

No Place For Home

The loss of permanent accommodation on NSW residential parks 2002

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Executive Summary

Caravan/residential parks provide a permanent home for many people in NSW. This paper outlines current changes and loss of permanent accommodation on NSW residential caravan parks which is estimated to affect housing for more than 2,000 people this year.

The current changes and loss of permanent accommodation provided by residential parks, is a result of a complex interplay of factors varying with each region. Parks are being:

- sold off for development due to increased land values
- gentrified for manufactured homes
- upgraded for tourism
- lost due to a range of regional, state and federal issues such as increases in the cost of insurance and the routing of highway construction

Housing for the most disadvantaged residents has been hardest hit.

Those who are being affected are:

- Residents who own their dwelling and rent the site. Owners of dwellings (who are often elderly), face the loss of their investment in their own housing and the prospect of homelessness, unless they can find a park to which to relocate and the up front resources to do this.
- Residents who rent both dwelling and site. Permanent renters from parks which are being closed or upgraded (frequently families and those with disabilities who may have failed to maintain tenancies in the rental market), face the loss of their housing of last resort.

The paper recommends:

- In the short term: A well resourced whole of government and community response to managing both the rehousing of all residents at closure and protection for resident's housing investment.
- Long term strategies: including legislative change, to minimise adverse consequences for both renters and owners of dwellings and protect residents' investment in their housing, through increased security of tenure and the use of the State planning instruments to retain affordable housing.
- An inquiry into the role of parks in the housing system: increased resources for research and better data collection on parks.

Background

Introduction

Residential (Caravan) parks provide a permanent home for many people in NSW. In April 2002 there were 962¹ residential parks providing 26,169 permanent sites in NSW. A third of these parks were owned or in trust to local government. Currently there are between 26,089² and 50,000³ permanent residents living in rented accommodation or their own dwelling on parks throughout the State.

Caravan parks in Australia have traditionally provided short term, low-cost holiday accommodation. The move in the late 1980s to legitimise the provision of permanent accommodation on parks, usually alongside holiday accommodation, seems to have been driven by several forces including industry interests and the growing need for affordable housing.⁴

Planners like McClosky(1972)⁵ in the 70s had argued that residential parks, like trailer parks in the USA, offered affordable alternative housing. Australian governments, however, initially rejected the private development of parks as a policy solution for housing low income people, in favour of investment in public housing. Residential parks were seen as a form of housing with the potential to marginalise residents.⁶ Social and economic changes (such as an ageing population, increasing demand for affordable retirement housing, de-institutionalisation, family break down and the casualisation of the work force) together with the financial and philosophical shift away from public provision of social housing, had led, by the mid eighties, to pressure for alternative cheap housing with few upfront costs to the public purse.⁷ Developers were interested in building US-style trailer villages for the retirement market and upgrading existing parks for this purpose, and were presenting these alternatives to government. The introduction in 1986 of the NSW Local Government Ordinance 71 and accompanying State planning regulations brought legal recognition and official State support for permanent residence in residential (caravan) parks. It was a move based more on expediency rather than a thoroughly researched and thought-out policy direction.

1 Background

There are many problems surrounding the shift from providing only holiday accommodation to providing permanent housing as well. These include balancing the needs of holiday-makers and permanent residents, marginalisation, security of tenure and the conflict inherent in the tenure, servicing and living arrangements. These issues are still being dealt with incrementally. The Residential Parks Act, which provides separate legislation for park tenancies, is relatively new. It was gazetted only in 1999. The current closures and loss of permanent accommodation are highlighting the need for a further review of policy issues related to this form of housing.

More than 12 coastal and metropolitan parks, housing more than 2,000 people, are facing closure in the next twelve months. In addition, small undeveloped parks in country areas have been quietly winding down. Across the State, parks have been gradually providing fewer permanent sites and focusing on tourism. Residents who own their dwelling face the possible loss of their only asset and thus their independence. The loss of significant amounts of accessible permanent accommodation for vulnerable people has serious consequences for residents, their communities and government.

Methodology

This paper is an initial overview of the closure and loss of accommodation in Residential Parks in NSW. It draws on existing research and information received from the Residential Parks Forum, the Tenants' Advice Network of NSW, park residents, park resident group organisers from the Central Coast, the Hunter, the Sydney region and the North and South Coasts as well as park managers from West Wyalong, Rankin Springs, Hillston, Young, Leeton, Griffith and Mudgee and six Councils and Shires in the west of the State.

Problems with statistical data on residential parks

The lack of resources devoted to monitoring issues on parks both by the Australian Bureau of Statistics (ABS) and the NSW Government make it difficult to get a clear picture of changes in the provision of accommodation on parks and their effects on communities.

The ABS does not collect data on parks with less than 40 sites, uses park managers as census collectors and has unclear definitions and census questions which lead to under recording of the numbers of owners of manufactured

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homes. A review and reform of the methodology, definition and scope used by the Australian Bureau of Statistics is needed.

The staff unit managing the collection of data on approvals of residential sites in parks and the regulations monitored by local government, was moved from the Department of Local Government in 2000 and absorbed into Planning NSW. Since there is no longer a discrete Parks Unit it is difficult to assess the resources currently devoted by Planning NSW to park issues but it seems to have dropped dramatically. Local Councils have not been notified of their obligation to register approvals for parks since 2000. Consequently registration fees are effectively not being collected and a valuable source of revenue for resourcing an understanding of park issues is being lost. The collection of registration fees needs to be clarified and the resources allocated to matters affecting parks need to be increased.

What kinds of accommodation do parks offer?

The main types of accommodation found on parks include caravans, caravans with temporary or rigid annexes and manufactured homes. These dwellings may be owned or rented. In NSW residents have rights under the Residential Parks Act. They have a right to specific periods of notice depending on the type of tenancy and dwelling and may have rights to compensation for relocation expenses.

Despite the increase in tenancy rights for residents, parks provide a living environment that is structurally at odds with the world of the twenty-first century, where personal freedom of choice is a paramount value. The high density living environment, with its essentially medieval land tenure system, gives unique power and responsibility to the manager who acts as service and infrastructure provider, gate keeper, and landlord. With the landlord usually living on the park, there is a greater potential for conflict and intimidation than is usually the case for standard tenancies.

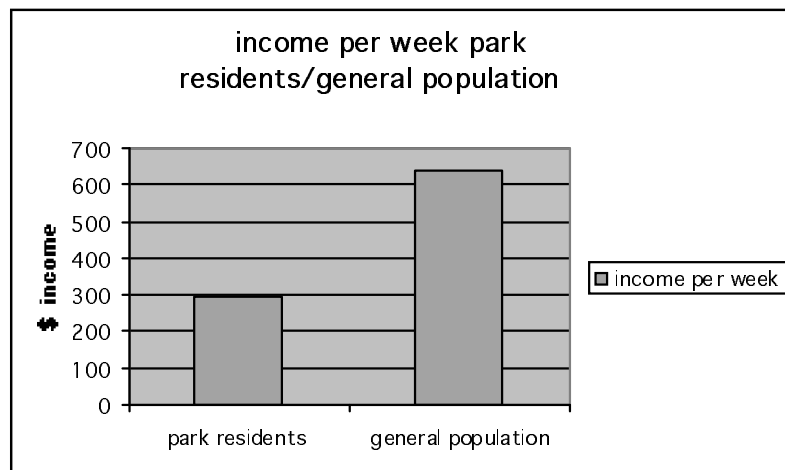
Parks may also provide a sense of community that many feel has been lost in the average suburb. Many residents develop strong networks of support within the park that they value highly. Often enough, too, parks are located in idyllic surroundings, which can easily mask difficulties of access to transport, shopping and services.

1 Background

What role do parks play in housing provision?

Parks provide a retirement option for those of limited means, an entry into a form of home ownership for those unable to enter the mainstream market and accessible accommodation for those with few rental options.

Parks do not house the rich. Median household income is less than half that of the general population (\$293/week as against \$637/week)⁸ and there is a high rate of unemployment (29% as against 9% in the general population)⁹. No comprehensive study has been undertaken, however, and there is a need for more research and analysis of the role parks play in the NSW housing system.



Rental accommodation¹⁰

It is relatively easy to rent accommodation in a residential park. Parks seldom require bond money and as dwellings are usually furnished and fully equipped, moving in is easy. Parks provide rental accommodation for:

- Couples, families and singles who find it difficult or too expensive to access mainstream tenancies
- People leaving institutions, and families who have moved to be near those in institutions
- People changing jobs
- People with a disability (commonly an intellectual or psychiatric disability)
- People in crisis who have been referred from government or community agencies
- People who like a flexible lifestyle
- People who are waiting for social housing or who have failed to maintain a tenancy in the private market or social housing.

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Owners renting sites

Owners of vans and manufactured homes are more likely to live permanently in parks from choice, although, for many, their life circumstances and limited means offer few options. They include:

- Retired people who have invested their superannuation or the proceeds from the sale of their house in a small home or van and annexe on a rented site, often that beautiful coastal park where they have spent holidays for so many years and thought so affordable
- People on a limited income who have saved enough or borrowed to purchase a van/van and annexe or manufactured home
- Older single men who value independence and like the park community

Parks provide these groups with a form of both ownership and independence.

1 Planning NSW data base, April 2002 Caravan Parks in NSW

2 Researchers use different definitions. Published data from Australian Bureau of Statistics estimates C'van park population at 26,089. It counts "residents of C'vans and cabins" but is unclear about owners of manufactured homes - Australian Bureau of Statistics 2002.

3 Department of Fair Trading 1998 Report by the Tenancy Commissioner estimates the then permanent population of parks as "at least 50,000" p3

4 Mowbray M. 1994, *Transforming the Great Australian Dream: The Quarter Acre Block*

5. McClosky, B. 1972. *A Survey and Investigation of the use of Mobile Homes as a mode of Housing in Australia* in Town and Country Planning, November 1972 Pub by Sydney University.

6 Centre for Urban Research and Action (CURA) 1978, *Long term caravan park residents in Melbourne: a case study of housing marginality*, CURA Fitzroy, quoted in Australian Bureau of Statistics 2000, Australian Social Trends 2000

7 Mowbray M. 1994, *Transforming the Great Australian Dream: The Quarter Acre Block*

8 Australian Bureau of Statistics 2000 Australian Social Trends 2000 p 182

9 Australian Bureau of Statistics 2000 Australian Social Trends 2000 p 181

10 Information from Wittich, L. 1999, *A Support Plan for Caravan Park Residents at Risk of Homelessness*, National Dissemination Program, University of Newcastle, NSW, Connor, J., 2001 *Getting to Residents of Western Parks*, Park and Village Service NSW Combined Pensioners and Superannuants NSW Inc Sydney NSW

Loss and Change of Permanent Accommodation on Residential Parks

Where are closures and loss of accommodation taking place?

The Sydney area is experiencing the biggest loss of permanent accommodation, with two major parks set to close in the next 12 months. Between them over 1000 people will lose their accommodation. Another three are under threat, bringing the possible total loss of accommodation in the Sydney basin to nearer 2,000.

Coastal areas close to major centres such as the Central Coast (approx. 242) the Hunter region (approx. 271), Byron Bay (two parks reducing permanent sites) and Ballina (approx. 200) are the other areas where significant losses are either taking place or expected within the next few years. On the south coast and in the west of the State, there has been a change in the type of permanent accommodation, as manufactured homes replace vans, with a loss of permanent onsite accommodation as more upmarket facilities for tourists replace older vans.

Area	Changes
All areas outside Sydney basin especially Western NSW and the South Coast	Moves to upgrade parks for tourism and manufactured homes, loss of bottom end of accommodation
Sydney Basin	Loss of housing for approx. 2,000 people in next 12-18 months
Central Coast	Loss of housing for approx. 240 people
Hunter area	Loss of housing for approx. 270 people
Northern Rivers	Loss of housing for approx. 200 people

In the west of NSW, most parks provided some accommodation for permanent residents until recent years. Now the trend is to replace these sites with tourist sites or short term accommodation for itinerant workers (e.g. Hillston and Rankin Springs). Although western parks may have accommodated only a few permanent residents, proportionally, their loss to housing stock in their communities is significant.

What is driving the closures and loss of permanent accommodation?

Land prices (and the chance to realise substantial capital gains), the rise in retirement tourism, upgrading of parks and a range of other factors are all

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Loss and change of Permanent Accommodation

contributing to the current loss and change in the accommodation on parks. More extensive research is needed to estimate the impact of each.

Land prices

In NSW the rise in land prices and flexible planning controls has led to park owners receiving lucrative offers to sell their parks for redevelopment. Land on the edges of Sydney and on the coastal strip has more than doubled in value in the last 10 years and the pressure on park owners to realise on their investment's gain, looks set to continue. Park owners have also mentioned the rising cost of land taxes as a good reason to sell out.

The parks most at risk at present seem to be those housing more marginalised people where there has not been any recent capital investment. However, parks in prime locations like Caves Beach near Newcastle are also under threat.

Tourism

The growing number of year-round older tourists is fuelling moves to phase out permanent accommodation on many parks and cater specifically for holiday/tourist usage. Unlike the previous seasonal holiday crowd, the "grey nomads" are providing a steady source of income all year round. Parks west of the mountains seem to be especially affected by the trend to "see the outback".

Other factors

Some Council-managed parks on the north and south coast are using the Crown Lands Caravan Parks Policy¹¹ as their reason for trying to replace permanent sites with tourist sites, arguing that this is providing greater public access to Crown land. The healthy profits which are now flowing from the tourist dollar are an added incentive.

Residents in one northern Crown-land park¹² have set out to prove that permanent residents impact positively on the environment by establishing a dune care and environmental care group. Discussions on the way this policy is currently being used and its effect on residents' housing is needed.

Decisions by State instrumentalities also affect residential park accommodation. A freeway looks likely to drive through Harts Caravan Park which houses more than 240 people in Miranda in Southern Sydney.¹³ Representations to State and local government have been met with referrals to other Departments or to the Department of Housing's waiting list (a seven year plus wait in that area).

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Loss and change of Permanent Accommodation

Another park on the outskirts of Sydney in the Hawkesbury¹⁴ area is facing possible closure because it does not meet the minimum standards required by the Local Government Act.

Residents in the west of the State¹⁵ have reported that several councils are planning to close their parks and hand back the land to the Crown Lands Department due to the increase in public liability insurance. Regional councils are often financially stretched and the rapidly increasing cost of public liability insurance is affecting many council facilities.

Upgrades of parks and loss of accommodation for those most at risk

The regional differences above are reflected in another aspect of the complex scenario. Parks are closing in beautiful seaside locations and areas close to Sydney and owners of manufactured homes are finding their major asset under threat. In other areas however, the nature of the group being housed is also changing as manufactured homes replace caravans.

Many parks are phasing out their own caravans, which they rent out, and renting the site to an owner of a manufactured home. The loss of rental accommodation, particularly up to 1996, has been considerable and is reflected in the figures from the 1996 census below. Other parks have been moving out owners of vans and re-letting sites to owners of manufactured homes. Vans are much cheaper to buy than manufactured homes so the most affordable accommodation is being lost.

The move from vans to manufactured homes is continuing in all parks, both inland and along the coast. While accommodation continues to be provided, it is for another group, older retirees who own their own manufactured homes which can cost up to \$90,000 (or more), rather than van owners or van renters who cannot afford manufactured homes. This displacement of one group by another, may not show as loss of accommodation, but in fact masks a substantial decline in accommodation for the most at-risk people.

Quantifying both the total loss of accommodation and the shift from vans to manufactured homes is difficult. Manufactured homes may not be counted in the census as being on a residential park if they are resident-owned.¹⁶ In NSW the 1996 census showed that there has been a decline in people living permanently in “vans and cabins” in parks since 1991 (a 35% drop between 1991 and 1996). No figures are available for the total number of people living on residential parks in manufactured homes which increased rapidly in that

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Loss and change of Permanent Accommodation

period. The 2001 census on the other hand has shown a slight increase of 1.2% in the number of people living in vans and cabins but a 3% decrease in the number of dwellings. Until the Australian Bureau of Statistics reviews collection methods,¹⁷ definitions and census questions for residential parks, the census will remain an unreliable tool for analysing the changes on parks.

Research west of the mountains revealed¹⁸ that many park owners were not prepared to continue offering permanent rental accommodation for people at risk because of the difficulties they had experienced and the lack of support available, especially for people with psychiatric disabilities. Owners of parks in West Wyalong, Griffith, Leeton and Mudgee indicated that they were no longer taking these referrals from government and community service organisations, and were restricting the long term rental places they offered. A typical comment is recorded below.

“They’re cutting back on government housing and refuges and sending people to me. I reckon the new name for refuge is caravan park. But I’m not running a refuge and I’m not a social worker, I’ve got a business to run. I lose business when people can’t cope and cause trouble. Last time someone lost it, it took two weeks before mental health returned my call. After five really bad incidents with people with mental health problems last year I just don’t take anyone who looks a bit wild eyed especially referrals from charities.”¹⁹

On the other hand a park in Byron Bay area has extended its rental accommodation for low income renters by purchasing numbers of old caravans. The park owner is taking referrals from charities and other services who pay initial rentals for people at risk of homelessness. High risk people are being housed in poor conditions subsidised by government rental assistance.²⁰

11 Information from Northern Rivers Tenancy Services Nov 2001

12 Information from Suffolk Park Residents’ Association August 2001

13 Correspondence from Sutherland Shire, Department of Main Roads, Department of Community Services, Premiers Department, Department of Housing, South Sydney Tenancy Service and South Sydney Park Residents’ Association October 2001

14 Information from Western Sydney/Hawkesbury Park Residents’ Association

15 Reported to Park and Village Service in May 2002

16 The census question for 2001 directed those who ticked “home owner” to go directly to a later question and not to fill in the question on rent or site fees, thus leading to confusion for owners of manufactured homes on residential parks

17 The ABS in NSW has been using many park owners and managers as census collectors on parks. The conflict between the landlord role and census collector is further confused by limits councils put on the number of permanent sites so that it is in an owner’s interest to underestimate the number of permanent residents if they have rented out more permanent sites than their entitlement

18 Connor, J. 2001, Unpublished research paper on Inland Parks for Master of Philosophy Architecture, I.B. Fell Housing Research Centre, University of Sydney

19. Interview with park manager Leeton NSW 2001

20 Information from resident organisers and tenancy workers Tweed Heads 2001 Illawarra February 2002

Effects of closures and loss and change of accommodation on residents, services and the community

Effects of closures and loss of accommodation on residents

The Residential Parks Forum Workshop of September 2001 identified a range of effects of closure and loss of accommodation on residents.²¹ Some issues affect all residents, other issues are specific to renters or owner/renters.

All residents are affected by

- The stress caused by closures and the uncertainty surrounding loss of accommodation. It is causing ill health particularly amongst elderly residents. Residents living on parks that are facing closure have reported an increased number of strokes, heart attacks and stress-related illnesses.
- Leaving a community that has been so important in their lives. Residents fear the loneliness and the loss of a support network that they depend on and to which they contribute.
- Being unaware of their tenancy rights. Many residents are disadvantaged by their ignorance of their tenancy rights in relation to park closures and this has caused unnecessary hardship.

Case Study²² - The Loss of More Than a Dwelling

Norma, Josie and Thelma (all names have been changed to protect their privacy) are all permanent residents of a residential park, situated on prime real estate in the heart of a coastal town on the NSW far North Coast. Their park adjoins the local shopping centre and hospital. Because of its proximity to medical services it has become home to many people with disabilities or serious illnesses. The park is one of the many NSW parks that is being redeveloped and soon will no longer be used as a residential park. The three women have to find alternate accommodation or sites for their homes.

Josie, Norma and Thelma all live alone in dwellings that they own. They rent their site from the park. When they moved to the park many years ago the cost of living was much more affordable. Their only income is the aged pension and that has not kept pace with increases in site fees and the cost of food and other essential items

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Effects of closures and loss and change of accommodation on residents, services and the community

and services. In an attempt to save money and make ends meet, the three women have developed an innovative way of saving by sharing resources. Only one of the three has a telephone connected to her dwelling, but it is shared between them all, another has a washing machine and clothesline that all three use [the coin operated, park owned machines are too expensive]. The other has a garden shed that is used for storage by all of the women. The close proximity of their sites allows the sharing of many other items such as garden tools and hoses and outdoor furniture. The women have become very close friends and can rely on each other for assistance and support.

The three women have befriended a younger woman, Sandra, who has terminal cancer and needs a great deal of care. Sandra has no close family and moved to the park because it was close to the hospital, she rents both the dwelling and the site from the park. Thelma, Josie and Norma share the responsibility of providing necessary care for Sandra.

What will happen to these women now that the park is being redeveloped? The park owner, under NSW residential park law, must pay compensation or relocation costs to the three older women because of their dwelling type and tenure form. It would be a miracle if they found three vacant adjoining sites in a park that was willing to accept their older style of homes. In any case, there is no other park in the area as close to medical and shopping facilities as the one they now live in. Obtaining sites in a new park being developed on the outskirts of the town is their only hope if they are to keep their independence but be close enough to each other to continue sharing resources. But how will they get into town? None of the women has private transport and public transport in the area is infrequent and unreliable. What if the unthinkable happens and they have to be separated? It is a very stressful time for the three women and the uncertainty of their future has affected their health and wellbeing.

And what about Sandra? Under NSW tenancy law the park owner is only obliged to give her 60 days' written notice that the tenancy will end. Where will she live then? Who will provide her care? How will she get to the hospital?

For these women there is much more at stake than the loss of accommodation and residential park sites. There is a reduction in the quality of their current lifestyle, increased living and transport costs, the potential loss of friendships, networks and most importantly, independence. The cost to the general community is also high, as accommodation and care will have to be found for Sandra. And as for Sandra, she will lose a life-sustaining support system whose loss may well prove fatal.

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For Renters of both dwelling and site, park closures and loss of rental accommodation has several effects

- Park accommodation is often used for young people in town looking for work and by families looking for a home after they have relocated for work. The loss of this accommodation impacts on employment opportunities and the flexibility of the work force.
- Many of those renting their dwelling from the park owner have nowhere else they can go. This group of residents are amongst the most disadvantaged in our society and many have disabilities, they find it difficult to compete in the private rental market. This may be due to difficulties finding money to pay for a bond, electricity and gas connection costs (low entry-cost is a primary factor in at-risk groups renting in parks) or to pay private market rents. They may have moved out of social housing or have failed tenancies in the private market. Therefore they may be unable to provide tenancy references or have their names removed from bad tenant data bases. Park closures for this group, who are living on the edge, can lead to homelessness and the break up of families.

Case Study²³

Michelle and Darren had been renting on their park ever since Darren got out of jail. The social worker took Michelle's children when she had a couple of breakdowns and she lost her Department of Housing home at the same time. She was so depressed she just couldn't cope with anything. Now she had got a bit settled with Darren. They had joined a club and she was taking medication and had joined a group at the health centre. The park was a bit run down but it suited them. No-one asked for a reference and they had moved straight in.

Now the park owner has told them that he is selling and the land is to be turned into an up-market development. Michelle is terrified of moving. They don't have enough for a bond or electricity or gas connection and who would give them a reference for a flat? The other parks near them only seem to be taking people who have purchased houses. They are much more up-market than their park and they don't have any rented accommodation except for holidays. The only option Michelle can see is the refuge again and then she would lose Darren.

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Effects of closures and loss and change of accommodation on residents, services and the community



Malcolm, Betty and their disabled daughter face more difficulties than others as their well placed park in Ballina closes. They need a very large site for their wheel chair ramp and they need to be very close to medical attention.

For owners of dwellings who rent a site, closures and loss of accommodation raise many issues. These include:

- Many resident owners are unaware that it is possible for the park owner to sell the park and that they could be forced to move their house somewhere else. The shock for them can be traumatic.
- Owners of parks may also be ignorant of their obligations. Many fail to reveal their intentions to sell or develop as required by s74 of the Residential Parks Act. Given that residents are just as poorly informed, their rights can be severely abused.
- Residents from parks that are closing find it hard to locate parks which will accept their dwelling. A park's closure means that large numbers of residents are competing for the very limited number of available sites in the surrounding area. Also, park owners may get commissions from the manufacturers of relocatable homes, so there can be a disincentive for park owners to allow residents to bring in their existing homes.
- It is particularly hard for older style "single wides" and vans with annexes as they are not welcome on many parks.
- The closure of the park may mean residents losing their main asset, or the resale value of their homes may be severely degraded by forced removal from a lovely seaside location, to anywhere they can find to put it, especially if the new park does not allow sale of the dwelling on-site.

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- Residents who are entitled to compensation for relocation find it is of little use if they cannot find a park which will accept their dwelling. In NSW, only residents who own a movable dwelling with a rigid annexe – e.g. a caravan with a rigid annexe, or a relocatable home, or a manufactured home, are entitled to relocation cost under the Residential Parks Act.
- The provisions for compensation for relocation in the NSW Residential Park Act (Section 128) have shortcomings which put barriers in the way of successful relocation for residents. These are dealt with in detail below.

The Compensation for relocation provisions of the Residential Parks Act NSW

The Compensation provisions of the Residential Parks Act NSW allow a resident who owns a movable dwelling with a rigid annexe, a relocatable home, or a manufactured home, to apply to the Consumer Trader and Tenancy Tribunal (CTTT) for an order for compensation for relocation cost from the park owner. Reimbursement of relocation costs are not automatic and depend on the decision of the Tribunal.

If a resident is lucky enough to find a park to relocate their dwelling to, the resident can seek an order for compensation for relocation costs within six months after vacating the site in compliance with a termination notice. This means the resident has to pay the relocation costs from their own pocket and then apply to the CTTT for an order requiring the park owner to pay their costs. Many residents do not have the substantial cash savings (approximately \$12,000) such “up front” costs require. A resident who can not pay these up front costs may lose out on obtaining rare available sites.

Alternatively, residents can wait until the park owner seeks an order from the Tribunal for vacant possession. Residents who wish to challenge the termination or those who do not have the funds to relocate would need to take this option. However, taking this path may mean that most of the available sites on other parks in the area have long since been taken.

If a resident cannot find an alternative site on which to relocate their dwelling, in reality, the only compensation they can expect is the cost associated with taking their dwelling to the dump – a much cheaper alternative for the person paying the compensation. Therefore there is no incentive for park owners to

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enter into an enforceable agreement to pay compensation to a resident before the matter goes to the Tribunal. Many enter into verbal agreements that do not provide full compensation and are often unenforceable.

Older-style vans with annexes and manufactured homes cannot easily be removed without sustaining major damage. The legislation stipulates that compensation for damages arising from the relocation of the dwelling cannot be in excess of the value of the dwelling. It is extremely difficult to obtain valuations on such dwellings. Even if residents are successful in obtaining a valuation, the value of the dwelling may be less than the cost of repairing the major damage incurred during a move, or less than the replacement cost of the home which the resident has lost.

The compensation provisions of the Residential Parks Act need to be adjusted to enable successful relocation of residents and minimise loss of housing. Recommendation B 4 at the end of this paper provides a starting point from which to address this problem.

Case Study²⁵

Cath and Bruce sold their fibro house in Blacktown and were able to buy a place on a beautiful seaside residential park and have the round-Australia trip as well. The park was so close to the city that their children and grandchildren could get down quite often and the neighbours were friendly. Then they noticed a sign on the park notice board and were horrified to discover that the park had been sold to a developer who was seeking council consent to a development proposal to build a resort on the land.

They joined other residents to lobby the council to refuse the proposal but began to realise after six months of tension, that they were merely delaying the inevitable. When they began to try to find somewhere that they could relocate to, very few parks had spaces and the cost of moving their home and reconnecting services was over \$10,000. They had heard that they could be compensated by the owner but didn't know how to go about it. In the end they borrowed some money from their children and moved to a park owned by the council who said that they could not sell on-site, so the value of their house dropped from the \$95,000 they had paid, to \$20,000. Selling a used house without a site isn't easy.

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Effects on services

Tenancy services in the Central Coast, the Hunter and the Northern Rivers areas have reported an increasing number of inquiries from residents faced with park closure. As services in these locations already have heavy case loads – typically, any one caravan park problem can involve scores and even hundreds of individual cases – this can create additional pressure for all parties. Some clients have found the trauma very difficult and have become violent.²⁶ Workers also feel frustrated because often there is little they can do to help residents except delay the inevitable. Services are concerned that many of the most disadvantaged residents are ignorant of their tenancy rights and unable to access them without assistance. Resources are needed for both community education activities and workers who can assist clients.

The most disadvantaged residents have few resources to achieve a successful relocation. Without appropriate assistance and case management, many will become homeless. Charities and community organisations need additional dedicated resources as large numbers of people from residential parks will be seeking assistance. It needs only one park to close or threaten closure for local services to be deluged by hundreds of clients. Residents need to have input into the appropriate strategies for re-housing of residents for each park that is closed. Models of this type of intervention on parks have already been developed in NSW by Leanne Wittich²⁷ with the National Dissemination Program and in Queensland on San Mateo Park in Brisbane.²⁸

Owner/renters are often ignorant of their rights. They need information and assistance with issues around compensation for relocation. They may need assistance and advocacy over the complex problems of relocation. Targeted community education materials and models for appropriate advocacy are a necessity for this group.

Loss of affordable housing

The closure of parks, the loss of permanent sites to tourist sites and the replacement of van accommodation with manufactured home sites, reduces the stock of affordable housing, thereby adding to a significant decline in recent years. And in the event of park closure this is not a slow decline that may or may not be managed, but a sudden and substantial drop, creating crisis for all residents.

3 Effects of closures and loss and change of accommodation on residents, services and the community

The loss of housing at the very bottom of the market is particularly problematic in Sydney where the loss of accommodation for almost 2,000 people on parks will add to the 65% loss over the last 10 years.²⁹

The far North Coast has one of the highest regional waiting lists for Department of Housing dwellings. A park in Ballina providing 200 residents, (the majority of whom are aged and disabled), with accessible, well-serviced, central accommodation, is due for redevelopment as a shopping mall (Ballina already has two). Managers of two council-owned parks in a nearby local government area have indicated to residents they intend to reduce the amount of permanent accommodation and increase tourist sites.

Residential Parks are not “the great solution” for long term affordable housing. The lack of personal freedom of choice, the vulnerability of residents’ investment in their housing and the potential for marginalisation of disadvantaged people, make them an inappropriate policy option. However, while unemployment, high housing costs and scarcity of public housing remain facts of life, they will continue to be a vital part of housing provision and as such, any loss of supply warrants attention.

Parks as crisis housing

Parks are inappropriate for people in crisis. The lack of privacy, the concentration of people in crisis, the significant numbers of people with challenging behaviours, the confined spaces and a management inexperienced and untrained in handling people in crisis, all increase stress and trauma. The community, through our governments, must take responsibility for ensuring supports and services are in place for vulnerable people. Without adequate appropriate and affordable housing our communities will become sad and dangerous places.

Park owners are running a business, not providing a social service. The less scrupulous may be prepared to provide below-standard accommodation in order to make a profit (and by the same token deal with challenging behaviours in a summary, if not violent, manner), but better parks will continue to focus on their core business and refuse the refuge option.

3 Effects of closures and loss and change of accommodation on residents, services and the community

Older people's housing

The effect of loss of alternative housing for older people on parks in high-need areas will be problematic. Parks in country areas have often provided permanent accommodation for one or two hard-to-house, older single men who enjoy the independence of park life. The gentrification of these parks for tourism and their closure due to insurance or planning concerns, is displacing this group. While the numbers are not great, they represent a significant loss of affordable housing for a subgroup in country communities: and a subgroup with little in the way of alternative options, and without the skills and know-how to develop them.

Parks have been promoted as a lifestyle choice for retirees. Parks in idyllic surroundings promised the beach and riverside lifestyle of superannuation advertising. For those living on parks affected by closures, however, these choices are now severely limited. Intervention is needed at local, state and federal level, to ensure adequate older people's housing is available for those displaced by closures.



Residents of Tinkerbell Caravan park in Ballina demonstrate outside the Local Council Offices against the development application to redevelop their park for a shopping centre.

Photo courtesy of The Northern Star

3 Effects of closures and loss and change of accommodation on residents, services and the community

Protecting residents' investment in their housing

Residents who own their dwelling need to have this asset protected. They have a fundamental right to protection of their property. They have provided for their own shelter and are in danger of losing it should the park close or change its use to that of solely holiday accommodation. They face the possible loss of their main asset, and even homelessness, when a park closes.

Should residents lose their homes, the cost of rehousing them will be very expensive, particularly in high need areas. The loss of their independence and lifestyle cannot be easily replaced. This group rarely has the resources to access alternative independent housing.

Tenancy, health and safety issues at closure

Both residents and tenancy workers have expressed the concern that tenancy, health and safety issues are in danger of being ignored when a park is closing. Reports from community workers in Queensland of power and water being turned off and residents being intimidated as parks close³⁰ indicate that authorities need both to inform owners and developers of their obligations, and to monitor observation of health and safety regulations. As parks tend to be virtually remote communities not accessed by the general public, and may house residents who are reluctant to approach authorities, residents' rights are in need of increased protection.

What action has been taken so far by residents and councils ?

Residents and their advocates in several areas have used the local government planning process, either to delay the loss of their accommodation or to attempt to mitigate the effects of the trauma. Residents in Ballina, Blacktown, Byron Bay and Caves Beach have been active. However, not all park residents have the same skill, determination or support from their local council.

Councils who use their planning powers to try to mitigate the effects of closure can be thwarted by the current planning system. For example a negotiated decision by Blacktown Council to require the development company, Meriton Apartments, to provide some minimal assistance to residents by extending notice times and providing some financial assistance for residents to relocate, is being challenged in the NSW Land and Environment Court.

3 Effects of closures and loss and change of accommodation on residents, services and the community

Conclusion

The problem of closures and loss of accommodation on parks needs to be on the government agenda for action at federal, state and local level. The issues involved cannot be solved by one government department or even one tier of government. There is a need for all relevant government and community organisations to come together to develop a cohesive and workable response.



Caravan with non-rigid annexe

21 The Residential Parks Forum is a bi-monthly policy forum on residential parks issues convened by the Park and Village Service. It includes Tenants Advice workers, Resident representatives from APRA affiliates in the Hunter, the Central Coast Parks Network, South Coast Park Residents' Association, Hawkesbury/Western Sydney Park Residents Association, South Sydney Park Residents' Association, the Northern Alliance of Park Resident's Association, a representative of the Legal Aid Housing unit and the Tenants Union

22 Information from Northern Rivers Tenancy Service. Names have been changed to protect privacy

23 Information from Hunter Tenancy Service, names have been changed to protect privacy

24 Information from Tenancy workers in the Hunter and Central Coast

25 Information on cases from Central Coast Tenancy Service - names have been changed and some details to protect privacy

26 Report from Central Coast Service Wyong

27 Wittich, L., 1999, *A Support Plan for Caravan Park Residents at Risk of Homelessness*, National Dissemination Program, University of Newcastle NSW

28 Johnston, T., Black, S., and Conway, J., 2001 *Reflection on the Closure Response at San Mateo Caravan Park* Distributed by The Queensland Department of Housing and ONSITE, the network of caravan park workers and residents

29 Roden, W. 2000, *An Affordable Housing Strategy in People Plans and Places* published by Shelter NSW and NCOSS Sydney NSW

30 Reported at the National Caravan Park Conference Brisbane March, 2001

Recommendations

Two Types of strategies are recommended

- A. Short-term strategies to meet the immediate needs of people whose housing is threatened by park closures and loss of permanent accommodation on parks.
- B. Long-term strategies – including legislative change – to minimise adverse consequences, retain affordable housing, protect residents’ investment in their housing and ensure sustainable tenancies.

A. In the short term:

A well-resourced whole-of-government and community response to managing both the rehousing of residents at park closure and protecting the investment by residents in their housing.

1. **Adequately funded:** A fund should be established from relevant government departments (e.g. earmarked from Department of Housing [DoH] rental assistance and contributions from property developers) to cover the rehousing and relocation costs for park residents displaced by park closures which are not already covered by the park owner’s legal obligations.
2. **Priority access** to social housing should be given to low-income people displaced by park closure.
3. **Relocation expenses for owners of dwellings** should be required to be provided upfront to facilitate their successful relocation. Expenses should be sufficient to cover all reasonable costs involved.
4. **Local Councils** who own or operate parks and **nearby park operators** need to be encouraged to allow the relocation to their parks, of dwellings from parks which are closing, through financial assistance towards extending park infrastructure to accommodate these extra residents.
5. **A task force should be established by the NSW Department of Housing** (in conjunction with the monitoring of loss of affordable housing in other areas) to co-ordinate responses to park closures with representatives from Department of Community Services, Department of Fair Trading, Department of Ageing,

4 Recommendations

Disability and Home Care, Local Government and Shire Associations and other relevant State government departments, community housing providers and tenant advocacy bodies. The task force needs to have lines of communication to the industry, tenants' advice services and park resident groups so there is early warning of closures.

6. **A local advisory and support service, funded by The NSW Department of Housing and co-ordinated by a local service, with well established links with residents,** should be established where park closure is threatened, specifically to work with residents of that park in locating housing alternatives and disbursing assistance. This service should work in association with all community organisations working on the park, relevant government departments and community housing providers and tenancy advocates. As residents are often elderly or suffering multiple disadvantage and very stressed by closure, the utmost care and sensitivity must be exercised in communication and contacts. These contacts are best managed by service organisations already in contact with residents.
7. **Protection of residents' rights in the event of park closures.** The advisory and support services should provide resources for local tenants' advice services to contact residents individually and provide information and advocacy.
8. **The Parks Division of the Trader and Tenancy Tribunal should be resourced for additional sittings,** to deal with the increased demand occasioned by park closure. Owners of dwellings need to receive rapid attention on the issue of relocation expenses, to expedite a successful move. Residents need rapid access to the tribunal, if their rights at closure are to be upheld.
9. **Accessible information advising residents of their legal rights and protections in the event of park closures** should be prepared immediately by the Department of Fair Trading and circulated to residents of all parks.
10. **Information on the responsibilities of proprietors of parks on closure** should be prepared and distributed immediately by the Department of Fair Trading.
11. **Maintain the law.** Inspectors from the Department of Fair Trading should visit proprietors of parks under threat of closure, advise them of their legal responsibilities, and ensure that the law is observed. Police in the area where closures are happening should be briefed by the inspectors so they can ensure that the law is upheld and residents' safety protected.

4

Recommendations

Several interstate park closures have involved violence and illegal evictions.

12. **Maintain public health and service standards.** As part of local government's role as monitors of community health and safety, health inspectors from local councils need to regularly visit parks which are closing and ensure that proper public health and service standards are maintained until the last resident leaves.

B. In the long term

Long term strategies including research and legislative and planning policy change, should be implemented to minimise adverse consequences for both renters and owners of dwellings, retain affordable housing and protect residents' investment in their housing through increased security of tenure.

1. **Strategies to increase understanding of what is happening on parks and its significance for the broader housing system.**

Resourcing research and facilitating information exchange

- 1.1 A national inquiry into the role of residential parks in the housing system should be immediately established.
- 1.2 The Federal Government should extend its funding for research on park issues especially to examine the issue of social control and personal freedom of consumer choice on parks and on security of tenure issues. This should include a series of conferences and seminars to enable governments, researchers and community groups to exchange information.
- 1.3 The Australian Bureau of Statistics should be encouraged to review their methodology, definitions and the scope of their collection of data on Residential Parks.
- 1.4 The collection of registration fees for residential parks by the NSW Department of Planning should be reviewed and clarified immediately. The fee structure needs to advantage long term sites and the revenue collected be directly allocated to maintaining the data base on parks and monitoring issues for permanent residents of parks.

2. Strategies to retain affordable housing and older people's accommodation

- 2.1 The role of Local Government-owned parks in providing affordable housing needs to be recognised. Local government owns a third of all parks in NSW. As not-for-profit organisations their contribution to affordable housing in their communities is significant. We recommend that local councils be encouraged to review the use of their parks in the light of needs for affordable and older people's housing and have access to federal funding which enables them to provide adequate facilities. The service needs of disadvantaged residents on parks should be recognised in local council social plans.
- 2.2 The State Environmental Planning Act (EPA) needs to be better exercised by councils and the preparation of social impact statements should be required for development applications involving change of use for residential parks. Local Councils should take social impacts into account in the preparation of determinations on development applications for residential parks from owners or developers seeking to re-develop the park.
- 2.3 A State Environmental Planning Policy (SEPP) needs to be developed which:
 - Seeks to retain residential parks which provide low cost housing.
 - Limits change of use from a residential park.
 - If change of use occurs, requires the developer to adequately compensate residents for loss of tenancy.
- 2.4 The EPA needs to be amended so that local government is required to notify owners of dwellings who rent a part of the land affected by the Development Application (DA) as soon as any DA on their residential park is lodged with council.
- 2.5 The use of the Crown Land Caravan Park Policy needs to be reviewed by the Department of Land and Water Conservation, to affirm their role in providing alternative low cost accommodation and by Planning NSW, to ensure that there is no loss of affordable housing and that residents' investment in their housing is secure.
- 2.6 The effects of both, land tax and increases in public liability insurance on the operation of residential parks needs to be investigated.

4

Recommendations

2.7 Develop alternative ownership options for residential parks. A variety of options need to be encouraged and facilitated by both state planning and housing instrumentalities. Several options are:

- A small but significant number of parks are on land which is on a long-term lease from the government. When the time limit on the current lease expires these parks could be converted to a system of shared equity, administered by a trust instrument.
- Community-focused organisations should be encouraged to purchase and manage parks as part of their community focus. For example the Penrith Panthers Leagues Club currently own and manage a well located, very successful park at Penrith called Nepean Shores.

3. Replacement of housing stock by social housing

- 3.1 Where long-term sites in residential parks are being changed to short-term holiday lettings, the relevant state housing department should be required to contract provision of comparable dwellings from community housing or other providers.
- 3.2 Government and community housing providers should be encouraged to invest in a wider range of low-cost housing options, especially in high risk areas for park residents.

4. Adjustments to Residential Park Tenancy Legislation

- 4.1 *Compensation for Relocation Cost.* The provisions of the Residential Parks Act should be amended in order to ensure that those who are entitled to relocation costs can access their entitlements in a time frame which will enable them to successfully relocate.
- 4.2 *Compensation for Owners of Dwellings.* The Residential Parks Act should be amended to require that where alternative comparable site accommodation is not available, park proprietors or developers should be required to purchase manufactured homes and vans at the market price applicable before closure was announced.

4 Recommendations

5. Resourcing community development on parks

Park communities need assistance to develop strong internal communication and support networks, a self-confident community and access to outside services and advocates. These strengths enable residents as a group, to deal with many of the problems associated with park living and reduces the need for high level intervention at closure. Funding to provide this resourcing role should come from the relevant federal/state government department via local government or community groups.



Caravan with rigid annexe

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Appendix A

Possible residential park closures and loss of park accommodation in NSW as at May 2002

This is an initial survey only. It is based on information from resident's groups and tenants' advice services. It aims to give an indication of the numbers of affordable housing places currently at risk. The site numbers are from the Department of Urban Affairs data base as updated October 2000. Approximate numbers from resident group organisers.

Postcode	Sites/number of tenants (if known)	Comments
2228	90 long term sites. Approx 240 people including children	The park was bought by the RTA and leased back to the original owners. The lease expires end of 2002. There is a block next door appropriate for use.
2171	196 long term sites	The owner has told residents they are planning to sell in the near future.
2170	196 long term sites	Owner has told residents that he is considering selling as land taxes and rates are high and land now is very valuable.
2565	42 long term sites approximately 60 residents.	Owner has told residents that he is considering selling as land taxes and rates are high and land now is very valuable.
2768	313 sites approx. 900 people including children	All residents rent both dwelling and site.
2756	85 long term sites approximately 160 people including children	Park not meeting council standards. Council will close park if standards not met.
2260	105 permanent sites approximately 150 mainly elderly people	Residents notified of redevelopment DA has not yet been approved.
2478	145 permanent sites. Approx. 200 people Majority of residents elderly and/or disabled Site is close to all services and level. A shopping complex is planned.	Residents have fought the DA and rezoning at council level.
2324	138 long term residential sites	Owner has told residents they are closing.

Appendix A

2281	26 long term sites approx 40 residents	Currently the developer has had their DA for a resort rejected by the council
2430	One long term site	Owner has told resident they are closing
2324	15 long term sites	Most of the residents have moved many without compensation
2259	16 long term sites	Upgrading for tourists
2474	18 long term sites	The park is on crown land in trust to the local council. Council is handing back crown lands as it has told residents it cannot afford the public liability insurance
2369	12 long term sites	Manager has told residents that the council is closing the park
2710	9 long term sites	Owner is closing the park

Loss of Permanent Sites Due to Change of Use

Postcode	Sites/no of tenants (if known)	Comments
2669	2 long term sites	Tourist only
2675	10 long term sites	Tourists and itinerant workers only, the park has recently been upgraded
2481	30 long term sites	Residents have been informed that the park will reduce number of permanent sites following the Crown Land Caravan Park Policy
2481	68 long term sites	As above
2536	28 long term sites	As above

Terminology

Residential Parks:

In NSW Caravan Parks are called residential parks in tenancy legislation and this has been adopted throughout the paper. The following terminology follows the Residential Parks Act NSW unless otherwise stated.

Van with rigid annexe:

A caravan which has an attached annexe built of rigid materials that is used as an extension of the habitable area of the dwelling.

Manufactured Home:

Means a self contained dwelling which has a living area, a bedroom, kitchen, bathroom and includes its own laundry facilities. It comprises one or more sections, and is not a registrable moveable dwelling.

Relocatable Home:

Includes manufactured homes and means a moveable dwelling such as a cabin type structure that is not registrable under The Roads and Transport Registration Act. Unlike caravans or camper vans which can be registered.

Cabin:

Is poorly defined. The ABS uses the term but its dictionary does not define it. The Residential Parks Act does not use the term however a cabin-like structure would be defined as a relocatable home under the Act.

Single Wide:

Similar to a manufactured home but smaller, only one main section.

Permanent Site:

A designated piece of land in a caravan park the purpose of which is to hold a dwelling that is used as permanent accommodation.

This initial report was researched and prepared by the Park and Village Service in co-operation with the Tenants Advice Network of NSW, Shelter NSW and the I.B. Fell Housing Research Centre, University of Sydney.

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