

Housing for the Aged Action Group Inc.
(incorporating the HAAG Caravan and Residential
Park Residents Working Group)



**Submission to the Department of
Planning and Community Development
on the Residential Tenancies (Caravan
Parks and Movable Dwellings
Registration and Standards)
Regulations 2010**

April 2010

The Housing for the Aged Action Group Inc (**HAAG**) is pleased to submit this response to the Department of Planning and Community Development (**DPCD**) on the Regulatory Impact Statement published in March 2010 regarding the Residential Tenancies (Caravan Parks and Movable Dwellings Registration and Standards) Regulations 2010 (**RIS**).

This submission is made further to of our consultation with DPCD in February 2009.

HAAG wishes to acknowledge the assistance of Nathan Abbott (Partner) and Jane McMeekin (Senior Associate) of Middletons in writing and compiling this submission.

Introduction

The RIS addresses:

- the case for the regulation of the caravan park industry;
- issues facing the caravan park industry;
- standards for the construction and installation of unregistrable movable dwellings (**UMD**) and rigid annexes in caravan parks;
- the maintenance of caravan park facilities and services, including fire safety, emergency management planning, communal sanitary facilities and other health and safety services;
- registration of caravan parks; and
- fees.

The preferred options identified address the following of particular interest to HAAG:

- the application of the performance based Building Code of Australia (**BCA**) to the construction and installation of UMDs;
- the inclusion of sanitary facilities in increasing numbers of UMDs; and
- the collection of information from caravan parks for registration purposes.

HAAG's perspective

HAAG's experience is that the expansion of the residential village sector as retiree accommodation has been significant in recent years and HAAG's view is that it will continue due to demand for lower cost retirement village housing. HAAG has estimated on the basis of industry projections that the number of residents could grow by 7,600 over the next ten years from an estimate of 10,000 in 2003.

Further, the housing stock presently being developed is intended to have a useful life significantly in excess of the 10-15 year estimate of the Caravan Parks Association. As residents are often provided with long term leases that reflect a tenure exceeding 30 years with homes of a size and standard often equal to standard domestic homes, HAAG considers that these dwellings should

be required to be constructed to the same standards as any other domestic home.

Given the disadvantage typical of HAAG's constituency and the increasingly highly evolved nature and expense of UMDs, HAAG would ultimately like to see UMDs subject to the same insurance and consumer protection regime that covers the construction of homes as domestic building work under the Domestic Building Contracts Act and the Building Act, perhaps by reference to criteria including the cost of construction and the duration of the site lease.

The Building Code of Australia

HAAG agrees that the BCA ought to apply to UMDs, essentially because HAAG's position is that, in order to best protect the interests and rights of residents without unduly impacting affordability and other stakeholders, UMDs ought wherever practicable to be treated as are any other homes.

HAAG agrees that there are provisions of the BCA which are not appropriate for application to UMDs, including those provisions relating to masonry, roof tiling and swimming pools. Such works are not relevant to the construction and installation of UMDs.

However, HAAG does not agree that those provisions of the BCA dealing with sanitary facilities, ought to be excepted from the requirements required to be met in respect of UMDs, as contemplated by paragraph 1(1)(d) of Part 1 of Schedule 2 to the exposure draft of the Residential Tenancies (Caravan Parks and Movable Dwellings Registration and Standards) Regulations 2010 (**Exposure Draft**).

HAAG acknowledges that the provision of adequate sanitary and laundry facilities within the caravan park is sought to be achieved by regulations 25 and 26 respectively of the Exposure Draft, however HAAG's experience is that these facilities are typically included in UMDs and so HAAG's position is that they ought to be subject to the application of the BCA.

HAAG also disagrees that the Victorian variations to Objective O2.6, Functional Statement F2.6, Performance Requirement P2.6.1, Verification Method V2.6.1, Section 3.12.0 and Section 3.12.5.0 of the BCA should be excluded as contemplated by paragraph 1(1)(f) of Part 1 of Schedule 2 to the Exposure Draft. It seems to exclude requirements which HAAG considers appropriate for UMDs, including relating to:

- the installation of insulation to comply with AS/NZ 4859.1;
- the installation of glazing so that it does not exceed specified allowances;
- the sealing of buildings including specific requirements for chimneys, roof lights, external windows and doors, exhaust fans and the construction of roofs, walls and floors; and
- the construction of buildings to allow efficient air movement which includes for ventilation of rooms including particular requirements for the ventilation of sanitary compartments.

HAAG has encountered particular problems amongst its constituency with respect to the following in UMDs:

- insulation;
- waterproofing in wet areas;
- a failure to fit central floor wastes in wet areas; and
- the application of the electrical and plumbing regulation regimes under the Building Act.

HAAG is also particularly concerned to see that visitability, accessibility, and adaptability for old age, are properly addressed with respect to UMDs. Due to the expansion of the residential village sector as retiree accommodation, HAAG's view is that unless this issue is addressed during construction then there will be significantly higher costs required to be borne in later years when the home care support requirements of older people become a significant factor in residents' ability to age-in-place. Accessibility is a particular challenge due to the construction of UMDs on chassis raised above the ground.

Enforcement

HAAG has very real concerns that, unless full compliance with the building regulatory framework is required, including requirements for building and occupancy permits and inspections by building surveyors, then there will be no effective or practicable means of ensuring compliance with the BCA and the proposed regulations will be ineffective.

Registration

Currently caravan parks are required to register with local government on an annual basis and to provide details of all long term sites, short term sites and camp sites. It is proposed in the RIS that this requirement be changed so that registration is required each three years.

HAAG sees no difficulty with this proposal, however the registration process presents an opportunity to collect helpful information regarding the industry, particularly with respect to the number of permanent residents and the details of their leases, including the term, and to register that information centrally, for example with Consumer Affairs Victoria, which already administers registers for retirement villages and rooming houses.

This would assist significantly with the analysis of trends and future planning for the industry. When HAAG developed its directory of caravan parks it found that local governments generally held poor records of the caravan parks in their area.

Questions

So far as the particular questions in section 10.6 of the RIS are concerned, it is really only the first upon which HAAG has a view, and that view is that it would be unlikely that the current standards for the construction of UMDs would continue to be maintained by the industry in Victoria if there was no regulation. It would be far more likely that within a short time, wherever savings might be made by removing features otherwise required under the current standards, then those features would be removed by the industry in pursuit of savings.

HAAG would be pleased to expand upon any of these submissions.