

CPSA's submission to the NSW Department of Planning and Environment

Discussion Paper

‘Improving the regulation of manufactured
homes, caravan parks, manufactured home
estates and camping grounds’

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CPSA is a non-profit, non-party-political membership association founded in 1931 which serves pensioners of all ages, superannuants and low-income retirees. CPSA has 122 branches and affiliated organisations with a combined membership of over 32,000 people living throughout NSW. CPSA's aim is to improve the standard of living and well-being of its members and constituents.

CPSA welcomes the opportunity to comment on the Discussion Paper, 'Improving the regulation of manufactured homes, caravan parks, manufactured home estates and camping grounds' (hereafter referred to as the Discussion Paper).

CPSA is supportive of the aim of the review and its response to the changing nature of residential parks. We will be making comment on the questions within the paper which may directly affect residential park residents, particularly current residents. Questions on issues which CPSA is agnostic to, and those which we do not have the expertise to be able to comment, have been ignored.

Questions 1 and 2

Do you agree with proposed changes to the definitions? and;

Should a threshold for permanent residents be set for residential parks? If so, do you agree with a 75% threshold?

CPSA agrees with the proposed change to definitions, where the terms 'caravan park' and 'manufactured home estate' will be replaced by the term 'residential park', and 'tourist park' for those which provide accommodation primarily for tourists. 'Residential park' is already the term used both by residents and the legislation governing parks and as such it is appropriate that the planning regulations reflect this.

CPSA is, however, concerned at the potential implications of the proposal of a threshold of 75% permanent residents in order for a park to be deemed a residential park. While it seems like an acceptable threshold, CPSA is worried that certain park operators may use it to their advantage, to the detriment of long-term residents.

Presently, long term site agreements can be for holiday or permanent homes and the park operator has the ability to change the site designation unilaterally, without telling the resident. This percentage based threshold for zoning may provide an added incentive to do so. CPSA believes that it is important that protections are built-in for residents, such as a move towards a DA-style system and that residents must be informed of this process taking place.

Question 5

Approval frameworks.

CPSA agrees that the approval framework outlined in the Discussion Paper will contribute to a simpler approvals process and that manufactured homes should be included within the definition of a building under the Environmental Planning and Assessment Act. We also agree manufactured homes should be permitted where a house or other residential accommodation is permissible under Local Environment Plans (LEPs).

Question 8

What provisions from SEPP 21 or SEPP 36 should be retained under the new framework?

CPSA believes that the best outcome would be a new and improved State Environmental Planning Policy (SEPP) which combines both. This also reflects the sentiments of the proposed definitional change of including manufactured home estates and residential (caravan) parks under the one umbrella.

As noted in the Discussion Paper, despite these two SEPPs, there has been no new caravan parks approved for a substantial period of time and a very few new manufactured home estates approved. CPSA does not see this as a bad outcome which will be discussed under Question 9.

Question 9

Are there additional controls that should be included in the new framework to facilitate the development of new tourist parks or residential parks?

CPSA is of the opinion that residential parks, while traditionally considered an affordable housing option, fail to provide this in practice. The lack of security of tenure they provide in most instances is problematic, particularly for low income, permanent residents who have limited ability to move elsewhere. For this reason we do not promote parks as long-term affordable housing options but seek the best outcomes for residents.

We therefore do not deem it appropriate that the new framework should aim to facilitate the new development of parks, particularly residential parks. This is not something that the regulations should be doing. It seems counterintuitive that the industry is calling for a reduction in red tape, yet appears to also be calling for greater incentives to expand. It is CPSA's view that they should not be allowed to have it both ways. This is especially pertinent given the number of gains made by industry and park operators under the newly enacted *Residential (Land Lease) Communities Act*, for example the shared equity provision that now allows park owners take a slice of a resident's capital gain made on their home. While these are deemed 'voluntary sharing arrangements', in practice CPSA fears that they will not be and that future residents will face substantially higher rents if they do not agree to such an arrangement.

CPSA remains concerned at the loss of existing long term residential sites to tourist sites or other developments. CPSA is also concerned about parks being marketed as 'seniors living' (as referred to on page 65 of the Discussion Paper), particularly given the lack of security that parks provide. The increasingly high prices charged for both dwellings and rents for the land on which they sit is also reducing the affordable options available to people living on low incomes.

Question 12

Do you agree existing parks should no longer be required to obtain 'approval to operate'? Should regular council inspections be required for these parks?

CPSA agrees with the option that existing parks be subject to a regular compliance inspection process. At present, inspections are done on an ad hoc basis, with some parks never facing inspections. The question remains, however, whether councils have the resources to undertake inspections and enforcement – this appears to be the issue now in some jurisdictions. CPSA is also wary of private certifiers operating in such a role in lieu of Councils.

CPSA can see merit in no longer requiring parks to seek 'approval to operate' so long as regular inspections are taking place.

Question 13

What controls should existing parks be exempt from when being considered under the new framework?

CPSA does not want to see undue burden placed on existing park residents.

Question 14

Is it appropriate that existing parks are considered under the new framework when lodging a development application for expansion or reconfiguring?

Yes. While CPSA maintains that there should be no undue burden to existing residents, if alterations and additions are to be made it is appropriate that park operators comply with the new framework.

We are concerned that the Discussion Paper notes that design controls which were previously required to be met under the LG Regulation, are now proposed to be included in the form of a Guideline (page 35). CPSA stresses that this must be written as a prescription, and therefore a requirement and not left as a 'best practice' recommendation.

Councils have raised concerns that the LG Act provides limited opportunities to manage compliance breaches without progressing to court action (page 61). CPSA agrees that it is more appropriate for Councils to have the power to issue penalty infringement notices to manage non-compliance (Question 33).

Question 15

CPSA's views on the proposed approach for exempt and complying development.

The Discussion paper presents two options for the conversion of sites between long and short term uses. CPSA urges the Department and NSW Government to go ahead with Option 1 'require development consent for any conversion of sites from short to long term or vice versa'. As noted previously in this submission, at present these changes are being made by park operators unilaterally, often without the knowledge of the resident or the Council. Option 1 will create greater transparency and ensure that both Councils and residents are aware of any change of site proposal and enable them to respond accordingly.

Option 2 proposes that development consent only be required when the conversion of sites exceeds the nominated threshold. For example, it allows an operator of a residential park to change between short and long term sites provided the 75% residential sites are still met. CPSA does not view this as a good outcome for park residents. It does not require them to be alerted and permits long term park residents to be disadvantaged by having their site designation changed from under them.

Questions 30 and 31

Fire safety controls

The safety of residents is of paramount importance. CPSA is very concerned that feedback has indicated that current fire safety provisions are inadequate (page 59). It is most concerning that building separation distances are not necessarily being met and that there is an inadequate provision of fire hoses and hydrants. CPSA agrees that requiring residential and tourist parks to submit an Annual Fire Safety Statement is an important step towards rectifying these safety issues. CPSA believes, however, that it should go one step further and that annual inspections should take place, conducted by the local Fire and Rescue department. The working order of smoke alarms within individual dwellings could also be tested and batteries changed if required. Given the demographic of park residents, it is likely that a large portion of them are already eligible for the Smoke Alarm and Battery Replacement program¹, where firefighters can visit a residence to install a battery-operated smoke alarm or replace the batteries of an existing alarm at no cost (the alarm and batteries must be provided). The program is open to people over the age of 65, people with disabilities and those receiving community assistance and services who do not have adequate domestic support such as family nearby who can assist.

In light of the positive work done by the NSW Government to make sprinklers mandatory in NSW nursing homes, we urge that there be consistency in the area of fire safety where it concerns older people.

¹ <http://www.fire.nsw.gov.au/page.php?id=306>