



Department
of Energy &
Climate Change

Call for Evidence on Energy Issues Affecting Park Homes

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Introduction

The challenge for park homes

Park homes, as defined by the Department for Communities and Local Government (DCLG) are mobile homes occupied as permanent residences. At the last census (2011), almost 160,000 people were living in approximately 84,000 mobile homes across 2,000 sites in the UK. The existing evidence base shows that those living in park homes are often older, likely to be vulnerable to adverse weather conditions, and are more likely to live in rural areas and have lower than average incomes. Furthermore, the structures of the homes themselves are thermally inefficient and often rely on more expensive forms of heating, such as electricity or LPG. There is therefore a risk that park homes residents are more likely to be fuel poor. However, the existing evidence is not comprehensive enough to allow us to make fully-informed policy decisions.

DECC has introduced a number of policies to help consumers improve the efficiency of their homes, help mitigate the impact of fuel poverty and take advantage of low carbon electricity and heat from renewables. However, it is clear in some cases that those living in park homes have faced particular technical and financial challenges in taking advantage of these schemes. This call for evidence seeks to gain further information on park homes allowing us to better understand the key barriers that prevent park homes from benefitting from DECC's schemes. We are looking for both general information on the park home sector as well as specific information on how energy is bought and used in park homes.

Evidence we are seeking

The following sections outline the key topics we are looking to understand better through this call for evidence. We have included a number of questions for each section as a guide for the type of information we are seeking to collect. We do not, however, expect respondents to answer all questions and, equally would welcome information on other topics not mentioned that you think are relevant.

The nature of park homes in the UK

Although there are some sources of information on the nature of park homes in the UK, on many issues the current evidence base is both patchy in terms of coverage and, in many cases, out of date. The existing studies on park home residents only give us a broad sense of who they are, but provide little more than anecdotal evidence in relation to the thermal efficiency of their dwellings or their energy use preferences. Further, the confidence we can have in this evidence is weakened by the fact that little research has been conducted in recent years – all the sources we are aware of are between 3 and 12 years old.

The table below sets out the main available statistics on park homes and Mobile Homes (of which park homes are a sub-set), drawing on the 2011 Census and a 2002 study commissioned by the Office for the Deputy Prime Minister.

Table A1: Summary statistics on park homes and mobile homes

Census 2011		
	Total Number of Mobile Homes in the UK	Mobile Homes as a Percentage of all UK
Total number of people	160,000	0.3%
Total number of households	90,000	0.3%
Total number of dwellings	112,000	0.4%
Berkeley Hanover Consulting (2002) Study for the Office of the Deputy Prime Minister		
	Park Homes	All of the UK
Proportion of households that are elderly	48%	33%
Proportion of households with children	4%	29%
Average Monthly Incomes	£600	£1,800
Proportion of households with savings	81%	65%
Households with savings less than £1,500	45%	58%

So that we can better identify which policies are most relevant and how DECC action can be best targeted we are looking to fill some of the gaps in this information. We would therefore be grateful for information respondents can provide for the following questions:

Questions:

No.	Question
1	How many park home sites are there in the UK? What is the average number of park homes per site?
2	What proportion of mobile homes should be classified as Park Homes?
3	What is the average size of a park home, in terms of structure? (e.g. number of rooms, floor area).
4	What is the average lifespan of a park home?
5	What different types of occupancy can be held by residents (e.g. owner occupier, private rental)? Which are most common?
6	How has the geographic location of Park homes changed in Great Britain over the last 10 years?
7	How has the number of park homes and park home sites changed over the last 10 years?
8	What is the average income of park home residents compared with the rest of GB?
9	What proportion of this income is used on energy?
10	What are the demographics of residents e.g. age, benefit entitlement (such as cold weather payments), health circumstances, Household type (such as retired couple, single-retired, family, working age couple, single working age)
11	What is the average time spent living in a park home?
12	What attracts residents to park homes?

Energy supply and use in park homes

Energy suppliers provide the Warm Home Discount and will provide the forthcoming Government Electricity Rebate to customers via a direct reduction to electricity bills. It is therefore important for DECC to understand how park home residents source and pay for their energy. It is our understanding that in many cases sites are laid out as private estates with most of the infrastructure and services provided by owners. In this instance, it is likely that energy bills will be paid for through a single non-domestic account held by the site owner. Under those circumstances, the park home resident may have faced different costs from government policies than they would have done if there were defined as individual domestic properties. Furthermore, it makes electricity bill rebates (such as the GER) more difficult to deliver.

Gas and park homes

The information DECC has suggests that park homes are not usually connected to mains gas. Residents typically use Liquid Petroleum Gas (LPG) for heating and cooking. The supply of

LPG to domestic customers can be supplied as bulk or bottled LPG. This costs approximately twice as much as mains gas, and can be sold through the site owner. Unlike the electricity and gas markets, the LPG market is not regulated and the maximum resale price rules which apply to gas and electricity do not apply to the resale of LPG.

Electricity and park homes

The information DECC has suggests that most park homes do not have their own individual electricity meter. Rather there is generally one main electricity meter for the entire park home site for which the site operator/owner takes responsibility for apportioning a park home resident's individual share of an electricity bill. The residents individually pay the site operator, who in turn pays the one complete bill for the entire park. There is no direct contractual relationship between the energy supplier and individual park home residents. Even if a resident does have a meter outside their property, it is often installed by the site owner and simply acts as a means to calculate the resident's liability to the site owner for his or her share of the site energy bill, rather than as the basis for an individual bill from the energy company.

We are therefore looking for evidence to back up the anecdotal evidence set out above. We would be grateful for information respondents can provide in response to the following questions

Fuel supply questions

No	Question
13	What is the proportional breakdown of fuel usage by park home residents? How much of each fuel is used?
14	What is average fuel consumption of a park home (in kWh)? What is average fuel consumption to adequately heat a park home (in kWh)?
15	How do park home residents access energy supplies?
16	How is energy resold to park home residents?
17	What is the average energy bill of park home sites? Or what are the average fuel costs of park home residents?
18	What is the level of competition in supply – To what degree are the energy supply tariffs offered to park home residents competitive? Is this situation changing?
19	What drivers impact the usage or under-usage of energy in park homes?
20	Are business rates that park home owners have to pay more favourable than domestic rates?

Energy Efficiency

In addition to the challenges presented by the fuel supply arrangements outlined above, there is also evidence that park homes are often poorly insulated, and it has been traditionally difficult

Evidence we are seeking

for residents to be able to access support to improve the energy efficiency of their homes. Most park homes are solid wall properties and installing solid wall insulation is an expensive energy efficiency measure. Furthermore, as the energy use of park homes is likely to be lower than the average home, the savings from solid wall insulation are also proportionately lower. Therefore, whilst park homes are eligible for support under the Energy Company Obligation, it tends to be less cost-effective to install measures in them than in conventional houses.

We are therefore looking to build up a better picture of the energy efficiency of park homes and the barriers to the installation of measures.

Energy efficiency questions:

No	Question
21	How energy efficient is the current stock of park homes?
22	What are the barriers to uptake of energy efficiency measures in park homes? <ul style="list-style-type: none">- E.g. propensity to move homes frequently, unaware of available support, not eligible for current support, cost effectiveness, financial barriers, tenure (e.g. renting makes it difficult to carry out any works?), etc.
23	How easy is it to improve the energy efficiency of park homes?
24	How frequently is the park home housing stock upgraded?
25	What types of energy efficiency measures would provide the greatest economic benefit for park homes?

Park homes and DECC's policies

The following is a brief outline of DECC's policies and how they currently apply to park homes

Warm Home Discount

- The Warm Home Discount provides direct energy bill support to over 2 million low income and vulnerable households each year. The policy contributes to both the Government's fuel poverty objectives and also helps to address broader distributional concerns across low income households as a consequence of energy price rises and the impact of energy and climate change policies funded through bills.
- However, the eligibility criteria for the scheme require that the person in receipt of the qualifying benefit is named on the electricity account. Therefore, those park homes owners who pay electricity costs are not currently eligible. DECC is currently considering the potential for alternative approaches to allow those in park homes to claim the Warm Home Discount.

Government Electricity Rebate

- The Government Electricity Rebate (GER) will be a £12 Government contribution to help reduce the impacts of Government environmental and social policy costs on consumer energy bills. This will be delivered in autumn 2014 and 2015. The GER is part of a package of measures announced as part of the autumn statement in 2013 to deliver a £50 reduction on bills per household. All domestic customers of licenced electricity suppliers with an electricity contract are eligible and will be provided with the rebate by their supplier.
- Similarly to the WHD, customers who do not have a domestic electricity account will not be eligible in the first year of the scheme. Some customers who may consider themselves to be domestic, but do not have a relationship with a domestic supplier, will not receive the rebate in 2014. For example, this would include park home residents. A robust delivery framework is not currently available. DECC will need to consider how we could potentially offer the rebate to park homes customers in 2015/16.

Energy Company Obligation

- The Energy Company Obligation (ECO) is an obligation on energy suppliers to install insulation and heating measures in domestic properties. Under the scheme, suppliers are required to install measures in low income households, including those in rural areas.
- Park homes are eligible for the ECO and solid wall insulation has been installed since the scheme launched. However, due to the nature of the properties the installation of measures in park homes is less likely to be cost-effective than in conventional houses.

Feed in Tariffs

- The Feed-In Tariffs (FITs) scheme was introduced on 1 April 2010 as a financial support scheme for eligible low-carbon electricity technologies aimed at small-scale installations, up to a maximum capacity of 5 megawatts.
- Park homes have traditionally not been able to access the scheme because they were not able to obtain an EPC. However, the changes outlined above mean that they are now eligible for the scheme. Despite this, the off-grid nature of park homes means that park homes are eligible for only the generation tariff and not the export tariff. To date few park home residents have applied for FITs as the technologies do not offer an attractive return on investment.

Renewable Heat Incentive

- The RHI provides long-term financial support to encourage the uptake of renewable heat. The domestic scheme provides a guaranteed tariff for each unit of renewable heat generated over a period of 7 years.
- As with FITs and ECO, park homes have traditionally not been able to access the scheme because they were not able to obtain an EPC. However, the changes outlined above mean that they are now eligible for the scheme. However, other barriers remain, such as high costs and relatively low energy use that is likely to make the scheme less attractive to residents of park homes.

Evidence we are seeking

We are therefore using this evidence gathering exercise to assist in overcoming some of the barriers outlined above. However, we are keen to know if additional barriers exist that we should be looking to address as part of this work.

Questions:

No	Question
25	Do you have any evidence on the levels of take-up of DECC's policies in park homes?
26	Are there any additional challenges faced by park home residents in accessing the above policies?

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