

FIRST - TIER TRIBUNAL PROPERTY CHAMBER -(RESIDENTIAL PROPERTY)

Case References : MAN/00EQ/PHI/2024/0030

MAN/00EQ/PHI/2024/0037

Properties : 4 and 26 Parkview, Lymm Road,

Agden Brow, Lymm WA13 oUB

Applicant : Cheshire Parks Ltd

Applicant's

Representative : LSL Solicitors

Respondents : D.Ravenscroft and

**R.Cairns** 

Type of Application : For the determination of a pitch fee

under the Mobile Homes Act 1983 – Schedule 1 Chapter 2 paragraphs 16-

20

Tribunal Members : Judge J.M.Going

J.Faulkner FRICS

Date of Order : 4 April 2025

**ORDER** 

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#### The Decision

The Tribunal has determined and orders:-

- (1) the pitch fees for the 2 pitches to each be increased from the amounts which were determined for 2023 by 4.6% and with effect from 1 January 2024; and that
- (2) each Respondent shall, within 21 days, pay Cheshire Parks £20 by way of repayment of its application fee.

# **Preliminary**

- 1. The Applicant, Cheshire Parks Ltd, ("Cheshire Parks") has applied to the Tribunal for an order to be made under paragraph 16(b) of Schedule 1 of the Mobile Homes Act 1983 (the "1983 Act") determining the amounts of new pitch fees to be paid by the Respondents, Mr Ravenscroft and Mr Cairns, should the Tribunal consider it reasonable for their respective pitch fees to be changed.
- 2. Because the 2 pitches were on the same site at Agden Brow Park, Lymm ("the Site") it was decided that they should be considered together and at the same time.
- 3. Directions were issued on 10 December 2024 detailing a timetable for documents to be submitted, and how the parties should prepare. The Directions confirmed that the Tribunal considered it appropriate for the matter to be determined by way of a paper determination, emphasising the right of any party to seek an oral hearing at any time before the Tribunal made its determination. It was also confirmed that the Tribunal would consider the parties' submissions before deciding if an inspection of the Site was required. None of the parties have requested a hearing or an inspection.
- 4. The Directions also included the requirement that the Respondents send to the Applicant and the Tribunal a statement of case by 7 January 2025. They did not do so.
- 5. On 25 February 2025 the Tribunal made orders ("the Unless Orders") which were delivered to Mr Ravenscroft and Mr Cairns respectively on 26 February 2025 confirming that unless they served statements of case (or made any representations in respect of the proposed barring) within 14 days, they would be barred from filing any further evidence or documentation in the proceedings pursuant to Rule 9(1) of the Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013 ("the 2013 Rules") thereby allowing the Tribunal to determine the matter in accordance with Rule 9(8).
- 6. Neither Mr Ravenscroft nor Mr Cairns responded to the Unless Orders. Consequently, the Tribunal confirmed Barring Orders which were dated 18 March 2025 and delivered to the parties on 24 March 2025. At the same time, it directed Cheshire Parks to submit, within 14 days, its statements of case including copies of the Notices and details of their service on the Respondents.

- 7. LSL delivered the requested documentation to the Tribunal on 1 April 2025.
- 8. The Tribunal members thereafter convened on 4 April 2025.

## Background, facts and chronology

- 9. The following matters are evident from the papers or are of public record.
- 10. The Site is licensed under the Caravan Sites and Control of Development Act 1960 for use as a residential caravan site. It is a protected site within the meaning of the 1983 Act and Cheshire Parks is its owner and operator.
- 11. Each Respondent owns and occupies a mobile home stationed on the Site. Mr Ravenscroft owns No 4 Park View, and Mr Cairns owns No 26.
- 12. The annual review date for each pitch fee is 1 January.
- 13. On 30 November 2023 individual Pitch Fee Review Notices and Pitch Fee Review Forms as prescribed under the Mobile Homes (Pitch Fees) (Prescribed Form) (England) Regulations SI 2023/620 (together referred to as "the Notices") were delivered to each of the Respondents proposing an increased pitch fee to take effect from 1 January 2024. The proposed increase was calculated by reference to a 4.6% annual increase in the Consumer Prices Index ("CPI").

### The Law

- 14. The provisions relating to the review of a pitch fee are contained in paragraphs 16 to 20 of Chapter 2 of Part 1 of Schedule 1 to the 1983 Act as recently amended by the Mobile Homes (Pitch Fees) Act 2023 ("the 2023 Act").
- 15. In the terms of the 1983 Act and in the context of the pitch each Respondent is referred to as an "occupier" and the Applicant as the "owner".
- 16. Paragraph 29 defines the pitch fee as: "the amount which the occupier is required by the agreement to pay to the owner for the right to station the mobile home on the pitch and for the use of the common areas of the protected site and their maintenance, but does not include amounts due in respect of gas, electricity, water and sewerage or other services, unless the agreement expressly provides that the pitch fee includes such amounts."
- 17. The pitch fee can only be changed in accordance with paragraph 17, either with the agreement of the occupier, or by the Tribunal, on the application of the site owner or the occupier (Para 16). The pitch fee shall be reviewed annually as at the review date (Para 17(1)). The owner serves on the occupier a written notice setting out the proposed new pitch fee (Para 17(2)). If it is agreed, the new pitch fee is payable from the review date (Para 17(3)). If

it is not agreed, the owner (or an occupier on a protected site) may make an application to the Tribunal to determine the new pitch fee (Para 17(4)). Once decided, the new pitch fee is payable from the review date (Para 17(4)(c)). When determining the amount of the new pitch fee, particular regard shall be had to any sums expended by the site owner since the last review date on improvements which were the subject of consultation and to which a majority of occupiers have not disagreed in writing (Para 18(1)(a)) and any reduction in services supplied by the site owner or decrease in the condition or amenity of the site, or any adjoining land occupied or controlled by the site owner, which has not been taken into account in a previous pitch fee review (Para 18(1)(aa) &(ab)). Unless it would be unreasonable, having regard to paragraph 18(1) there is a presumption that the pitch fee shall increase or decrease by a percentage which is no more than any percentage increase or decrease in the consumer prices index ("CPI") (Para 20(A1)).

- 18. The written notice proposing the new pitch fee will be of no effect if it is not in the prescribed form (Paras 17(2A) and 25A). It should be served at least 28 days before the review date (Para 17(2)) or, if late, with 28 days' notice (Para 17(7)). An application to the Tribunal may be made at any time after the end of the period of 28 days beginning with the review date but no later than three months after the review date (Para 17(5)) unless the written notice was late in which case an application may be made after the end of period of 56 days beginning with the date on which the owner serves the notice, but not later than four months after the notice. (Para 17(9)).
- 19. The Upper Tribunal has provided helpful advice as to how the statutory provisions should be interpreted in various cases including in *Wyldecrest v Kenyon* [2017] *UKUT* 28(*LC*) where it as said "..... the effect of the implied terms for pitch fee review can therefore be summarised in the following propositions:
- (1) The direction in paragraph 16(b) that in the absence of agreement the pitch fee may be changed only "if the appropriate judicial body ... considers it reasonable" for there to be a change is more than just a precondition; it imports a standard of reasonableness, to be applied in the context of the other statutory provisions, which should guide the tribunal when it is asked to determine the amount of a new pitch fee.
- (2) In every case "particular regard" must be had to the factors in paragraph 18(1), but these are not the only factors which may influence the amount by which it is reasonable for a pitch fee to change.
- (3) No weight may be given in any case to the factors identified in paragraphs 18(1A) and 19.
- (4) With those mandatory considerations well in mind the starting point is then the presumption in paragraph 20(A1) of an annual increase or reduction by no more than the change in RPI. (note: following the coming into force of the 2023 Act the references to RPI should be substituted by references to CPI). This is a strong presumption, but it is neither an entitlement nor a maximum.
- (5) The effect of the presumption is that an increase (or decrease) "no more than" the change in RPI (*now CPI*) will be justified, unless one of the factors mentioned in paragraph 18(1) makes that limit unreasonable, in which case the presumption will not apply.

- (6) Even if none of the factors in paragraph 18(1) applies, some other important factor may nevertheless rebut the presumption and make it reasonable that a pitch fee should increase by a greater amount than the change in RPI (now CPI)".
- 20. In *Vyse v Wyldecrest Ltd* [2017] *UKUT 24 (LC)* HHJ Alice Robinson noted that: "...the factors which may displace the presumption are not limited to those set out in paragraph 18(1) but may include other factors..." and said that: "...By definition, this must be a factor to which considerable weight attaches ... it is not possible to be prescriptive ... this must be a matter for the FTT in any particular case. What is required is that the decision maker recognises that the "other factor" must have sufficient weight to outweigh the presumption in the context of the statutory scheme as a whole."

### The Tribunal's Reasons

- 21. The Tribunal began with a general review of the papers, to decide whether the case could be dealt with properly without holding an oral hearing. Rule 31 of the Procedure Rules permits a case to be dealt with in this manner provided that the parties give their consent (or do not object when a paper determination is proposed).
- 22. None of the parties has requested an oral hearing and the Tribunal is satisfied that this matter is suitable to be determined without one.
- 23. The Tribunal began by carefully considering whether the statutory procedural requirements, which are a precondition to any change in a pitch fee, had been met. There was no assertion that they had not been.
- 24. The Tribunal found that the Notices were valid, had been given in the prescribed form, correctly referred to the change in CPI over the specified period at 4.6%, and were served more than 28 days before the review date. The Applications were also made within the specified time limits.
- 25. Having been satisfied that Cheshire Parks had complied with the necessary procedural requirements, the Tribunal then went on to consider if it is reasonable for the pitch fees to be changed.
- 26. It is important to note that the Tribunal is required to determine whether a change since the last review is reasonable. It is not deciding whether the level of the pitch fee itself is reasonable or making an open market valuation. The Upper Tribunal in the recent case *Wyldecrest v Whiteley and others* [2024] UKUT 55 (LC) explained: —
- "14. When a site owner and an occupier first agree a fee for the right to station a home on a pitch, there is no restriction on the amount they are able to agree. The only relevant implied terms are concerned with the annual review of the pitch fee and not with its original determination; market forces govern that bargain, but any subsequent increase is limited by the statutory implied terms.

- 15. The implied terms.... provide for pitch fees to be reviewed annually, either by agreement or by the FTT ..... on the application of the owner or the occupier... if the parties cannot agree, the pitch fee may only be changed by the FTT if it "considers it reasonable for the pitch fee to be changed and makes an order determining the amount of the new pitch fee."
- 27. Both in the Notices and the applications, Cheshire Parks has indicated that none of the matters referred to in paragraph 18 of Chapter 2 of Part 1 of Schedule 1 of the 1983 Act apply. This has not been contradicted by Mr Ravenscroft or Mr Cairns, and nor have they advanced any grounds as to why the statutory presumption of an inflation-based increase in the pitch fee should be displaced.
- 28. As the Upper Tribunal at paragraph 22 in *Britaniacrest Ltd v Bamborough [2016] UKUT 144 (LC)* made it clear, whilst the 12 months RPI (now CPI) adjustment presumption is not the beginning and end of a determination it is "a very strong steer that a change in the RPI (now CPI) in the previous 12 months will make it reasonable for the pitch fee to be changed by that amount". In *Wyldecrest v Whiteley and others*, it confirmed "... where none of the factors in paragraph 18(1) is present, and no other factor of sufficient (considerable) weight can be identified to displace the presumption of an RPI (now CPI) increase, the task of the tribunal is to apply the presumption and to increase the pitch fee in line with inflation".
- 29. Consequently, the Tribunal has determined that the 2024 fees for each of the 2 pitches should increase from the levels previously set for 2023 in line with CPI and by 4.6%. Mr Ravenscroft's monthly pitch fee is to be increased from £232.02 to £242.69, and Mr Cairns' from £260.28 to £272.25, in each case with effect from 1 January 2024.
- 30. Rule 13 of the Procedure Rules allows the Tribunal to order the reimbursement of its fees.
- 31. Having in each case confirmed the inflation-based increase proposed by Cheshire Parks, the Tribunal also found that it was just and equitable that Mr Ravenscroft and Mr Cairns should each reimburse the application fee of £20 which it had had to pay to bring the applications to the Tribunal. There were repeated and ample opportunities for them to have to have either agreed to the proposals or offered reasons for their objections to the Tribunal, but they chose not to do so.