

Carl Sargeant AC/AM
Ysgrifennydd y Cabinet dros Gymunedau a Phlant
Cabinet Secretary for Communities and Children



Llywodraeth Cymru
Welsh Government

Eich cyf/Your ref P-04-519
Ein cyf/Our ref CS/05824/16

Mike Hedges AM
Chair - Petitions Committee
National Assembly for Wales
Ty Hywel
Cardiff Bay
Cardiff
CF99 1NA

government.committee.business@wales.gsi.gov.uk

14th November 2016

Dear Mike

Thank you for your letter of 27 October sent in your capacity as Chair of the Petitions Committee. It concerned the ongoing consideration of P-04-519 - Abolition of Park Homes Sales Commission.

The report, *Understanding the economics of the Park Home Industry* makes four main recommendations. The first deals with the commission rate charges by a site owner of up to 10% on sale of a park home; the crux of the petition.

The report is quite clear in that a complete removal of the commission rate would have “a negative impact on the viability and sustainability of many Welsh park home operators.” The potential consequences for residents on a site that is no longer viable could be catastrophic and must not be ignored. Any loss of income, which range between averages of 10 to 16% loss, dependent on the size of the park, would need to be recouped by other means. As the report points out, this would inevitably lead to an increase in pitch fees to mitigate this loss.

Pitch fees, according to the report, would need to be increased by an average of 14%, which works out at between £13 and £22 per month, per residence. This is likely, as the report points out, to “impact negatively on a group of people that typically have limited financial resources.” I am yet to be presented with any evidence that discontinuing the commission rate would not have negative consequences for park home residents. It is for this reason that I am against any abolition of commission payable to a site owner on sale of a park home.

Bae Caerdydd • Cardiff Bay
Caerdydd • Cardiff
CF99 1NA

Canolfan Cyswllt Cyntaf / First Point of Contact Centre:
0300 0604400

Gohebiaeth.Carl.Sargeant@llyw.cymru
Correspondence.Carl.Sargeant@gov.wales

Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

The Committee will note that the report does contain options other than abolition of the commission rate. I will be looking very closely at these proposals and seeing whether there are any recommended courses of action which may be implemented other than a complete abolition of commission.

Yours sincerely



Carl Sargeant AC/AM

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