine.

[225] **Rhodri Glyn Thomas:** Un o'r meini prawf ar gyfer unrhyw ddeddfwriaeth yw eich bod wedi gwneud asesiad llawn o unrhyw ganlyniadau anfwriadol a allai godi o'ch deddfwriaeth pe byddai'n cael ei basio. Wrth ymestyn y Bil o fod yn ymwneud â safleoedd parhaol ar gyfer carafannau i safleoedd ar gyfer carafannau symudol, rydych yn agor y drws i bob math o ganlyniadau anfwriadol. Hyd y gwelaf i, nid oes gennych dystiolaeth o gwbl—yr ydych wedi dweud eich hunan nad oes dystiolaeth fod unrhyw un yn defnyddio carafannau symudol ar gyfer eu preswylfa barhaol. Pa asesiad a ydych wedi'i wneud o effaith y Bil hwn ar y meysydd carafannau symudol?

Rhodri Glyn Thomas: One of the criteria for any legislation is that you have made a full assessment of any unintended consequences that could arise from your legislation if it were passed. In extending the Bill from dealing with permanent sites for caravans to sites for mobile caravans, you are opening the door to all kinds of unintended consequences. As far as I can see, you have no evidence at all—you have said yourself that there is no evidence that anyone is using mobile caravans as their permanent residence. What assessment have you made of the effect of this Bill on mobile caravan sites?

[226] **Darren Millar:** Touring caravan sites are obviously a big part of the tourism offer in Wales. As I said earlier, the accommodation provided by touring caravans now is in many ways better than the accommodation that was provided by static caravans in the 1960s and when the 1960 Act came into being. So, I want to ensure that there is no decantation of the problem of residential misuse into the touring caravan industry.

[227] **Rhodri Glyn Thomas:** That is not the question that I asked.

[228] **Darren Millar:** You asked about the unintended consequences for some of the mobile sites.

[229] **Rhodri Glyn Thomas:** Yes. So, have you made an assessment of the consequences to mobile caravan sites?

[230] **Darren Millar:** Yes, we looked at the consequences to touring caravan sites if that is what you are specifically asking about. I do not believe that this will have a huge negative impact on tourism caravan sites at all. As I said to you, I think that there is a danger that the problem with residential misuse will switch into the touring caravan industry, if we do not incorporate all of the registered sites into the new Act.

[231] **Rhodri Glyn Thomas:** With due respect, you do not have any evidence to back that up. That is an assumption that you are making. Let me give you two examples of unintended consequences—

[232] **Christine Chapman:** Can you make them very brief, Rhodri?

[233] **Rhodri Glyn Thomas:** Yes, I will give you two brief examples just to highlight how this Bill could have unintended consequences. A number of touring caravan sites offer the opportunity for owners to park their caravans there for the whole summer, which would be from Easter to September—way over your six weeks—so the Bill would impact on those. That is a major source of income to those owners. Have you discussed with the Caravan Club, how many of those site owners would consider closing the sites because they did not want to go through the whole process that you are putting on them in terms of administration?

[234] The second example is that most caravan sites have developed from situations, where, as Jenny said earlier, landowners and farmers have allowed a couple of caravans to park on their property during the summer, have found that it has worked well, and it has then developed into a caravan site. Have you discussed with the Caravan Club how your legislation may well stop people developing caravan sites in that way?

[235] **Darren Millar:** The provisions in my Bill—

[236] **Rhodri Glyn Thomas:** Have you had any discussions with the Caravan Club about these matters?

[237] **Darren Millar:** It has responded to my consultation.

[238] **Rhodri Glyn Thomas:** Was that on these issues?

[239] **Darren Millar:** It has responded to my consultation more generally and not in terms of specific engagement on that issue, and I am sure that it would be happy to give evidence to this committee during the course of its work. Just to make it clear, these are not onerous requirements. There is already a licensing regime for touring caravan sites, which people have to comply with. All that will change here is that, if somebody is in a situation, as you say, where they have a touring caravan on a site for a whole season, they will be required to have a written agreement and provide evidence that they have a main address elsewhere. It is no different from the practice that is already being undertaken on many sites across the country right now. So, I do not see that this is going to be a huge burden—the sort of huge burden that you describe—within the touring caravan industry. I really cannot see it. I think that the best operators are already giving written agreements and are already generally testing that someone has a main home elsewhere. I think it is important that we ensure that the touring caravan sites are incorporated within the new licensing regime as well as the static caravan sites, because the quality of the accommodation provided by touring caravan sites is easily as comfortable, if not more comfortable, than some of the accommodation within the static caravan industry over the past few decades.

[240] **Mark Isherwood:** What consideration have you given to the Unfair Contract Terms Act 1977, revised in the last decade to incorporate protections for caravan owners, and to the wider need for a burden of proof if a site owner is proposing to evict, or threatening to evict, a caravan owner on the basis of unsubstantiated allegations? Clearly, a rogue can have an incentive to do that—and I speak from personal experience—with no proof required. In my case, I went to a solicitor and the solicitor, even though he accepted that I had the proof to show that he was lying, found that there was legal remedy I could apply that proof test to.

[241] **Darren Millar:** This is not consumer protection law that I am proposing. It is a new licensing regime. Of course, there will be some benefits in terms of protections for consumers, because there is a requirement for written agreements between the two parties when somebody wants to site a caravan on somebody's holiday park. To that extent, there is going to be extra protection for consumers, but I have not, I am afraid, followed the more

detailed consumer protection side of things as far as the work that you referred to.

[242] **Mark Isherwood:** Should those agreements not include a requirement for a site owner proposing to take action up to eviction—and you have indicated that caravans can cost £100,000 or more—to look to have evidence or proof to substantiate the basis for that eviction?

[243] **Darren Millar:** Some of the protections from harassment might be able to help with that situation, but I would be very happy to provide a note to committee just to explain in a bit more detail how the opportunities for consumer protection might arise from the Bill.

[244] **Rhodri Glyn Thomas:** Chair, I think I too should declare an interest—I am the owner of a touring caravan and a member of the Caravan Club.

[245] **Christine Chapman:** We have now come to the end of the session. I know there were a few other questions, but we are going to write to you on that, Darren, if you are happy with that. Thank you for coming in this morning, and we will send you a transcript of the meeting to check for factual accuracy.

10:38

**Papurau i'w Nodi
Papers to Note**

[246] **Christine Chapman:** We have one other item before we close this part of the meeting. There is a paper to note.

10:39

**Cynnig o dan Reol Sefydlog 17.42 i Benderfynu Gwahardd y Cyhoedd o'r
Cyfarfod
Motion under Standing Order 17.42 to Resolve to Exclude the Public from the
Meeting**

[247] **Christine Chapman:** I move that

the committee resolves to exclude the public from the remainder of the meeting in accordance with Standing Order 17.42(vi).

[248] I see that Members are content.

*Derbyniwyd y cynnig.
Motion agreed.*

*Daeth rhan gyhoeddus y cyfarfod i ben am 10:39.
The public part of the meeting ended at 10:39.*