



**FIRST - TIER TRIBUNAL
PROPERTY CHAMBER
(RESIDENTIAL PROPERTY)**

Case Reference : **CAM/00MF/PHC/2024/0003**

HMCTS : **Paper**

Site : **Loddon Court Farm Park, Beech Hill Road,
Spencers Wood, Reading, Berkshire RG7
1HU**

Park Home Address : **23 Loddon Court Farm**

Applicants : **Tingdene Parks Ltd**
Representative : **Mr Stephen Paul Wood – Legal Counsel**

Respondent : **Mrs Linda Malden**

Type of Application : **To determine a question arising under the
Mobile Homes Act 1983 or an agreement to
which it applies – section 4 Mobile Homes Act
1983 as amended**

Tribunal Members : **Judge John Morris**

Date of Application : **2nd October 2017**
Date of Directions : **25 November 2024**
Date of Decision : **25 March 2025**

DECISION

Decision

1. The Tribunal determines that the water billing method adopted by the Applicant complies with the provisions of the Statutory Scheme.
2. The Tribunal orders that the Respondent, Mrs Linda Malden, pay the Applicant the outstanding water charges of £211.70 in relation to the bills for the period from January 2023 to September 2024 by 2 May 2025.

Reasons

Application

3. The Applicant made an Application to the Tribunal on 13 March 2024 under Section 4 of the Mobile Homes Act 1983 (as amended) which enables an application by an Occupier of a Park Mobile Home or a Park Mobile Home Site Owner to be made to a Residential Property Tribunal for a determination of any question arising under the Mobile Homes Act 1983 or agreement to which it applies.
4. The Application was made in respect of the apportionment of water charges.
5. The Applicant seeks an Order:
 1. Confirming that the water billing method adopted by the Applicant complies with the provisions of the Statutory Scheme.
 2. Requiring the Respondent, Mrs Linda Malden, to pay the Applicant outstanding water charges of £211.70 in relation to the bills for the period from January 2023 to September 2024.
6. Directions were issued on 25 November 2024.

Applicant's Case

7. The Applicant provided a written statement of case based upon the Witness Statement of Mr Stephen Wood as follows:
8. The Applicant set out the following facts:
 - Since 1 January 2014 it has been the owner and operator of Site which is a permanent, licensed residential mobile homes park.
 - The Respondent owns and occupies a mobile home (the Home) stationed on the Site and her occupation pre-dates the date on which the Applicant acquired the Park.
 - There are currently 112 homes on the Site. The number has varied slightly over the years. For instance, in June 2022 there were 106 homes on the Site and in October 2022 there were 108 homes on the Site.
 - The Applicant does not hold a copy of Mrs Malden's occupation agreement.
 - The Applicant does not and has not since acquisition of the Site charged the Respondent for sewerage services.
 - All homes on the Site receive unmetered water supply services.
 - The Applicant's water supplier is Thames Water.
 - The meter serving the Site is situated on adjacent land owned by the previous owner of the Site, Mr Harvey Crocker.
 - The water supply serves both the Site and several industrial units situated on Mr Crocker's land.

Apportionment between Industrial units and the Site

9. The apportionment of charges between the Applicant and Mr Crocker are as follows:

- 1) Water consumption attributable to the industrial units is recorded by way of a sub-meter.
 - 2) The charge made by the Applicant to Mr Crocker is calculated thus: -
 - 3) From the main meter reading, add together
 - (1) the total water consumption charge made by Thames Water and
 - (2) the total standing charges charge made by Thames Water.
 - 4) Divide the total of 1) and 2) by the number of units of consumption recorded by the sub-meter. This gives a global unit price.
 - 5) Multiply the global total unit price by the number of units of water consumption recorded by the sub-meter which gives the amount payable by Mr Crocker.
 - 6) The remainder is attributable to the Site.
10. By charging in the way described above, the Applicant ensures the standing charge made to Mr Crocker is in direct proportion to the water consumption attributable to the industrial units.

Apportionment between Site Occupiers

11. The Apportionment of charges between the Site's Occupiers has been as follows:

The Inherited RPI Scheme

12. Upon acquisition of the Site, the arrangements inherited by the Applicant for the charging for the supply of water to Occupiers were that they were charged a quarterly sum, the annual equivalent of which was adjusted each year on the pitch fee review date (1 January) in line with the change in Retail Prices Index over the previous twelve months ("RPI Adjusted Sum"). It was not calculated by reference to the Water Industry Act 1991 section 50, The Water Resale Order 2006, or "A guide to Water Resale" issued by the Water Services Regulation Authority ("Ofwat"), which together comprise a scheme under which resellers may calculate charges for the resale of water ("the Statutory Scheme").
13. The RPI Adjusted Sum the Applicant inherited on 1st January 2014 was £32.00. Having increased over the years in line with RPI, from 1 January 2023 it was £44.15 and from 1 January 2024 it is £47.11.
14. The RPI Adjusted Sum method of calculating water charges did not comply with the Statutory Scheme because it allowed for the possibility of Occupiers being charged sums greater than are permissible under the Statutory Scheme.
15. To ensure compliance with the Statutory Scheme, but at the same time to ensure that the Respondent and other Occupiers residing on the Site at acquisition were (and are) not disadvantaged in any way, the Applicant adopted a charging arrangement whereby, in any billing period, an Occupier on the Site at the time of acquisition is charged either the maximum sum chargeable under the Statutory Scheme or the RPI Adjusted Sum, whichever is the lesser.

The Statutory Scheme

16. The method adopted by the Applicant for calculating the Statutory Scheme charge for water is as follows:
 - 1) Net of the charge made by the Applicant to Mr Crocker, the remaining charge to the Applicant by Thames Water ("the Net Charge") is the basis for the calculation.
 - 2) The charge is calculated by dividing the Net Charge by
 - (1) the number of homes (the purchasers) and
 - (2) an additional notional unit (to take account of use by the Applicant).
 The method adopted is method no. 1 as set out in part A of "The Rules" of "A Guide to Water Resale" published by Ofwat. Part A (for instances where no purchasers are metered) provides for six alternative methods of calculation, the first of which is "equally between the purchasers."
17. The Ofwat "Guide to Water Resale" states at page 4 that:

The reseller must work out the amount they charge for water and sewerage in one of the following ways.

A. If no purchasers are metered:

The reseller should share the bill from the water company between the purchasers using one of the following methods:

 1. *equally between the purchasers;*
 - or in proportion to the:*
 2. *number of people living in each property;*
 3. *rateable value of each property;*
 4. *total floor space of each property;*
 5. *number of bedrooms in each property; or*
 6. *one half of the bill calculated on the number of purchasers (method 1) and the other half calculated on any one of the other methods (2-5).*
18. In a letter to the Respondent dated 16 March 2023 the Applicant explained why it had chosen Method 1.

The division of the charges from Thames Water is made by us based on the number of properties, irrespective of the number of occupants. We feel that charging by the number of occupants of each home is not practical nor desirable. This is because we are unable to monitor the number of people who spend time in each home. If we were to charge by the number of people in the home then we would need to know who is in the home and for what period. This would lead to difficulties if, for instance, the occupiers went on holiday for a part of the time, or if one resident had a partner or family who stayed over at weekends or if a couple with marital difficulties separated during the period. We do not feel that it would be appropriate to ask residents to keep us up to date with who is staying at their home on a daily basis. The guidance provided by Ofwat for the resale of water makes it clear that dividing the charges by the number of properties is entirely fair (since each property is a Band A for ratable purposes, method 3 (on page 4 of the guidance) is dividing by the number of properties).

The Dispute

19. The Respondent does not dispute liability to pay water charges to the Applicant. However, she does dispute the Applicant's method of billing, asserting that it does not comply with the Statutory Scheme. She asserts the Applicant ought to calculate

water charges by reference to the number of people living in each home, being method 2 in part A of “The Rules” of “A Guide to Water Resale”.

20. In reliance on her assertion, she has declined to settle the last four water bills issued to her by the Applicant. In each case she has tendered by cheque one half of the sum billed, and in each case the Applicant has declined to accept the sum, returning each cheque her.

21. The bills in issue are:

<u>Month Billed</u>	<u>Period Covered</u>	<u>Amount</u>
April 2023	Jan 2023 to Mar 2023	£36.85
July 2023	Apr 2023 to June 2023	£34.67
October 2023	July 2023 to Sept 2023	£23.07
January 2024	Oct 2023 to Dec 2023	£24.53
April 2024	Jan 2024 to March 2024	£19.87
July 2024	Apr 2024 to June 2024	£25.60
Oct 2024	July 2024 to Sept 2024	<u>£47.11</u>
		£211.70

22. It will be noted that all the bills in dispute are for sums less than the Respondent would have been charged had the Applicant used the RPI or CPI Adjusted Sum method which it inherited from the previous owner, except for October 2024. If the Statutory Scheme were applied to that bill, it would have been £154.71 whereas using the CPI the bill is £47.11.
23. Quarterly meter readings are taken by Mr Martin Cook, a Park Executive, of the Applicant, for the Park Home Owners’ electric meters and the sub-meter for the industrial units. The main meter on the neighbouring land is underground, and the access hatch has been covered by the neighbouring landowner by thick rubber matting, to enable him to drive his tractor over it. Accordingly, Thames Water visit approximately once every couple of years, as moving the matting requires 2–3 people, given its size and weight.

Respondent’s Case

24. The Respondent agrees that there is only one source of water for the industrial units and the Site and that the sewerage costs are included in the pitch fee and not charged separately.
25. The Respondent states that the price of water to all residents was, and continues to be, very low because farmers pay reduced water rates for agricultural land and livestock. She said that a part of Mr Crocker’s land is used as an equestrian business which comes within the category of agriculture.
26. The Respondent’s main grievance is that single persons living in a Park Home on the Site are paying the same as where there are two or more persons living in a Park Home. The Respondent submits that the division of the cost of water should be per person and not per Park Home. The Respondent states that the single persons residing in a Park Home are subsidising those where more than one person resides in a Park Home and that she was aware of 40 homes where there are 2 persons residing in one Park Home. Referring to the Applicant’s letter to her dated 16 March

2023 the Respondent says that the reason given by the Applicant for not charging per person seems to be because monitoring any changes to the number of residents would prove to be too difficult for them to manage. She submits that a large company like the Applicant could have been given the responsibility to oversee and report on the number of persons in each Park Home.

27. The Respondent referring to “A Guide to Water Resale” stated that all residents are responsible for their personal consumption and that she believed this should also include any others using water in other buildings on the Site such as the site Manager when he visits and contractors when working on the Site.
28. The Respondent submitted that none of the examples in “A Guide to Water Resale” agreed with the principle of dividing the final bill for water based on the number of Park Homes rather than on occupiers of the Park Homes. It was submitted that Methods 1 and 2 are linked and that a purchaser was each individual on the Site and not each Park Home.
29. The Respondent also questioned the number of Park Homes among which the charges were divided. In 2019 the division was between 109 Park Homes which later increased to 112 Park Homes in 2024. On contacting Wokingham Council, the licensors of the Site, the Respondent was informed, in an email dated 15 September 2027, that in the 1960s that the licence was for 52, Mr Crocker was subsequently licensed for an additional 32 homes and the Applicant has been licensed for a further 32 homes making a total of 117.
30. The Respondent referred to the ability of a reseller of water to charge a reasonable administration charge which states:
The administration charge is set to cover administration costs and the maintenance of meters. It can only be charged if it is not recovered by any other arrangement, such as through the rent or mobile home pitch fee. Resellers can recover around £5 each year for those without a meter and £10 for those with a meter. The administration charge applies to each purchaser and not to each occupant.
The Respondent was under the impression that the Applicant charged an administrative fee which rose in line with the Retail Price Index.
31. Further issues raised by the Respondent were that the bills had not been provided as required contrary to The Written Statement Under the Mobile Homes Act 1983 Chapter 2 of Part 1 Schedule 1 which states:
Owner’s obligations –
22 the owner shall;
(b) if requested by the occupier, provide (free of charge) documentary evidence in support and explanation of; of (ii) any charges for gas, electric, water, sewerage, or other services payable by the occupier to the owner.
32. Referring to “A Guide to Water Resale”
From the 31 March 2006, if the reseller does not give you the information used to calculate your bill within 4 weeks of your written request, you can pay a reduced charge. This is calculated at a rate of half of the local company’s average household water bill.

The Respondent stated that as the Applicant had never provided the figures requested the Respondent has only paid half of the bill for water.

33. The Respondent added that she understood the meter was read by Thames Water every quarter but had now been told that the Applicant only reads the water sub-meter for the industrial units every quarter. Thames Water provide estimated accounts and only read the meter to reconcile the account every couple of years because the meter is in gateway housed in a chamber with a steel lid covered by heavy rubber mat requiring two or three persons to obtain access. The Respondent was critical of the situation of the meter and that it was read so irregularly.

Applicant's Response

34. In responding to the issues raised, Mr Wood, for the Applicant, stated as follows:
35. The Applicant is not aware of Thames Water charging a reduced water rate and if so, whether this is connected to the agricultural land and livestock.
36. The Respondent's primary argument appears to be that the Applicant is not choosing (out of the available choices provided by "A Guide to Water Resale") the Respondent's preferred method of billing. The Respondent does not appear to acknowledge that the rules permit a choice of method from different specified methods. The Applicant has chosen method 1 (sharing the bill equally between the purchasers), whereas the Respondent would prefer (and appears only to recognise) method 2 (sharing the bill between the number of people living in each property). Alternatively, as the charge is based on the number of properties not the number of occupants, the Applicant could have chosen Method 3 as each property is in Band A for rateable purposes. Both 1 and 3 are per property not per person.
37. The Applicant submitted that methods 1 and 2 are separate. Methods 1 (treating any joint purchaser together as a purchaser) and 3 (where the rateable values for the properties are the same) on page 4 of the guide relate to the number of properties, in contrast to method 2 which relates to occupiers.
38. After deducting the usage of the industrial units that share the supply, the remaining costs are split between 109 properties comprising owned homes, rented homes, a rented apartment, and an additional user being the Site office to take account of water usage by the Applicant's employees and contractors.
39. Mr Wood referred to the Plan of the Site provided. He stated that although the pitch numbers range from 1 to 152, there is a jump from 62 to 101. The Respondent has queried the number of occupied units. However, these vary, as sometimes, an occupier or the estate of a late occupier might sell the mobile home and occupation agreement to the Applicant. If bought back, then that mobile home would be removed from the calculations. Typically, such mobile homes would be demolished and replaced. Once sold, with a new occupation agreement, then that pitch with a new mobile home would again be included in the calculations for the water charges. The email dated September 2017 merely establishes that, at that time, the Applicant had permission to site 117 homes on the Site.
40. The Applicant does not charge an administration fee.

41. Mr Wood provided a fully worked application of the method of calculation for the period 19 March 2024 to 10 July 2024 referring to corresponding bills.

Tribunal's Findings

42. The Tribunal took account of all the evidence adduced.
43. The Tribunal found that there is only one metered supply for the industrial units and the equestrian business referred to by the Respondent and the Site. The Tribunal found that the water usage industrial units and the equestrian business was deducted using the readings of the sub-meter and the cost of consumption and standing charge was calculated and apportioned between the industrial units and equestrian business on the one hand and the Site on the other.
44. The Tribunal found that the following are not relevant to this application:
- Whether the water charge is at a reduced rate than that for other users by reason of a proportion being used for agricultural purposes;
 - How often the water supplier, Thames Water, obtain an actual as opposed to an estimated reading; and
 - Where the meter is situated.
45. The Tribunal found that the Applicant was correct to calculate the charge for water to the Site pursuant to the Statutory Scheme under the Water Industry Act 1991 section 50, The Water Resale Order 2006, and "A guide to Water Resale" issued by the Water Services Regulation Authority ("Ofwat").
46. The Tribunal found that under the Statutory Scheme the Applicant may, according to the circumstances, select the most appropriate method of charging for the resale of water as set out in "A Guide to Water Resale."
47. The Tribunal found that:
- a. "The purchaser" is the owner or owners of a Park Home.
 - b. "The property" is a Park Home.
 - c. None of the purchasers are metered therefore under "The Rules" of "A Guide to Water Resale" Part A applies.
 - d. The Applicant as the reseller should share the bill from the water company, Thames Water in this instance, between the purchasers using one of the methods listed in Part A.
 - e. As a purchaser is the owner or owners of a Park Home, method 1, where the cost is shared equally between the purchasers, is appropriate. On this Site since all the Park Homes are in Band A for rateable purposes Method 3 would have created the same effect with all the purchasers sharing the cost equally.
 - f. Methods 1 and 2 are separate.
48. The Tribunal finds the reasons given in the Applicant's letter to the Respondent dated 16 March 2023 are sound reasons for using Methods 1 and 3 over Method 2, which would be intrusive.

49. The Tribunal finds from the narrative description and the worked calculation for the period 19 March 2024 to 10 July 2024 that the Applicant applies the Rules for Resale of Water appropriately and correctly. The Tribunal also finds that all the bills and the explanation as to how they are apportioned have been provided for the purposes of this determination.
50. The Tribunal finds that the Applicant has not charged an administration fee.
51. The Tribunal finds that the Respondent has misunderstood the reference to the Retail Price Index which was only applied to the inherited method of charging for water. The Tribunal finds that as a rule the Applicant uses the Statutory method. The Applicant has only applied the inherited method to those Park Home owners, like the Respondent, who were occupiers when the Applicant purchased the Site if it is more advantageous to those occupiers. This was demonstrated in calculating the charge in the October 2024 bill for the period July 2024 to Sept 2024 when the Consumer Price Index was applied, significantly benefitting the Respondent. The Tribunal observes that, although it understands the Applicant's motivation, in its opinion the Applicant should only apply the Statutory Scheme, notwithstanding that it may not always be advantageous to the Park Home Owners who were occupiers when the Applicant purchased the Site.

Tribunal's Decision

52. The Tribunal determines that the water billing method adopted by the Applicant complies with the provisions of the Statutory Scheme.
53. The Tribunal orders that the Respondent, Mrs Linda Malden, pay the Applicant the outstanding water charges of £211.70 in relation to the bills for the period from January 2023 to September 2024 by 2 May 2025.

Judge JR Morris

APPENDIX 1 - RIGHTS OF APPEAL

1. If a party wishes to appeal the decision to the Upper Tribunal (Lands Chamber) then a written application for permission must be made to the First-tier Tribunal at the Regional office which has been dealing with the case.
2. The application for permission to appeal must arrive at the Regional office within 28 days after the Tribunal sends written reasons for the decision to the person making the application.
3. If the application is not made within the 28 day time limit, such application must include a request for an extension of time and the reason for not complying with the 28 day time limit; the Tribunal will then look at such reason(s) and decide whether to allow the application for permission to appeal to proceed despite not being within the time limit.
4. The application for permission to appeal must identify the decision of the Tribunal to which it relates (i.e., give the date, the property and the case number), state the grounds of appeal, and state the result the party making the application is seeking.

APPENDIX 2 – THE LAW

The Law

Section 4 of the Mobile Homes Act 1983 (as amended)

- (1) In relation to a protected site in England, a tribunal has jurisdiction –
 - (a) to determine any question arising under this Act or any agreement to which it applies, and
 - (b) to entertain any proceedings brought under this Act or any such agreement subject to subsection (2) to (6).
- (2) Subsection (1) applies in relation to a question irrespective of anything contained in an arbitration agreement, which has been entered into before that question arose.
- (3) In relation to a protected site in England, the court has jurisdiction—
 - (a) to determine any question arising by virtue of paragraph 4, 5 or 5A(2)(b) of Chapter 2, or paragraph 4, 5 or 6(1)(b) of Chapter 4, of Part 1 of Schedule 1 (termination by owner) under this Act or any agreement to which it applies; and
 - (b) to entertain any proceedings so arising brought under this Act or any such agreement,
subject to subsections (4) to (6).
- (4) Subsection (5) applies if the owner and occupier have entered into an arbitration agreement before the question mentioned in subsection (3)(a) arises and the agreement applies to that question.
- (5) A tribunal has jurisdiction to determine the question and entertain any proceedings arising instead of the court.
- (6) Subsection (5) applies irrespective of anything contained in the arbitration agreement mentioned in subsection (4).