

FIRST-TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case reference	:	BIR/00CU/PHI/2023/0053
Property	:	32 Valley View Park, Chapel Lane, Alveley, Bridgnorth WV15 6JH
Applicant	:	Flannigan Estates Ltd
Representative	:	LSL Solicitors
Respondent	:	Mr T & Mrs L Bull
Representative	:	None
Type of application	:	Application by site owner for determination of new level of pitch fee
Tribunal member	:	Judge C Goodall Mr N Wint FRICS
Date and place of hearing	:	Hearing by video on 17 April 2024
Date of decision	:	26 April 2024

## DECISION

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# Background

- 1. Mr & Mrs Bull ("the Respondents") purchased a mobile home in 2021 and agreed terms with Flannigan Estates Ltd ("the Applicant) for the placing of the mobile home on the pitch at Valley View Park which is known as No. 32.
- 2. The contract, or written statement, started on 27 September 2021. It provides for payment of a pitch fee of £3,000.00 per annum, or £250.00 per month. There is an express term that the pitch fee would be reviewed on 1 January in each year.
- 3. It appears that the pitch fee did not change on 1 January 2022, but on 30 November 2022, the Applicant served notice of a pitch fee increase from 1 January 2023 from £250.00 per month to £285.50 per month. The notice was in the prescribed form required by the Mobile Homes (Pitch Fees) (Prescribed Form) Regulations 2013. That increase was based on the inflation rate measured by the percentage increase in the Retail Prices Index published in October 2022, of 14.2%.
- 4. The Respondents did not agree to pay the increased pitch fee. Accordingly, on 24 March 2023, the Applicant applied to this Tribunal for the new pitch fee to be determined. Directions were issued and complied with. Statements of case were provided by both parties.
- 5. In the morning of 17 April 2024, the Tribunal inspected Valley View Mobile Home Park and pitch No. 32 in particular, and then in the afternoon conducted a video hearing (requested by the Respondents) of the application. Mr Payne of LSL Solicitors represented the Applicant. No witnesses for the Applicant attended. Mr & Mrs Bull both attended.
- 6. In the paragraphs below we set out the legal principles to be applied to our determination, our assessment of the facts and evidence submitted by the parties, our decision, and the reasons for reaching it.

### Inspection

- 7. Valley View Mobile Home Park is situated in the Shropshire countryside, surrounded by fields and a woodland area. Immediately at the entrance to the Park there is a car parking area which would accommodate 8 10 cars easily and a few more with tight parking arrangements.
- 8. On the right hand side immediately before entering the Park there is a walkway through an old sandstone cutting. The walkway is blocked after around 2-300m.
- 9. There were two former industrial items which had been discarded along the side of the walkway. Some way along the walkway, but out of sight, some rubbish has been tipped. We were informed that the land on which it was tipped is owned by the Applicant.

- 10. The Park itself is laid out around an oval shaped single track roadway. At the time of our inspection, there were some 16 or 17 mobile homes in situ and appearing to be occupied, with pitches for around double that number. The Respondent has additional land in adjoining fields and told us that the plan is for a Park comprising some 129 pitches eventually.
- 11. The Park had, we were told, been a caravan park for some years, but in around 2021 the current owners cleared all old mobile homes and commenced complete redevelopment of the Park. The Respondents were early purchasers of the right to pitch their mobile home on the Park.
- 12. On entering the Park, the road bends initially to the left. No 32 is located on the left hand side of the road some three pitches down the road, with a rear boundary abutting the boundary of the Park. It has a parking space to the left hand side when viewed from the road, with access to a front door. On the right hand side of the mobile home, there is a small recreational area. At one point there had been a shed on that side, but it had been moved across to the other side of the pitch. In its place there was a small paved area and a small patch of artificial lawn. There is a gate allowing access to the rear of the pitch. Immediately behind the pitch, the land slopes fairly sharply downhill. The boundary is marked by a wooden fence secured by concrete posts and a concrete bottom board.
- 13. It was apparent that the fence had moved slightly away from true. The boundary fence of the pitch to the south of pitch 32 appeared also now not to be straight, Mr Bull suggesting that the land adjoining was subsiding down the slope.
- 14. The paved area referred to had some cracked tiles, though we were not able to ascertain the reason for the cracking.
- 15. In this case, the condition of the concrete base for pitch 32 is in issue. At the inspection, the rear right hand corner of the concrete base of pitch 32 was inaccessible as a brick skirt obscured access. There was no apparent defect in the skirt and render finish to the side of the mobile home.
- 16. On the date of our inspection, the Park was clean and tidy, and the road was in good condition.

### Law

- 17. The Mobile Homes Act 1983 (as amended) ("the Act") provides in section 2(1) that terms are implied into every agreement for the renting of a pitch on a protected site, being the terms as set out in Part 1 of Schedule 1 of that Act.
- 18. Paragraphs 16 to 20 and paragraph 25A of Part 1 of Schedule 1 to the Act provide a regime that governs pitch fee increases. The wording of those paragraphs is set out in the Appendix to this decision.
- 19. The key components of that regime, as they apply to this case are:

- a. The pitch fee can only be increased once a year;
- b. A site owner initiates a pitch fee increase by serving a notice that must be in a specific form, giving details (amongst other things) of the pitch to which the increase relates, the current pitch fee and the proposed new pitch fee, showing how it has been calculated;
- c. If the pitch occupiers do not agree to the proposed increase, it does not take effect unless the site owner applies to this tribunal to determine the new pitch fee;
- d. The tribunal must agree that it is reasonable for the pitch fee to be changed, and must determine the amount of the new pitch fee;
- e. There is a presumption that, unless it would be unreasonable, the new pitch fee shall increase by the increase in the retail prices index published by the Government. For pitch fee increases proposed after 2 July 2023, the consumer prices index must be used instead.
- f. There are factors to which a tribunal must have particular regard when determining a new pitch fee, which are contained in paragraph 18 of the implied terms. Paragraph 19 contains a list of matters which should not be taken into account. The most significant factors mentioned which might be applicable to this case in the light of the Respondents arguments are:
  - i. Deterioration in the condition of the site;
  - ii. Reduction in the services provided or a reduction in their quality;
- *20.* The Tribunal is not restricted to consideration only of the matters to which it must have "particular regard" under implied terms paragraph 18. It is possible for another factor to apply which could displace the presumption. But any such 'other factor' has to be one to which considerable weight should attach. A factor that is of equal weight to the presumption would not be adequate. Reasonableness has to be determined in the context of the statutory provisions relating to pitch fee increases.
- 21. But the starting point for any pitch fee review is the presumption in favour of an annual increase by RPI (or CPI from 2 July 2023). An inflation increase will therefore normally be justified, unless displaced by a paragraph 18 factor, or there is some other important factor that affects the reasonableness of the proposed increase (see *Britaniacrest Ltd v Bamborough* [2016] UKUT 0144 (LC), *Vyse v Wyldecrest Parks* (*Management*) *Limited* [2017] UKUT 0024 (LC), *Wyldecrest Parks* (*Management*) *Limited v Kenyon* [2017] UKUT 0028 (LC), and *Wickland* (*Holdings*) *Limited v Esterhuyse* [2023] UKUT 147 (LC) ("*Wickland*").

### The Respondents' objection to the pitch fee increase

- 22. The Respondents first moved to the Park in September 2021, when there were only four mobile homes stationed on pitches. During their occupation therefore, the Park has been developing.
- 23. In their statement of response to the application, the Respondents have raised the following reasons for objecting to the pitch fee increase (which are summarised below):
  - a. There have been no improvements to the Park which justify an increase;
  - b. An increase of 14.2% is far too high and unaffordable;
  - c. Other pitch occupiers will have different pitch fees depending on when they moved onto the Park, which is unfair. According to the Respondents, potential new occupiers are being offered pitches as at October 2023 at £250 per month, lower than the pitch fee the Applicant is expecting the Respondents to pay;
  - d. Property boundaries are not adequately delineated;
  - e. No notification of works on the Park have been given to the occupiers;
  - f. There is constant work on the Park, including moving of machinery which is disruptive and disturbs the peace and tranquillity of the Park;
  - g. Contractors on site play radios at high volume;
  - h. The ongoing development of the park will be very disruptive, potentially for many years;
  - i. The written statement and park rules were not supplied to the Respondents prior to their signing for the pitch;
  - j. The cost of water and sewage is not included within the pitch fee, contrary to an assurance given by the Applicant's salesperson;
  - k. The road serving the Park was in a poor condition until February 2023, including screws and nails dropped onto the road causing the Respondents to have to pay for two new tyres and replacement front stabilisers;
  - 1. The Park had building materials and debris scattered around causing a health and safety risk to visitors and occupiers during periods of high winds;
  - m. There is no on-site manager, and attempts to contact the site manager are often fruitless;

- n. The Applicant does not reply to letters except orally. The Applicant's customer service is poor;
- o. A walkway to the river which was promised when the Respondents purchased their home has not been provided;
- p. There is no communal facility at the Park, contrary to a promise made on purchase;
- q. A bungalow that the Respondents understood would be a communal facility is occupied by a young family, in breach of a rule that occupiers must be over 50;
- r. In March 2022, the Respondents noticed a crack to the brick skirt of their home on the southeastern corner. Investigation revealed a crack to the concrete base in that corner. In addition, the Respondents noticed some subsidence of the land towards the slope at the rear resulting in movement of fence posts and cracking of their paved area;
- s. The current pitch fee of £250.00 per month (before the increase) is the highest pitch fee in the area;
- 24. In the light of the matters raised, the Respondents' did not consider it to be reasonable for there to be a pitch fee increase.
- 25. At the hearing, the Respondents concentrated on four of their complaints about the Park, being:
  - a. The condition of the concrete base for their pitch (para 23r above);
  - b. The condition of the common areas (paras 23f, g, h, and o);
  - c. A lack of speed signs to the road and lack of fencing to a small lake (not seen at the inspection), these issues exposing visitors and occupiers to a health and safety risk (new point);
  - d. The condition of the road (paras 23k and l).
- 26. Concerning the crack in the concrete base, the Respondents had provided some photographs of the exposed base taken in June 2023. There is an evident crack spanning the corner of the base showing damage to the south eastern corner of the base roughly shaped like an isosceles triangle, with the two equal sides of the triangle being in the region of 1m in length. The photo shows a metal jack and a strengthened wooden supporting strut in an L shape. The metal jack is wholly on the sound part of the base, and the wooden support is largely on that sound base.
- 27. Mr Bull's evidence was that he raised the problem with the base by letter dated 17 August 2022 to the Applicant. He did not receive a response, but his letter confirmed that he had already asked one of the Applicant's site

workers (Wilf) about the crack. Wilf reassured him that the home was securely on the supporting jacks.

- 28. On notification of this application, the Respondents wrote to the Applicants on 3 April 2023. The condition of the concrete base was again raised, amongst other issues. The Applicants solicitors replied to the letter as appears below.
- 29. Mr Bull raised the issue again in an email dated 21 July 2023. He said that earlier that year, as a result of a crack in the render in the south eastern corner of the home, one of the Applicant's personnel had exposed the cracked area which revealed a crack with an opening of c20mm. Mr Bull had checked the crack again to find that the size of the crack had increased to 40mm. He said the issue needed urgent attention.
- 30. Mr Flannigan inspected the crack on 22 July 2023. In an email dated 1 August 2023, the Applicant confirmed that their brick layer would repair the crack either within the next three weeks before his booked holiday, or afterwards when he returned. The email stated that the crack was minor and would not affect the home.
- 31. The Respondents were on holiday in October 2023, but noticed from viewing images from their security camera from abroad that work was being undertaken on their pitch of which they had not been notified. The Applicant responded to confirm that the work being undertaken was work to repair the crack which had previously been notified to the Respondents in the email if 1 August, though it may be that additional works to the fence posts was also undertaken at that time.
- 32. At the hearing, the Respondents acknowledged that the work to repair the crack appeared to have been successful. They had no continuing issue regarding the concrete base.
- 33. So far as the car park is concerned, the Respondents simply stressed that the car park was not big enough. Their understanding is that the car park was for residents.
- 34. Regarding signs and protection from danger of falling into the lake, the Respondents case was that the Park was not safe without these basic protections.
- 35. In relation to the road, Mr Bull confirmed that on their arrival in September 2021 the road surface had been adequate because a layer of MOT had been laid. However he felt that from around August 2022, the surface had deteriorated. He drew the Tribunal's attention to photographs showing the condition of the road in December 2022 and January 2023. It is apparent that there are some potholes in the road surface. He accepted that the road had been resurfaced in February 2023.

### The Applicant's position

- 36. The Applicant had provided a statement in response to the Respondent's statement. The Applicant's case was essentially that the Respondents' concerns about the Park were not concerns that could constitute grounds for refusing a pitch fee increase. We will say no more about this point now as it is one we consider below under the heading "Discussion".
- 37. However, it is important to record the Applicant's position on the claim that the damaged concrete base to the pitch should affect the reasonableness of the pitch fee increase.
- 38. The Applicant's case on this point is:
  - a. It accepts that it has responsibility for the condition of the concrete base;
  - b. LSL solicitors had explained the Applicants position on the concrete base in their letter to the Respondents dated 18 April 2023, in which they had said:

"In relation to the base upon which your home rests, we are instructed that there was a hairline crack which has now been resolved. Such cracks are not unusual in a newly laid slab. If the problem still exists, we would be grateful if you could send us photographs and any report that you have commissioned.

If there is indeed a problem with the base that needs action, then our client will arrange for any additional repairs that are necessary. We will also ask our client to look at the general question of the settlement of the land after work has been undertaken."

- c. Consistent with that reply, the Applicant contends that the corner of the base affected does not carry any load, so has little or no impact upon the home and does not represent significant deterioration of the pitch. The chassis of the home is sufficient to carry the load on the existing base.
- d. The damage arose because a bucket from a machine used on site accidentally came into contact with the base some time ago and caused the damage. That damage was not significant and was more of a cosmetic than a structural issue.
- 39. When the issue was again drawn to the attention of the Applicant in July 2023, the Applicant carried out remedial work to repair the crack. A photograph is exhibited to the Applicant's response showing that the equilateral triangle area has been removed, metal strengthening bars have been inserted into the remaining concrete base and some strengthening mesh has also been incorporated into the corner. We find that the problem of the crack in the southeastern corner of the base has now been resolved.

40. The Applicant's statement also acknowledges that there is some subsidence at the rear of pitch 32. It claims that some settlement is to be expected especially where substantial earthworks have been carried out.

#### Discussion

- 41. In making our determination in this case, we remind ourselves that:
  - a. We must be satisfied that it is reasonable for the pitch fee to be increased;
  - b. We must have particular regard to the matters set out in paragraphs 1(a), 1(aa), 1(ab), and 1(ba) in paragraph 18 of Part 1 of Schedule 1 of the Act;
  - c. But in the context of this case, factors 1(a) and 1(ba) have not been raised;
  - d. We may also have regard to any other factor to which considerable weight should attach;
  - e. There is a presumption that an RPI increase should be allowed unless it is unreasonable to do so.
- 42. At the hearing, the Tribunal was asked by Mrs Bull to explain what constituted a "weighty matter". The Tribunal declined that invitation at the time. But it is a fair question. The authoritative answer lies in the cases referred to above in paragraph 21. Seeking to apply the principles from those cases, our view is that a weighty matter which restricts a pitch fee increase is likely to be a matter that arises because of some form of significant failure on the part of the site owner to comply with its legal obligations, which results in loss, damage or substantial inconvenience to the pitch occupier. We should stress that our view is not binding on any other First-tier Tribunal, which may take a different view, and all cases must be considered individually on their own distinct facts. We have sought to apply our understanding in this case.
- 43. Looking at the Respondents' reasons for objecting to the increase in pitch fee, we consider:
  - a. (Para 23a above) The question of whether there have been any improvements to the Park is not relevant to the question we are addressing. The presumption of a pitch fee increase is not dependent upon improvements being made. Improvements might justify an increase <u>above</u> inflation, but that is not the Applicants case here;
  - b. (Para 23b above) The proposed increase is the rate set by statute and is not one that the Tribunal can vary. Affordability is not a statutory criteria that we can take into account;

- c. (Para 23c above) Agreed pitch fees arise through commercial negotiations and are under no initial or ongoing statutory control (apart from control on the rate of annual increase). There is no legal basis for the proposition that all pitch occupiers should pay the same rate;
- d. (Para 23d above) This issue was not pursued by the Respondents at the hearing. On page 5 of the Written Statement supplied to the Tribunal, there is a plan with dimensions of the pitch. At the inspection, the Respondents pitch appeared to be adequately marked out;
- e. (Para 23e above) It will have been obvious to the Respondents on their arrival at the Park that it was to be developed in the months and years ahead. No reference was made by the Respondents to any contractual term requiring notification of works, but even if there is such a term, we consider that notice of further development works must be implied by the very condition of the Park;
- f. (Paras 23f, g, and h above) The Park is being developed. It is highly likely that there will be ongoing disruption. Ultimately, this will be for the benefit of all occupiers of the Park as well as the Applicants. In our view this activity has not resulted in a deterioration in the condition or a decrease in the amenity of the Park, nor in a reduction in the services or the quality of them. Neither is it a weighty matter that we should take into account;
- g. (Paras 23i, j, m, o, p, and q above) All of these issues are essentially allegations of a breach of contract or misrepresentation on the part of the Applicant concerning the fulfilment or otherwise of the promises the Respondents say they were made when they entered into their agreement with the Applicant. The Tribunal agrees with the Applicant, which submitted in its response that these questions were matters which should have been pursued under section 4 of the Act or (in the Tribunals view) by a contractual claim for breach of contract or misrepresentation. We do not accept that these issues fall within paragraph 18(1) of the implied terms, nor that they together constitute weighty matters we should have regard to when considering a pitch fee review;
- h. (Paras 23k and l above) We agree that on the balance of probabilities the road had deteriorated in December 2022 and January 2023 so that it was less easy to navigate than it had been when the Respondents moved onto the Park. We select those dates because there is photographic evidence of the road condition in those months clearly showing the existence of pot holes.
- i. However there is no evidence that the road was not passable, and we note that the Respondents only use a small section of the road from the entrance to the Park to their pitch. The photographs do not

appear to be of the road outside or leading up to their pitch. We consider that some element of deterioration was only to be expected as the Park was being developed and regular traffic use was highly likely. We also note that the Applicant resurfaced the road in February 2023, so any inconvenience was likely to be short lived;

- j. (Para 23n above) We do not consider that answering letters falls within the category of services to the site, or is an issue that can impact a determination of whether it would be unreasonable to permit a pitch fee increase;
- k. (Para 23r above) The crack to the Respondents' concrete base is an issue that might affect a pitch fee review for it goes to the core of whether the Applicant has complied with its contractual obligations to provide a pitch that is fit for use;
- 1. In *Wickland*, a pitch owner on a mobile home site complained that her mobile home was moving and shifting and not level because of cracks to the concrete base. The base had been repaired by the gardener, but the local authority investigated and issued a notice requiring the site owner to employ a fully qualified structural engineer to inspect the hardstanding thoroughly and to carry out works to guarantee the structural integrity of the hardstanding. By the time of the pitch fee review, this work had not been carried out, and the First-tier Tribunal decided it would not be reasonable to increase the pitch fee. Their decision was upheld by the Upper Tribunal;
- m. This is an example of the type of situation where a "weighty matter" arises which is so serious that it displaces the presumption in favour of allowing the pitch fee review.
- n. This case does not bind this Tribunal as we have to decide this case on the basis of the facts and evidence we hear. In this case, there is no evidence that the crack in the concrete base had any impact upon the stability and amenity of the Respondents mobile home. Indeed, the photographic evidence supports the Applicant's view that the weight bearing part of the base on which the mobile home was stationed was not affected by the crack in November 2022, and we so find. And of course, the Applicant accepted responsibility (in July 2023) and repaired the crack (in October 2023) at the point that there was some evidence that it was a potentially increasing problem, as the gap was widening (see para 29 above).
- o. We therefore find that at the date of service of the notice of increase of the pitch fee, there was no evidence that the crack was anything other than cosmetic, nor that it had any impact upon the amenity of the Respondents home. We do not consider that the existence of the crack is a sufficiently weighty matter to displace the presumption in favour of a pitch fee increase.

- p. (Para 23s above) Other pitch fee increases in the area are the result of market forces and contractual negotiations and can have no impact upon our decision.
- 44. As will be apparent from the discussion above, in our view, none of the issues raised by the Respondents are sufficient to displace the statutory presumption that the Applicant is entitled to an inflation based pitch fee increase upon compliance with the correct procedures. We are satisfied that the Applicant has established that it is entitled to the pitch fee increase set out in its notice dated 20 November 2022.
- 45. We do need to add that, in our view, the Respondents' approach to this case has been to identify minor quibbles they have about the Applicant and the Park and ask the Tribunal not to allow the pitch fee increase because of those quibbles. Their approach indicates to us that they have not fully understood the question that the Tribunal has to address on a pitch fee case. Our role is not to adjudicate all disputes or matters of concern. We can only deny the Applicant its pitch fee increase if there are matters we are permitted to take into account, which must fall within the provisions of paragraph 18 of the Implied Terms, or be matters which should be given serious weight. Otherwise, the presumption in favour of allowing an inflation linked pitch fee increase will apply. We hope that this comment might assist the Respondents if they consider objecting to inflation based increases in pitch fees in the future.

### Decision

46. We determine that the pitch fee for 32 Valley View as from 1 January 2023 is £285.50 per month.

### Fees

- 47. Mr Payne invited the Tribunal, in the event that it found for his client, to order reimbursement by the Respondents of the application fee of  $\pounds$ 100.00 and the hearing fee of  $\pounds$ 200.00. The Tribunal has discretion to do so.
- 48. The Respondents have failed to obtain the result they wished, and our view is that we should consider whether to make a fee order. There is an argument that we should order reimbursement of the whole fee.
- 49. However, we do not make an order for full reimbursement of the fees to the Applicant, partly because there is some evidence of some lack of communication or response by the Applicant to the Respondents' communications, but also because we do understand that the Respondents have not pursued this process before and in our view (see paragraph 45 above) have not fully appreciated the task they have to fulfil in order to succeed.
- 50. Nevertheless, it would not be fair for the Applicant to have to bear all the fees, particularly as it did not wish for there to be a hearing. Accordingly,

we order that the Respondents must reimburse £150.00 to the Applicant in respect of Tribunal fees. This order means that the fees are split equally between the parties. If the Respondents do not pay, the Applicant has a right (after allowing a reasonable time to pay) to enforce this order in the County Court.

## Appeal

51. Any appeal against this decision must be made to the Upper Tribunal (Lands Chamber). Prior to making such an appeal the party appealing must apply, in writing, to this Tribunal for permission to appeal within 28 days of the date of issue of this decision (or, if applicable, within 28 days of any decision on a review or application to set aside) identifying the decision to which the appeal relates, stating the grounds on which that party intends to rely in the appeal, and stating the result sought by the party making the application.

Judge C Goodall First-tier Tribunal (Property Chamber)

## **APPENDIX**

## Paragraphs 16 – 20 and paragraph 25A of Part 1 of Schedule 1 to the Mobile Homes Act 1983 (as amended)

### The pitch fee

16

The pitch fee can only be changed in accordance with paragraph 17, either

(a) with the agreement of the occupier, or

(b) if the appropriate judicial body, on the application of the owner or the occupier, considers it reasonable for the pitch fee to be changed and makes an order determining the amount of the new pitch fee.

17

(1) The pitch fee shall be reviewed annually as at the review date.

(2) At least 28 clear days before the review date the owner shall serve on the occupier a written notice setting out his proposals in respect of the new pitch fee.

(2A) A notice under sub-paragraph (2) which proposes an increase in the pitch fee is of no effect unless it is accompanied by a document which complies with paragraph 25A.

(3) If the occupier agrees to the proposed new pitch fee, it shall be payable as from the review date.

(4) If the occupier does not agree to the proposed new pitch fee-

(a) the owner or in the case of a protected site in England, the occupier may apply to the appropriate judicial body for an order under paragraph 16(b) determining the amount of the new pitch fee;

(b) the occupier shall continue to pay the current pitch fee to the owner until such time as the new pitch fee is agreed by the occupier or an order determining the amount of the new pitch fee is made by the appropriate judicial body under paragraph 16(b); and

(c) the new pitch fee shall be payable as from the review date but the occupier shall not be treated as being in arrears until the 28<sup>th</sup> day after the date on which the new pitch fee is agreed or, as the case may be, the 28<sup>th</sup> day after the date of the appropriate judicial body order determining the amount of the new pitch fee.

(5) An application under sub-paragraph (4)(a) may be made at any time after the end of the period of 28 days beginning with the review date but in the case of a protected site in England no later than three months after the review date.

(6) Sub-paragraphs (7) to (10) apply if the owner-

(a)has not served the notice required by sub-paragraph (2) by the time by which it was required to be served, but

(b)at any time thereafter serves on the occupier a written notice setting out his proposals in respect of a new pitch fee.

(6A) A notice under sub-paragraph (6)(b) which proposes an increase in the pitch fee is of no effect unless it is accompanied by a document which complies with paragraph 25A.

(7) If (at any time) the occupier agrees to the proposed pitch fee, it shall be payable as from the 28<sup>th</sup> day after the date on which the owner serves the notice under sub-paragraph (6)(b).

(8) If the occupier has not agreed to the proposed pitch fee-

(a) the owner or in the case of a protected site in England the occupier may apply to the appropriate judicial body for an order under paragraph 16(b) determining the amount of the new pitch fee;

(b) the occupier shall continue to pay the current pitch fee to the owner until such time as the new pitch fee is agreed by the occupier or an order determining the amount of the new pitch fee is made by the appropriate judicial body under paragraph 16(b); and

(c) if the appropriate judicial body makes such an order, the new pitch fee shall be payable as from the  $28^{\text{th}}$  day after the date on which the owner serves the notice under sub-paragraph (6)(b).

(9) An application under sub-paragraph (8) may be made at any time after the end of the period of 56 days beginning with date on which the owner serves the notice under sub-paragraph (6)(b) [F44 but F45... no later than four months after the date on which the owner serves that notice].

(9A) A tribunal may permit an application under sub-paragraph (4)(a) or (8)(a) in relation to a protected site in England to be made to it outside the time limit specified in sub-paragraph (5) (in the case of an application under sub-paragraph (4)(a)) or in sub-paragraph (9) (in the case of an application under sub-paragraph (8)(a)) if it is satisfied that, in all the circumstances, there are good reasons for the failure to apply within the applicable time limit and for any delay since then in applying for permission to make the application out of time.

(10) The occupier shall not be treated as being in arrears—

(a)where sub-paragraph (7) applies, until the  $28^{th}$  day after the date on which the new pitch fee is agreed; or

(b)where sub-paragraph (8)(b) applies, until the 28<sup>th</sup> day after the date on which the new pitch fee is agreed or, as the case may be, the 28<sup>th</sup> day after the date of the appropriate judicial body order determining the amount of the new pitch fee.

(11) Sub-paragraph (12) applies if a tribunal, on the application of the occupier of a pitch in England, is satisfied that—

(a) a notice under sub-paragraph (2) or (6)(b) was of no effect as a result of sub-paragraph (2A) or (6A), but

(b) the occupier nonetheless paid the owner the pitch fee proposed in the notice.

(12) The tribunal may order the owner to pay the occupier, within the period of 21 days beginning with the date of the order, the difference between—

(a) the amount which the occupier was required to pay the owner for the period in question, and

(b) the amount which the occupier has paid the owner for that period.

#### 18

(1) When determining the amount of the new pitch fee particular regard shall be had to:

(a) any sums expended by the owner since the last review date on improvements -

(i) which are for the benefit of the occupiers of mobile homes on the protected site;

(ii) which were the subject of consultation in accordance with paragraph 22(e) and (f) below; and

(iii) to which a majority of the occupiers have not disagreed in writing or which, in the case of such disagreement, the appropriate judicial body, on the application of the owner, has ordered should be taken into account when determining the amount of the new pitch fee;

(aa) in the case of a protected site in England, any deterioration in the condition, and any decrease in the amenity, of the site or any adjoining land which is occupied or controlled by the owner since the date on which this paragraph came into force (in so far as regard has not previously been had to that deterioration or decrease for the purposes of this sub-paragraph);

(ab) in the case of a protected site in England, any reduction in the services that the owner supplies to the site, pitch or mobile home, and any deterioration in the quality of those services, since the date on which this paragraph came into force (in so far as regard has not previously been had to that reduction or deterioration for the purposes of this sub-paragraph);

(b) [Wales].

(ba) in the case of a protected site in England, any direct effect on the costs payable by the owner in relation to the maintenance or management of the site of an enactment which has come into force since the last review date;

(c) [Wales]

(1A) But, in the case of a pitch in England, no regard shall be had, when determining the amount of the new pitch fee, to any costs incurred by the owner since the last review date for the purpose of compliance with the amendments made to this Act by the Mobile Homes Act 2013.

(2) When calculating what constitutes a majority of the occupiers for the purpose of sub- paragraph (1)(b)(iii) each mobile home is to be taken to have only one occupier and, in the event of there being more than one occupier of a mobile home, its occupier is to be taken to be the occupier whose name first appears on the agreement.

(3) In a case where the pitch fee has not been previously reviewed, references in this paragraph to the last review date are to be read as references to the date when the agreement commenced.

19

(1) When determining the amount of the new pitch fee, any costs incurred by the owner in connection with expanding the protected site shall not be taken into account.

(2) In the case of a protected site in England, when determining the amount of the new pitch fee, no regard may be had to any costs incurred by the owner in relation to the conduct of proceedings under this Act or the agreement.

(3) In the case of a protected site in England, when determining the amount of the new pitch fee, no regard may be had to any fee required to be paid by the owner by virtue of -

(a) section 8(1B) of the Caravan Sites and Control of Development Act 1960 (fee for application for site licence conditions to be altered);

(b) section 10(1A) of that Act (fee for application for consent to transfer site licence).

(4) In the case of a protected site in England, when determining the amount of the new pitch fee, no regard may be had to any costs incurred by the owner in connection with -

(a) any action taken by a local authority under sections 9A - 9I of the Caravan Sites and Control of Development Act 1960 (breach of licence condition, emergency action etc);

(b) the owner being convicted of an offence under section 9B of that Act (failure to comply with compliance notice).

20

(A1) In the case of a protected site in England, unless this would be unreasonable having regard to paragraph 18(1), there is a presumption that the pitch fee shall increase or decrease by no more than any percentage increase or decrease in the retail prices index\* calculated by reference only to -

- (a) the latest index, and
- (b) the index published for the month which was 12 months before that to which the latest index relates.

(A2) In sub-paragraph (A1), "the latest index" –

- (a) in a case where the owner serves a notice under paragraph 17(2), means the last index published before the day on which that notice is served;
- (b) in a case where the owner serves a notice under paragraph 17(6), means the last index published before the day by which the owner was required to serve a notice under paragraph 17(2).

(1) [Wales]

(2) Paragraph 18(3) above applies for the purposes of this paragraph as it applies for the purposes of paragraph 18.

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25A

(1) The document referred to in paragraph 17(2A) and (6A) must-

(a) be in such form as the Secretary of State may by regulations prescribe,

(b) specify any percentage increase or decrease in the retail prices index\* calculated in accordance with paragraph 20(A1),

(c) explain the effect of paragraph 17,

(d) specify the matters to which the amount proposed for the new pitch fee is attributable,

(e) refer to the occupier's obligations in paragraph 21(c) to (e) and the owner's obligations in paragraph 22(c) and (d), and

(f)r efer to the owner's obligations in paragraph 22(e) and (f) (as glossed by paragraphs 24 and 25).

(2) Regulations under this paragraph must be made by statutory instrument.

(3) The first regulations to be made under this paragraph are subject to annulment in pursuance of a resolution of either House of Parliament.

(4) But regulations made under any other provision of this Act which are subject to annulment in pursuance of a resolution of either House of Parliament may also contain regulations made under this paragraph.

\* From 2 July 2023, the applicable index is changed to the Consumer Prices Index by virtue of the Mobile Homes (Pitch Fees) Act 2023, for notices served on or after that date