

HCS46

National Assembly for Wales

Communities, Equality and Local Government Committee

Holiday Caravan Sites (Wales) Bill

Response from: Wales Tourism Alliance

**Consultation Response to the:
Holiday Caravan Sites (Wales) Bill
May 2014**

Wales Tourism Alliance

Wales Tourism Alliance Limited
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For Attention of:

The Committee Clerk

Communities, Equality and Local Government Committee,
National Assembly for Wales, Cardiff Bay, CF99 1NA.

Company No: 4449548

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1. Industry Representation

The Wales Tourism Alliance

1.1 The Wales Tourism Alliance (WTA) is the recognised over-arching representative organisation for the tourism industry in Wales, liaising with and coordinating the views of all concerned and informing and working with Government at Westminster, Cardiff and at Local Authority levels.

1.2 The WTA also acts as an intermediary between Government and all involved in tourism, disseminating information to the industry via our member organisations and we work with colleagues in organisations in other parts of the UK.

1.3 The membership of the WTA includes sectoral, national, regional and local representative bodies comprising accommodation (hotels, guest houses, bed and breakfast establishments, holiday home parks, touring caravan and camping sites, hostels and self-catering cottages), attractions, activities, training and skills, tourism guides and transport.

1.4 The Wales Tourism Alliance is a pan-Wales umbrella group with 22 member organisations resting within its general membership. This amounts to around 7,000 working operators and means WTA contacts and representatives are now found in every part of Wales. In 2014/15 our members are:

British Home & Holiday Park Assoc
British Hospitality Association
Brecon Beacons Tourism
The Camping & Caravanning Club
The Caravan Club
Cardiff & Co
Federation of Small Businesses
Farmstay UK
Institute of Hospitality (Wales)
Mid Wales Tourism
National Caravan Council
North Wales Tourism
Pembrokeshire Tourism

Small serviced sector Forum
SE Wales Tourism Forum
Snowdonia Active
Tourism Swansea Bay
Visit Wales
Wales Official Tourist Guides
Association
Wales Activity Tourism Operators
Wales Association of Self Catering
Wales Association of Visitor Attractions

1.5 The WTA therefore works on behalf of operators ranging from major industry players from across the UK to the numerous micro-businesses that make up so much of the tourism industry.

1.6 To achieve this the Wales Tourism Alliance brings together the most powerful private and public sector partnership of tourism industry interests in Wales, including some of the biggest industry members in the United Kingdom who add their voice to ours in Westminster as well as in Cardiff. In that capacity the WTA remains committed to 'working together' with partners on an honest broker basis, only possible due to our trusted status and unique way in which we are supported. The tourism sector in Wales will not achieve its potential if Government, Local Authorities and the private sector are all working independently with a low level of communication and understanding of each other. The Wales Tourism Alliance provides the mechanism to make a reality of the partnership concept.

2. Our Response to the Committee

The WTA gives qualified support to Darren Millar AM's objectives. We recognise the need to modernise site licensing for holiday parks under the Caravan Sites and Control of Development Act 1960 including in order to provide local authorities resources for their licensing work.

However, we are in agreement with our Holiday Caravan Park Membership, particularly the BH&HPA that "rather than modernising the system, the Bill proposes radical reform".

The proposed change creates a risk for the industry and its contribution to the Welsh economy. Given the magnitude of the changes proposed, they should not be enacted in the absence of an evidence base for the problems the Bill seeks to address, nor without proper evaluation of their costs and impact. We believe a more cautious approach is necessary to give knowledge and experience to safeguard the economics of the industry and the employment it sustains, whilst ensuring a regulatory system to safeguard the industry and its consumers for the future.

The WTA also supports the following points raised by the sector:

We note that the draft Bill states at Part 1, Paragraph 3(4), that ‘Schedule 1 provides for certain sites not to be holiday caravan sites for the purposes of the Act’. In that Schedule, we note that sites **owned**, supervised and approved by exempted organisations, along with meetings organised by exempted organisations, are included at Paragraphs 4, 5 and 6. Whilst we understand that the Bill is not intended to affect the status of exempted organisations, the change in terminology at Schedule 1, Paragraph, 4 from ‘Sites occupied’ (under the 1960 Act) to ‘Sites owned’ (under the proposed Bill) offers no reassurance, because it introduces uncertainty and requires interpretation (as emphasised by the need to define ‘owner’ in the Introduction to the Bill), because many of the sites occupied by exempted organisations are leased, not necessarily owned. In addition, our Paragraph 4 exemption is used for holiday rallies by our members for periods of between 120 hours and no more than 28 days with the permission of the landowner. In all cases, The Caravan Club occupies and supervises these sites, but does not necessarily own them.

Duration of site licences – We support that the Bill does **not** propose time-limited site licences.

Fixed Penalty Notices - The Bill proposes £500. This is a disproportionate penalty for a minor breach of a site licence.

Fit and Proper Person Licensing – There is no evidence to justify a fit and proper person regime for micro tourism businesses. This is an unfair burden.

Residence Test - In the absence of a clear evidence base, the regulatory burden the Bill proposes and the enforcement approach in relation to a Residence Test is an un-substantiated burden which may raise issues with regard to homelessness and the rehousing for the consumers it targets. Based on discussions with our colleagues in the sector we believe that in its current form the Residence test is flawed.

Local Authority Responsibility - It would appear that the onus for regulation is being placed on the park owner; where Local Authorities identify breaches of planning/site licence holiday-use requirements, they should employ the enforcement tools already available to them, on a case by case basis.

Contractual Agreements - We agree that the requirements of the Bill in providing customers with written agreements setting out terms agreed between consumer and park business is good practice. However, we have concerns that the Bill’s specification for how these proposals will operate needs to be re-assessed. Particularly in relation to a. in requiring the business to divulge commercially-sensitive information and b. the requirement of 56(3)(e) for statutory consultation on operational matters would create unnecessary cost and an incentive for litigation and so impact on the flexibility of developing a business.

Unintended consequences

Competitive disadvantage - The single most important unintended consequence could be the competitive disadvantage created by the Bill, the costs of the proposals could drive customers and investment elsewhere.

Homelessness - In the absence of an evidence base, the impact of the Bill's proposals on any consumers unlawfully occupying their caravans is impossible to assess, but any consumers made homeless should nevertheless be a consideration for the Assembly.

Finally, It is likely that whilst there will always be the potential for rogue operators and this is indeed who this legislation is aimed at, this could be a case of the many being penalised by the few. It is likely that in an economic climate where small operators are struggling to survive this will simply be 'the straw that breaks the camel's back'. We are therefore likely to see some legitimate well run holiday businesses fail when we desperately need the jobs, growth and the exchequer needs the revenue.

Whilst modernisation of the current regulatory regime is likely to receive industry support, the Bill's proposals to introduce a complex regulatory burden could place Wales's holiday and touring parks at competitive disadvantage, risking the jobs they sustain.

3. Future involvement of the tourism industry in Wales in this process

The WTA would like to be part of any future consultation in relation to the passage of this bill. Please place us on your mailing list in future so that the potential impact on tourism can be properly evaluated.

Adrian D. Greason-Walker
Wales Tourism Alliance

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