

Caravan Parks and Movable Dwellings Registration and Standards Regulations 2024

Regulatory Impact Statement



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Foreword

This Regulatory Impact Statement (RIS) has been prepared by the Department of Transport and Planning (DTP) as part of the review of the Residential Tenancies (Caravan Parks and Movable Dwellings Registration and Standards) Regulations 2020 (the Regulations). The Regulations will be revoked on 30 June 2024.

The RIS should be read in conjunction with the proposed new Residential Tenancies (Caravan Parks and Movable Dwellings Registration and Standards) Regulations 2024 (the proposed Regulations), which are provided as a separate document.

This RIS sets out the objectives of the proposed Regulations and assesses the nature and scope of the problem that the proposed Regulations seek to address. It also sets out the likely impacts and discusses a range of different regulatory options.

How to respond to the proposed regulatory package

Local councils, caravan park owners and operators, caravan park residents and short-term occupiers, relevant businesses, other interested parties and members of the public are invited to make submissions responding to the RIS and/or the proposed Regulations.

A series of specific questions are set out in this RIS (and summarised at Appendix C). Stakeholders are encouraged to provide feedback on any element of this RIS and the updated regulatory scheme for caravan parks and movable dwellings.

The closing date for submissions is Sunday 26 May 2024.

All documents, including the proposed Regulations and RIS, can be accessed via Engage Victoria's website: <https://engage.vic.gov.au/project/caravan-parks-and-movable-dwellings-regulatory-impact-statement>

For further assistance about the public comment process please email: caravanparkspolicy@delwp.vic.gov.au.



Executive summary

Overview

Caravan parks provide a valuable economic and social contribution, predominantly to the state's regional areas. They also contribute to the community by providing people with ways to support their physical and mental health and personal wellbeing. Caravan parks range in type and size from established residential land-lease villages, to mixed residential and tourist parks with hundreds of sites, to camping grounds with less than twenty sites. They have typically provided transitory, holiday-style arrangements but have increasingly been catering to longer term and more permanent residents.

The caravan park industry is regulated by the Residential Tenancies (Caravan Parks and Movable Dwellings Registration and Standards) Regulations 2020 (the Regulations), which are made under Part 14 of the *Residential Tenancies Act 1997* (RT Act). The Regulations prescribe a range of minimum standards for emergency management, the amenity and safety at caravan parks and the design, construction, and installation of unregistrable movable (UMD) dwellings that are installed within them. This framework also requires caravan parks to be registered with the local council, who maintain oversight and undertake the principal regulatory role over the industry. The Regulations incorporate the Country Fire Authority (CFA) Caravan Park Fire Safety Guideline 2012 (the CFA Guideline) and will incorporate the updated version of this guideline upon its release, as well as certain sections of the National Construction Code (NCC).

The Regulations will be revoked, or expire, on 30 June 2024. This RIS considers different options for replacing the Regulations and is subject to independent assessment by the Commissioner for Better Regulations and a public consultation process.

To provide feedback in response to this RIS, please visit <https://engage.vic.gov.au/project/caravan-parks-and-movable-dwellings-regulatory-impact-statement>. The closing date for feedback is Sunday 26 May 2024.

Objectives

The primary objectives of the actions considered in this RIS are to:

- ensure that parks are safe to reside in and emergency ready with appropriate facilities, equipment and procedures are in place
- minimise costs to short-term occupiers, residents, UMD and rigid annexe designers, manufactures, installers and owners, caravan park owners, councils, and the Victorian Government
- provide consistency with other relevant regulatory and legislative in respect to the regulation, administration and management of caravan parks and the movable dwellings in them.

Problem definition

Without a regulatory framework in place, the quality and safety of caravan parks would only be subject to market forces and adjacent regulatory frameworks (where applicable). Relying on these mechanisms alone would be insufficient to protect the safety and wellbeing of residents, short-term occupiers, and staff. The types of risk that exist in this sector are broadly grouped into the following:

- Risks to the health and safety of park residents, users, and owners/staff, for example the risk of inadequate fire safety and emergency management measures, and risks to public health from the use of shared facilities.
- Risks to consumer rights (for residents and short-term park users), which can arise from the disparity in information about caravan parks and the rights and responsibilities of park users, operators, and others within the industry.
- Risks to fair competition between the caravan park industry and other, similar industries, which would occur if adjacent industries (such as the prescribed accommodation and building sectors) were required to operate under regulatory frameworks, while the caravan park industry was not.

Options analysis method

In developing this RIS, DTP considered and assessed different options that could achieve the objectives for this regulatory scheme which were considered in this RIS. To identify options, DTP gave regard to:

- consultation conducted with stakeholders in 2019 to understand industry and council views of the effectiveness and efficiency of the Regulations at that time
- public feedback on the *Caravan parks and movable dwellings regulations sunset review consultation paper* in 2019; and
- further targeted stakeholder consultation to gather up-to-date information conducted in 2023.

Two options are presented in this RIS:

Option 1: The Regulations are remade with no material changes to their requirements.

Option 2: The Regulations are remade with targeted changes to enhance their effectiveness and efficiency.

The targeted changes under Option 2 areas are:

- Registration
 - A new requirement that caravan park owners submit an application for renewal of their park registration on or before August 1 of the year in which registration is due to expire, rather than October 1 of the relevant year.
- Installation of UMDs and rigid annexes
 - A new requirement that all owners of installed unregistrable movable dwellings (UMDs) and rigid annexes provide subsequent owners with installation documentation.
- Emergency management planning
 - A new requirement that caravan park owners must include with their application for park renewal of registration a fire safety report that was issued not more than 3 years prior to the application.
 - A new requirement that caravan park owners must include with their application for park renewal of registration an emergency management plan that was updated/prepared by the owner not more than 3 years prior to the application.
 - A new requirement that caravan park owners must affix to the emergency management plan for the park a new prescribed cover sheet.
- Facilities and services
 - A new requirement that caravan park owners must ensure that all taps supplying water that is not safe for drinking (i.e., non-potable water) are marked (i.e., signed) to prescribed standards.
- Duties of caravan park owners
 - Removing the requirement that caravan park management must be in the caravan park office during 'normal business hours'.

The two options in this RIS were assessed using Multi-Criteria Analysis (MCA). MCA involves assessing these options against a series of criteria relative to the Base case under which the Regulations expire and no regulations are made in their place. This approach enables a wide range of impacts to be considered — impacts that have been quantified and valued and impacts that have not been quantified and valued. MCA allows the inclusion of a wider range of criteria (e.g., social and environmental considerations) than those used in a typical cost-benefit analysis.

The MCA criteria applied in this RIS are explained in the table below.

Improved health, safety, and emergency preparedness	The extent to which an option enhances the protection of the health and safety of short-term occupiers, residents, caravan park staff and owners and the surrounding community. The extent to which an option reduces prospective impacts associated with health, safety, and emergency events.
Improved compliance and council oversight of caravan parks	The extent to which an option enables council greater oversight of caravan parks and can assess and enforce caravan park compliance with the RT Act and any regulations.



Consistency with other legislation and regulations	The extent to which the option places obligations or bestows benefits consistent with obligations and/or benefits achieved by other legislation and regulations. In this way this criterion identifies the extent to which the option impacts competition between caravan parks and other similar forms of accommodation. The obligations and benefits bestowed under this criterion may impact caravan park owners, staff, residents, short-term occupiers, the surrounding community, councils, and others.
Improved consumer protection	The extent to which an option enhances protection of consumers who visit and reside in caravan parks and those who purchase and have installed in a caravan park, as relevant, a new or used UMD and/or rigid annexe.
Costs to industry	The cost burden each option places upon the caravan park industry to comply with specified requirements. The industry includes caravan park owners as well as those involved in the design, construction and installation of UMDs and rigid annexes.
Costs to government	The cost burden the option places upon municipal councils and Victorian Government agencies to regulate or support regulation in terms of financial, time and other resource costs. These costs are predominantly borne by councils to administer regulations in terms of financial and time costs. These include costs associated with registration and oversight of caravan parks within the council's municipal area to ensure compliance with the RT Act and regulations made under Part 14 of the Act.
Costs to owners of UMDs and rigid annexes	The cost each option places upon owners of UMDs and rigid annexes installed in caravan parks to comply with specified requirements. These include costs passed on by manufacturers and installers as well as costs relating to smoke alarms and installation certificates.

Overview of the options and options analysis

Registration

Option 1 – Status quo

The current Regulations require caravan park owners to register their park with the local municipal council. All councils must keep a register of the caravan parks in their municipal district. Registration conditions are the basis for councils to enforce many of the requirements of the RT Act and the Regulations. Under Option 1 all caravan park owners submit to council an application for registration or renewal of registration. Council officers assess the application to determine whether the park and the accommodation provided within them would meet minimum, safe standards.


The current Regulations provide for a 3-month period at the end of the year for councils to assess applications for caravan park renewals of registration by 31 December of that year. This creates an administrative pressure on councils during the peak end of year period when they must review and approve many other applications, authorisations, and reports.

Option 2 – The preferred option

Under Option 2 the timeframe during which councils must consider and process an application for renewal of park registration would increase from 3 to 5 months. This would occur by bringing forward the final registration renewal application lodgement date with council from 1 October to 1 August in the year in which registration expires. Applications for registration of a new caravan park or notification that a registration has been transferred to a new caravan park owner could still be made at any time of the year.

Results

DTP determined through the MCA assessment that, compared to Option 1, Option 2 would improve council oversight of caravan parks and improve council ability to ensure compliance with the RT Act. Option 2 would also benefit councils by providing more time for the assessment and processing of applications for registration and renewal of registration. This would deliver both direct and indirect benefits. They include a reduction in administrative burden for councils, enabling a more thorough assessment of application documents; more opportunity for councils to follow up with park owners to ensure that all application documentation is complete to the standards prescribed or otherwise required by council; and



more time for council to identify and develop (in conjunction with the applicant) a schedule of works agreement, should council deem this necessary.

Installation of UMDs and rigid annexes

Option 1 – Status quo

The current Regulations specify which parts of the NCC apply to the construction and installation of UMDs and rigid annexes, which includes provisions relating to structural integrity, weatherproofing, and waterproofing. Other requirements are that a compliance plate be affixed to UMDs or rigid annexes installed in caravan parks, detailing the name and address of the person who constructed it, the year it was constructed and a statement affirming that it was constructed in compliance with the Regulations. In addition, installation designs including specifications relating to wind speed, soil type, and other considerations must be provided by the seller to a purchaser of a new UMD or rigid annexe.

Following installation of a UMD or rigid annexe the installer must provide the dwelling owner with a certificate that certifies that installation has been carried out in accordance with the Regulations and with the approval of the caravan park owner. These certificates are intended to verify that once situated, UMDs and annexes are suitable for use.

Option 2 – The preferred option

Option 2 would add a new requirement that the installation certificate must be transferred from an owner who is selling a UMD or rigid annexe to the purchaser within 7 days of the sale. As a result, each successive owner would receive the installation certificate instead of only the initial owner.

Results

DTP determined through the MCA assessment that there would be a slight incremental benefit to including Option 2 in the proposed Regulations compared to Option 1, with Option 2 providing a slightly greater benefit for consumer protection than Option 1. Under Option 1, only the first owner of a UMD or annexe would benefit from the protection provided by the installation certificate, whereas Option 2 would require this document to be provided to each successive owner, ensuring each successive owner benefits from the consumer protection provided by the installation certificate.

Facilities and services

Option 1 – Status quo

Under the current Regulations, caravan park owners must ensure that there are adequate and safe amenities provided to both residents and short-term occupiers who stay at their parks. These requirements relate to water supply, sewage and wastewater disposal, sanitary facilities, laundry facilities, garbage bins, and lighting. These requirements are similar to those required for other forms of short-term accommodation as set out in the PHWPA Regulations.

Currently, caravan park owners are required to ensure that water intended for drinking is safe for human consumption ('potable'). However, in some instances non-potable water is supplied in caravan parks via unmarked taps which may be inadvertently used for drinking or other sensitive uses.

Option 2 – The preferred option

Option 2 would introduce a requirement for caravan park owners to place or erect signage at taps with non-potable water to alert people that they should not consume water from that tap. Option 2 would prescribe the standards with which required signage would need to comply including AS 1319 (Safety signs for the occupational environment).

Results

DTP determined through the MCA assessment that Option 2 would provide an incremental health and safety benefit compared to Option 1, promoting health and safety by preventing caravan park residents and visitors from consuming contaminated water by requiring the installation of warning signs on non-potable water taps. Option 2 would impose a slightly greater cost to industry; however, this would be offset by the increased benefit from preventing the consumption of potentially contaminated water.

Emergency management planning

Option 1 – Status quo

The current Regulations' requirements reference relevant objectives and performance measures set out in the CFA Guideline. Caravan park owners must engage a fire authority to prepare a Fire Safety Report (FSR) on their park's fire



safety and emergency management planning. In practice the preparation of the report is informed by a site visit from a fire authority representative. The most recent FSR completed by a fire safety authority is required to be supplied to council as part of an application for registration or renewal. There is no restriction on the age of FSRs that can be used under the current regulations.

The Regulations also prescribe the detail required to give effect to the RT Act's broad requirement that owners must have an emergency management plan (EMP) in place in order to operate their park. Furthermore, the Regulations also require caravan park owners to consult with relevant emergency services agencies in the preparation of the EMP and on the risk assessment and risk mitigation measures contained within it. This document forms part of the application for registration or renewal of registration, and the relevant council must have regard to the compliance of the EMP with the Regulations when making a decision on the application.

Option 2 – The preferred option

Under Option 2 caravan park owners would be required to submit to council with their application for registration or renewal of registration:

- a FSR that has been issued not more than 3 years prior to the date of the application.
- an EMP that has been updated not more than 3 years prior to date of the application.

The practical effect of this requirement is that caravan park owners would be required to arrange for a new FSR and a revised EMP for each period of registration.

In addition, Option 2 would also require caravan park owners to complete and attach a new prescribed form (a 'cover sheet') to the EMP submitted to council. This new cover sheet would require the owner to note the emergency services agencies that were consulted during the preparation of the EMP, their contact details, and the dates they were consulted.

Results

DTP determined through the MCA assessment that costs would be higher under Option 2 due to the change to the frequency in which FSR and EMP must be prepared or updated. However, Option 2 would strengthen the existing requirements in Option 1 by requiring that EMPs and FSRs are reviewed and updated at least every three years. This would ensure that emergency management documents for the caravan park remain current. It would also ensure semi-regular site visits by emergency management experts (i.e., fire authorities and others as determined by the park owner) to review compliance with the relevant regulatory requirements, ensuring that emergency procedures and equipment are current and provide at least a minimum level of preparedness and protection of human health, safety, and life. Further, introducing coversheets for EMPs would provide greater oversight for councils of the agencies that were involved in the preparation of a plan, assisting the council in assessing the compliance of the plan with the regulatory requirements. These changes would result in greater health, safety, and emergency preparedness benefits.

Duties of caravan park owners

Option 1 – Status quo

The current Regulations prescribe the duties of registered caravan park owners, establishing minimum responsibilities that provide protection to consumers, support emergency preparedness and management and provide for the health and safety of residents and short-term occupiers of caravan parks. The Regulations also require management to be present at the caravan park office during 'normal office hours'.

Option 2: The preferred option

Option 2 would remove the requirement for management to be available at the park office during normal office hours. All other duties would remain, including the requirement that caravan park management be contactable at all times in case of an emergency.

Results

DTP determined through the MCA assessment that the total benefit of Option 2 would be greater than that of Option 1. Both options received equal scores for the two criteria relating to benefits, as well as the criterion for costs to government. However, Option 2 was assessed to have a lower cost to industry than Option 1, resulting from the removal of the duty for management to be available at the caravan park office during normal office hours. Without this requirement, there may be greater flexibility for staff to respond to issues around the park. Maintenance issues with caravans, communal areas and sanitary facilities may be able to be addressed more promptly than under Option 1.



Summary of the preferred option

Across all proposals, Option 2 scored higher than Option 1 when assessed using the MCA.

The proposed changes in Option 2 would be expected to deliver benefits to caravan park owners, residents, short-term occupiers, staff, municipal councils, communities surrounding caravan parks and the broader Victorian community, as discussed primarily in qualitative terms in Chapters 6 to 10. They are above those provided with Option 1 (status quo) and significantly above those achieved should the Regulations expire (base case).

The preferred option would require continued government and council administration, monitoring and enforcement. The cost of these activities would be unlikely to change significantly from current monitoring and enforcement activities.

Implementation and evaluation plan

The majority of new or changed requirements in the proposed Regulations would not come into force immediately. Instead, these are proposed to commence on 1 January 2025 to provide industry and councils with sufficient notice to comply. The proposed new requirements with delayed commencement are:

- the requirement that caravan park owners must submit to council an application for renewal of their registration on 1 August of the relevant year.
- the requirement that caravan park owners must include with their application for park registration or renewal of registration a FSR that was issued by a fire services agency no more than 3 years prior to the application.
- the requirement that caravan park owners must include with their application for park registration or registration renewal an EMP that was prepared by the owner no more than 3 years prior to the application.
- the requirement that the caravan park owner must affix a prescribed cover sheet to the EMP.
- the requirement that all taps in caravan parks that provide non-potable water must be marked as prescribed in the proposed Regulations.

The requirement that owners of a UMD or rigid annexe must, upon sale, transfer the installation certificate to the new UMD or rigid annexe owner would not have a delayed commencement. This requirement would apply to structures sold from the date of commencement of the Regulations — 29 June 2024.

DTP will continue to engage with stakeholders in the leadup to the commencement of the new Regulations.

During the intervening period prior to the next sunset review of the Regulations, DTP will explore ways in which to collect a broader range of data about the performance and operation of caravan parks across Victoria. This would facilitate the creation of a more robust evidence base through which to assess the operation of the new Regulations and assess any potential future changes, noting some data availability challenges during this review process.

Examples of the types of information and metrics that would be considered for collection include the following:

- Baseline data.
- Key metrics (potentially collected on an annual basis) such as:
 - number of caravan parks in each municipality
 - number of parks that were registered for the first time in the previous year
 - number of parks that exited the industry in the previous year
 - number of each type of caravan park (tourist, mixed, residential etc.)
 - number of UMDs installed in Victoria
 - number of caravan parks assessed by FRV as non-compliant with its fire safety requirements.
- Data and information from fire authorities and other emergency services agencies regarding their engagement with park owners in the preparation of FSRs and EMPs.
- Activities undertaken by councils and government agencies to enforce compliance with the Regulations.
- Industry trends, including any changes to the size and structure of caravan parks.
- Views on the effectiveness of the implementation of changed regulatory requirements.



List of abbreviations

Acronym	Full name
CFA	Country Fire Authority
CFA Guideline	<i>Country Fire Authority (CFA) Caravan Park Fire Safety Guideline 2012, as updated from time to time.</i>
DELWP	Department of Environment, Land, Water and Planning
DTP	Department of Transport and Planning
EMP	Emergency Management Plan
FRV	Fire Rescue Victoria
FSR	Caravan Park Fire Safety Report
MCA	Multi-Criteria Analysis
NCC	National Construction Code
PHW Act	<i>Public Health and Wellbeing Act 2008</i>
PHW Regulations	Public Health and Wellbeing Regulations 2019
PHWPA Regulations	Public Health and Wellbeing (Prescribed Accommodation) Regulations 2020
RIS	Regulatory Impact Statement
RMD	Registrable movable dwelling
RT Act	<i>Residential Tenancies Act 1997</i>
The Regulations	The Residential Tenancies (Caravan Parks and Movable Dwellings Act Registration and Standards) Regulations 2020
UMD	Unregistrable movable dwelling
SES	Victorian State Emergency Service

Definitions

Term	Definition
Annexe	A movable dwelling that— <ol style="list-style-type: none"> 1. is attached to a registrable movable dwelling or unregistrable movable dwelling; and 2. extends the habitable area of that dwelling.
Camp site	A site in a caravan park that is— <ol style="list-style-type: none"> 1. not provided with individual electrical power or any other individual site services; and 2. used for the placement of a tent or motor vehicle; and 3. intended for use by a short-term occupier.
Caravan park	An area of land on which: <ol style="list-style-type: none"> 1. movable dwellings are situated; and 2. people are charged to occupy these dwellings. <p>Any site that meets both conditions is considered a caravan park under the RT Act and must comply with the requirements of the Regulations, with limited exceptions.</p>
Caravan park owner	The person who is the owner of a business which operates a caravan park.
Caravan Park Fire Safety Report (FSR)	A report prepared by the relevant fire services agency. It is informed by a site visit and lists the recommended measures owners should take to improve fire safety within their caravan park and meet the performance measures set out in the Country Fire Authority’s Caravan Park Fire Safety Guidelines 2012 (or subsequent versions of these guidelines).
Emergency Management Plan (EMP)	A plan prepared by a caravan park owner in consultation with the emergency services agencies informed by a risk assessment of the caravan park. The Regulations list the key elements to be addressed in the plan including the measures to be taken to reduce emergency risks.
Emergency services agency	Emergency services agencies include Fire Rescue Victoria (FRV), Country Fire Authority (CFA), Victoria State Emergency Service (SES), Ambulance Victoria, Victoria Police, and floodplain management authorities.
Fire authority	Fire Rescue Victoria (FRV) and/or the Country Fire Authority (CFA).
Holiday camp	Any house, building or structure, whether temporary or permanent, which is used for the accommodation of student groups, youth groups or family groups for holiday or recreational purposes.
Movable dwelling	A dwelling that is designed to be movable and can be installed and removed from a place within 24 hours.
Public emergency warning	An emergency warning issued by an emergency services agency for an emergency, including a flood, bushfire, or storm.
Registrable movable dwelling (RMD)	A movable dwelling that is required to be registered under the <i>Road Safety Act 1986</i> . This includes caravans, camper vans and camper trailers.



Resident	A person who occupies a site in the caravan park as their only or main residence.
Residential village	A caravan park that offers accommodation for long-term residents only. Residents own the dwelling in which they reside and lease the land on which the dwelling is situated. Also known as a lifestyle community or a land-lease manufactured housing estate and similar terms.
Rigid annexe	An annexe which has walls and a roof constructed of non-flexible materials.
Schedule of works	<p>A written agreement between a caravan park owner and the relevant local council that sets out works to be undertaken by the owner to comply with the fire prevention and safety requirements of the Regulations.</p> <p>The agreement includes a timeline for the undertaking of those works.</p>
Short-term occupier	A person, such as a tourist, who occupies a site and who is not a resident.
Unregistrable movable dwelling (UMD)	A dwelling that is built in prefabricated sections directly on to a composite platform chassis (typically metal). It is off the ground, supported by stumps or footings. The structure is movable because it can be moved within 24 hours and a crane or similar can lift the house by raising the chassis off its footings.



Report preparation and structure

Key steps in the process to introduce the proposed Regulations are:

- preparation of the RIS (this document) and draft proposed Regulations
- independent assessment by Better Regulation Victoria
- public comment on the proposed Regulations
- addressing public comments.

The RIS outlines the nature of the issues the proposed Regulations aim to address, the need for government intervention, the risks of non-intervention, and the objectives of such intervention. It then assesses the costs and benefits of proposed intervention options to determine a preferred option.

Options were developed by DTP and informed by stakeholder engagement.

This report is set out as follows:

- Chapter 1: Introduction: Overview of the industry and relevant legislation and regulations.
- Chapter 2: The case for government intervention: Why regulations are required to ensure caravan parks and movable dwellings installed within them meet standards to protect the health and safety of Victorians and those visiting the state.
- Chapter 3: Out-of-scope matters: Matters that are not considered in this review of the Regulations.
- Chapter 4: Objectives: The benefits to Victorians and visitors to the state that the current and proposed caravan parks and movable dwellings Regulations seek to deliver in conjunction with the RT Act.
- Chapter 5: Options development and analysis methodology: How government identified the proposed options for regulating the caravan parks and movable dwellings industries within Victoria from 29 June 2024 and the method that was used to assess these options.

The next five chapters each discuss the proposed changes to regulation of the industry, their costs, and their benefits against a base case in which the current Regulations are revoked and not remade. These chapters are:

- Chapter 6: Registration.
- Chapter 7: Design, construction, and installation of UMDs and rigid annexes.
- Chapter 8: Amenities.
- Chapter 9: Emergency preparedness and management.
- Chapter 10: Duties of caravan park owners.

The final chapters consider the impact of the proposed changes, and how these would be implemented and evaluated. These are:

- Chapter 11: Summary of the preferred option: The preferred option including its impacts on small business and competition.
- Chapter 12: Implementation and evaluation plan: How the preferred option would be delivered, and its efficacy assessed.

Finally, three appendices provide additional detail on or summary of the main body of the report. These are:

- Appendix A: Consultation undertaken to inform the proposed Regulations.
- Appendix B: Data and assumptions.
- Appendix C: Consultation questions.

This RIS and the proposed Regulations are being released for 29 days to provide an opportunity for businesses, members of the public and other interested parties to provide feedback.

The process for public feedback is outlined in the Foreword to this RIS. The proposed Regulations and RIS will be made available on Engage Victoria, which is the Victorian Government's online engagement platform:

<https://engage.vic.gov.au/project/caravan-parks-and-movable-dwellings-regulatory-impact-statement>.

DTP will consider all submissions received during the public consultation period. DTP will summarise the submissions received and provide a response. After submissions have been considered, the Government will finalise and make the Regulations. The new Regulations will start on the date specified in the proposed Regulations (currently 29 June 2024).



The formal response to Public Comment document will be made available on the project's Engage Victoria webpage: <https://engage.vic.gov.au/project/caravan-parks-and-movable-dwellings-regulatory-impact-statement>.



1. Introduction

The Residential Tenancies (Caravan Parks and Movable Dwellings Registration and Standards) Regulations 2020 (the Regulations) are made under Part 14 of the *Residential Tenancies Act 1997* (RT Act). The Regulations prescribe a range of minimum standards for emergency management, the amenity and safety for caravan parks and the design, construction, and installation of movable dwellings that are installed within them. This framework also requires caravan parks to be registered with the local council, who maintain oversight and undertake the principal regulatory role over the industry. The Regulations incorporate the Country Fire Authority (CFA) Caravan Park Fire Safety Guideline 2012 (the CFA Guideline) and will incorporate the updated version of this guideline upon its release, as well as certain sections of the National Construction Code (NCC).

The Regulations will be revoked, or expire, on 30 June 2024. This Regulatory Impact Statement (RIS) considers different options for replacing the sunseting Regulations which are to be revoked and is subject to independent assessment by Better Regulation Victoria and a public consultation process.

1.1. Caravan parks in Victoria

In Victoria, the term ‘caravan park’ has a specific meaning defined in the RT Act. For an area of land to meet the definition of caravan park, the following criteria must be met:

- 1) movable dwellings are situated on the area of land; and
- 2) people are charged to occupy these dwellings.

Caravan parks that are used for limited periods of time to house short-term or seasonal workers, or in conjunction with a festival or similar event are exempt from Part 14 of the RT Act.

There are an estimated 442 caravan parks located across the state, with the great majority in regional Victoria.¹ Caravan parks provide a valuable economic and social contribution, predominantly to the state’s regional areas. In 2020-21 the industry generated an estimated 3,353 jobs (1,698 full-time-equivalent) and contributed more than \$2.4 billion in Gross State Product to the Victorian economy.^{2,3} Parks support economic activity in the community through job creation, spending activities by tourists at local businesses and purchases of goods and services required for operation of caravan parks. They also contribute to the community by providing people with ways to support their physical and mental health and personal wellbeing.

Caravan parks range in type and size from established residential land-lease villages,⁴ to mixed residential and tourist parks with hundreds of sites to camping grounds with fewer than 20 sites. They have typically provided transitory, holiday style arrangements but have increasingly been catering to longer term and more permanent residents.

- 60% of caravan parks offer accommodation for tourists only (i.e., for ‘short-term occupiers’)
- 30% of caravan parks offer accommodations for both tourists and long-term residents.
- 10% of caravan parks offer accommodation for long-term residents only.^{5,6}

These latter styles of parks are often referred to as residential villages or lifestyle communities. Many of these parks may look like retirement villages or similar, however the dwellings situated in them are unregistrable movable dwellings (UMDs) and can be moved within 24 hours.

UMDs in caravan parks can fulfil the housing needs for low income and low asset groups within the community as they can be relatively affordable and offer other financial advantages such as access to rental assistance.

¹ BDO (2023) Economic and social contribution of the Victorian Caravan Park Industry, prepared for Victorian Caravan Parks Association. Data is current as of 2020-21.


² Financial year 2020-21 was an atypical year for the tourism industry, wider the Victorian community and economy due to the effect of the COVID-19 pandemic and bushfires. While these phenomena impacted seasonal trends across the caravan park industry, the aggregate level of activity in the caravan park industry across the whole year was relatively normal.

³ BDO (2023) Economic and social contribution of the Victorian Caravan Park Industry, prepared for Victorian Caravan Parks Association. Data is current as of 2020-21.

⁴ Known also as land-lease manufactured housing estates.

⁵ Data provided by Department of Government Services.

⁶ These figures are current as of November 2018 and were reviewed in 2023.



UMDs in contemporary residential-only villages are frequently marketed to people aged over 50 as luxury residences located within lifestyle resorts that offer features such as gymnasiums, restaurants, and cinemas.

1.2. The Residential Tenancies Act 1997

Part 14 of the RT Act provides a framework for the management and governance of caravan parks and the standards relating to health and wellbeing, fire safety and emergency management, construction standards and the provision of facilities and services at the park. It defines the duties of caravan park owners and of councils of municipalities in which parks are located.

Part 14 contains few provisions that operate in the absence of regulations. It anticipates establishment of regulations and prescribed standards to enable a minimum level of protection from emergencies for residents, short-term occupiers, management, and staff as well as the surrounding community, namely regarding:

- provision of public emergency warnings and of fire-fighting equipment
- preparation of an emergency management plan (EMP)
- siting of UMDs and adjacent structures to provide fire fighter access and fire separation.

To ensure caravan park compliance with Part 14 of the RT Act and the Regulations, councils may authorise their officers to enter and inspect any caravan park building or land.

The RT Act also identifies caravan park and movable dwelling matters for which regulations may be made. These include:

- registration of caravan parks
- fees for caravan park registration, registration transfer or renewal of registration
- minimum standards for the facilities and services at caravan parks
- minimum standards for movable dwellings, their siting, design, construction, and maintenance, as well as their features and accessories
- minimum standards for health and safety within caravan parks.

1.2.1. Emergency management plans

The RT Act foreshadows development of EMP for caravan parks, stating that a caravan park may not operate unless the owner has prepared a plan. The RT Act prescribes that councils may issue a written notice to the owner if it determines there is no EMP for the park prepared in accordance with the regulations. Without regulations there is no means for operationalising these requirements.

An EMP is a written set of instructions to help caravan park users deal with incidents or situations that could pose a threat to life, health, or property. There are different types of emergency situations, including (but not limited to):

- fire, explosion or natural disaster, including floods and storms
- dangerous chemical release
- medical emergency
- bomb threats
- violence or robbery.

EMPs establish a framework for the effective handling of emergencies and/or disasters, and management of the return to normality. Adherence to this framework is intended to:

- avoid or minimise loss of life and property
- ensure any emergency can be effectively dealt with
- support a prompt response to any emergency
- direct key people to act on specific tasks and provide direction
- provide response mechanisms that support business continuity during and after an emergency.

Should a council determine that the EMP for a caravan park does not comply with the prescribed requirements, it may issue a written notice to the caravan park owner specifying changes required to be made. A failure by the caravan park owner to update the EMP in accordance with the changes in the council's notice within the specified period is an offence.

1.2.3. Compliance and enforcement of the RT Act

There are several avenues available to ensure compliance with the RT Act and regulations made under Part 14 of the Act. Councils have powers to:

- issue a compliance notice to a person who has contravened Part 14 of the RT Act or a regulation made under Part 14. That person must rectify the matter within the time period specified in the compliance notice.
- issue a written notice to a caravan park owner requiring changes to the park's EMP.
- enter and inspect or test at any reasonable time in order to determine compliance with the RT Act or a regulation made under Part 14.

This latter power is also available to members of a fire authority.

Section 527 of the RT Act allows a council or the Minister to institute proceedings for a breach of the RT Act or a regulation made under Part 14 of the Act.

The RT Act creates offences for non-compliance with *relevant* standards and procedures. Penalties of 10 or 20 penalty units for breaches are prescribed.

A council officer cannot issue a penalty notice as prescribed under the Act unless authorised in writing by the Director of Consumer Affairs Victoria.⁷

Section 523 enables the Minister to make an order for the closure of a caravan park if there has been a serious or continuing offence under the RT Act or a regulation made under Part 14 or has failed to comply with an order made by the Victorian Civil and Administrative Tribunal.

1.3. Other legislative and regulatory frameworks

1.3.1. The *Building Act 1993*

The *Building Act 1993* (the Building Act) sets out the standards and construction requirements for buildings in Victoria. Section 517 of the RT Act excludes movable dwellings situated in caravan parks from the operation of the Building Act (other than Part 12A, which relates to plumbing). For buildings that do not meet the definition of 'movable dwelling' (e.g., toilet or laundry blocks) the requirements of the Building Act will apply.

As Part 12A of the Building Act does apply to caravan parks, all plumbing work carried out in movable dwellings, rigid annexes or other buildings at caravan parks must comply with relevant requirements of Part 12A of the Building Act and the Plumbing Regulations 2018.

1.3.2. The *Public Health and Wellbeing Act 2008*

The *Public Health and Wellbeing Act 2008* (the PHW Act) establishes the framework through which certain classes of accommodation may be prescribed under the Public Health and Wellbeing (Prescribed Accommodation) Regulations 2020 (PHWPA Regulations). Under the PHWPA Regulations prescribed accommodation includes holiday camps, motels, hostels and rooming houses.⁸ Accommodation prescribed by these regulations must be registered with the relevant local council.

Both the PHW Act and the PHWPA Regulations refer to holiday camps that meet the definitions for both prescribed accommodation and caravan parks, and therefore require registration with council under both frameworks. If a business is required to be registered as prescribed accommodation, they must meet the standards set out by this legislative framework. Some of these standards overlap somewhat with caravan park registration requirements (appropriate disposal of wastewater; appropriate rubbish storage and collection; general maintenance of the accommodation; sufficient numbers of toilets and showering facilities provided; adequate and safe water supply; maintaining of a register of accommodation guests). Other requirements do not otherwise apply to the caravan park sector (e.g., the requirement to supply clean bed linen; limits on overcrowding).

⁷ The RT Act states that authorised officers who can issue a penalty notice are an inspectors appointed under the Australian Consumer Law and Fair Trading Act 2012; a police officer; or a person authorised in writing by the Director.

⁸ Other types of prescribed accommodation are hotels; student dormitories; residential accommodation; and labour hire accommodation.



1.3.3. The *Retirement Villages Act 1986*

Although some residential villages or lifestyle communities (generally marketed to people aged over 55) seem similar to retirement villages, they are regulated under a separate legislative framework. In retirement villages, residents pay an ingoing contribution and are regulated by the *Retirement Villages Act 1986*. In residential villages or lifestyle communities regulated by the RT Act, residents lease their site from the caravan park owner. Section 15 of the Retirement Villages Act excludes residents' rights in retirement villages from the operation of the RT Act.

1.3.4. The *Motor Vehicle Standards Act 1989 (Cth)*

The Commonwealth *Motor Vehicle Standards Act 1989* requires that all motor vehicles and trailers, including caravans and any other registerable movable dwellings (RMDs), imported, or sold in Australia meet national standards. Although the RT Act provides power for the Regulations to set standards for all movable dwellings in Victoria, the Regulations are currently silent on standards for RMDs. The regulations only set standards for UMDs and rigid annexes; the national standards are the only standards that currently apply to caravans and other RMDs in Victoria.



2. The case for government intervention

Without a regulatory framework in place, the quality and safety of caravan parks would only be subject to market forces and adjacent regulatory frameworks, where applicable (see section 1.3). Relying on these mechanisms alone would be insufficient to protect the safety and wellbeing of residents, short-term occupiers, and staff. Regulating caravan parks through a registration-based system allows for structured oversight of the industry, providing local councils with the ability to monitor the extent to which caravan parks are compliant with relevant legislative requirements. The types of risk that exist in this sector are explained below.

2.1. Health and safety

One of the key rationales for the regulation of caravan parks is to mitigate risks to the health and safety of people within caravan parks, and to the surrounding community. Given their nature as being both holiday destinations and low-cost residential accommodation, many caravan parks are situated in regional or remote areas where there is a high risk of natural disasters – in particular, bushfires and flooding. Although the RT Act prescribes some emergency management requirements, there is little detail regarding the fire safety equipment to be provided, standards to which equipment must be installed and maintained, and processes for involving emergency services agencies and councils in the preparation and oversight of emergency management planning. Given the technical nature and sometimes substantial cost of fire safety and emergency management planning, it is not likely that all industry participants would address these risks to a sufficient standard, should the provisions of the RT Act be all that is in place to set requirements for health and safety within caravan parks. This would create an unacceptable level of risk to human life, caravan park infrastructure, and the communities in which they are situated.

Risks to public health also arise from the shared amenity and hygiene facilities at many caravan parks. A high turnover of people using the same toilets, showers, rubbish, water, and laundry facilities creates a risk of people contracting bacterial, viral, and parasitic infections if an adequate standard of hygiene and cleanliness is not ensured. It is also important that park users have access to a sufficient number of facilities relative to the size of the caravan park, and that these facilities are safe and functional.

Importantly, caravan parks provide a home for people who are socio-economically vulnerable. Due to financial pressures, many caravan park residents may have limited alternative accommodation choice. The pressures facing this sub-community are likely to continue to grow given the current cost of living crisis and severely reduced rental stock availability. Affordable accommodation providers also charge lower rates for accommodation being at the lower end of the market, meaning they have less of a financial incentive to provide certain services and amenities and address matters such as risk identification and mitigation. Consequently, in the absence of oversight provided through legislation and regulations, there may be significant risks to the health and safety of vulnerable caravan park residents. Safe and quality housing is a fundamental community expectation. Poor-quality housing can have a significant negative impact on an individual's physical and mental health and their quality of life. Without regulations, there is no requirement for caravan park owners or manufacturers of UMDs to provide an acceptable quality of housing for long-term residents. Given the lack of alternative options available to many residents in caravan parks, this cannot be assured by commercial competition alone.

2.2. Consumer protection

Consumers can be vulnerable to information imbalances where they have less knowledge of or access to information that is necessary to protect their interests. In relation to caravan parks, consumers include short- and long-term tenants of caravan park accommodation as well as purchasers of UMDs and rigid annexes. The RT Act includes some provisions designed to protect consumers, such as requiring certain critical information to be available to consumers. There are also general consumer protections such as Australian consumer law protections. However, these requirements are general in nature. Without any requirement for specific information regarding caravan park accommodation including UMDs and rigid annexes be provided, consumers may be at great risk of financial loss.

2.3. Fair competition

Industry sectors adjacent to the caravan park sector are subject to regulatory frameworks. Most notable are the prescribed accommodation sector and the building sector (see section 1.3). Given the similarities between the caravan park industry and these sectors, a lack of consistent regulatory oversight for the caravan park sector would result in an unfair competitive advantage for caravan park businesses. For example, a developer of a subdivision of small, low-cost houses would be required to go through multiple stages of assessment and meet the standards set out in the NCC, while



a caravan park owner constructing a group of similar-sized UMDs onsite could do so without relatively limited regulatory oversight. Likewise, a prescribed accommodation provider that offers holiday cabins for short-term accommodation would be required to be registered under the PHWPA regulations, but a caravan park with similar short-term accommodation would not. This would create inequity between different sectors of the market.

There may also be a risk that some in the industry would intentionally mis-classify accommodation and dwellings to take advantage of reduced regulations on caravan parks and UMDs. For instance, an accommodation provider may intentionally seek to misclassify another type of short-term accommodation as a caravan park, and a building developer may build dwellings to be classified as UMDs rather than Class 1 buildings. This would allow accommodation providers and developers to avoid regulatory scrutiny and the associated costs.

Many of the risks of not regulating the building and construction, and accommodation industries also apply to caravan parks. As government manages these risks to human health and safety through regulation of the building and construction industry and the accommodation industry, it is reasonable to assume that there is a community expectation that government regulate these matters for caravan parks.

3. Out-of-scope matters

3.1. Definition of unregistrable movable dwellings

In submissions received by Government during the 2019 and 2023 consultation processes on the Residential Tenancies (Caravan Parks and Movable Dwellings Registration and Standards) Regulations in force at the time (refer Appendix A), many respondents indicated that it was not simple to understand the increasingly difficult distinction between a UMD and Class 1 dwelling.⁹ DTP acknowledges that there is ambiguity in the definition of UMD in the RT Act, and the inconsistencies that may result from this given that each local municipality is responsible for interpreting and applying the legislative framework within their jurisdiction.

Given that the definition of UMD is contained within the RT Act, amending it is outside the scope of this review.

3.2. Part 4A sites and dwellings

Caravan park owners frequently lease sites to people who own a UMD. A *Part 4A site* under Part 4A of the RT Act is the site leased by the caravan park owner to another person who owns a UMD. The privately owned dwelling placed on the leased site is known as a *Part 4A dwelling*. The lease agreement between the caravan park owner and owner of the Part 4A dwelling, known as a *Part 4A agreement*, is not covered by the Regulations. While the Regulations apply to caravan parks with Part 4A sites and Part 4A dwellings, the requirements contained in the RT Act in relation to site agreements are dealt with as part of the residential tenancies framework, and thus are not within the scope of these Regulations or this review of their design and operation.

3.3. Alternative forms of accommodation

Over the last decade, the caravan park industry has grown and diversified beyond traditional commercial caravan parks and residential villages. A growing interest in non-traditional forms of accommodation has seen alternative forms of park such as camping on private land and luxury camping grow in number, while resort-style residential villages continue to grow in popularity, particularly amongst retirees and older populations. Tiny houses¹⁰ are another form of movable dwelling that has emerged and grown more popular in recent years.

Most tiny houses are built on a trailer and are road registered, making them RMDs. As noted earlier, standards for RMDs are addressed by national standards and are not currently dealt with by the Regulations.

Introducing specific regulatory frameworks to address these alternative forms of parks and dwellings is outside the scope of this review.

3.4. Compliance powers of councils

Councils have limited enforcement powers (refer section 1.2) that are scaled to the risk associated with the non-compliance.

Councils may issue a compliance notice where they are of the opinion that a person (such as the owner of a caravan park) is non-compliant with requirements under the RT Act and Regulations. The notice must specify the matter to be rectified and provide the timeframe by which the notice must be complied with. However, further enforcement where the person is fails to comply with a compliance notice, as well as prosecution of offences under the regulatory regime more broadly, must occur through the court system. This involves significant resourcing and financial burdens for councils.

Division 2A of Part 13 of the RT Act provides that an authorised officer may serve an infringement notice against those who have committed an offence against a prescribed provision of the RT Act and/or regulations made under the RT Act. However, no provisions under Part 14 of the Act nor any provisions in the Regulations are currently prescribed for the purpose of Division 2A, meaning that infringement notices may not currently be issued for suspected contraventions of requirements relating to caravan parks and movable dwellings.

⁹ A Class 1 dwelling are houses. Typically, they are standalone single dwellings, attached dwellings (e.g. terrace houses, townhouses), or small boarding houses, guest houses or hostels.

¹⁰ Tiny houses are permanent residences. They include tiny houses on wheels; may be movable; may be erected on skids and may be a relocatable prefab house or container. Tiny houses often do not fit any current Victorian planning schemes such as granny flat or temporary dwellings and instead fall under camping on private land, triggering restrictive regulations.



Moreover, the RT Act does not presently include council officers within the definition of *authorised officer*. Despite councils being the primary oversight body and administrator of the caravan park regulatory requirements, there is no present ability for them to issue infringement notices in relation to these requirements. This impacts the ability of councils to take efficient and effective enforcement action where they believe non-compliance with the regulatory requirements is occurring. However, amendments to the RT Act are required to provide council officers with this power, which is out of scope of this review.

4. Objectives

The primary objectives of the actions considered in this RIS are to:

- ensure that parks are safe to reside in and emergency ready with appropriate facilities, equipment and procedures are in place
- minimise costs to short-term occupiers, residents, UMD and rigid annexe designers, manufactures, installers and owners, caravan park owners, councils, and the Victorian Government
- provide consistency with other relevant regulatory and legislative in respect to the regulation, administration and management of caravan parks and the movable dwellings in them.

4.1. Reconciliation with the objectives of the RT Act

The objectives for proposed government action are consistent with the relevant objectives of the RT Act as set out under Section 3A:

(a) clarity and certainty as to the rights and responsibilities of... caravan park owners, caravan owners and residents in relation to residency rights and agreements in respect of those rights; site owners and site tenants under site agreements; and

(b) the provision of appropriate security of tenure and safe and habitable premises to... residents of... caravan parks and site tenants; and

(c) a regulatory framework that enables... caravan park owners, caravan owners and site owners to receive a fair return for providing safe and habitable premises, rooms, and sites...

5. Options development and analysis methodology

5.1. Options development

In developing this RIS, DTP considered and assessed different options that could achieve the objectives for this regulatory scheme. To identify options for analysis in this document, DTP gave regard to:

- consultation conducted with stakeholders in 2019 to understand industry and council views of the effectiveness and efficiency of the Regulations at that time
- public feedback on the Caravan parks and movable dwellings regulations consultation paper released in 2019
- further targeted stakeholder consultation conducted in 2023.

5.2. Options identified for detailed analysis

The options discussed in this RIS are:

Option 1: The Regulations are remade with no material changes to their requirements.

Option 2: The Regulations are remade with targeted changes to enhance their effectiveness and efficiency. The targeted changes under Option 2 relate to the following areas:

- Registration – Renewal application deadline
- Installation of UMDs and rigid annexes – Transfer of installation certificate upon sale
- Emergency management planning – Currency of emergency management plans and fire safety reports
- Facilities and services – Signage of taps that deliver non-potable water
- Duties of caravan park owners – Office presence

These two options were assessed against a base case under which the Regulations expire, and no regulations are made in their place.

5.3. Summary of targeted changes under Option 2 compared to status quo under Option 1

Area of change	Option 1 – Status quo	Option 2 – Status quo with targeted changes
Registration – Renewal application deadline	Caravan park owners must lodge an application for renewal of registration with the relevant council on or before 1 October in the year in which the current registration expires.	Bring forward the renewal lodgement deadline to 1 August in the year in which the current registration expires. This would provide the relevant council with more time to consider and process an application for registration renewal before expiry of registration on 31 December of the relevant year.
Installation of UMDs and rigid annexes – Transfer of installation certificate upon sale	A person who installs a UMD or rigid annexe in a caravan park must provide the owner with an installation certificate confirming that the installation has been carried out in accordance with the Regulations.	New requirement that, upon sale of a UMD or rigid annexe, the owner must provide the installation certificate to the purchaser within 7 days.
Facilities and services – Signage for non-potable water	No specific requirement for caravan parks to notify residents or short-term occupiers which water sources in parks are (or are not) are of drinking quality.	New requirement for non-potable water sources on a caravan park site to be clearly marked in accordance with a sign that meets the relevant Australian Standard.



Emergency management planning – Currency of fire safety reports and emergency management plans	Applications for registration and registration renewal must include the most recent fire safety report obtained for the park.	Registration and registration renewal applications must include a fire safety report that was issued not more than 3 years prior to submission of the application.
	Applications for registration and registration renewal must include the EMP for the park.	Registration and registration renewal applications must include an EMP prepared not more than 3 years prior to the application for registration renewal.
	Applications for registration and registration renewal must include the EMP for the park.	New prescribed form that must be attached to the EMP that is submitted to council. This form would include details of the emergency services agencies consulted in the preparation of the EMP.
Duties of caravan park owners – Office presence	A caravan park owner must ensure that the person responsible for management of the caravan park is available at the caravan park office during normal office hours.	Remove the requirement for management to be present at the caravan park office during normal office hours.

5.4. Options considered but not progressed

Non-regulatory options such as educational campaigns, detailed guidance, industry-self regulation, and codes of conduct as stand-alone alternatives to regulation are not considered to be effective in achieving the government’s harm minimisation objectives. These measures are likely unable to meaningfully address the issue of ensuring quality living standards are provided to all caravan park residents and short-term occupiers, due to their lack of enforceability, particularly given the power imbalances that exist between caravan park owners and those who stay in such parks. Nonetheless, these non-regulatory tools do play an important part in the regulatory ‘tool kit’ and complement legislative and regulatory frameworks.

5.5. Analysis method

The options in this RIS have been assessed using Multi-Criteria Analysis (MCA). MCA involves assessing these options against a series of criteria relative to the base case. The approach enables a wide range of impacts to be considered – impacts that have been quantified and valued and impacts that have not been quantified and valued. MCA allows the inclusion of a wider range of criteria — including social and environmental considerations for example — than those used in a typical cost-benefit analysis.

The use of an MCA is considered an appropriate tool for analysis in this RIS as many of the costs and benefits of the regulations, such as the benefits of good governance or the benefit of reducing risks to members of the public, are difficult to quantify and express in monetary terms.

MCA requires judgement of how the proposals will contribute to a series of criteria that are chosen to reflect the benefits and costs associated with these proposals. Each criterion is assigned a weight reflecting its importance to the policy decision, and a weighted score is then derived for each option. The option with the highest weighted score is the preferred option.

MCA involves:

- specifying assessment criteria
- assigning a weighting to each criterion
- setting a criterion rating scale

- assigning scores for each option in relation to each criterion
- calculating a weighted score for each option.

Costs and benefits forecast to be achieved under each option are assessed for the period during which each is proposed to be in force, 10 years.

Information used in this analysis

The caravan park industry is regulated both by councils across Victoria and by caravan park owners themselves. While reportedly, the majority of caravan park owners belong to industry body, the Victorian Caravan Parks Association, robust quantitative data, for many aspects of the following analysis was not available. As such the analysis relies on extrapolations of data sets, modelled estimates and reasoned assumptions to address data weaknesses and limitations.

5.6. Assessment criteria

MCA assessment criteria and weightings

The criteria and their weightings differ between analysis of each of the proposed change, that are listed at 5.3 and discussed in detail in the following chapters 6 to 10. Below is a description of each of the criteria used in the MCA analyses. The weightings applied to the criteria for each proposed change are stated in the relevant chapter.

<i>Improved health, safety, and emergency preparedness</i>	The extent to which an option enhances the protection of the health and safety of short-term occupiers, residents, caravan park staff and owners and the surrounding community. The extent to which an option reduces prospective impacts associated with health, safety, and emergency events.
<i>Improved compliance and council oversight of caravan parks</i>	The extent to which an option enables council greater oversight of caravan parks and can assess and enforce caravan park compliance with the RT Act and any regulations.
<i>Consistency with other legislation and regulations</i>	The extent to which the option places obligations or bestows benefits consistent with obligations and/or benefits achieved by other legislation and regulations. In this way this criterion identifies the extent to which the option impacts competition between caravan parks and other similar forms of accommodation. The obligations and benefits bestowed under this criterion may impact caravan park owners, staff, residents, short-term occupiers, the surrounding community, councils, and others.
<i>Improved consumer protection</i>	The extent to which an option enhances protection of consumers who visit and reside in caravan parks and those that purchase and have installed in a caravan park, as relevant, a new or used UMD and/or rigid annexe.
<i>Costs to industry</i>	The cost burden each option places upon the caravan park industry to comply with specified requirements. The industry includes caravan park owners as well as those involved in the design, construction and installation and ownership of UMDs and rigid annexes. Industry costs also include the costs passed on by manufacturers and installers to owners of UMD and rigid annexes as well as costs relating to smoke alarms and installation certificates.



Costs to government

The cost burden each option places upon municipal councils and Victorian Government agencies to regulate or support regulation in terms of financial, time and other resource costs. These costs are predominantly borne by councils to administer regulations in terms of financial and time costs. These include costs associated with registration and oversight of caravan parks within the council’s municipal area to ensure compliance with the RT Act and regulations made under Part 14 of the Act.

Criterion rating score

Each proposal has been individually scored against the assessment criteria using a scale of -10 to +10 compared to the base case, which is scored zero. Benefits are assigned positive scores and costs are assigned negative scores relative to the base case. Scores are assigned as follows:

Negative					Neutral	Positive				
-10	-7	-5	-3	-1	0	1	3	5	7	10
Very high	High	Medium	Low	Very low	Nil	Very low	Low	Medium	High	Very high

6. Registration

6.1. Problem

Persons or entities that provide goods and services to the Victorian community must comply with Acts – in this case the RT Act – and any regulations made under them. Governing bodies or regulators are identified and authorised to monitor compliance of relevant entities with Acts and associated regulations, set minimum standards and provide quality assurance. The RT Act nominates councils as the primary regulator of caravan parks.

The RT Act does not however provide councils with mechanisms to identify and monitor caravan parks to ensure compliance with the Act and any standards and regulations it specifies. It provides powers for council officers to enter and investigate caravan parks including caravan park buildings and to issue a notice to a caravan park owner operating a park in their municipality who has not prepared an EMP (see Chapter 9). However, it does not specify how a council would identify a caravan park within its municipality, under what circumstances site visits should occur, nor to what standards caravan parks should be tested, beyond the RT Act's high-level objectives of safe, habitable, and fair housing (refer Chapter 4).

Without a formal mechanism for councils to identify and monitor caravan parks within their municipality, it would be both difficult and costly for councils to assess whether caravan parks are complying with the RT Act and regulations. Additionally, without a system of identification, councils would likely be mostly unable to collect fees or penalties from caravan parks (beyond costly litigation in courts and general council taxes and fees). This means councils would not have a strong financial incentive to fulfill their role as a regulator of caravan parks. Without a system through which councils can identify, monitor, and charge fees to caravan parks, it is unlikely that councils would be willing and/or able to regulate caravan parks in their municipality. Without an effective regulator, it is likely that compliance among caravan parks with the RT Act and any associated regulations would fall below what the RT Act requires.

6.1.1. Problems with the current Regulations in practice

The current Regulations provide for a 3-month period at the end of the year for councils to assess applications for caravan park renewals of registration. This creates an administrative pressure on councils during the peak end of year period when councils must review and approve many other applications, authorisations, and reports.

Of a surveyed sample of caravan park owners, around 30% reported issues with councils approving their application for renewal of registration on time, that, for example, it was approved immediately prior to expiry. No recent instances of the issue of approval of registration renewal certificates after 31 December of the relevant year have been identified, however. Should council not grant a certificate of registration by the prescribed deadline, caravan park businesses would be in breach of the registration conditions, potentially through no fault of their own. During periods of non-registration, caravan parks may also be in breach of their insurance requirements and other financial obligations. Were park assets to be damaged during this unregistered period, park owners may be unable to recover costs. Parks may be forced to close, displacing residents and others temporarily or permanently.

The requirement to submit to council an application for renewal of registration every three years was introduced in 2010. Most parks in operation today were also operating and required to submit an application for renewal of 3-year registration in 2010. Most are thus on the same three-year registration cycle. Since this requirement was introduced registration extensions have been granted in exceptional circumstances (e.g., COVID-19) and there have been some, though few, entrants into the industry. Regardless, under the current renewal of registration requirements a council will need to process applications for most if not all of the caravan parks in their municipality during the same 3-month period of the same year, a time during which many other council administrative processes including reporting must be conducted.

Some councils consulted during the preparation of this RIS reported that renewal applications submitted by caravan park owners by the 1 October deadline are often incomplete and additional time is taken to obtain all required application documentation (described under discussion of the base case, below). This delays application processing and pushes application assessment further towards the expiry date of the current registrations.

6.2. Options development

6.2.1. Base case

Should the Regulations be revoked, and no regulations made in their place (base case) there would be no mechanism for a council, the primary regulator of the industry within its municipality, to ensure caravan parks are meeting the requirements of the RT Act nor any relevant regulations. Council would retain responsibility to ensure owners of caravan parks within the municipality had prepared an EMP for the park. There would however be no clear, consistent system through which it would enforce this requirement. Operations of caravan parks would be largely self-regulated, though their impact on the health and safety of people staying in parks, the local community, the local economy and tourism activity can be significant.¹¹

Consumers would have limited ability to understand whether a caravan park was safe and operating in accordance with the RT Act and any regulations.

Under the base case, legislation and regulations other than the RT Act would continue to govern caravan parks. These include *Environment Protection Act 2017* and associated regulations that govern matters such as wastewater treatment, the *Building Act 1993* and associated regulations for permanent structures on-site (i.e. buildings) and the *Planning and Environment Act 1987*, planning schemes and permits that determine where and under what conditions parks and UMDs can be sited.

These latter requirements – planning schemes and the issue of planning and building permits – provide a role for councils in development of caravan parks under the base case; namely regarding their permission to develop and regarding the location and the siting of UMDs and buildings within the park. The role of councils would otherwise largely be confined to ensuring that caravan park owners have prepared an EMP prior to operation and to issuing a written notice to the owner should this not be the case. The RT Act does not list any requirements for the content of an emergency management plan, anticipating that any requirements would be prescribed in regulations. There would be no mechanism for councils to assess the adequacy of EMPs nor other emergency management requirements of the RT Act. They would only have power to verify that a plan exists.

6.2.2. Option 1 – Status quo

Under this option, the Regulations would be remade in their current form.

The Regulations require caravan park owners to register their park with the local municipal council. All councils must keep a register of the caravan parks in their municipal district.

Registration conditions are the basis for councils to enforce many of the requirements of the RT Act and the Regulations. Under Option 1 all caravan park owners submit to council an application for registration or renewal of registration. Council officers assess the application to determine whether the park and the accommodation provided within them would meet minimum, safe standards. Application documentation includes:

- an application form in the format prescribed within the Regulations
- a plan of the caravan park clearly indicating the location and number of all buildings and facilities and all long-term sites, short term sites and camp sites
- the most recent report given to the applicant by the relevant fire authority (i.e., the FSR)
- the schedule of works for the caravan park, if any, and evidence of the status of compliance with the schedule of works
- the EMP
- the registration or renewal of registration application fee.

¹¹ The role of each council is to provide good governance for the benefit and wellbeing of the municipal community, which includes residents, ratepayers, traditional landowners and people and bodies who conduct activities in the municipal district — *Local Government Act 2020* sections 3 and 8(1).



The Regulations set maximum fees a council can charge for registration and renewal of registration applications, based on the number of sites (other than camp sites) in a park and the length of the registration period. Individual councils then determine the fee imposed of caravan park owners up to the maximum fee prescribed in the Regulations.

Councils process and assess this documentation to determine the compliance of caravan parks with the RT Act and Regulations. Most also conduct site visits during the application assessment period if not more regularly. Option 1 requires councils to also engage relevant emergency services agencies to determine whether the EMP submitted with an application is of adequate standard and meets the prescribed regulatory requirements.

If satisfied that a caravan park owner meets the requirements of the Regulations or has agreed on a plan to meet them within a specified time (i.e., a schedule of works with which the owner is complying, refer below) they must grant or approve a registration. For registration renewals, this process must be completed by councils before 31 December to ensure that owner who wishes the park to be registered remains so.

A schedule of works is a written agreement – a plan – entered into between a caravan park owner and council. It sets out works to be undertaken by the caravan park owner and a timeline for the undertaking of those works. It is intended to provide for a plan for caravan park owners to, over time, fully comply with regulations regarding fire prevention and safety. Schedules of works may also address amenities¹² that caravan parks owners are required to supply and maintain (refer Division 2 of Part 3, other than regulation 31, of the Regulations). Though not specified in the Regulations, the intention of a schedule of works is twofold:

- To provide time and direction for caravan park owners operating at the introduction of the contemporary regulations (2010 onwards) to fully comply with any regulations current at the time; and
- To provide councils and the caravan park owners with a mechanism to agree to any further improvements to the park and when they are to be conducted.

Councils may receive applications for registration of a new caravan park at any time during the year, with the resulting registration granted for a period of no less than two and no longer than three years. In practice, registration is generally for three years.

Applications for renewal of registration must be lodged with council on or before 1 October in the year in which the current registration expires.

All registrations under Option 1 end on 31 December of the third calendar year of registration. Councils must have renewed registrations by this date to ensure the continuous registration of caravan parks.

While most caravan parks operating today were also operating in 2010 when the three-year registration requirement was introduced, not all are on the same renewal of registration cycle; that is not all would submit an application for renewal of registration in the same year. New caravan parks have been established since 2010 and exemptions to the three-year registration requirement have reportedly been granted, though not frequently. Based on feedback from industry and fire authorities, for the purposes of this RIS it is estimated that 80% of caravan parks (or around 354) will renew registration in year 1 (2024), 15% (or around 66) in year 2 (2025) and 5% of all parks (22) will seek to renew registration in year 3. The 3-year registration cycle will thereafter recommence.

A notice of transfer of a caravan park registration from one owner to a new owner must be lodged with council and can be done so at any time. A notice of transfer must be accompanied by a transfer fee paid to the council, which the Regulations set at 5 fee units (\$79.50). The transfer of caravan park registration to a new owner does not alter the duration of the park's registration nor the registration expiry date.

6.2.3. Option 2 – Extending the renewal application assessment period

Under Option 2 the registration process would be largely consistent with that under Option 1. However, the timeframe during which councils must consider and process an application for renewal of park registration would increase from 3 to 5 months. This would occur by bringing forward the registration renewal application lodgement date from 1 October to 1 August in the year in which registration expires. Applications for registration of a new caravan park or notification that a registration has been transferred to a new caravan park owner could still be made at any time of the year.

¹² Excluding provision and cleaning of garbage bins.



6.3. Options analysis

6.3.1. Assessment criteria

This section analyses the impact of Option 1 and Option 2 against the base case for the following criteria:

Benefits

- Improved compliance and council oversight of caravan parks (weighting = 40%)
- Consistency with other legislation and regulations (weighting = 10%)

The predominant benefits analysed in this chapter relate to the improved council oversight of caravan park owners' compliance with the RT Act and their ability to enforce these requirements Options 1 and 2 would deliver. Accordingly, this criterion is given the greatest weighting of 40%. The consistency with other legislation and regulations is a secondary benefit and is assigned a weighting of 10%.

Costs

- Costs to industry (weighting = 25%)
- Costs to government (weighting = 25%)

The registration process primarily involves two players – caravan park owners as the industry, and council as a government entity. Each is assigned an equal weighting of 25%.

6.3.2. Discussion of benefits

Improved compliance and council oversight of caravan parks

Option 1

In its most basic form registration allows councils to fulfill their obligation foreshadowed in the RT Act – to ensure all caravan park owners operating in their municipality have prepared an EMP for the caravan park that meets prescribed requirements. The registration requirements of the Regulations provide councils with broader oversight of caravan parks and their operations than this simple legislative requirement.

The registration requirements for example, enable council to keep a register of all caravan parks in the municipality and to determine whether an EMP meets prescribed quality standards and seek external advice from relevant emergency service agencies to assist with this determination. As such they provide the basis for council to meet its requirements under 518F of the RT Act and issue a written notice to a caravan park owner to amend the EMP to meet prescribed regulatory requirements should they assess that the plan is non-compliant.

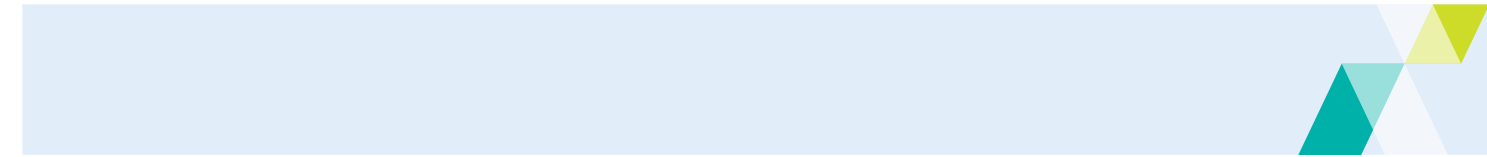
While the RT Act provides councils with the powers to authorise an officer to enter and inspect a caravan park and its buildings at any time, registration formalises the opportunity for a site inspection and includes review of a site plan for council to check that a caravan park owner is providing the type and quantum of facilities and services and implementing some of the emergency management measures required by the Act and Regulations.

Importantly registration enables development of a schedule of works. This enables councils to set a plan and timeframe with caravan park owner, and then to track on at least a three-yearly basis how the owner is implementing activities, establishing infrastructure and equipment to improve the park to meet necessary fire and emergency management requirements and amenity standards.

It is for these reasons that this criterion is awarded a score of **+7**.

Option 2

While Option 2 would be largely consistent with Option 1, the additional time of 2 months afforded to councils to assess the caravan park registration and renewal application would lead to a reduction in administrative burden for councils enabling a more thorough assessment of application documents. It would, for example, provide more opportunity for councils to follow-up with park owners such that all application documentation is complete to the standards prescribed or otherwise required by council. It would provide more time for council to identify the need for and, working with the applicant, develop a schedule of works agreement should council deem one is necessary. As such Option 2 would enable councils to better execute their responsibilities as regulators of caravan parks.



The move to a 1 August deadline for submission of registration renewals would spread councils' total administrative load over a longer period. This should enable councils to undertake other compliance and enforcement activities for caravan park owners and for others in the municipality more effectively and efficiently. These include issue of building and planning permits for UMDs or any monitoring and enforcement of requirements of caravan parks under the PHW Act, regarding for example food safety if relevant. As Option 2 would marginally improve councils' oversight of caravan parks and enforcement of compliance this criterion is awarded a score of **+8**.

Consistency with other legislation and regulations

Option 1

Under the PHW Act and PHWPA Regulations, types of accommodation similar to caravan parks, such as hostels and rooming houses, need to be registered and re-registered on a periodic basis with the relevant local council in order to legally operate. The PHWPA Regulations require the accommodation proprietor (i.e. owner) to provide prescribed information with their registration application. This prescribed information includes details of the premises, owner and a site plan.

These requirements are broadly the same as those that would be required of caravan park owners under Option 1. Like the PHWPA Regulations, the registration requirement of the Regulations would provide an instrument for council to regulate the relevant industry and the mechanism through which council collects information to determine whether the owner is compliant with relevant legislation and regulation. They place a comparable administrative burden upon caravan park owners as is required of proprietors of other forms of accommodation.

Despite similarities between Option 1 and the prescribed accommodation registration requirements that would likely place a similar proportionate administrative burden upon caravan park owners and other broadly comparable accommodation owners, the PHWPA registration requirements provide more flexibility for the type of information a council may request through the renewal of registration process. This reflects the diversity of accommodation regulated under the PHW Act and its regulations (refer section 1.4). The PHWPA regulations do not require inclusion with a registration application an FSR and EMP nor make mention of a schedule of works. Rather applicants for renewal of registration are required to meet 'any conditions on the registration'. Neither the PHW Act nor PHWPA Regulations prescribe a common date by which an application for registration or renewal of registration must be made. They do not prescribe a fee or schedule of fees prescribed accommodation owners are required to pay council upon registration and renewal of registration, rather individual councils themselves set these fees.

Option 1 would place registration requirements that are comparable but not identical to those placed upon similar types of accommodation, which would help ensure caravan parks are not given an unfair advantage over competitors in the short-term accommodation industry. As such, a score of **+6** is applied for this criterion.

Option 2

Option 2 would not change alignment between registration and registration renewal requirements for caravan parks and for other forms of comparable accommodation, because as noted, the PHW Act and PHWPA Regulations do not specify a timeframe for registration and renewal applications and have some different application requirements. The score assigned to Option 2 of **+6** is the same as that assigned to Option 1.

6.3.3. Discussion of costs

Costs to industry

Option 1

Under Option 1 a caravan park owner would incur costs of \$25.04 associated with the time to prepare and collate the application documents, estimated to be 30 minutes, plus the application fee which based on an average park size of between 100 and 150 sites (other than camp sites, which are excluded from the calculation of total number of sites when determining registration application fees) would be \$1,987.50.¹³

The estimated cost to a caravan park owner of developing a schedule of works agreement is estimated to be \$2,502.55. This is comprised of the industry's estimated demand on caravan park owners time (30 hours) and its estimated additional costs when drafting the schedule and incur of additional costs such as procurement of expert advice and

¹³ Based on fee unit value of \$15.90 which is valid for the 2023-24 year.



administration costs. Should a schedule of works be in place when a caravan park owner applies for a renewal of registration, they would incur costs to update the agreement estimated to be \$1,250.43. This is comprised of 5 hours of a caravan park owner time and administration costs and possibly some engagement of external experts. Costs to update a schedule of works are assumed to be lower than preparing a new schedule of works as existing caravan park owners (and any administrative staff) would be familiar with the schedule and require less assistance from any external experts.

Industry forecasts that over the next 10 years there will be between 5 to 10 entrants to the industry (new caravan parks) per annum, equalling the number of exits (closing caravan parks) per annum.

Industry estimates that around 27% of all caravan parks would have a schedule of works agreement developed or updated through the registration and renewal of registration process. It is assumed this figure would remain constant over 10-year lifespan of the Regulations and would apply equally to existing and new caravan parks. It is assumed that only new owners of new caravan parks would require a new schedule of works, while any owner of an existing park would only need to update their schedule of works if they currently have one.

Caravan park owners who purchase an existing park and lodge a transfer of registration notice with the council estimate that this will require 15 minutes to complete imposing a small cost on new caravan park owners of \$12.52. It is estimated that over a 10-year assessment period there would be 32 transfers of registration per year.

Caravan park owners would also incur costs to acquire a FSR and costs to prepare or update an EMP, documents required by the Regulations for submission with a caravan park registration or renewal of application. These two items and costs are discussed in chapter 9 and are excluded from consideration in the analyses of impacts or costs to industry in this chapter.

As the proportion of caravan parks that must renew registration varies over the three-year registration cycle, the annual costs to industry for registration – excluding those associated with EMPs and FSRs – will also vary year by year, ranging from \$838,993.79 in year 1 (2024, and thereafter in 2027, 2030 and 2033), \$163,793.61 in year 2 (2025, and thereafter in 2028, and 2031) to \$59,916.66 (2026, and thereafter in 2029 and 2032) as measured in 2024 dollars.¹⁴

Over the proposed 10-year period in which the regulations would be in force, the cost to industry to prepare and submit applications to register, renew registration and prepare and submit notices of transfer of existing registrations¹⁵ across the rolling 3-year registration cycle over a 10-year period is \$4,027,105.95 or \$3,276,721.21 when measured in net present value (NPV).

Based on this assessment, Option 1 has been assigned a score of **-8**.

Option 2

For caravan park owners the fees payable to council and the activities undertaken to register, renew of registration and transfer registration with council and thus the costs born under Option 2 are the same as those under Option 1. While the risk to caravan park owners of not receiving their registration renewal certificate from council should reduce, this risk cannot be costed as no instances of this occurring in recent years has been identified.

Option 2 is thus also assigned a score of **-8**.

Costs to government

Option 1

As the primary regulator of caravan parks under Option 1, costs to government associated with registration are borne by the municipal council in which a caravan park is located. Working with select councils, DTP calculated that councils typically incur the following costs when processing a registration and renewal of registration application:

¹⁴ These figures apply to 80% of all 442 caravan parks in year 1; 15% of all parks in year 2 and 5% of all parks in year 3.

¹⁵ As noted above this includes completion of the registration/renewal of registration form, collation of registration documents and preparation or updating of any schedule of work in place at time of application. It does not include preparation or an EMP nor Fire Safety Report.



Task	Hours	Hourly wage	Oncosts	Total processing cost (per registration)
Administration (Band 4) ¹⁶	2	\$26.18	75.00%	\$91.63
Inspection of caravan park (EHO) ¹⁷	2.5	\$33.10	75.00%	\$144.81
Assessment of previous compliance order/complaints (EHO)	1	\$33.10	75.00%	\$57.93
TOTAL				\$294.37

It costs a council an estimated \$294.37 in 2024 dollars to assess, process and approve each registration and registration renewal. It is assumed that the average cost to a council to process an application for registration or renewal of registration remains constant regardless of park size (in km²) or mix of sites (i.e., short-term sites, permanent sites, camp sites or movable dwelling sites) or other variabilities. Processing of a notice of transfer of registration to a new owner of an existing caravan park requires only 15 minutes of a council officer time, imposing an estimated \$11.45 in costs. The Regulations provide that councils may charge a transfer fee of 5 fee units (\$79.50 in 2023-24) to process a transfer of registration.

Of note, the maximum fee a council may charge a caravan park under the Regulations for registration and renewal of registration for all but the smallest parks (totalling 25 sites or less excluding camp sites) is greater than the estimated cost for councils to process an application. Similarly, the fee received to process transfers of registration are greater than the estimated cost to council of the administrative processes involved in processing a notice of transfer. Any fees council receive through registration processes in excess of application processing costs are directed toward regulation of parks during the three-year registration period via, for example, periodic site visits.

As applies for industry, costs to receive, review and process application for park registration, renewal of registration and transfer to council would vary over the three-year registration cycle as the number of caravan parks that submit application for renewal of registration fluctuates. In year 1 (and 4, 7 and 10) they are estimated to be \$104,454.87, \$19,883.09 in year 2 (and 5 and 8) and \$6,872.04 in year 3 (and 6 and 9) measured in 2024 dollars. This amounts to \$405,291.27 (NPV) over the 10-year lifespan of the Regulations.

The net benefit they receive through registration fees will depend on the council and the number and size (in terms of movable dwelling sites (excluding camp sites) of caravan parks within the municipality.

As the overall benefit councils gain from registration in terms of fees paid by caravan park owners is greater than the cost they incur, Option 1 is scored **+1**. While Option 1 receives a positive score (a benefit) under this criterion it is likely offset by other costs incurred by councils to check for compliance for other areas of the Regulations which are considered in the following chapters.

Option 2

The activities councils undertake to assess, process, and approve registration, renewals of registration applications and transfer notices under Option 2 would be similar to those conducted under Option 1. Extending the application processing timeframe from 3 to 5 months would enable the more effective allocation of council resources across the assessment period and reduce administrative burden to council. It would allow councils opportunity to better manage and distribute staff workloads. It is assumed that this may lead to cost savings as, for example, it would reduce the need or risk of the need for council to pay staff overtime or hire additional staff to conduct administration tasks to deadline. While the

¹⁶ Band 4 role classification as set out under the Victorian Local Government Award 2015.

¹⁷ An EHO is an Environmental Health Officer employed by a council. EHOs lead assessment of caravan park applications for the municipality and oversee their compliance with the regulations.



measurable cost impact of Option 2 equals that of Option 1, these non-tangible benefits to councils outweigh those that would be received under the current Regulations.

As such Option 2 is allocated a slightly higher score of **+1.5**.

6.3.4. Summary of analysis

Costs and Benefits	Criterion	Weighting	Option 1	Option 2
Benefits	Improved compliance and council oversight of caravan parks	40%	+7	+8
	Consistency with other legislation and regulations	10%	+6	+6
Costs	Costs to industry	25%	-8	-8
	Costs to government	25%	+1	+1.5
TOTAL		100%	+1.65	+2.18

The RT Act identifies councils as a primary regulator of caravan parks. The Regulations (Option 1) would clarify this role. The MCA determined that Option 1 would deliver benefits above those achieved under the base case with a total weighted score of **+1.65**. The assessment determined that Option 2 would improve council oversight of caravan parks and improve council ability to ensure compliance with the RT Act, compared to Option 1. Option 2 would also benefit councils by providing more time for the assessment and process of applications for registration and renewal of registration which would deliver both direct and indirect benefits. Option 2 provides the greatest benefit of the options assessed and is assigned a score of **+2.18**.

Registration renewal assessment period

DTP is seeking feedback on caravan park registration, specifically:

1. Do you agree that councils should have 5 rather than 3 months to review a registration renewal application? Why?
 - 1a. What would the benefits be, if any?
 - 1b. What would the issues be, if any?



7. Design, construction and installation of UMDs and rigid annexes

7.1. Problem

7.1.1. Quality of movable dwellings

A caravan or unregistrable movable dwelling is a significant asset. This is especially the case where it is purchased as a person's permanent place of residence, but also the case where it may be used as a holiday house or rented to others. Based on estimates provided by UMD manufacturers, approximately 2000 UMDs are sold and installed in Victoria each year. Poor design, construction or installation of a movable dwelling or annexe can result in adverse consequences including:

- Financial losses, for example the costs of rectifying defective construction or installation.
- Injury, for example if a structure collapsed while occupied.
- Environmental damage or pollution, for example from increased energy use due to lack of insulation.

Some of the factors that contribute to poor outcomes include:

- Financial incentives for manufacturers or installers to minimise costs, for example by rushing production or substituting high quality materials for cheaper, inferior options.
- A lack of knowledge, training or competence on the part of practitioners who manufacture or install movable dwellings.
- Poor design of movable dwellings.
- A lack of knowledge on the part of consumers, who likely lack the technical expertise to assess the quality of a movable dwelling.
- When installing a movable dwelling, a lack of knowledge or consideration for local conditions, such as flood, fire, wind and termite risks.

In recent years, 'lifestyle villages' and residential parks have emerged as a significant and growing portion of registered caravan parks. These villages are marketed to long-term residents, usually retired or semi-retired and aged over 50, and consist predominately or solely of large, self-contained UMDs. In these villages, residents generally purchase a UMD and lease the site on which it has been installed. This arrangement can offer an affordable housing option for elderly and vulnerable residents. Taking into account the vulnerability of these residents, it is desirable to maintain that these dwellings are held to reasonable standards.

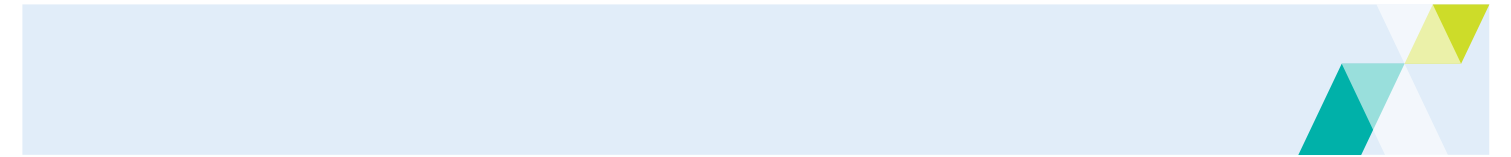
7.1.2. Regulatory inconsistency in the building industry

In many cases, the manufacture of a UMD is a similar process to the construction of a typical permanent dwelling (Class 1 building).¹⁸ Particularly at the higher end of the market, UMDs are often marketed as self-contained, permanent dwellings with multiple bedrooms, a private kitchen and bathroom facilities. They may be visually indistinguishable from a typical Class 1 dwelling, manufactured from similar materials (such as a timber frame and corrugated metal roof) and built on site, albeit on a chassis that would allow the dwelling to be relocated.

In recent years, 'lifestyle villages' and residential parks have emerged as a significant and growing portion of registered caravan parks. These villages are marketed to long-term residents, usually retired or semi-retired and aged over 50, and consist predominately or solely of large, self-contained UMDs. In these villages, residents generally purchase a UMD and lease the site on which it has been installed. This arrangement can offer an affordable housing option for elderly and vulnerable residents. Taking into account the similarities and differences between Class 1 buildings and UMDs, it is desirable to maintain a reasonable level of consistency between how each form of dwelling is regulated.

Under the Building Act and Regulations, the construction of Class 1 Buildings is subject to the requirements of the National Construction Code (NCC). In addition, the Building Act applies layers of approval and oversight to ensure that construction work is completed in accordance with the legislation. A building surveyor must be engaged for building projects to issue a building permit, conduct mandatory inspections during construction and issue an occupancy permit on

¹⁸ The NCC classifies buildings into different 'classes'. A Class 1 building is a single, standalone domestic or residential building such as a detached house, terrace, row house or townhouse.



completion of the project. The requirements of the Building Act seek to ensure the safety, amenity, accessibility and sustainability of certain buildings. They also result in a significant regulatory burden on builders.

While UMDs share many of the same characteristics of a Class 1 building, they are exempt from all provisions of the Building Act other than those related to plumbing work, in accordance with section 517 of the RT Act. As a result, there is a risk that Class 1 buildings may be miscategorised as movable dwellings to avoid the regulatory burden of the Building Act and the NCC. Given the two forms of dwelling can be indistinguishable to the untrained eye, there is an additional risk that consumers who purchase UMDs and rigid annexes may be unaware that these dwellings are not subject to the same construction standards as a typical house.

7.1.3. Information asymmetries

In most economic transactions, consumers do not have complete information about the good or service they are purchasing or have less information than the seller. Consumers may lack the expertise to effectively judge the good or service provided. They may be unable to identify certain attributes of the good or service before purchase (for example, where a large amount of technical knowledge is required) or may be unable to assess these attributes until after purchase (through experience). In some cases, it may be difficult to assess attributes even after the purchase because problems may not be apparent to the untrained eye or may only become apparent over time.

In relation to UMDs and rigid annexes in caravan parks, the average consumer is unlikely to have the expertise required to assess whether a dwelling is well constructed and competently installed beyond any obvious visual defects. Consumers would not automatically know who constructed or installed the dwelling, when it was built and whether this work was compliant with any particular standard. If issues were to subsequently arise with a dwelling they have purchased, a consumer may have difficulty seeking recourse (for example, making a claim against the warranty) without this information.

7.1.4. Problems with current Regulations in practice

Under the current Regulations, an installation certificate must be issued by the installer to the owner of a UMD or annexe, certifying that it has been installed in compliance with the Regulations. While this installation certificate can give a measure of assurance to the initial owner of a UMD or annexe, there is no requirement for a copy of the certificate to be provided to any subsequent owners. As a result, when a UMD or annexe is subsequently sold or otherwise transferred, the installation certificate may not be provided to the new owner. Without an installation certificate, the new owner may not have access to information regarding who installed the UMD or annexe and when it was installed. Additionally, they will not have the benefit of a certification that it was installed in accordance with the Regulations, which could assist in making a warranty claim if a defect arises.


This is particularly relevant in circumstances where residents have purchased a new UMD through a third party, such as a caravan park owner, rather than directly from the manufacturer. This is commonly the case in lifestyle villages, a growing sector of the market, where the owner of the caravan park may purchase and have installed UMDs and rigid annexes which are then on-sold to residents. In these circumstances, the current regulations require the installer to provide an installation certificate to the caravan park owner (the initial owner of the dwelling) but do not require this certificate to be passed on to a resident who subsequently purchases the dwelling (often as their permanent, primary place of residence). As the number of lifestyle villages in the market increases, so too will the likelihood that owners of UMDs and rigid annexes do not have access to the installation certificate.

7.2. Options development

7.2.1. Base case

Under the base case, it is anticipated that UMD and rigid annexe designers, manufacturers and installers would still largely adhere to the standards currently specified in the Regulations, at least in the short and medium term. This is because manufacturers generally operate on a national basis and other Australian jurisdictions apply similar regulations to the design, construction and installation of UMDs and rigid annexes. In order to maximise their potential market, manufacturers generally construct to a standard that can be sold across jurisdictions and it is unlikely they would vary production practices and adopt lower standards solely for the Victorian market.

Nonetheless, without any prescribed requirements, there is a risk that sub-standard UMDs and rigid annexes would be sold and installed in Victorian caravan parks. Sub-standard stock that cannot be sold in other jurisdictions, whether manufactured domestically or imported from overseas, would likely be sold in the Victorian market. New manufacturers



may also emerge seeking to take advantage of the lack of regulation in Victoria. This may lead to the development of new residential style parks where Class 1 buildings are manufactured and miscategorised as UMDs to avoid being subject to any requirements of the NCC or any oversight from a building surveyor.

Unlike manufacturers, installers of UMDs and rigid annexes are more likely to operate solely within Victoria. As a result, regulations or requirements in other jurisdictions are unlikely to significantly influence their standard of work, which may decline if Victoria's regulations expire. However, installation practices are well established and purchasers of new UMDs and rigid annexes, an increasing number of whom are large corporates that operate across jurisdictions, have established expectations about the standards to which these structures are installed. They also have established expectations about the guarantee or warranty provided by installers that UMDs and rigid annexes are installed competently.

In the absence of regulations, the construction and installation of UMDs and rigid annexes for and in the Victorian market would still need to comply with Part 12A (plumbing works) of the Building Act as specified in section 517 of the RT Act.

7.2.2. Option 1 – Status quo

Under this option, the Regulations would be remade in their current form.

The Regulations specify which parts of the NCC apply to the construction and installation of UMDs and rigid annexes. This includes provisions relating to structural integrity, weatherproofing and waterproofing. Specifically, the whole of the NCC Volume Two applies to UMDs and rigid annexes with the exception of certain provisions regarding:

- Termite control
- Masonry
- Roof tiles and shingles
- Fire separation of external walls and construction in bushfire prone areas
- Sanitary facilities
- Swimming pools
- Energy efficiency
- Livable housing design.

Some of these provisions are not relevant to movable dwellings, such as masonry or roof tiles as these materials are not used in the construction of movable dwellings. Other matters such as fire safety, sanitary facilities and energy efficiency are subject to bespoke provisions in the Regulations. Additional construction and installation requirements specific to UMDs and rigid annexes include:

- A minimum enclosed floor area of 15 square metres.
- A maximum enclosed area and height for rigid annexes, relative to the UMD it is attached to.
- Measures to prevent overshadowing or overlooking from multi-storey UMDs.
- Energy efficiency requirements including minimum standards for wall and roof insulation.
- Requirements for natural ventilation and daylight.
- Compliance of footings, glass and structural elements with Australian Standards.

Smoke alarms must be installed in accordance with the NCC in all movable dwellings other than a flexible annexe or tent. For newly constructed movable dwellings, the smoke alarm must be connected to mains power where available. In addition, the owner of the movable dwelling is obliged to ensure that smoke alarms are maintained in working order.

A compliance plate is required to be affixed to UMDs or rigid annexes, detailing the name and address of the person who constructed it, the year it was constructed and a statement affirming that it was constructed in compliance with the Regulations. The compliance plate is a requirement for installation in a caravan park. In addition, installation designs including specifications relating to wind speed, soil type and other considerations must be provided by the seller to a purchaser of a new UMD or rigid annexe.

Following installation of a UMD or rigid annexe the installer must provide the dwelling owner with a certificate that certifies that installation has been carried out in accordance with the Regulations and with the approval of the caravan park owner. This provides information on when the UMD or rigid annexe was installed and by whom. The owner of the unregistrable movable dwelling or rigid annexe must give a copy of the installation certificate to the caravan park owner and the council within 7 days after the completion of the installation. These certificates are intended to verify that once situated, UMDs and annexes are suitable for use.



7.2.3. Option 2 – Additional requirement to transfer installation certificates

Option 2 would include all the design, construction and installation requirements of Option 1 and add a new requirement that the installation certificate must be transferred from an owner who is selling a UMD or rigid annexe to the purchaser within 7 days of the sale. As a result, each successive owner would receive the installation certificate instead of only the initial owner.

7.3. Options analysis

7.3.1. Assessment criteria

This section analyses the impact of Option 1 and Option 2 against the base case for the following criteria:

Benefits

- Improved health, safety and emergency preparedness (weighting = 30%)
- Consistency with other legislation and regulations (weighting = 10%)
- Improved consumer protection (weighting = 10%)

The predominant benefits analysed in this chapter relate to the health, safety and emergency preparedness impacts of each option. Accordingly, this criterion is given the greatest weighting (30%). Two minor criteria (each weighted at 10%) analyse any benefits arising from the consistency of each option with other similar legislation and any benefits to consumer protection.

Costs

- Costs to industry (weighting = 25%)
- Costs to owners of UMDs and rigid annexes installed in caravan parks (weighting = 12.5%)
- Costs to government (weighting = 12.5%)

As options proposed in this chapter impact upon owners of UMDs and rigid annexes, the costs to this stakeholder group have been added as an additional criterion for analysis. The most significantly impacted stakeholder group is industry, in this case predominately the manufacturers and installers of UMDs and rigid annexes. This is reflected in the weightings, with costs to industry given a higher weighting (25%) than costs to government or owners (both 12.5%). Costs to government for the options in this chapter are borne by local government.

7.3.2. Discussion of benefits

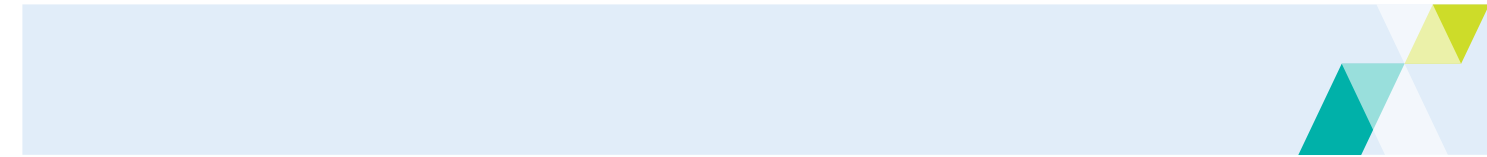
Improved health, safety and emergency preparedness

Option 1

Option 1 would see the existing Regulations reinstated. The standards imposed under Option 1 include provisions from the NCC and protect the health and safety of occupants of movable dwellings by ensuring that movable dwellings are manufactured to have structural integrity, and that they are well ventilated, insulated and protected from water ingress. In addition, regulations relating to installation require that UMDs and rigid annexes are securely installed on footings that are capable of supporting significant weight and of withstanding local weather and terrain conditions. Without correct installation of UMDs and rigid annexes as prescribed in the Regulations, the integrity of the structure could be compromised.

The requirement for movable dwellings to be fitted with a working smoke alarm (regulation 36) is perhaps the most important of all provisions to be implemented under Option 1 due to the role smoke alarms play in preventing fatalities. Smoke alarms are a vital safety measure to provide the earliest possible warning of a fire to occupants of a movable dwelling, providing time to safely evacuate and contact emergency services. Under the base case, a smoke alarm would not be required, nor would existing alarms need to be maintained in working order.

While these benefits are significant, their impact is moderated as, under the base case, it is anticipated that many manufacturers would continue to uphold similar standards in the short to medium term. As previously discussed under section 7.2.1, this is because many manufacturers operate across multiple jurisdictions and manufacture according to well established designs and methods. However, under the base case these standards would not be guaranteed. Installers are less likely to operate across multiple jurisdictions and as a result standards of installation are more likely to decline under the base case.



Taking into account these benefits to health, safety and emergency preparedness in comparison to the base case, Option 1 is allocated a score of **+6** for this criterion.

Option 2

Under Option 2, the standards for manufacture and installation of movable dwellings and annexes would be the same as under Option 1 save for an additional requirement for installation certificates to be provided to successive owners of a UMD or rigid annexe. It is not anticipated that the information provided by the installation certificate will provide any significant additional benefit to health, safety or emergency preparedness compared to Option 1. Therefore, Option 2 received the same score as Option 1, **+6**.

Consistency with other legislation and regulations

Option 1

Under the base case, there would be no consistency between the building regulatory system and standards for the manufacturing and installation of UMDs and rigid annexes. This results in risks due to the similarities between some UMDs and Class 1 buildings.

Complete consistency is neither necessary nor desirable as some provisions of the NCC are either irrelevant or unrealistic for a movable dwelling. For example, masonry walls or tile roofs would not be feasible for a movable dwelling, therefore NCC provisions relating to these are not applied to movable dwellings. An additional example is the bespoke energy efficiency requirements prescribed in the Regulations for UMDs and rigid annexes. The NCC's energy efficiency requirements vary according to the location, or 'climate zone' of a building. These would not be realistic to apply to movable dwellings which may be relocated between different climate zones. The Regulations (as proposed under Option 1) instead apply a single, statewide standard for energy efficiency, ensuring there is an equivalent provision for UMDs without requiring exact consistency with the requirements for typical buildings.

Option 1 would require a compliance plate to be affixed to a UMD or rigid annexe and an installation certificate to be provided to the owner. While this level of oversight or certification is not equivalent to that of a building (which requires a building permit and third-party oversight from a registered building surveyor), compared to the base case, this mitigates the risk that developers of Class 1 dwellings might seek to mischaracterise their buildings as UMDs in order to avoid any regulatory burden.

Similarly, the manufacturing standards (many of which are taken from the NCC) ensure the standard of manufacturing is reasonably consistent with the standard of construction required for Class 1 buildings, mitigating the incentive to classify a dwelling as a UMD rather than a Class 1 building for the purpose of avoiding compliance costs.

Compared to the base case, Option 1 prescribes standards for UMDs and rigid annexes to a reasonable level of consistency with the building regulatory scheme to mitigate perverse incentives to misclassify Class 1 buildings as a UMD or annexe. As such, Option 1 receives a score of **+5** for this criterion.

Option 2

The additional requirements for installation certificates to be transferred to successive owners do not relate to the consistency of these Regulations with other legislation. Therefore, the benefits for consistency under Option 2 receives a score of **+5**, equal to the score for Option 1.


Improved consumer protection

Option 1

Option 1 provides additional protection to consumers by prescribing standards for the construction and installation of UMDs and rigid annexes.

Under the base case, consumers would be reliant on protections under Australian Consumer Law and common law in order to hold a manufacturer or installer liable for any defects. Under Australian Consumer Law, suppliers provide general consumer guarantees including that goods are of an acceptable quality, fit for purpose and safe.

Under Option 1, additional standards are required of UMDs and rigid annexes that are specific and go beyond these general guarantees (for example minimum dimensions and insulation requirements). This can assist a consumer in making a warranty claim as there are specific standards that suppliers can be held liable to.



Further to this, Option 1 requires suppliers to provide documentation to those that purchase a UMD or rigid annexe affirming that their dwelling has been constructed and installed in compliance with the relevant standards in the Regulations. This is provided for by the requirements for a compliance plate to be affixed to the dwelling and an installation certificate to be provided to the owner. Consumers in most cases will not have expert knowledge or the skills required to identify whether a UMD or annexe is compliant themselves. Therefore, self-certification from the manufacturer and installer provides important assurance to consumers as well as establishing clear accountability on the part of the manufacturer or installer should non-compliance be identified following purchase.

This documentation provides a record of the manufacturer, the installer and their contact details (name and address), facilitating a warranty claim if necessary. Without the information and certification provided by the compliance plate and installation certificate, consumers may lack the necessary information or evidence to hold a supplier liable for defects or non-compliance.

In light of these benefits, while acknowledging the general consumer and common law protections under the base case, Option 1 receives a score of **+4** for this criterion.

Option 2

The need for consumer protection extends not only to an initial owner of a UMD or rigid annexe, but also to any subsequent purchasers. UMDs and annexes may be traded on the second-hand market or may also be sold as-new by intermediaries – for example a caravan park owner who purchases and installs dwellings and then sells them to the public.

Under Option 1, only the first owner of a UMD or annexe would receive a copy of the installation certificate, whereas Option 2 would require this document to be provided to each successive owner. This would ensure each successive owner would benefit from the consumer protection provided by the installation certificate. Without a copy of the installation certificate, the new owner would not benefit from having documentation certifying that their dwelling was installed correctly and may not have the necessary information to pursue a warranty claim if a fault arises.

As a result, compared to Option 1, there is a moderate additional consumer protection benefit under Option 2, which receives a score of **+4.5** for this criterion.

7.3.3. Discussion of costs

Costs to industry

Option 1

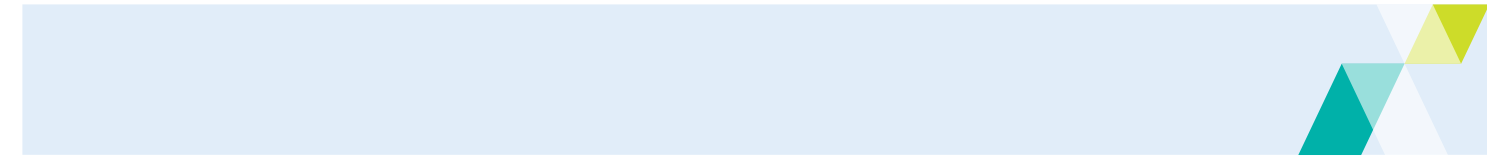
In regard to this criterion, the primary cost burden to industry would be borne by manufacturers and installers of UMDs and rigid annexes.

Option 1 would impose minimum standards for the manufacture of UMDs and annexes. These include the installation of insulation (to a minimum R-Value of R3.3 for roofs and R1.5 for walls),¹⁹ a minimum size of 15 square metres and requirements for natural ventilation and daylight. Manufacturers are additionally required to install a smoke alarm. In the absence of these requirements, UMDs and annexes could legally be manufactured at a lower cost, at the expense of quality and safety. However, under the base case (if the current Regulations were to expire), it is anticipated that most manufacturers would maintain existing standards in order to meet the minimum requirements of other jurisdictions in which they operate, as well as their commercial incentives to deliver a high-quality product. This moderates the costs of Option 1 in comparison to the base case. It is not possible to quantify these costs due to the difficulty in quantifying the extent to which manufacturers may maintain or reduce their standards under the base case.

Additional costs to manufacturers include the installation of a compliance plate. This is a relatively minor expense, consisting of material, time and labour costs. The compliance plate may increase the manufacturers exposure to a claim under warranty as it is required to include their details and state that the UMD or annexe has been constructed in accordance with the Regulations. This information would assist an owner in making a warranty claim if necessary, however the absence of a compliance plate (under the base case) would not prevent such a claim.

Installers of UMDs and annexes are similarly required to complete installations in accordance with the Regulations and to provide an installation certificate to certify their compliance, increasing their costs. The costs associated with the

¹⁹An R-Value is a measure of the thermal resistance of a building component (such as insulation) calculated by dividing its thickness by its thermal conductivity.



installation certificate are largely administrative. This includes the time taken to prepare the certificate and provide it to the purchaser, which would ordinarily be done electronically at little cost. The information on the certificate may assist owners in making a claim against an installer should a fault arise from their work but, as with the compliance plate, the owner would also have access to recourse under the base case.

It is anticipated that manufacturers and installers would pass on some of these costs in their prices charged to consumers. However, their ability to recover costs in their entirety may be limited by competition in the industry and the financial capacity of their customers.

In addition to the impacts on manufactures and installers, Option 1 would have a minor and largely administrative impact on caravan park owners. Most significantly, caravan park owners must provide the local council with details of the siting, structural design and proposed installation of a dwelling prior to installation. Caravan park owners must also notify an owner intending to install a dwelling in their caravan park if the park is located in area impacted by termites. Complying with these tasks will result in minor labour or time costs to caravan park owners in order to compile and transmit the relevant information. Failure to comply may result in a penalty of 20 penalty units (\$3,846). In addition, caravan park owners receive a copy of the installation certificate however have no further requirements to retain a copy of the certificate (although it may be best practice to store a record of the certificate).

Taking into account the various impacts across the industry, there is a significant cumulative cost impact under Option 1. This is, however, moderated as many of these costs would also apply under the base case. Option 1 is allocated a score of **-3** for this criterion.

Option 2

Option 2 would impose the same requirements on industry as Option 1. The additional requirement under Option 2 for owners of UMDs or annexes to provide a copy of the installation certificate to subsequent owners would not place any additional requirements on industry. Caravan park owners, for example, would not be required to retain a copy of the installation certificate provided to them under Regulation 41(4). Option 2 is therefore allocated the same score as Option 1 (**-3**) for this criterion.

Costs to owners of UMD and rigid annexes installed in caravan parks

Option 1

When purchasing a UMD or rigid annexe, owners would face increased costs under Option 1 in comparison to the base case. This is because complying with the standards required under Option 1 would increase the cost to industry when manufacturing or installing a dwelling, as previously discussed. Industry will likely pass these costs on through to owners by increasing the purchase price of a dwelling, compared to what may be charged under the base case. The increase in the cost of a dwelling relative to the base case is likely to be greatest at the lower end of the market, where manufacturers are less likely to comply with the standards if there was no requirement to do so.

Owners are obliged to ensure that any smoke alarm installed in the dwelling is maintained in working order, resulting in minor maintenance costs. The requirements for maintenance are not prescribed but may include regular cleaning of the alarm, annual replacement of batteries, periodic inspection by a paid professional and replacing alarm units.²⁰

In relation to installation certificates, owners would be required to provide a copy of the certificate to the caravan park owner and the council within 7 days of installation. This requirement could be met at low cost through either emailing a copy to the caravan park owner or providing a printed, hard copy. The installation certificate itself is created and provided to the owner by the person who installed the dwelling or annexe, so is not a cost to the UMD or annexe owner.

Option 1 receives a score of **-3** for this criterion. This includes costs passed on by manufacturers and installers as well as costs relating to smoke alarms and installation certificates.

Option 2

Option 2 would require owners to retain either a digital or physical record of the installation certificate to provide a copy of the document to any subsequent purchaser. This obligation may impose a minor additional financial and time burden which would apply to each successive owner of the UMD or rigid annexe. In accordance with the scoring criteria used in

²⁰ The Assessment of options for residential smoke alarm provisions in the National Construction Code Regulation Impact Statement prepared by the ABCB in 2012 estimates that the replacement cost of smoke alarms is approximately \$70, including the cost of the alarm and labour. Alarm units have a typical life expectancy of ten years, meaning each alarm should be replaced at least once in the ten year duration of the proposed Regulations.

this analysis, the additional cost for Option 2 in comparison to Option 1 is insignificant. As a result, Option 2 also receives a score of **-3**.

Costs to government

Option 1

Under this Option, there would be requirements for the owner of a caravan park to provide prior notice to council that a UMD or rigid annexe is to be installed, including details of the siting and structural design. UMD or rigid annexe owners are also required to provide a copy of the installation certificate to the local council. In order to receive these documents, there would likely be minor administrative costs to councils. These processes can be accommodated electronically, for example via email or web form. Some councils may provide a standard form to be completed to provide the notice of installation²¹.

There would be no further requirements regarding how councils must assess, process or store the documents they receive. Given this, the impact on councils under Option 1 is minimal, and it is allocated a score of **-1** for this criterion.

Option 2

No additional requirements or burden would be imposed on councils by Option 2 in comparison to Option 1, therefore it is also allocated a score of **-1**.

7.3.4. Summary of analysis

Cost or Benefit	Criterion	Weighting	Option 1	Option 2
Benefits	Improved health, safety and emergency preparedness	30%	+6	+6
	Consistency with other legislation and regulations	10%	+5	+5
	Improved consumer protection	10%	+4	+4.5
Costs	Costs to industry	25%	-3	-3
	Costs to owners of UMDs and rigid annexes installed in caravan parks	12.5%	-3	-3
	Costs to government	12.5%	-1	-1
TOTAL		100%	+1.45	+1.50

Assessing the impacts of each option within the MCA framework suggests that there would be a slight incremental benefit to including Option 2 in the proposed regulations, with a total score of **+1.50** compared to **+1.45** for Option 1. Both options have would have net benefit compared to the base case. The impacts of both options are equal under several criteria, with the additional cost to owners under Option 2 considered insignificant in comparison to Option 1. Option 2 would provide a slightly greater benefit for consumer protection than Option 1 due to the additional transferal of installation certificates (+4.5 compared to +4).

Construction and installation of UMDs and rigid annexes

DTP is seeking feedback on UMD and rigid annexe installation verification, specifically:

2. Will the requirement that installation certificates for all new UMDs and annexes be retained and provided to any subsequent UMD owners:
 - a. improve UMD safety?
 - b. improve consumer awareness?

²¹ For example, the East Gippsland Shire Council: eastgippsland.vic.gov.au/forms/notification-to-install-umd-rigid-annex-prefabricated-holiday-unit.

8. Amenities

8.1. Problem

Tenants of a caravan park, whether they be long-term residents or short-term occupiers, expect, as other people residing in Victoria, a reasonable standard of sanitary facilities, cleanliness and maintenance. Low standard accommodation is linked with poor health and welfare outcomes, such as:

- gastroenteritis and dysentery, especially among the young and elderly due to lack of amenities such as clean drinking water;
- the spread of gastrointestinal and parasitic diseases, mainly caused by increased insect and rodent infestation due to uncollected waste;
- increased cases of leptospirosis arising from poor maintenance of sewers, food waste and tipping; and
- accidents, respiratory illness in children and the elderly, and the transmission of infectious diseases like tuberculosis and meningitis due to overcrowding.²²

The spread of communicable diseases through accommodation can result in unnecessary morbidity and mortality, lost work hours and health care costs. The provision and maintenance of amenities in caravan parks to ensure that they are safe and sanitary would not be covered in the absence of regulations.

To protect public health, most forms of accommodation are regulated by PHWPA regulations. PHWPA Regulations apply to accommodation including hotels and motels. These regulations address health and wellbeing risks such as the risk of infectious disease transmission associated with the provision of accommodation. Despite sharing many of the characteristics of other accommodation facilities, caravan parks are exempt from the PHWPA Regulations.

In many cases, particularly in regional locations with a strong visitor economy, caravan parks compete for the same customers as holiday camps, hostels, motels and other forms of accommodation regulated under the PHWPA regulations. Compliance with the PHWPA regulations can impose a significant cost burden on prescribed accommodation.²³ If caravan parks are not subject to equivalent requirements, they may receive an unfair commercial advantage as without the corresponding cost burden they may be able to undercut their competitors.

8.1.1. Non-potable water

Some caravan parks may have facilities for greywater, untreated rainwater or untreated recycled water – also referred to as non-potable water. Non-potable water supplies can be used for purposes such as flushing toilets, landscaping or washing down outdoor equipment and can reduce a caravan park's overall water usage and environmental impact. Non-potable water is not safe for drinking as it may contain biological hazards such as bacteria, viruses or chemical and metal residues.

Under the existing regulations, caravan park owners are required to ensure that water intended for drinking is safe for human consumption. Non-potable water is not intended for drinking but there is a risk that taps supplying non-potable water can be inadvertently used for drinking or other sensitive uses. In previous consultation, some councils raised concerns that caravan park residents and, in particular, short-term occupants and visitors may not be aware that certain taps supply non-potable water that could harm their health if consumed. Some parks proactively mitigate this risk by providing signage on non-potable water taps that indicate that the water is not for drinking, however this is not a requirement in the current Regulations.


8.2. Options development

8.2.1. Base case

Given the established infrastructure in caravan parks, allowing the Regulations to expire would be unlikely to have a practical effect on the facilities and services in caravan parks in the short term. Should the Regulations expire and not be remade, caravan park owners would have a commercial imperative to maintain services and amenities at a level that is

²² DHS (Department of Human Services), 2008, *Regulatory Impact Statement for the Health (Prescribed Accommodation) Amendment Regulations*

²³ For example, the Regulatory Impact Statement for the *Public Health and Wellbeing (Prescribed Accommodation) Regulations 2020* estimates that maintenance requirements would cost each holiday camp \$56,669 per year.



safe and protects human health. Park owners have an incentive to maintain this standard to protect themselves from common law claims. Additionally, there are general duties under the RT Act for caravan park owners to keep common areas clean, maintain communal facilities and arrange for the collection of garbage,²⁴ however these duties are not prescriptive.

Over time, it is possible that caravan park operators will minimise their maintenance activities to reduce capital and operating expenditure. The ratio of sanitary facilities to caravan sites, for example, may not be maintained if a caravan park expands. New caravan parks would not be required to provide amenities beyond those commercially necessary to attract customers. Accommodation facilities may not be maintained to the same sanitary standards as currently required, or as required of other similar forms of accommodation which are regulated under the PHW Act. The health and safety of caravan park occupants and residents could be adversely affected as a result.

8.2.2. Option 1 – Status quo

Option 1 would continue the existing regulations, where caravan park owners must ensure that there are adequate and safe amenities provided to both residents and short-term occupiers who stay at their parks. The Regulations require that park owners provide the following amenities:

- a continuous and adequate water supply, including heated water to sanitary and laundry facilities;
- water intended for drinking that is safe for human consumption;
- appropriate discharge of sewage and wastewater;
- sanitary facilities (relative to the number of sites at the park);
- laundry facilities (relative to the number of sites at the park);
- clean and vermin-proof garbage bins; and
- lighting in common areas, including roads, paths, and recreation areas.

There are also requirements for caravan park owners, caravan owners and residents or short-term occupiers to:

- maintain caravans in working order and in a good state of repair;
- clean caravans between different short-term occupiers; and
- maintain clean, sanitary and hygienic conditions.

These requirements are similar to those required for other forms of short-term accommodation as set out in the PHWPA Regulations.

8.2.3. Option 2 – Additional requirement for non-potable water signage

In addition to the existing regulations, Option 2 would introduce a requirement of caravan park owners to place or erect signage at taps with non-potable water to alert people that they should not consume water from that tap. Option 2 would prescribe the standards with which required signage would need to comply including AS 1319 (Safety signs for the occupational environment).²⁵

8.3. Options analysis

8.3.1. Assessment criteria

This section analyses the impact of Option 1 and Option 2 against the base case for the following criteria:

Benefits

- Improved health, safety and emergency preparedness (weighting = 40%)
- Consistency with other legislation and regulations (weighting = 10%)

Two benefit criteria are used for the analysis in this chapter. The impact of each option on health, safety and emergency preparedness is given the greatest weighting at 40%, as this is the most significant issue the options seek to address. An additional criterion weighted at 10% analyses the benefits arising from consistency between the regulation of amenities in caravan parks and similar requirements imposed on prescribed accommodation under the PHWPA Regulations.

²⁴ Sections 178 & 179 of the RT Act.

²⁵ AS 1319 is an Australian Standard that sets out requirements for the design and use of safety signs intended for use in occupations environments.



Costs

- Costs to industry (weighting = 25%)
- Costs to government (weighting = 25%)

This analysis in this chapter includes the costs borne by two stakeholders – industry and government. In this case, the costs to industry are borne by owners and operators of caravan parks as well as the owners of movable dwellings located in caravan parks. Costs to government would be predominately borne by local government, however some may be borne by the Environment Protection Authority, a state government authority. Each criterion is given an equal weighting of 25%.

8.3.2. Discussion of benefits

Improved health, safety and emergency preparedness

Option 1

Option 1 would impose requirements which benefit the health and safety of caravan park residents, visitors and the broader community. Well-lit common areas, for example, reduce the risk of personal injury and improves security. A number of requirements are particularly essential to preventing the spread of communicable diseases. This includes ensuring sewage and waste is disposed of appropriately, garbage is secured from vermin, water is fit for human consumption and caravans for short-term hire are cleaned between users. Preventing the spread of communicable diseases avoids unnecessary morbidity, mortality or lost work hours and reduces health care costs. These benefits extend not only to caravan park users but also to the community at large.

Ultimately, it is difficult to measure the magnitude of the health and wellbeing benefits that would be achieved under this option given the lack of firm data on the extent to which caravan park owners would not meet acceptable standards in the absence of the Regulations, and the subsequent cost to the community. However, given the high cost to individuals and the community of illness and injury, Option 1 is scored **+4**.

Option 2

Option 2 would seek to further promote health and safety by preventing caravan park residents and visitors from consuming contaminated water. Water can be contaminated by a range of disease-causing microorganisms such as *Giardia*, *Cryptosporidium*, *Salmonella*, *Shigella*, *Campylobacter*, some strains of *Escherichia coli* (*E. coli*) and cyanobacteria (blue-green algae). Diseases resulting from these microorganisms can result in diarrhoea, vomiting, other gastrointestinal issues and more serious illnesses or even death.²⁶

The people most at risk from unsafe drinking water are the elderly, the very young and people with weakened immune systems. This is particularly relevant given the popularity of caravan parks with elderly tourists and the emergence of 'lifestyle villages' targeted at retirees and residents over 55 years of age.

Requiring warning signage for non-potable water would prevent the inadvertent consumption of water that may be contaminated and cause disease. DTP understands that many caravan parks already install this signage in the absence of a requirement. It is therefore anticipated that the additional benefit of this option compared to Option 1 would be relatively small, only affecting around 6% of caravan parks in Victoria.²⁷ Given the small scale of parks impacted but the significant reduction in risk of illness or injury resulting from ingestion of contaminated water, Option 2 is allocated a score of **+5** for this criterion.


Consistency with other legislation and regulations

Option 1

Caravan parks share many characteristics with prescribed forms of accommodation under the PHWPA regulations (such as holiday camps or hostels which also have shared sanitary facilities and a high turnover of short-term occupiers). The standards for amenities and maintenance that apply to caravan parks under Option 1 would be similar to those set out for other forms of accommodation by the PHWPA regulations. Therefore, Option 1 would provide alignment between

²⁶ Victorian Government (2009) *Guidelines for private drinking water supplies at commercial and community facilities*.

²⁷ This is based on estimates that 30% of caravan parks have at least one tap supplied by non-potable water and that, of these parks, 80% already mark these taps accordingly.



different forms of accommodation, ensuring that caravan parks and prescribed accommodation can compete commercially on an equal footing. Option 1 receives a score of **+6** for this criterion.

Option 2

Compared with Option 1, Option 2 would not provide a substantial change on this criterion. It therefore also receives a score of **+6**, consistent with Option 1.

8.3.3. Discussion of costs

Costs to industry

Option 1

Existing caravan parks have established infrastructure to meet the current Regulations, which would continue under Option 1. In most cases, caravan park owners would not face additional new costs under Option 1 as the infrastructure is already established and should be in reasonable condition. Park owners would face ongoing costs to maintain those services and facilities, although this maintenance work would likely still occur under the base case. For caravan parks that do not meet the prescribed requirements, the owner may need to implement and carry out a schedule of works to bring facilities up to a standard as agreed with the relevant council. If an owner wishes to expand their caravan park and increase their number of sites, additional sanitary facilities may be required at significant cost.²⁸

While the number of new caravan parks registered each year is small (approximately 5 to 10 each year), the requirements under Option 1 would impose a significant cost burden to establish the necessary infrastructure to reach compliance. However, it is expected that new caravan parks would still provide many of these facilities under the base case in the short term.

In relation to this criterion, Option 1 is allocated a score of **-3**.

Option 2

Option 2 would add minimal additional cost to caravan park owners in comparison to Option 1. Under this option, owners would be required to purchase signage and install it for each tap that supplies non-potable water. A desktop review of signage available at various retailers in Victoria indicates that, on average, the cost per sign would be approximately \$25. As previously mentioned, it is estimated that only 6% of caravan parks would be impacted by the additional requirement under Option 2, with approximately 4 taps requiring signage in each park.

The cost to sign taps that provide non-potable water is calculated as \$49.35 per tap (including both materials and labour). It is assumed that sign maintenance would be completed by caravan park staff and incorporated into day-to-day caravan park maintenance practices. This would only incur a marginal additional cost to caravan park owners. The total cost across the caravan park industry of signing all taps with non-potable water that are currently unsigned is estimated at \$5,234. In line with the assessment criteria used in this analysis, this additional cost is considered insignificant compared to Option 1. Option 2 is therefore allocated the same score of **-3** for this criterion.

Costs to government

Option 1

Under Option 1, councils are responsible for approving septic tank systems (this may alternatively be borne by the Environment Protection Authority) and approving alternative systems for the collection, removal and disposal of sewage and wastewater. This would result in administrative costs including receiving applications, wages for relevant staff involved in the assessment and notifying applicants of the outcome. Councils would also assess the compliance of caravan parks with the required amenities, however this assessment is ordinarily undertaken as part of the registration process (analysed in Chapter 6) and would not result in significant additional costs. Where improvements are required, the local council would work with the caravan park owner to develop or update a schedule of works. Option 1 receives a score of **-1**.

²⁸ The cost of a six booth sanitary facility was previously estimated at \$375,000 in the Regulatory Impact Statement for the *Residential Tenancies (Caravan Parks and Movable Dwellings Registration and Standards) Regulations 2010*.

Option 2

Option 2 would not result in any additional costs to councils in comparison to Option 1, as monitoring compliance with the new requirement for signage of non-potable taps would be incorporated into existing compliance checks. Option 2 also receives a score of **-1**.

8.3.4. Summary of analysis

Cost or Benefit	Criterion	Weighting	Option 1	Option 2
Benefits	Improved health, safety and emergency preparedness	40%	+4	+5
	Consistency with other legislation and regulations	10%	+6	+6
Costs	Costs to industry	25%	-3	-3
	Costs to government	25%	-1	-1
TOTAL		100%	+1.20	+1.60

Assessing the impacts of each option within the MCA framework suggests that the proposed requirement for the installation of warning signs on non-potable water taps (Option 2) would provide an incremental benefit compared to remaking the current Regulations (Option 1). Both options would provide a benefit compared to the base case of allowing the Regulations to expire. Costs incurred under both options would be either the same or insignificantly different. Option 2 received a total score of **+1.60**, greater than the total score of **+1.20** for Option 1. Therefore, it is beneficial to include Option 2 in the proposed Regulations.

Amenities

DTP is seeking feedback on provision of water at caravan parks, specifically:

3. Should taps providing non-potable (i.e., non-drinkable) water be signed?
 - 3a. What would the benefits be, if any?
 - 3b. What would the issues be, if any?
4. What information should be included on the signage – whether words and/or images?



9. Emergency preparedness and management

9.1. Problem

A range of emergency events may occur at caravan parks as elsewhere, whether from natural disasters (such as bushfire, floods or storms) or incidents (such as accidents or medical episodes). Proactive emergency management – that is, event risk identification and mitigation – and readiness for emergencies that may impact caravan parks is critical to protecting the health and safety of park residents, short-term occupiers, owners and staff and the surrounding community. It can prevent economic loss that may occur through the damaging of assets, disruption to business including tourism which would otherwise lead to economic costs. Environmental costs including the loss of flora and fauna, increased air pollution and impaired water quality may also be avoided.

Climate change is giving rise to changes in the frequency and intensity of natural emergency events in Victoria, including longer fire seasons and more intense, heavier rains events.²⁹ These increases are particularly evident during the peak spring and summer seasons, when caravan parks across the state are often at peak capacity with short-term occupiers (e.g., tourists). Furthermore, most caravan parks in Victoria are situated in areas that are already considered to be zones of high to extreme bushfire potential.³⁰

People staying in caravan parks may take measures to protect themselves, their health and safety, their possessions and assets including dwellings. They may, for example, install fire hoses by their dwelling, have fire blankets and hydrants readily available, have procedures in place for injury management or install smoke alarms.

The capabilities and capacity of people in caravan parks to address these will likely differ. There are events that, should they occur, an individual or small group of people cannot alone effectively address. Only the owner of a site – such a caravan park owner – has the authority and importantly the longevity of possession and occupancy to undertake emergency management across the area site as a whole.

Without planned and co-ordinated action an owner of a site can provide, the threat of a potentially avoidable or, if endured, less severe incident remains high and highly unknown. The community and government incur greater costs associated with health impacts and potential loss of life, emergency services, volunteer time and property and other asset loss than would have occurred had a whole-of-park approach to emergency preparedness and management been adopted.

Without confirmation of this planned and co-ordinated action, emergency services agencies also have no assurance that in the case of an emergency, plans and equipment are in place at caravan parks to mediate risks until expert assistance is available.

9.1.1. Problems with the current Regulations in practice

The current Regulations require caravan park owners to submit to council with their registration or renewal of registration application:

- the most recent report issued by the relevant fire authority (i.e., FSR)
- the caravan park's EMP.

There is no elaboration within the Regulations on the term 'the most recent report'. Both the FSR and EMP can be many years old and not reflective of the current state of the park, its risks and the level of emergency preparedness onsite. The absence of a requirement to regularly acquire a new FSR and review and update the EMP introduces the risk that as the staff of a caravan park change, there may be less familiarity with the content of these documents.

Council and emergency services stakeholders have expressed concern that the current Regulations effectively allow caravan park owners to submit the same FSR for multiple registration cycles (i.e., the FSR with a renewal of registration application may be more than three years old). Fire Rescue Victoria (FRV) registration data supports this assertion. Within a large regional municipality for example, an FSR had been issued for over half of all caravan parks (21 of 39

²⁹ DELWP (2021) 'Victoria's Climate Change Strategy'.

³⁰ PWC (2010) 'Residential Tenancies (Caravan Parks and Movable Dwellings Registration and Standards) Regulations 2010, Regulatory Impact Statement'.



parks) more than 10 years prior. Over 15% of all parks in the area (6 parks) had no FSR at all.³¹ At a smaller municipality all but one of the seven caravan parks had a FSR that was issued between 5 and 10 years prior ago.³²

In such cases, the FSR may no longer reflect the current conditions of the park and surrounds nor current practice. Fire authorities noted that when they conduct inspections at caravan parks, they observe multiple instances of non-compliance with fire safety requirements at most parks. In particular, data provided by fire authorities has highlighted that many of these instances of non-compliance are persistent—an estimated 73% of parks have at least one instance of non-compliance that was also present in the FSR prior. Given that several deaths have occurred as a result of fires in caravan parks over recent years,³³ this level of non-compliance with fire safety requirements is of significant concern.

Stakeholders also reported that many caravan park owners do not consult with the appropriate breadth of emergency services agencies when preparing an EMP, even though the current Regulations require caravan park owners to consult with all relevant emergency service agencies. Some were concerned that not all caravan park owners took sufficient ownership of the plan, its updating nor ensuring that they made sure all staff were sufficiently trained in the contents of the plan.

9.2. Options development

9.2.1. Base case

Should the regulations be revoked and not replaced, caravan park owners would still have an obligation to undertake some emergency management activities as prescribed in the RT Act.

Caravan park owners are required under the RT Act to provide for fire fighter access including providing separation between structures to prescribed standards (section 518C). They must display public emergency warnings (section 518E) and emergency procedures (section 518D(2)) and implement emergency management preventative measures (section 518D(3)) and, should an emergency occur, emergency procedures (section 518D(4)). These requirements necessitate an emergency plan of some form (section 518D(1)). The Act however does not detail the standards to which these activities should be delivered.

Under the base case, current caravan park owners would have experience with emergency management standards prescribed under the Regulations. It can thus be assumed that park owners would continue to practice emergency management activities and provide equipment to meet these, at least in the short to medium term. Furthermore, the CFA and FRV would continue to work with land owners and tenants including caravan park owners each year to prepare for the summer fire season (e.g., by creating fire breaks).

Over time, however, as new owners enter the industry and without the legal requirement on park owners to acquire a report issued by a fire authority (i.e., FSR), from an expert nor to implement emergency management activities to prescribed standards, the robustness and rigour of some practices and procedures will likely wane.

Caravan park owners would continue to have a strong commercial incentive to undertake some emergency management and fire safety activities to protect their assets and reputation. However, the same commercial considerations may also result in some caravan park owners seeking to reduce costs over time. To save on operating costs, they may choose not maintain safety equipment to standards specified in Regulations. To reduce capital costs, they may choose not to replace faulty equipment nor upgrade to newer equipment. Should they prepare or update an EMP, there is no requirement that is informed by expert advice nor that it is reviewed by an independent party. The base case does not provide a sufficient level of assurance that an EMP will be of the quality and currency required to be an effective contributor to a park's emergency preparedness.

This suggests that, under the base case, the risk to the health and lives of people residing in, visiting, and working at caravan parks and the risk to property may increase over time.

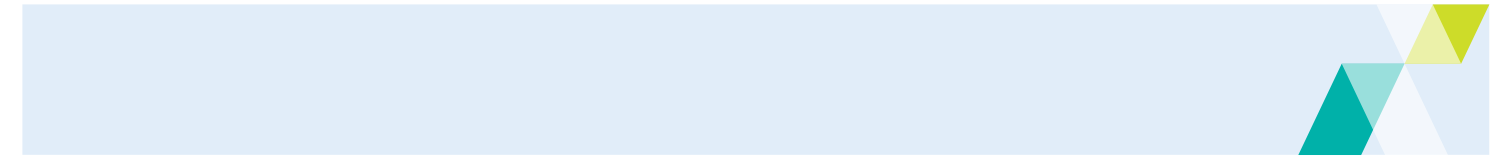
9.2.2. Option 1 – Status quo

Under this option, the Regulations will be remade in their current form.

³¹ These parks would not be compliant with the Regulations.

³² Fire Rescue Victoria, December 2023.

³³ Recent deaths due to fires have occurred at Kingsgate Village, Kilmore in July 2023, and Shawlands Caravan Park, Dandenong in June 2022.



The Regulations provide the standards, anticipated in the RT Act, for the emergency management requirements placed by the RT Act upon caravan park owners. For example, while the RT Act states that if a public emergency warning is issued, a caravan park owner must display a copy of the emergency warning in the prescribed manner (section 518E(1)), the Regulations set out the manner in which they should be displayed.³⁴

The Regulations also set out the required process for developing and reviewing the EMP and its required contents. They also identify who should be involved in its development and review. They introduce a requirement for a report issued by a fire authority – an FSR – which in practice should heavily influence the contents of the EMP.

As noted in Chapter 6, these critical documents are embedded in the registration and renewal of registration process that is administered by councils.

Fire Safety

Division 1 of Part 3 of the Regulations specifies various requirements for the provision of firefighting equipment, fire fighter access and fire separation, elaborating upon sections 518B (provision of fire fighting equipment) and 518C (space around movable dwellings) of the RT Act. These regulatory requirements reference relevant objectives and performance measures set out in the CFA Guideline. Caravan park owners must engage a fire authority to prepare an FSR on their park's fire safety and emergency management planning. In practice the preparation of the report is informed by a site visit during which a fire authority professional runs through a checklist to confirm the extent to which the caravan park complies with relevant regulatory requirements, including:

- 1) Fire safety equipment
- 2) Maintenance of equipment
- 3) Fire fighter and vehicle access
- 4) Fire separation distances
- 5) Emergency management planning
- 6) Smoke alarms for movable dwellings
- 7) Flammable gas and liquid safety
- 8) Electrical safety.

This provides for independent assessment of the level of fire safety and emergency preparedness in the park, and the owner must provide the most recent report obtained to council when registering or renewing their park's registration.

Part 4 of the Regulations prescribe the maximum fee (expressed in fee units) that a fire authority may charge a caravan park owner for undertaking the site visit and preparing a report.³⁵

Emergency management plans (EMP)

The Regulations prescribe the detail required to give effect to the RT Act's broad requirement that owners must have an EMP in place in order to operate their park. In particular, an EMP must outline:

- the risk assessment process undertaken for the plan and its outcomes;
- the measures to be taken to reduce emergency risks;
- the emergency procedures to be followed by the caravan park owner on receiving a public emergency warning or in the event of an emergency; and
- emergency procedures to be followed by residents, short-term occupiers and all other persons at the caravan park in the event of an emergency.

The Regulations also require caravan park owners to consult with relevant emergency services agencies in the preparation of the EMP and on the risk assessment and risk mitigation measures contained within it. In practice, this includes Victoria Police, Ambulance Victoria, the SES and CFA/FRV.

As with the FSR, the Regulations require caravan park owners to provide the EMP for their park when applying to register or renew caravan park registration. The relevant council must have regard to the compliance of the EMP with the Regulations when making a decision on the application.

³⁴ That is, displayed in a prominent position in (a) the caravan park office; and (b) each building in the caravan park that contains communal facilities; and (c) any other place determined by the council.

³⁵ The Regulations set this at 10 fee units for the first hour and 2.5 for each subsequent 15 minutes.



9.2.3. Option 2 – Improving the currency of FSRs and EMPs

Option 2 would see the Regulations remade with new requirements for FSRs and EMPs to further promote the achievement of objectives of the RT Act and current Regulations regarding provision of accommodation that is safe. Under Option 2 caravan park owners would be required to submit to council with their application for registration or renewal of registration:

- an FSR that has been issued not more than 3 years prior to the date of the application.
- an EMP that has been updated not more than 3 years prior to date of the application.

The practical effect of this requirement is that caravan park owners would be required to arrange for a new FSR and a revised EMP for each period of registration.

In addition, Option 2 would also require caravan park owners to complete and attach a new prescribed form (a 'cover sheet') to the EMP submitted to council. This new cover sheet would require the owner to note the emergency services agencies that were consulted with during the preparation of the EMP, their contact details and the dates consulted.

9.3. Options analysis

9.3.1. Assessment criteria

This section analyses the impacts of Option 1 and Option 2 against the base case for the following criteria:

Benefits

- Improved health, safety and emergency preparedness (weighting = 50%)

The primary benefit flowing from the options discussed in this chapter are improvements to health, safety and emergency preparedness outcomes. This has been weighted at 50%.

Costs

- Costs to industry (weighting = 25%)
- Costs to government (weighting = 25%)

The options analysis in this chapter considers the costs borne by two stakeholder groups. Costs to industry include those borne by caravan park owners as well as the owners of movable dwellings located in caravan parks. Costs to government are borne by councils and emergency services agencies, particularly fire authorities. Each criterion is given an equal weighting of 25%.

9.3.2. Discussion of benefits

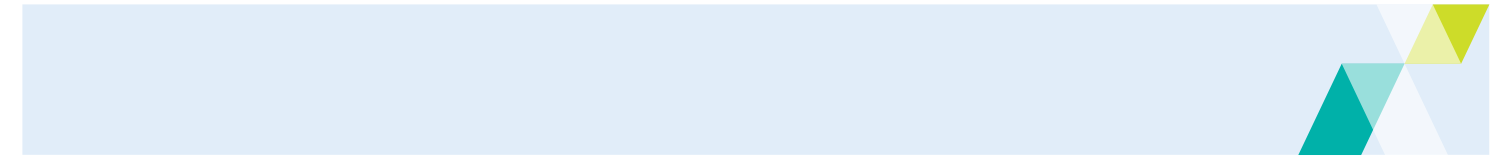
Improved health, safety and emergency preparedness

Option 1

Overall, Option 1 is expected to deliver significant benefits through improved health and safety and caravan park emergency preparedness outcomes when compared against the base case. The Regulations will improve the chances that park residents, short-term occupiers, staff, and members of the public are kept safe in the event of an emergency event.

While under the base case caravan park owners are required to undertake some emergency management activities, the RT Act provides no guidance as to how these activities should be undertaken nor to what standard. By prescribing additional requirements for emergency management, beyond those identified in the Act, and introducing roles for emergency management experts, the Regulations ensure that emergency preparedness and management at caravan parks is delivered to at least a minimum standard.

Without guidance, caravan park owners could meet the RT Act's emergency management requirements without providing a sufficient level of equipment and delivery services to protect residents' and visitors' safety. This may not result from a conscious decision on the part of the caravan park owner – they may not know what knowledge they are lacking on adequate emergency preparedness activities or who to consult to seek assistance. This is particularly the case for new



caravan parks, whose owners are unlikely to have the benefit of being able to apply the pre-existing knowledge of appropriate emergency management that owners who have operated their parks under the Regulations possess.

It is particularly the required involvement of external agents, primarily emergency services professionals, that guide caravan park owners on how to prepare for emergencies that improves health, safety and emergency preparedness outcomes under Option 1. Option 1 introduces an obligation on and mechanism for park owners to consult with relevant authorities – primarily as experts in emergency preparedness in Victoria – regarding their emergency management approach. Option 1 also introduces a process for fire authorities and councils to recoup fees for time spent on caravan park safety and emergency preparedness, enabling them to devote resources in assisting caravan parks to prepare for emergencies, and in checking whether parks are complying with the requirements.

Option 1 also has an additional indirect benefit to health and safety outcomes arising out of the consistency in approach across caravan parks. The consistent application of minimum requirements in all Victorian parks would provide emergency service agencies with increased surety when responding to emergencies in parks. They can have confidence that certain measures should be in place to mitigate and respond to the emergency event, rather than being uncertain about the arrangements in any given park. For example, the fire authorities can expect the presence and maintenance of certain firefighting equipment when responding to a fire event allowing them to proceed with their critical duties without spending time needing to assess the park's equipment.

While the additional benefits delivered by the safety and emergency preparedness requirements of Option 1 cannot be measured – for example, the future incidence of emergency events at caravan parks, their type, scale and occurrence cannot be known – any reduction in risk will deliver significant benefits. The emergency preparedness and management requirements that Option 1 specifies beyond business-as-usual activities delivers a score of **+5** for this criterion.

Option 2

Given the regulations proposed under the two options are very similar, Option 2 would have the same broad base of benefits relating to improved health, safety, and emergency preparedness outcomes as Option 1. However, the proposed changes introduced in Option 2, to require caravan park owners to provide with their application for renewal of registration a new FSR and an updated EMP, would improve the frequency at which these key documents would be reviewed. It should ensure that emergency management documents for the caravan park remain current. It would ensure semi-regular site visits by emergency management experts (i.e., fire authorities and others as determined by the park owner) to review compliance with the relevant guideline, ensuring that emergency procedures and equipment are current and provide at least a minimum level of preparedness and protection of human health, safety, and life.

Indirectly, the requirement to frequently acquire and update the FSR and EMP respectively may improve park owners and staff's awareness and understanding of emergency procedures and measures. This may improve their ability to respond to emergencies.

The second targeted change introduced under Option 2 is the requirement to attach a cover sheet (in the prescribed form). This cover sheet would require the caravan park owner to provide details of all emergency services agencies that were engaged in the development of the EMP. This proposed change is intended to encourage caravan park owners (as a cohort) to increase the breadth and number of experts engaged in EMP development. It would also provide greater oversight for councils of the agencies that were involved in the preparation of a plan, which would assist the council in assessing the compliance of the plan with the regulatory requirements.

As Option 2 would improve emergency management preparedness at parks, reducing risks to human and environmental health and property damage above that that would be achieved under Option 1.

As these benefits are notably above those achieved through Option 1, Option 2 is assigned a score of **+7**.

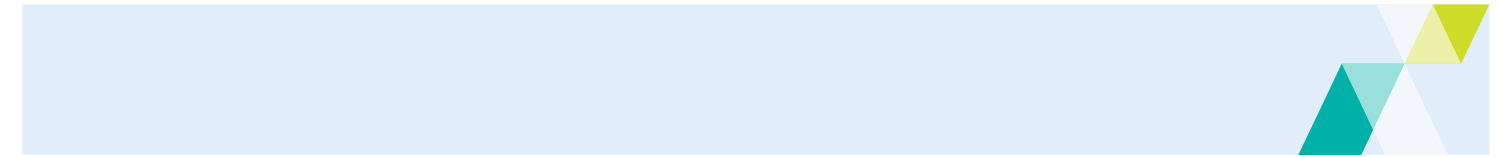
9.3.3. Discussion of costs

Costs to industry

Option 1

Under the base case, caravan park owners would bear the cost of meeting a range of emergency management provisions within the RT Act. Option 1 would prescribe minimum standards for these.

By introducing a quality dimension to emergency preparedness and management, these standards will increase the cost to caravan park owners of preparing and undertaking emergency management activities.



The cost of many of the emergency management provisions of the RT Act such as provision of fire safety equipment, the display of emergency warnings and procedures, ensuring there is space around movable dwellings and adjacent structures and implementing emergency procedures would vary greatly between caravan parks based upon factors such as the number of movable dwelling and camp sites, the area covered by the park (km²), the park layout (as per the site plan), caravan park type (e.g., tourist, mixed or resident only), and location, among others. A park located in an extreme bushfire potential zone would likely for example need to display emergency warnings more frequently than a park in a moderate fire potential zone as the occurrence of fire events should be higher. A larger park would likely need to provide and maintain more fire safety equipment than a small park to ensure each park site has coverage of fire hydrants and water supply in accordance with requirements in the Regulations. It is for these reasons that the quantum of these costs has not been estimated for this RIS.

Estimated costs to acquire an FSR and develop and update an EMP can however be reasonably estimated as these processes as stated in the Regulations are standard across all caravan parks.³⁶

Under Option 1 park owners would acquire an FSR upon opening of the park at a cost of \$951.62 per park, comprised of an average fee of \$601 per park payable to the relevant fire authority as well as five hours of the owner's time and administrative costs (\$350.43). In addition to all new caravan parks who are required to acquire an FSR under Option 1, it is assumed that 15% of existing parks also acquire a new FSR during each 3-year registration period, based on figures provided by fire agencies.³⁷ Over a ten-year period, the cost to industry for acquiring FSRs would be \$57,876.36 (NPV).

To prepare an EMP for the first time a caravan park owner would, according to industry, typically spend 10 hours drafting the plan (at a cost of \$500.85) and incur additional costs for administration, staff time and to engage emergency service experts (\$500). It is assumed that only first-time owners would prepare a new EMP, as EMPs are not required to be prepared afresh or regularly updated for existing parks under Option 1. Despite this, many existing owners regularly update their existing plan, a task which only requires 5 hours of the caravan park owners time (\$250.43). These lower costs are due to less time being required to update an EMP compared to developing one from scratch, as well as the benefit of experience and knowledge gained when first drafting the plan. Based on feedback from select councils and from FRV it is assumed that 78% of caravan park owners update their EMP every registration cycle. Despite not being a requirement for existing parks under Option 1, it is assumed that these parks prepare and update EMPs using the method prescribed in the regulations, consulting with all relevant emergency services agencies and ensuring the plan includes required contents, resulting in a cost to industry of \$417,824.30 (NPV) over 10 years.

Together costs to industry, in this case caravan park owners, to comply with the emergency preparedness and management requirements of the RT Act and Regulations would be \$475,700.66 (NPV), over the next 10 years. The costs that Option 1 imposes upon caravan park owners has been assessed as a score of **-1.5**.

Option 2

Option 2 would introduce additional costs for caravan park owners associated with the proposed requirements to acquire a new FSR at least every 3 years, update the EMP at least every 3 years and complete and attach to the EMP the new proposed EMP form. Industry advises that completion of the new form should require no more than 15 minutes of a caravan park owners time. Based upon a sample of site assessments conducted by fire authorities, it is assumed that 22% of existing caravan park owners do not currently update the EMP and 85% do not acquire a new FSR between registration periods.

The additional requirements of Option 2 would impose upon caravan park owners would lead to significantly more costs to industry regarding FSRs of \$1,300,322.97 (NPV) over 10 years, more costs to update EMPs for those owners that currently do not of \$539,816.89 (NPV) over 10 years and new costs to all parks to prepare an EMP coversheet of \$5,596.73 (NPV) over 10 years.

The costs to industry associated with Option 2 above the base case and Option 1 are thus significant at \$1,857,252.93 (NPV) in total over 10 years. Given this Option 2 is assigned a score of **-5**.

³⁶ DTP notes that in practice these requirements may be implemented with some differences between councils and between caravan parks.

³⁷ Although not required by the current Regulations, some caravan parks choose to voluntarily have new FSRs completed on a regular basis, and some councils request new FSRs as part of each re-registration application.

Costs to government

Option 1

Costs to council are primarily associated with review of the FSR and scrutiny of the EMP and site plan and likely also a site visit during registration and renewal of registration application assessment. These costs are incorporated into analysis of the registration process. As noted in chapter 6, costs to council to review the FSR and EMP (as well as reviewing other application documents and undertaking regular compliance activities) outweigh fees paid to councils by caravan park owners.

Emergency management requirements under Option 1 would impose costs on emergency services agencies, primarily fire authorities, through their engagement in the development of the FSR and EMP as well as the potential time required to advise council about an EMP submitted with a caravan park application. Option 1 includes the ability for fire authorities, though not other emergency services agencies, to charge caravan park owners a fee for carrying out inspections and preparing reports for fire safety and emergency management planning. The score allocated to Option 1 is **-0.5**.

Option 2

Option 2 would introduce a requirement for submission of an EMP 'cover sheet' to council. Should the council officer assessing the EMP have queries about the plan they have ready access to the contact details of the emergency services agencies who were involved in the preparation of the EMP. DTP estimates that any reduction in costs associated with time savings to council – as an officer would no longer need to search for the contact details of the relevant agencies and agency office or depot – would be minimal and partially offset by the costs of reviewing, processing and storing the new proposed form. The estimated overall benefit to each council would be \$8.43 per registration (i.e., receipt of an EMP form) or for all councils savings of \$11,516.34 (NPV) over 10 years.

Option 2 would also introduce the requirement that caravan park FSRs are issued and EMPs updated at least every three years. Based on advice from fire authorities and a response from a sample of councils, it is assumed that these documents (particularly FSRs) are not currently acquired or prepared with the regularity that would be required under this option, as currently only 78% of parks are estimated to update their EMP, and 15% acquire a new FSR, every registration cycle. Option 2 would thus require emergency services agencies to devote more time and resources to assisting caravan park owners with emergency preparedness and management, though the quantum of these additional costs is not known. While it is assumed that fire authorities would recoup additional costs via the fire authority fee provisions of the Regulations, other emergency services agencies do not under the RT Act and Regulations have the authority to charge a fee for services.

Due to these factors Option 2 is assigned a score of **-0.5**.

9.3.4. Summary of analysis

Cost or Benefit	Criterion	Weighting	Option 1	Option 2
Benefits	Improved health, safety and emergency preparedness	50%	+5	+7
Costs	Costs to industry	25%	-1.5	-5
	Costs to government	25%	-0.5	-0.5
TOTAL		100%	+2.00	+2.13

The MCA assessment shows that introducing requirements in regulation for emergency preparedness and management would result in costs to both industry and government. The costs to industry would be higher under Option 2 (-5 compared to -1.5 for Option 1) due to the change to the frequency in which FSR and EMP must be prepared or updated.

Significantly, any increased costs to industry and government under Option 1 and Option 2 would be outweighed by the broad benefits offered through making regulations to prescribe minimum requirements to protect the health and safety of people staying and working in caravan parks and of the surrounding community. Importantly, Option 1 clarifies the requirements that the Act places upon caravan park owners and councils with regards to emergency management. Option 1 receives a total weighted score of **+2.00**. Option 2 increases the frequency with which EMPs are updated and FSRs are issued thus increasing the currency and thus relevance of these documents. This should improve the efficacy



of EMP application in a caravan which occurs on a regular basis. The impact of this requirement would result in greater health, safety and emergency preparedness benefits resulting in a higher weighted score of **+2.13**.



Emergency Preparation and Management

DTP is seeking feedback on fire safety reports and emergency management plans for caravan parks, specifically:

5. Do you agree that the Regulations should require that a fire safety report must have been issued within a certain period prior to its submission to council? Why?
 - 5a. If yes, how recently should an FSR have been issued when it is submitted to council?
 - 5b. What would the benefits be, if any?
 - 5c. What would the issues be, if any?
6. Do you agree that the Regulations should require that an emergency management plan must have been updated within a certain period prior to its submission to council? Why?
 - 6a. If yes, how recently should an EMP have been updated when it is submitted to council?
 - 6b. What would the benefits be, if any?
 - 6c. What would the issues be, if any?
7. Will a prescribed form (a 'coversheet') signed by the caravan park owner and noting the persons involved in development of the emergency management plan:
 - 7a. improve park owners sense of ownership of the EMP?
 - 7b. improve the extent to which EMPs are implemented?
 - 7c. improve the progression of schedules-of-works to improve safety at parks?
 - 7d. improve compliance with emergency management measures in schedules-of-work are implemented?
8. What information should be included in the proposed form (coversheet) for emergency management plans?

10. Duties of caravan park owners

10.1. Problem

10.1.1. Emergency preparedness

As previously described in Chapter 9, people residing in caravan parks can be vulnerable to a range of emergency events that may occur at caravan parks, from natural disasters (such as bushfire, flood or storm) to incidents involving residents and visitors (such as medical episodes, violence or burglary). These events can result in injury, damage assets, disrupt businesses and may also result in environmental harms. If caravan park owners fail to undertake risk mitigation and management measures, park residents, short-term occupiers and the surrounding community could be exposed to significant risks to their health, safety, or property.

Where caravan parks cater to short term tenants including tourists, these individuals are more likely to be unfamiliar with the surrounding area and risks of emergency events such as bushfires or floods. They are likely to be unfamiliar with the layout of the caravan park site (and how to evacuate if necessary) and may also be less familiar with how to get assistance in an emergency. This may make these individuals more vulnerable if an emergency were to occur.

Caravan parks are also evolving environments – upgrades to parks may result in changes to the site layout and, particularly in tourist parks, the number and identity of visitors constantly changes. This can present a challenge to emergency services when responding to an emergency situation. Up to date and accessible site information, including the park's layout and a register of current occupants, is necessary to facilitate an effective emergency response. For a timely response in an emergency situation, it is also vital for emergency service vehicles to have clear and unobstructed access to caravan parks. Where this is not the case, emergency responses may be delayed or impeded.

10.1.2. Awareness of legislative rights and protections

Caravan parks cater to a wide range of the community, from long term residents to short term tourists and from wealthy residents seeking 'resort-style' communities to vulnerable individuals seeking affordable, long-term accommodation. Regardless of the status of a park's residents, the Act and Regulations seek to provide security of tenure and enforceable rights for tenants.

As they are required to undertake the registration process, caravan park owners are likely to have a strong awareness of their obligations and the rights of tenants under the Act and Regulations. Residents and visitors, on the other hand, may not be aware of the legislative provisions that are in place to protect them. While legislation is easily available online, vulnerable cohorts who choose caravan parks as an affordable place to live may lack access to an internet connected device. Visitors, particularly tourists from outside of Victoria, may be unfamiliar with how to find such information online.

Some of the legislative provisions in place in the RT Act to provide protection to tenants include:

- Restrictions on unfair terms in tenancy agreements and provision for tenants to apply to VCAT to remove or vary contract terms that it determines are harsh or unconscionable
- Prohibition on caravan park owners from discriminating against potential residents on the basis of a protected attribute under the Equal Opportunity Act 2010
- Limitations on bonds, fees and rent increases
- Duties of caravan park owners including vehicular access, access to communal facilities and respecting the privacy and quiet enjoyment of residents

If tenants are unaware of these protections, it is unlikely they would seek to address them if they were breached. This may give caravan park owners an unfair advantage in the commercial relationship they have with tenants.

10.1.3. Problems with the current Regulations in practice

Stakeholders have previously raised concerns about the practicality of current Regulation 18(1), which requires park owners to ensure that the person responsible for management of a caravan park is available at the park office during normal office hours. While most caravan parks have an office on site to process guest arrivals and departures and to provide services to residents, there is no requirement under the Act to have a park office, nor is this prescribed elsewhere in the current Regulations. Some parks, particularly smaller parks, do not have an office on site. In cases where a park does not have a site office, it would be impossible for the park owner to comply with this duty, causing confusion for the



industry and authorities. In addition, as there is no standard definition for “normal office hours”, there may be inconsistencies in how this duty is interpreted by park owners and authorities.

Furthermore, the current requirement may inadvertently limit management from providing prompt assistance to tenants, for example if there is a maintenance issue elsewhere in the caravan park, as they are required to remain at the park office.

Since the requirement for management presence at the park office was first introduced, interpersonal communications have changed significantly in part due to technological change, as well as new ways of working following the COVID-19 pandemic. Customer interactions are no longer always expected to be face-to-face. Instead, many businesses are now able to provide some services without being physically present (i.e., over the telephone or through virtual means). Caravan parks are no exception to this and the regulatory requirement for a physical management presence at the office may be unnecessarily burdensome on industry.

10.2. Options development

10.2.1. Base case

In the absence of regulations, only a limited number of duties contained in the RT Act would apply to caravan park owners and management. This includes a general duty to protect the quiet enjoyment of residents, to keep common areas clean, arrange for garbage collection and maintain sites and caravans in good repair. It is likely that some owners would continue to operate in-line with the duties prescribed under the current Regulations as they have a commercial imperative to adhere to good business practices and provide a positive customer experience to encourage repeat business and goodwill. For example, as a good business practice it is likely most caravan park owners would continue to maintain records of tenants – although this may not be in the form currently required.

On the other hand, some owners may scale back their operational activities to reduce costs in the absence of prescribed duties. Staff and management work hours may be reduced as there would be no requirements for them to be on site or contactable. Site information, visitor records and emergency contact details may not be kept up to date and accessible, as this would no longer be required.

10.2.2. Option 1 – Status quo

Under this option, the duties currently contained in regulation 18 would continue.

The current regulation 18 prescribes the duties of registered caravan park owners, establishing minimum responsibilities that provide protection to consumers, support emergency preparedness and management and provide for the health and safety of residents and short-term occupiers of caravan parks. These duties include:

- Ensuring emergency services vehicles can access the park.
- Ensuring park management can be contacted in case of emergency.
- Ensuring tenants have access to important documents including the Act, Regulations and individual caravan park’s rules.
- Ensuring records are kept of residents and short-term occupiers.

The Regulations also require management to be present at the caravan park office during ‘normal office hours’. Other duties of caravan park owners include providing a copy of the RT Act and the Regulations to residents and short-term occupiers on request; and publicly displaying:

- the name and contact number of an emergency contact person;
- the registration certificate;
- a plan of the caravan park; and
- a copy of the caravan park’s rules.

Caravan park owners face penalties of up to 20 penalty units (\$3,846) if they fail to comply with a duty. Penalties may be issued by authorised officers, generally from the local council responsible for registering the caravan park.

10.2.3. Option 2 – Remove requirement for staffed office

Option 2 would retain the same duties as Option 1 with the exception of the requirement for management to be available at the park office during normal office hours under Regulation 18(1) in the current Regulations. Current Regulation 18(2), which will be retained, will require caravan park management to be contactable at all times in case of an emergency.

10.3. Options analysis

10.3.1. Assessment criteria

This section analyses the impact of Option 1 and Option 2 against the base case for the following criteria:

Benefits

- Improved health, safety and emergency preparedness (weighting = 40%)
- Improved consumer protection (weighting = 10%)

Two benefit criteria are used for the analysis in this chapter. The impact of each option on health, safety and emergency preparedness is given the greatest weighting at 40%, as this is the most significant issue the options seek to address. An additional criterion weighted at 10% analyses the benefits arising from each option in relation to consumer protection.

Costs

- Costs to industry (weighting = 25%)
- Costs to government (weighting = 25%)

The duties imposed under each option apply to owners of registered caravan parks, and this burden is assessed in this chapter under the criterion of costs to industry, weighted at 25%. This chapter also assesses the costs to government, which is also weighted at 25%.

10.3.2. Discussion of benefits

Improved health, safety and emergency preparedness

Option 1

The cumulative effect of the duties under Option 1 contributes to the safety of and amenity in caravan parks.


Most importantly, if an emergency were to occur, the duties ensure emergency services have unimpeded access to the caravan park, allowing a timely and effective response to incidents such as a fire or medical emergency. If emergency services need access to information about the number and identity of residents and visitors (for example in case of evacuation), the duties prescribed in the regulations under Option 1 ensure this information is available. In addition, they provide residents and visitors important information for emergency situations such as emergency contact details and the caravan park's site layout.

Many caravan parks would likely maintain operations in line with these duties under the base case, however over time these operations may be scaled back, particularly at the lower end of the market. Newly established caravan parks may not be aware of these duties and would be less likely to undertake them under the base case. Given the significant risks to health, safety and property that would result, Option 1 receives a score of **+4** for this criterion.

Option 2

Under Option 2, the duties of caravan park owners remain largely unchanged compared to Option 1. The only duty to be removed is the requirement for management to be present at the caravan park office during normal office hours. Many caravan parks cater to tourists³⁸ and require a staffed office to process check in, check out, bookings, customer inquiries and other transactions – particularly at peak times, which may be outside normal office hours. It is anticipated a large number will maintain a staffed office in the absence of a requirement to do so, albeit perhaps with a more junior staff member than a manager. These staff would remain available to assist emergency services if required or to respond to non-emergency health and safety matters.

³⁸ Data from Consumer Affairs Victoria collated in November 2018 and reviewed in 2023 indicates that 90% of caravan parks provide accommodation for tourists, either exclusively or in combination with accommodation for long-term residents.



Other duties that will continue to apply will ensure that emergency contact details are prominently displayed at the park and a manager is contactable in case of an emergency. In an emergency situation, it is preferable that residents contact emergency services in the first instance as they are best qualified and equipped to respond appropriately, rather than management staff who may not have any relevant training.

In addition, without the requirement for management to remain at the site office, there may be greater flexibility for staff to respond to issues around the park. Maintenance issues with caravans, communal areas and sanitary facilities may be able to be addressed sooner as a result.

Overall, it is anticipated that there will be no net difference in the benefits for health, safety or emergency preparedness under Option 2 in comparison to Option 1. It is allocated the same score of **+4** for this criterion.

Improved consumer protection

Option 1

Option 1 would maintain the status quo in relation to duties of caravan park owners. This includes important requirements that protect caravan park visitors, residents and the owners of caravans located at parks. The duties require the park's registration certificate and park rules to be displayed and for the Act and Regulations to be available to residents and short-term occupiers on request. This assists in addressing the information imbalance that exists between the parties engaged in transactions (caravan park owners or operators and residents), ensuring consumers have access to information about their rights and how to protect their interests.

This benefit is marginal compared to the base case, as the Act separately requires caravan park owners to provide tenants with a statement of their rights and duties and a copy of the caravan park rules after they occupy a site³⁹. The duties under Option 1 are a minor additional safeguard to the Act's requirement and therefore this option is allocated a score of **+1** for this criterion.

Option 2

Option 2 retains the same duties discussed above. Removing the requirement for management to be available at the caravan park office does not alter the consumer rights or protections of residents or short-term occupiers. Therefore, Option 2 also receives a score of **+1** for this criterion.

10.3.3. Discussion of costs

Costs to industry

Option 1

Under Option 1, duties are applied to caravan park owners. While the costs of each duty varies, the total cumulative costs would be significant.

Some duties would result in a minor administrative burden. Ensuring a copy of the Act and Regulations is available on request, for example, may be achieved electronically or through providing printed copies, either of which is an inexpensive process. Maintaining a register of guests and residents requires a greater level of administration, however it is likely most owners would already undertake this work as a good record-keeping business practice.

The requirement for management to be present in the office during normal office hours has a more substantive impact on caravan park owners. Under the base case, it is anticipated many parks would voluntarily staff a caravan park office to service their customers, however opening hours may be limited to peak times and junior staff members may primarily fill this role. In comparison, parks may be required to extend their opening hours in line with "normal office hours" under Option 1, and staff the office with managerial staff who attract a higher wage.⁴⁰ Additionally, while there is uncertainty regarding whether or not this duty requires caravan parks to maintain a physical office on site, some caravan parks may install or construct an office which they would not otherwise do under the base case.

³⁹ Section 182 of the RT Act.

⁴⁰ Under the *Hospitality Industry (General) Award*, a Level 2 front office grade 1 staff member attracts an hourly wage of \$24.08 compared to an hourly wage of \$28.62 for managerial staff.

If caravan park owners fail to comply with the duties imposed under this Option, they may be subject to a penalty of up to 20 penalty units, or \$3,846.⁴¹

Due to the significant cumulative costs, Option 1 is allocated a score of **-3** for this criterion.

Option 2

Option 2 retains all but one of the duties of caravan park owners imposed under Option 1, with the duty for management to be available at the caravan park office in normal office hours removed.

It is expected that many parks will continue to have a staff presence at an on-site office even if it is no longer a requirement of the Regulations. Given many parks (90%) provide at least some accommodation for tourists, this is often an operational necessity in order to process guest bookings, arrivals, departures and other transactions. However, parks may choose to reduce their office hours to peak times and/or delegate this duty to a more junior staff member rather than a manager, reducing staffing costs to the same as the base case.

Some owners operate multiple registered caravan parks. In these cases, they may consolidate multiple parks under a single manager or centralised management team, further reducing staff costs and increasing flexibility. For example, by working remotely, a single manager would be able to oversee multiple caravan parks. These parks, as well as small or remote parks, may choose not to have any on-site office as there would be no requirement to do so.

Due to these reduced costs for caravan park owners, Option 2 is allocated a score of **-2** for this criterion.

Costs to Government

Option 1

Although the duties prescribed in the Regulations apply only to caravan park owners, monitoring and enforcement of compliance is the responsibility of councils. The additional costs to councils as a result are likely minor as monitoring compliance with the duties is understood to be incorporated into existing compliance activities, for example when processing registration applications. DTP understands that it is rare for Councils to issue a penalty for breaching a duty under the Regulations. Should a council issue a penalty, this would require some administrative resources and may lead to further legal costs if the caravan park owner were to appeal the penalty.

Given the minor and infrequent nature of these costs compared to the base case, Option 1 is allocated a score of **-1** for this criterion.

Option 2

The impacts on Government are the same under Option 2 as under Option 1. Therefore, it is allocated the same score of **-1** for this criterion.

10.3.4. Summary of analysis

Cost or Benefit	Criterion	Weighting	Option 1	Option 2
Benefits	Improved health, safety and emergency preparedness	40%	+4	+4
	Improved consumer protection	10%	+1	+1
Costs	Costs to industry	25%	-3	-2
	Costs to government	25%	-1	-1
TOTAL		100%	+0.70	+0.95

The multi-criteria analysis undertaken in this chapter indicates that both options provide a benefit in comparison to the base case, however the total benefit of Option 2 is greater than that of Option 1. Both options received equal scores for the two criteria relating to benefits, as well as the criterion for costs to government. However, Option 2 was assessed to have a lower cost to industry than Option 1, resulting from the removal of the duty for management to be available at the caravan park office during normal office hours.

⁴¹ The value of a penalty unit from 1 July 2023 to 30 June 2024 is \$192.31.



Option 2 receives a total weighted score of **+0.95** compared to **+0.70** for Option 1. Therefore, it is beneficial to include Option 2 in the proposed regulations.

Duties of caravan park owners

DTP is seeking feedback on the availability of caravan park staff to people who reside and holiday in caravan parks, specifically:

9. Should the requirement for caravan park owners must be in the caravan park office during normal office hours be removed?
 - 9a. What would the benefits be, if any?
 - 9b. What would the issues be, if any?
10. What duties or requirements should be placed upon caravan park owners to ensure they are responsive to resident and short-term occupier needs and queries?

11. Summary of the preferred option

The preferred option, Option 2, is to remake the Regulations with targeted changes to improve their effectiveness and efficiency. These changes involve:

- Requiring caravan park owners to apply to council for renewal of park registration on or before August 1 of the year in which registration is due to expire, rather than October 1 of that year.
 - This would provide councils with 5 rather than 3 months to assess applications reducing the risk that a caravan park becomes unregistered because a council could not assess their application and issue the required documentation by the 31 December deadline.
- Requiring owners of UMDs and rigid annexes to provide subsequent owners with installation documentation.
 - This would improve consumer awareness about the compliance of installation of their UMD or rigid annexe with the Regulations in force at the time of installation.
- Requiring caravan park owners to mark all taps supplying water that is not safe for drinking (i.e., that supply non-potable water).
 - This would reduce the risk of health issues associated with drinking contaminated water.
- Requiring caravan park owners to acquire new fire safety reports and update or prepare an EMPs to be supplied with every registration and renewal application (i.e., every three years).
 - This would improve emergency preparedness and management at caravan parks by ensuring risk assessment and mitigation is adequate and up to date.
- Requiring that caravan park owners affix to the emergency management plan for the park a new prescribed cover sheet.
 - This would provide greater oversight for councils of the agencies that were involved in the preparation of a plan, which would assist the council in assessing the compliance of the plan with the regulatory requirements.
- Removing the requirement that caravan park management must be in the caravan park office during 'normal business hours'.
 - This would reduce the burden on caravan park owners while enabling them to service caravan park residents and short-term occupiers more efficiently throughout the park at all times of the day and week.

The weighted scores for each option derived from the multi-criteria analysis for each of the five proposals are shown in the following table. Option 2 scores higher than Option 1 across all areas of the regulations.

The proposed changes in Option 2 would be expected to deliver benefits to caravan park owners, residents, short-term occupiers, staff, municipal councils, communities surrounding caravan parks as discussed primarily in qualitative terms in chapters 6 to 10. These benefits are above those expected under Option 1 (the status quo) and significantly above those that would be expected should the Regulations expire without being remade (the base case).

The preferred option would require continued government and council administration, monitoring and enforcement. The cost of these activities is unlikely to change significantly from current costs.

11.1. Overall multi-criteria analysis

The table below consolidates the multi-criteria analysis scores from each chapter in this RIS. The weighting for each criterion is indicated in brackets.

Criterion		Registration		UMD and rigid annexe standards		Amenities		Emergency preparedness and management		Duties of caravan park owners	
		Option 1	Option 2	Option 1	Option 2	Option 1	Option 2	Option 1	Option 2	Option 1	Option 2
Benefits	Improved health, safety and emergency preparedness	-	-	(30%) +6	(30%) +6	(40%) +4	(40%) +5	(50%) +5	(50%) +7	(40%) +4	(40%) +4
	Improved council oversight and compliance	(40%) +7	(40%) +8	-	-	-	-	-	-	-	-
	Consistency with other legislation and regulations	(10%) +6	(10%) +6	(10%) +5	(10%) +5	(10%) +6	(10%) +6	-	-	-	-
	Improved consumer protection	-	-	(10%) +4	(10%) +4.5	-	-	-	-	(10%) +1	(10%) +1
Costs	Costs to industry	(25%) -8	(25%) -8	(25%) -3	(25%) -3	(25%) -3	(25%) -3	(25%) -1.5	(25%) -5	(25%) -3	(25%) -2
	Costs to government	(25%) +1	(25%) +1.5	(12.5%) -1	(12.5%) -1	(25%) -1	(25%) -1	(25%) -0.5	(25%) -0.5	(25%) -1	(25%) -1
	Costs to owners of UMDs and rigid annexes installed in caravan parks	-	-	(12.5%) -3	(12.5%) -3	-	-	-	-	-	-
Weighted total		+1.65	+2.18	+1.45	+1.50	+1.20	+1.60	+2.00	+2.13	+0.70	+0.95


11.2. Small business impacts

It is not anticipated that small businesses would be disproportionately impacted by the proposed changes in the preferred option. Many existing caravan parks are small businesses.

Many proposed prescribed requirements are proportionate to the size of the park and of the business. An EMP for a large caravan park, for example, is likely to be more complex (and thus require more resources to prepare and implement) than that of a small park, due to the greater number of sites and the greater land mass covered.⁴² The cost of registration application fees is also proportionate to the size of a park, as each park's fee is calculated according to its total number of sites.

Due to market forces and changing consumer preferences, the structure of the industry has changed over the past 10 years. More corporations providing permanent homes in parks such as residential villages or lifestyle communities are entering the industry, while the total number of Victorian caravan parks has declined. Although industry expects the number of caravan parks to remain steady for the next decade, it also expects that the construction of more corporate-owned residential parks will replace tourist only caravan parks, which are more likely to be owner-operator or franchises.

⁴² Subject to location of the park, noting that some are in areas more prone to flooding or bushfires.



However, as the proposed Regulations prescribe only minimum acceptable standards, it is unlikely that they will contribute to this industry trend away from small businesses and towards corporate ownership of caravan parks.

11.3. Competition impacts

The proposed Regulations may restrict competition in several ways, as they impose restrictions on businesses from entering the market and the way in which businesses may operate. These restrictions include:

- registration requirements - the requirement for a caravan park to be registered with the relevant council and comply with the registration requirements (e.g., provide to councils a FSR that was issued by a fire authority not more than 3 years prior to the application for registration or renewal of registration).
- minimum construction and installation standards for UMDs and rigid annexes.
- minimum fire safety standards.
- minimum standards for facilities and amenities available in caravan parks.

Neither the Victorian Government nor councils restrict the number of caravan parks in Victoria nor the number of movable dwelling sites that are in a park. All caravan parks must compete for business, noting that standard market considerations (e.g., price per site, park location, facilities, park reputation) will determine customer choice.

Setting minimum standards for facilities and services provided by caravan parks restricts the ways in which businesses may operate, however this is justifiable due to the benefits this provides for public health and safety and consumer protection. Without regulations, competition may lead to businesses reducing their standard of amenities to the detriment of public health or safety in order to compete on cost with other accommodation providers.

The potential small risk of limiting new entrants of caravan park operators who are unable to meet regulated requirements is justifiable because the proposed Regulations will ensure accommodation meets specific, minimum standards and meets Victoria's public health and safety objectives for caravan park occupiers and residents, staff and communities surrounding or near parks. Other factors such as the availability of suitable land in an appropriate location and of appropriate size are a significantly greater limitation to market entry. The additional cost to caravan park owners under Option 2 relative to the base case is not considered to be excessive, and is therefore unlikely to significantly deter new parks from entering the industry.

As discussed in previous chapters, caravan parks compete in the accommodation market against other businesses such as hotels, motels, hostels and rooming houses which are all prescribed accommodation regulated under the PHW Act and PHWPA Regulations. In the absence of any regulations, caravan parks would have a commercial advantage over these other forms of accommodation because they would not be subject to a consistent regulatory burden, allowing caravan parks to undercut their competitors. Therefore, the preferred option has a positive impact on competition within the accommodation sector by aligning the regulatory burden on caravan parks with the burden on prescribed accommodation.

12. Implementation and evaluation plan

12.1. Implementing the proposed Regulations

Implementation of the preferred option is not expected to differ substantially from the way the current Regulations have been implemented and administered. This is because much of the proposed Regulations continue the same requirements as the current Regulations, and as such, will not require additional or changed implementation arrangements.

The majority of new or changed requirements in the proposed Regulations would not come into force immediately. Instead, these are proposed to commence on 1 January 2025 to provide industry and councils with sufficient notice to comply. The proposed new requirements with delayed commencement are:

- the requirement that caravan park owners must submit to council an application for renewal of their registration on 1 August of the relevant year.
- the requirement that caravan park owners must include with their application for park registration or registration renewal a FSR that was issued by a fire services agency no more than 3 years prior to the application.
- the requirement that caravan park owners must include with their application for park registration or registration renewal an EMP that was prepared by the owner no more than 3 years prior to the application.
- the requirement that the caravan park owner must affix a prescribed cover sheet to the plan.
- the requirement that all taps in caravan parks that provide non-potable water must be marked as prescribed in the proposed Regulations.

The requirement that owners of a UMD or rigid annexe must, upon sale, transfer the installation certificate to the new UMD or rigid annexe owner would not have a delayed commencement. This requirement would apply to structures installed from the date of commencement of the Regulations – 29 June 2024. The commencement of this requirement has not been delayed as there is no significant steps or work required in order for a UMD or rigid annexe owner to comply.

DTP believes that delaying commencement of the majority of new requirements to 1 January 2025 would provide adequate time for industry and councils to understand and comply with the new requirements.

Stakeholders are invited to provide comment on whether the proposed commencement timeframes are appropriate.


12.2. Stakeholder communication and education

In the lead up to and shortly following⁴³ commencement of the new Regulations, DTP will:

- engage with key stakeholders, including councils, peak industry bodies and fire authorities, to confirm the final form of the Regulations and detail any changes from the current regulatory requirements.
- leverage various channels of communication to communicate the making of the Regulations to caravan park residents, short-term occupiers and the wider Victorian public.
- develop guidance for caravan park owners about their responsibilities under the new Regulations.
- liaise with other relevant Victorian Government departments and agencies, e.g. Consumer Affairs Victoria, Department of Health, regarding the new Regulations including its relevance to their stakeholder groups.

Communications will include an email and mail campaign targeting caravan park owners (and staff) and an email campaign targeting council environment health officers. These council officers, with the assistance of colleagues, are generally responsible for working with caravan park owners to implement the regulations. Caravan park owners (and

⁴³ Noting that the significant changes in the proposed new Regulations will not come into effect until 1 July 2025.



staff), councils and other stakeholders will be invited to contact DTP via the project email caravanparkspolicy@delwp.vic.gov.au⁴⁴ should they have questions about changes to the Regulations.

DTP has a '[Caravan parks and movable dwellings](https://www.planning.vic.gov.au/guides-and-resources/building-policy/caravan-parks-and-movable-dwellings)' webpage⁴⁵ on the [planning.vic.gov.au](https://www.planning.vic.gov.au) website. The page contains information on the regulatory requirements. DTP will update the content of the page to educate stakeholders and the public about the new Regulations including areas of regulatory change. As the website reflects current law, it will be updated on the day the Regulations come into effect.

The assistance of councils will be sought in reaching out to caravan park owners regarding the new requirements. The communications to caravan park owners would include materials to inform to UMD owners within their parks of their responsibility to provide the UMD installation certificate to the subsequent owner upon its sale.

More extensive stakeholder communications activities, e.g., television or radio campaign, are not currently considered necessary. The proposed changes to the Regulations are minor and not broadly relevant for persons outside of key stakeholder groups.

12.3. Monitoring implementation

Councils, working with emergency service agencies, will continue to be responsible for ensuring caravan parks are compliant with the RT Act and Regulations. The Minister for Planning will continue to be responsible for oversight of the Regulations.

As part of the proposed evaluation activities noted below, DTP will regularly engage with councils, caravan park owners, fire authorities and emergency services agencies, and industry peak groups to understand how effectively the Regulations are being implemented.

12.4. Proposed evaluation activities

In accordance with the requirements of the SLA, the new Regulations will automatically sunset on 29 June 2034. Prior to their sunset, DTP will undertake a review process to remake the Regulations. This will include preparation of a RIS (akin to this one) that will measure the performance of the existing and proposed Regulations, as well as a public consultation process..

As the proposed changes to the current Regulations are modest (and the proposed Regulations will be largely consistent with the existing Regulations), it is not considered necessary to plan for a mid-term evaluation. However, DTP will informally evaluate the operation of the new Regulations at specific points during its operation prior to sunset. As discussed above DTP will work closely with impacted stakeholders during the implementation of the proposed Regulations to monitor the success of the implementation and begin gathering data on how effective the regulations are in achieving their objectives.

During the intervening period prior to the next sunset review of the Regulations, DTP will explore ways in which to collect a broader range of data about the performance and operation of caravan parks across Victoria. This would facilitate the creation of a more robust evidence base through which to assess the operation of the Regulations and assess any potential future changes, noting some data availability challenges during this review process.

Examples of the types of information and metrics that would be considered for collection include:

- Baseline data;
- Key metrics (potentially collected on an annual basis) such as:
 - number of caravan parks in each municipality
 - number of parks that were registered for the first time in the previous year
 - number of parks that exited the industry in the previous year
 - number of each type of caravan park (tourist, mixed, residential etc.)

⁴⁴ The project email address will likely change by or before commencement of any new regulations. The organisation name will change to reflect the most recent machinery-of-government changes. All communication materials will feature the project email address current at the time of distribution.

⁴⁵ <https://www.planning.vic.gov.au/guides-and-resources/building-policy/caravan-parks-and-movable-dwellings>



- number of UMDs installed in Victoria
- number of caravan parks assessed by FRV as non-compliant with its fire safety requirements;
- Data and information from fire authorities and emergency services agencies regarding their engagement with park owners in the preparation of FSRs and EMPs;
- Activities undertaken by councils and government agencies to enforce compliance with the Regulations;
- Industry trends, including any changes to the size and structure of caravan parks;
- Views on the effectiveness of the implementation of changed regulatory requirements; and
- Emerging types of movable dwellings.

Appendices





Appendix A – Consultation undertaken to inform the proposed Regulations

Public consultation in 2019

In 2019 DELWP carried out public consultation to inform the sunset review of the regulations. This consultation process helped the Department to understand how effectively the Regulations had been operating, and to identify the main issues of concern to stakeholders.

The consultation process and associated consultation paper – Caravan parks and movable dwellings regulations – Sunset review consultation paper – were carried out on the Engage Victoria platform. The public was invited to provide feedback on the paper via a written submission or survey. All submissions have been considered in the preparation of this RIS and relevant information and data provided in submissions has also been reflected in the relevant sections of the RIS and proposed Regulations.

Summary of feedback

Registration length

There were a number of positions on whether the length of the registration period should be changed. Opinions varied between the registration period being reduced to one year, retained at three years (potentially with an annual audit), extended to five years, or for registration to continue in perpetuity. Overall, councils tended towards a shorter registration period or retaining the current registration length, while the caravan park industry preferred a longer, or perpetual, registration.

Categories of registration

The 2019 consultation paper raised the idea of regulating the industry by caravan park type, for example by having different regulations for caravan parks based on the nature of accommodation the park provided for example different requirements for residential-only or tourist-only caravan parks.

Stakeholder views on this proposal were mixed, with much of the feedback supporting the need for differentiation based on the different ways parks are used and risks associated with these uses. However, opinions about how the industry should be grouped, and what the requirements for each sector should be, varied significantly.

Fire safety and emergency management planning

The 2019 consultation paper asked for feedback on the fire safety regime, including the fire safety requirements as set out in the CFA Guideline (incorporated in the Regulations), and the use of FSRs as a method for assessing compliance with the Guideline. Some stakeholders commented on the difficulty in interpreting the CFA Guideline and inconsistencies in its application.

Stakeholders had varying views about FSRs. A number commented that these should be updated on a regular basis (every three years, or annually), while others stated that these should only be required on initial registration, change of ownership, or when substantial changes are made to a park. Some councils also reported having difficulty in interpreting from the reports whether parks should be considered as being compliant with the Guideline.

Feedback received in relation to emergency management plans was not consistent. A number of councils commented that council staff were not equipped to assess the suitability of emergency management plans, and that this responsibility should sit with an emergency service agency. Other stakeholders, including the Victorian Association of Caravan Parks, believed the current EMP requirements were suitable and did not support additional regulation of EMPs.

Targeted consultation in 2023

DTP conducted a second round of consultation in late 2023 to ensure the feedback received through the 2019 consultation process was relevant, and to understand any new issues affecting the industry. Consultation was comprised of a series of workshops with industry, emergency management agencies and council stakeholders.

Appendix B – Data and assumptions

ITEM	VALUE	SOURCE
Discount factor	4%	Victorian Guide to Regulation
Time horizon	10 years	Life of the Regulations
Number of caravan parks	442	Consumer Affairs Victoria database, BDO (2023) Economic and social contribution of the Victorian Caravan, prepared for Victorian Caravan Parks Association. Data is current as of 2020-21
Number of new entrants to the caravan park industry per annum (new caravan parks)	5 to 10 (average 7.5)	Estimate based on consultation with Victorian Caravan Parks Association
Number of exists from the caravan park industry per annum (closed caravan parks)	5 to 10 (average 7.5)	Estimate based on consultation with Victorian Caravan Parks Association
Number of caravan park registrations transferred per annum	32	Estimate based on consultation with Victorian Caravan Parks Association
Percentage of caravan park renewals of registration applications per annum	Year 1: 80% of all caravan parks Year 2: 15% of all caravan parks Year 3: 5% of all caravan parks	Estimate based on consultation with select councils
Value of fee unit	\$15.90	Department of Treasury and Finance
Caravan park owner and managerial staff - wage per hour	\$28.62	Hospitality Industry (General) Award
Front office grade 3 – wage per hour	\$26.18	Hospitality Industry (General) Award
Council officer wage per hour – administration	\$26.18	Local Government Industry Award
Council officer Band wage per hour – environmental health officer	\$33.10	Local Government Industry Award
Wage multiplier to cover overhead costs	1.75	Victorian Guide to Regulation
Caravan park owner time to complete and submit to council registration and renewal of registration application forms (Forms 1A and 1B)	0.5 hours	Estimate based on consultation with Victorian Caravan Parks Association
Caravan park owner time to draft a schedule of works	30 hours	Estimate based on consultation with Victorian Caravan Parks Association
Caravan park owner time to update a schedule of works	5 hours	Estimate based on consultation with Victorian Caravan Parks Association
Proportion of caravan park with a schedule of works	27%	Estimate based on consultation with Victorian Caravan Parks Association
Other costs to caravan park owners to draft a schedule of works (e.g., cost of engaging planners and engineer consultants)	\$1000	Estimate based on consultation with Victorian Caravan Parks Association
Proportion of caravan parks which update their EMP each registration cycle	78%	Estimate based on consultation with Fire Rescue Victoria and select councils
Proportion of existing caravan parks which update their FSR each registration cycle	0%	Estimate based on consultation with Fire Rescue Victoria and DTP assessment.
Caravan park owner time to complete and submit to council a notice of transfer of registration	0.25 hours	DTP modelled estimate
Average number of sites at a caravan park (excluding camp sites).	100-150	DTP
Council officer time to process a registration and/or renewal of registration application	Band 4: 2 hours Band 8: 3.5 hours	Estimate based on consultation with select councils
Caravan park owner time to prepare a new EMP	10 hours	Estimate based on consultation with Victorian Caravan Parks Association
Caravan park owner time to update an existing EMP	5 hours	Estimate based on consultation with Victorian Caravan Parks Association
Other costs to caravan park owners to prepare a new EMP	\$500	Estimate based on consultation with Victorian Caravan Parks Association



Other costs to caravan park owners to update an EMP	\$100	Estimate based on consultation with Victorian Caravan Parks Association
Caravan park owner time during preparation of FSR (e.g., site visit)	5 hours	Estimate based on consultation with Victorian Caravan Parks Association
Average cost of FSR (payable to the fire agency)	\$600.99	Fire Rescue Victoria and DTP calculations



Appendix C – Consultation questions

Registration

1. Do you agree that councils should have 5 rather than 3 months to review a registration renewal application? Why?
 - 1a. What would the benefits be, if any?
 - 1b. What would the issues be, if any?

Design, construction, and installation of UMDs and rigid annexes

2. Will the requirement that installation certificates for all new UMDs and annexes be retained and provided to any subsequent UMD owners:
 - 2a. improve UMD safety?
 - 2b. improve consumer awareness?

Amenities

3. Should taps providing non-potable (i.e., non-drinkable) water be signed?
 - 3a. What would the benefits be, if any?
 - 3b. What would the issues be, if any?
4. What information should be included on the signage – whether words and/or images?

Emergency preparedness and management

5. Do you agree that the Regulations should require that a fire safety report must have been issued within a certain period prior to its submission to council? Why?
 - 5a. If yes, how recently should an FSR have been issued when it is submitted to council?
 - 5b. What would the benefits be, if any?
 - 5c. What would the issues be, if any?
6. Do you agree that the Regulations should require that an emergency management plan must have been updated within a certain period prior to its submission to council? Why?
 - 6a. If yes, how recently should an EMP have been updated when it is submitted to council?
 - 6b. What would the benefits be, if any?
 - 6c. What would the issues be, if any?
7. Will a prescribed form (a 'coversheet') signed by the caravan park owner and noting the persons involved in development of the emergency management plan:
 - 7a. improve park owners sense of ownership of the EMP?
 - 7b. improve the extent to which EMPs are implemented?
 - 7c. improve the progression of schedules-of-works to improve safety at parks?
 - 7d. improve compliance with emergency management measures in schedules-of-work are implemented?
8. What information should be included in the proposed form (coversheet) for emergency management plans?

Duties of caravan park owners

9. Should the requirement for caravan park owners must be in the caravan park office during normal office hours be removed?
 - 9a. What would the benefits be, if any?
 - 9b. What would the issues be, if any?
10. What duties or requirements should be placed upon caravan park owners to ensure they are responsive to resident and short-term occupier needs and queries?