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OCTOBER 2023 – DECEMBER 2023 NEWSLETTER

President's Message

This year our consistent message to Members of Parliament has been that the Act must be changed – really it should be re-written. We know that legislative change is a long process and can take years. So, in the interim, we asked that Government change Section 69 so that the basis on which annual site fee increases are calculated is restricted, the CPI in the dictionary of the legislation is at least changed to reflect the correct index, the Market Review be removed and that the dispute mechanism be taken away from QCAT to a body which can make decisions quickly and fairly – without the interference of corporate lawyers representing park owners.

We were promised that reforms would be coming by the end of 2023. However, last week we were advised that the timeline has been extended to the first quarter of 2024. We were assured by the MP that “we would be happy with the changes.” So, once again – watch this space!

As we approach the festive season and look forward to the new year, my Committee and I wish you all a very Merry Christmas and a Happy New Year. We look forward to working with you and for you for the benefit of all homeowners, now and in the future, to ensure that we can all have the lifestyle we have chosen and so richly deserve.

Roseann Whyte

AMHO President

Supporting Home Owners with the Government

THE YEAR IN REVIEW -

2023 was the year we thought changes to the MHRP Act would occur, even though we had been told that we must have patience, as correct processes must be followed ... unless you are the Premier. On the 1st July this Government slotted the Premiers *Rental Legislation* into an unrelated local government Bill and quickly slipped it through parliament, meaning it was not subject to the normal scrutiny of a parliamentary committee and the long legislative change process. **We always like a precedent and this action has been noted by AMHO.**

In early March AMHO was invited to attend meetings along with QMHOA, to assist with distributing information into the residential parks' community. The Consultation Regulatory Impact Statement (C-RIS) was based on information obtained from the results of the Survey Issues Paper completed by homeowners in July 2022. We had high hopes that the government had not just listened, but had heard our voices. And on the 15th May the C-RIS was launched. Then, without warning, two days later a new Housing Minister was appointed, the Honourable Meaghan Scanlon, Member for Gaven – and she has two residential parks in her electorate!

The C-RIS gave AMHO the opportunity to tell the Government that the previous Housing Minister Leanne Enoch's long-term plan for our sector was poorly conceived and would do nothing to repair the damage done by this Government's changes to the Act in 2019, which gave all power to the Park Owners and allowed the site agreement to override the Act. The Senior Public Servant responsible for writing the Act then admitted that the 2019 changes had, unfortunately resulted in "unforeseen consequences". However, knowing that there were problems, government showed no willingness or appetite to fix the damage they had caused, and that homeowners in residential parks were left to deal with it!

Further, the Regulatory Services Unit (RSU) the regulatory body charged with ensuring compliance to the Act, admitted to AMHO in January that they did not have the power to penalise park owners for breaches of the MHRP Act, as the cost of taking Park Owners to the Magistrates Court is too expensive and the fines very small. AMHO has continued to show government that this Act is ineffective, has a lack of clarity, is poorly worded and unable to protect homeowners from unfair business practices which is the objective of the legislation.

AMHO is very proud of the homeowners who participated in the C-RIS. In fact, members of government have commented on the large amount of information received from the “coal face.” More importantly (for homeowners in residential parks) they have finally realised this will be an election issue – homeowners vote and so do their family and friends.

AMHO met with the new Minister in July and we have continued working with her Senior Advisor David Greene, who recently requested we provide a list of homeowners who were prepared to speak to media about the problems they were experiencing in this sector and Park Owners’ responses. We provided David with seventeen individual contacts for his Media Team and have continued to update him as these tribulations continue to be unresolved. To date, however, we believe **nobody** on the list has been contacted by the Housing Minister’s Media Team.

Our members have brought numerous problems to our attention this year, one of the most serious being exit fees being charged at two parks in Toowoomba – the Act does not say that they cannot be charged so the RSU is unable to Breach! Both villages have been bought by Hometown which is taking full advantage of the site agreements in place. Although Hometown, like other park owners, advertises boldly “NO EXIT FEES” they are not prepared to issue new site agreements to remove this clause unless the homeowners pay out the current debt. These “exit fees” are called “communal refurbishment fees” – circumventing Section 71. Having visited these parks, and inspecting the communal facilities, we were able to reassure government and the RSU that not one cent appears to have been spent on them for many years! So where are the Exit Fees going?

Water Related Utilities Charges In Residential Parks

Over the past twelve months, AMHO has been asked many times about water related utilities charges.

Background:

- Homeowners, own their homes, but rent the land on which the home sits.
- Ownership of all land, infrastructure and communal facilities always remains vested in the Park Owner.
- Homeowners in residential parks are considered “renters” by government being eligible to apply for rental assistance to offset the weekly site fee rental charged by the Park Owner.

Because of the lack of clarity of The Manufactured Homes (Residential Parks) Act 2003 (the Act), there are many interpretations of Section 99A of the Act which states that *the park owner **must not charge** the homeowner, or arrange for the homeowner to be charged, an amount (a prohibited amount) for the use of a utility that is more than the amount charged by the relevant supply entity for the **quantity** of the service supplied to, or used at, the site.*

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Remember that the object of the Act is to protect the homeowner from unfair business practices. It should also be noted that all relevant outgoings associated with the cost of running the park are legitimate tax deductions.

AMHO's research reveals that Park Owners have at least three preferences for the charging of water-related utilities fees:

1. No separate charge for water, even if sites are metered – the water charges are included in the weekly site fee.
2. A charge for the quantity used.
3. Splitting the bill! Total charge divided by the number of sites, which means that homeowners are paying for fixed service and access fees which is considered infrastructure – and owned by the Park Owner.

Section 99A specifically states that the Park Owner cannot charge more than the “*quantity*” of the service supplied to, or used at, the site – the definition of quantity is something which can be measured. Regulatory Services Unit (RSU) advise that yes, it is intended that the charge should be the “*quantity*” but that “*we gave the park owners that.*” One, who are they to give something out of the legislation and two, how on earth do you measure “*quantity of service?*”

RSU also state that the intent of Section 99A is that the Park Owner cannot charge extra if they outsource the reading of meters and issuing of invoices. There is nothing in the explanatory notes for the legislation to prove this interpretation. In any case, the outsourcing charges are a small part of the total bill – maybe \$10 a quarter – whereas charging fixed service charges and service fees (infrastructure) instead of just usage is the difference between paying \$30 per month and over \$100 per month – a significant difference and financial imposition on homeowners already subject to annual site fee increases to rent the land and use the communal facilities. You can be sure that AMHO has drawn this anomaly to the attention of government and sees the clarification of charges for utilities as just one of the key topics to be addressed in the re-writing of the Act.

Please stay on this journey with us, why not invite your friends and neighbours to join, as the more members we have, the louder our voice will be. Thank you all for your support and valuable information provided throughout 2023, we are truly grateful.

Best wishes to you all for the festive season from your Committee

Roseann, Carol, Graeme, Richard, Fred, Bruce & Mike

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