

Supplementary
Submission
No 236a

INQUIRY INTO SOCIAL, PUBLIC AND AFFORDABLE HOUSING

Organisation: Independent Park Residents Action Group NSW Inc

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IPRAG NSW INC

Independent Park Residents Action Group NSW Incorporated

Supplementary Submission to the Select Committee of Inquiry into Social and Affordable Housing.

We seek to provide this supplementary submission to the Inquiry which addresses

- **Compliance issues with Local Government Regulations and**
- **The Provision of Residential Park Site Stocks in NSW.**

Compliance Issues

We reference the Local Government (Manufactured Home Estates, Caravan Parks, Camping Grounds and Moveable Dwellings) Regulation 2005 (the Regulation) and Residential Parks Act 1998 (the RP Act).

One of the challenges facing resident/homeowners is security of tenure that results from the lack of regulated oversight by Councils.

The issuing of S68 "Approval to Operate" with some specific and generalised conditions listing status and Number of sites requires a least a yearly check for compliance.

Some failings by Operators that cause most problems are the change of site status, change of site numbering, adding additional unapproved sites, changing site boundaries, installing unapproved dwellings, displaying or not displaying up to date community maps, issuing incorrect site agreements, and not complying with other S.68 Approval conditions.

Councils seldom have any contact with park residents, or have any real knowledge of the type of dwellings installed on parks, or the effect that the Regulation has on the lives of park residents.

For example under the new *Residential (Land Lease) Communities Act, (R(LL)C Act)* Section 127 gives a notation that, 'a notice may be given if the homeowner is occupying a short term site on a permanent basis in contravention of a requirement made under the *Local Government Act 1993*'. Thus, homeowners may find themselves residing permanently on short term sites without any prior knowledge of this, as are Park Operators often change

site status from long term to short term in annual s.68 applications without reference to the homeowner.

Section 74 of the RP Act states, *Park Owners must inform residents of certain arrangements and future restrictions.* Clearly under this section park owners are required to inform residents of any matters which will impact on their rights to occupy the site.

While updating legislation and Regulations is desirable, complete rewriting is confronting, (such as the case of the R(LL)C Act) and furthermore it is generally considered that the penalties for non-compliance are adequate but the will to enforce compliance is missing at all levels.

We submit that greater and uniform oversight and compliance actions by Local Councils across NSW would impact positively on the security of tenure of long term residents, and provide more longer term sites and thus increase availability and affordability of long term sites in NSW.

We note the Regulations to the R(LL)C Act are due to be reviewed and we submit that a more balanced outcome would be achieved by the Industry influence being reduced and consideration of the above issues duly given.

Each Council should be required to provide a minimum number of long term sites for long term residents and to ensure that these sites are available to long term residents.

Improving or expanding residential Site stocks

The Caravan and Camping Industry Association (CCIA) have stated (see Submission 133) that 5000 existing long term sites currently being used for tourism purposes could be used for housing under certain conditions.

Given that homes manufactured by and placed on these sites by Park operators (the current industry-wide practice) could be sold conservatively netting approx. \$100,000 per home, [based on this would net their members a total of \$500 Million, without providing a single "affordable" housing option.

We submit with this massive potential for profit, a mandated proportion of such sites must be set aside for "affordable housing".

Alternatively should intending residents be able to source their own dwellings and install these on-site those residents would then save the 'developers margin' and in this way some measure of affordability re-introduced into the industry.

We submit that this newly-emerged industry practice prohibiting new residents installing their own (new or used) home into Parks be investigated for restraint of trade or other unlawful practice and the situation creates an artificial market and greatly reduces the affordability of Residential Park living.

The other major player in what could be termed site land banking is the NSW Crown Lands Department. Crown Lands are the largest owner of caravan parks in NSW having more than 250 parks providing over 10,000 holiday van sites and include long term sites for permanent residents.

There have been a major policy changes in recent years and the current policy is to provide short term holiday or tourist accommodation and to convert long term sites to short term sites.

Consequently permanent residents are gradually being removed from these parks. In making these comments we refer to the paper given by Helen Gilbert to the State of Australian Cities Conference 2013, (*The Loss of Low Cost Coastal Caravan Parks – Causes, Cases and Social Consequences*). We would commend this paper to the committee as we believe this is the most comprehensive up to date overview of the industry available.

We offer a quote from above paper which states, '*... that other Crown land is reserved for permanent accommodation such as retirement villages and manufactured home estates (DOL 2008)*'.

We submit that there seems an opportunity review current policies and retain long term sites providing opportunities for the placement of manufactured homes by a prospective resident/homeowners as opposed to purchasing installed new homes at an inflated price.

We submit that there is also be an opportunity to lease land/parks to non-profit cooperatives ensuring both affordable purchase and site fees, as also mentioned in our Submission number 236 Section 4.

References (attached for convenience).

"Update on recent MHE acquisitions in Mudgee and Kingscliff NSW" 23 October 2013 sourced from <http://www.ingeniacommunities.com.au/wp-content/uploads/2013/11/231013-Update-on-Mudgee-and-Drifters-acquisition.pdf>

The Loss of Low Cost Coastal Caravan Parks – Causes, Cases and Social Consequences, Helen Gilbert, School of the Built Environment, University of Technology, Sydney to the State of Australian Cities Conference 2013.

Correspondence from Tweed Shire Council to "Drifters" residents re Drifters section 96 application.

End of Submission.