By: Mike Austerberry, Corporate Director, Enterprise and Environment

To: Gypsy and Traveller Advisory Board – 24 November 2011

Subject: RENTS ON KCC TRAVELLER SITES – FROM APRIL 2012

Classification: Unrestricted

Summary: An item on the new process for setting rents under the Mobile Homes

Act 1983, and the proposed rents for managed sites from April 2012.

Background

1. (1) In November 2010, and in keeping with increases in other charges in the Kent Adult Social Services Directorate, GTAB recommended an increase of 3.1% in site rents with effect from 1 April 2011, based on the increase in the Consumer Price Index (CPI) to September 2010, the reference point for welfare benefits increases.

- (2) Following a change in the law which applied a version of the Mobile Homes Act 1983 to all Traveller caravan and mobile home sites managed by councils, there is a different procedure for raising rents.
- (3) In general, rents cannot be raised more than once in any twelve-month period, and only by a maximum of the Retail Price Index (not the Consumer Price Index), unless there is a case by the landlord for pitch occupiers to contribute towards improvements which benefit the pitch they occupy.
- (4) There are no such major improvements to any of the sites which KCC manages, within the period back to April 2011.
- (5) Under the Mobile Homes Act, KCC has to contact each licensee at least 28 days before the date of proposed rent increase (1 April 2012) and let them know the proposed rent. The RPI which applies appears to be the one twelve months after the last review which was the September 2010 CPI.
- (6) Any pitch occupier may object to the proposed increase, but will at least have to pay the current rent while the objection is being resolved. If they do that, they will not be in arrears. Once any new rent is agreed, then the pitch occupier will be liable for the new rent from the change date, so that could include back rent to 1 April 2012.

Rents Currently Charged and Level of Increase from 1 April 2012

- 2. (1) Many of the current licensees on the sites are claimants, and therefore the rents are paid by Housing Benefit. Welfare benefits (including Housing Benefit) are now increased annually by the Consumer Price Index (CPI), and the rate of increase to September 2011 (which is the reference point for the April 2012 benefits rise) was 5.4%. For Gypsy and Traveller sites this is Housing Benefit. In light of all this, it is recommended that the current site rents are all increased by 5.4% from 2011.
- (2) These increases will enable the costs of managing and maintaining the sites to be more adequately covered by the income received.

(3) The above increases will produce the following new rents from 1 April 2012:

Aylesham Caravan Site Snowdown, Dover CT15 4LS	Existing New	£54.42 per week £57.00
Barnfield Park Caravan Site New Ash Green, Sevenoaks TN15 7LY	Existing New	£46.40 per week £48.50
Coldharbour Caravan Site	Existing	£42.27 per week
Old London Road, Aylesford ME20 7NZ	New	£44.50
Greenbridge Park	Existing	£53.90 per week
Vauxhall Road, Canterbury CT1 1YZ	New	£56.50
Heartenoak Caravan Site	Existing	£51.25per week
Heartenoak Road, Hawkhurst TN18 5EU	New	£54.00
Polhill Caravan Site	Existing	£43.30 per week
Dunton Green, Sevenoaks TN13 2TQ	New	£45.50
Three Lakes Park Castle Road, Sittingbourne ME10 3NL	Existing New	£50.72per week £53.00
Windmill Lane Caravan Site Windmill Lane, West Malling ME19 6PJ	Existing New	£52.31per week £55.00

3. (2) In addition to the above sites, the KCC Gypsy and Traveller Unit manage the two Maidstone Borough Council sites, at Stilebridge Lane, Marden and Water Lane, Ulcombe, under a management agreement. Consultation will take place with the Borough Council over the rents they plan to charge for 2012/13.

Recommendation

4. (1) Members are asked to endorse these new proposed rents being applied from 1 April 2012 and that pitch occupiers are advised of the proposed increases with the required 28 days notice in advance of that date, in conformity with the Mobile Homes Act 1983.

Bill Forrester Head of Gypsy and Traveller Unit

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Background papers: Mobile Homes Act 1983; ONS details of RPI and CPI levels.