



Policy Statement

Improving Equity of Access to Crown
Land Caravan and Camping Parks

Policy statement – Improving equity of access to Crown land caravan and camping parks

Scope

This policy applies to caravan and camping parks on Crown land in Victoria. It has been developed to improve equity of access to Crown land caravan and camping parks in Victoria, enabling affordable holidays for all Victorians.

This policy does not apply to caravan and camping parks in national parks, on private land, on council-owned land, or to caravan and camping parks on Crown land outside of Victoria.

The policy will apply from May 2010 with an implementation phase over two years to allow Committees of Management, park managers and users sufficient time to adjust. Committees of Management (CoM) who have leased the management of their parks may agree with the lessee to vary the lease to incorporate this policy. In these cases, the two-year implementation phase will apply immediately. If the CoM and lessee do not agree to vary the lease to incorporate this policy, the implementation phase starts when the next lease is granted.

Background

This policy aligns with the *Victorian Coastal Strategy's (2008)* policy directions for caravan and camping grounds on coastal Crown land: to ensure that a range of accommodation options are accessible to all prospective users; and to discourage long-term exclusive occupancy (longer than 12 months) of coastal caravan and camping sites.

The *Policy for the Occupation of Crown land Caravan parks (1986)* will be replaced by this policy statement. This policy statement will form part of the *Best Practice Management Guidelines for Committees of Management Managing Caravan and Camping Parks on Crown Land* to be released in May 2010.

Crown land reserves have been set aside for environmental values and for the benefit of all Victorians. In the 19th century parcels of land were deliberately reserved as Crown land for public purposes, such as roads, churches, quays, schools, resource extraction, defence and recreation. Today land reserved for public enjoyment and recreation supports a whole range of amenities and uses including botanic gardens, bushland, zoos, foreshores and caravan parks.

Crown land caravan and camping parks provide:

- Affordable holiday opportunities to all Victorians
- Fair and equitable access to sites
- Sustainable use of land and natural resources
- Contribution to recreation and tourism through providing short term access
- Income to CoM to fund improvements to the parks and adjoining reserves
- Social, environmental and economic benefits

They must *not* be managed for:

- Exclusive long term occupancy
- Permanent residency
- Individual profiteering
- Poor environmental outcomes

Definitions

“Committee of Management” (CoM) refers to a committee which has been appointed by the responsible minister under the *Crown Land (Reserves) Act 1978* as delegated land manager for a Crown land reserve.

“Park manager” refers to the person responsible for the day to day operation of the caravan park. This could mean the Committee of Management, its employees or contractors, or a lessee to whom the Committee of Management has leased the management of the park.

The term “long term permits” refers to those permits allowing a longer stay than a casual permit.

A long term permit offers campers a premium opportunity to holiday in Crown land caravan and camping parks. These permits may take several forms, including:

- 12-month permit: allows a caravan and annex to be installed on a camp site for a 12-month period and used by the permit holder for no more than 60 consecutive days per year and a maximum total of 180 days per year
- Seasonal permits: a wide range available across many parks, they allow a caravan and annex or a tent to be installed on a camp site. The most popular season is usually between November and April.

“On-site caravan sales” refers to the practice of an existing 12-month permit holder selling their caravan and accessories on-site to a new caravan park user.

In relation to caravan sales, the term “caravan” refers to a caravan and associated accessories such as annexes and ensuite bathrooms.

Transition

A transitional period of two years has been provided to implement the changes required. CoM who have leased the management of their parks may agree with the lessee to vary the lease to incorporate this policy. In these cases, the two-year implementation phase will apply immediately. Where the CoM and lessee do not agree to vary the lease to incorporate this policy, the implementation phase starts when the next lease is granted.

Committees of Management and park managers should make appropriate provisions in future management plans, improving access to caravan and camping reserves as soon as is practical and with limited transition time.

Objective 1: To enable parks to better respond to increasing demand for sites and facilities, particularly during peak holiday periods.

Issues

Many long-term permit holders have their permits renewed for successive years by Committees of Management and park managers and are given preference over potential new applicants. There is often very little turnover of these permits and in many cases the same site has been occupied by a permit holder for many years – even generations. Park users have also developed social relationships with each other and strong attachments to the public land site their assets occupy.

Long-term permits are significantly cheaper than the equivalent casual site usage. They allow permit holders to place their caravan on a site for the whole season or year. These permit holders may only use the site for a fraction of this time, thus denying potential park users access to sites that in some cases go mostly unused.

DSE values the role that long-term permit holders play in local communities and acknowledges the current practice of renewing permits enables cohesive social networks in many caravan and camping parks.

However, the practice of renewing permits year after year, enabling exclusive occupancy of sites, is at odds with the value of a Crown land park, which all Victorians must be able to access. This is particularly problematic in parks where the demand for sites is high and new users are unable to access a site, sometimes for many years.

Management practices need to change to allow more Victorians to have access to Crown land caravan and camping parks. This means that at least 10% of each kind of site (e.g. 12-month permit, seasonal, casual) must be made available to new users each year.

Policy directions

- 1.1 Committees of Management and park managers must implement systems and processes to provide both new and existing campers with fair and reasonable opportunity to stay in Crown land caravan and camping parks.
- 1.2 Long-term permit sites must be managed through park plans as part of a balanced mix of accommodation types, while maintaining adequate park access for the traditional transit and short-term camping visitors. This includes providing a minimum number of sites for camping.
- 1.3 A minimum of 10% of sites within a park must be made available to new site holders, as follows:
 - 10% of casual sites must be available to new permit holders during each peak season*
 - 10% of seasonal permits must be made available to new permit holders during each defined season*
 - 10% of 12-month permits must be made available to new permit holders each year
 - 10% of cabins must be made available to new permit holders each peak season*

* Seasons as defined by the Committee of Management and park manager, applicable to each park.

How to implement policy directions

Below are some methods for implementing the above policy directions. Also provided are some practical examples managers may choose to follow. Committees of Management must maintain fairness and equity in all park management processes, including the implementation of these policy directions.

Ensure regular turnover of 12-month permits

Set a maximum length of term for re-issuing a permit to the same permit-holder. The length of consecutive renewal in a park should be linked to the size of the waiting list, to ensure prospective permit holders do not wait too long. Such mechanisms must be applied in parks with high demand.

Example: Sandy Beach Caravan Park* has 100 powered sites, of which 65% were occupied by 12-month permit holders, with many of them having occupied the same sites for 20 to 30 years. Existing permit holders were promised nine years roll-over from the year of implementation of the new system and placed on a list to determine the order sites were turned over, based on a last in/last out principle. However, permit holders who had already been there for nine years or longer went through a review to determine their order on the list for turn over. New permits will not be allocated to the same party for more than six consecutive years and this will be linked to the length of waiting list. If the list gets too long, the 6 years will be reduced.

* The actual name of the caravan park has been changed

Ensure regular turnover of seasonal permits

By reducing the length of stay for seasonal permits, Committees of Management and park managers provide opportunities for a greater number of park users during the season.

Example: Consider restructuring seasonal permits to:

- Ensure site opportunities are fully utilised
- Ensure prices reflect the premium opportunity of access to sites during peak periods
- Allow for access by a wider group of park users.

Providing shorter term packages is an option, focusing on peak and shoulder periods, with options for longer term stays over both periods.

Ensure regular turnover of casual sites and cabins

A minimum of 10% of all casual sites and cabins in each park must be made available for new visitors in each peak season as applicable to your park (e.g. late December to early February in most parks, winter in alpine parks).

Example: Select different sites each year to be made available for new park users. Ensure no single group of existing campers is disadvantaged by the location of the site they use.

Ensure the conditions and limitations of permits on Crown land are clearly communicated to users

1. Provide an information sheet to all existing and prospective 12-month permit holders, clearly articulating the following details and conditions:
 - The park is situated on Crown land and is managed in accordance with Government policy and Victorian law for the benefit of all Victorians
 - Under Victorian law, no person can become a permanent tenant in Crown land caravan and camping parks
 - The site is hired for a 12-month tenure and there is no guarantee for a term beyond the yearly agreement
 - Sites can only be used for a maximum of 60 consecutive days per year and a total of 180 days in a calendar year.
 - Sites cannot be sub-let
 - Permit holders must not occupy a site for more than 60 consecutive days per year
 - Permit holders must not occupy a site for more than a total of 180 days in a calendar year
 - Unregistrable mobile dwellings are not permitted in Crown land caravan and camping parks.
2. Do not use the term “Annual Permit” as it may imply an ongoing arrangement. Preferable terms are “Weekender” or “12-month permit”
3. Ensure information sheets are clearly displayed on caravan sites and park website.

Standard site-holder agreements and notices to existing and prospective permit holders, are included in the appendices of the Best Practice Management Guidelines.

Employ strategies to limit the sense of ownership

1. Include the following additional conditions on information sheets given to permit holders:
 - Establishment of gardens on sites is not permitted. Potted plants are allowed, provided they are within the site boundaries and easily removable.
 - All possessions must be packed away inside caravans and annexes when the permit holder is away.
2. Through a master-planning process, reconfigure the park so that 12-month permit sites are consolidated into one area
3. Communicate that permit renewal is not guaranteed. Articulate in information sheets to all existing and prospective permit holders (see *Ensure the conditions and limitations of permits on Crown land are clearly communicated to users*, above). Set limits on 12-month permit rollover (see *Ensure regular turnover of 12-month permits*, above).

Example: Grassy Hill Caravan Park* has established binding agreements for the use of 12-month permit sites that describes the type of dwelling and additions allowed on site. It is clearly outlined that the park manager must inspect and approve all dwellings. A dwelling must be a caravan (as defined in the agreement) or registrable moveable dwelling. The agreement states that permit holders may not establish gardens. Indigenous plants are permitted in pots across the front of the caravan only.

* *The actual name of the caravan park has been changed.*

Minimise profiteering

1. Do not allow on-site sales, unless exceptional circumstances apply.
 - See *Objective 2: To ensure affordable and equitable access to Crown land caravan and camping parks* for managing on-site sales.
2. Do not allow subletting of long-term permit sites.
 - Specify that subletting is prohibited - no permit holder may charge any other person for the right to occupy the site
 - Charge a fee to visitors other than the registered permit holders. Such a system will work best in parks that have restricted access points (i.e.: boom gates) and/or where park managers have the capacity to monitor incoming visitors to the park.

Avoid permanent residency

Ensure new 12-month permit holders are aware of the limitations of their permits (see *Ensure the conditions and limitations of permits on Crown land are clearly communicated to users and Employ strategies to limit the sense of ownership* above). Under Victorian law, no person can become a permanent tenant in Crown land caravan and camping parks.

Terms and conditions must specify that the permit terminates automatically and immediately if:

- The site is occupied for more than 60 consecutive days or for more than 180 days (in total) in any calendar year, whether the park manager is aware of the breach or not; or
- A permit holder uses or attempts to use the site as their permanent place of residence whether the park manager is aware of the breach or not.

Maintain appearance of parks

1. Set rules on the age and condition of caravans and additions allowed in the park for long-term permits. Ensure these rules do not require permit-holders to make additions or improvements to their caravans that would be difficult and/or costly to remove at short notice.
2. Seasonal permit-holders will be required to remove caravans from the park in off-season. If the permit-holder returns the following season, the condition of the caravan will be assessed and approved by the park manager on their return.
3. Ensure all possessions are packed away inside caravans/annexes when the occupant is away (see *Employ strategies to limit the sense of ownership*, above).

Example: for 12-month permits caravans older than 40 years must be removed from the park. Caravans older than 30 years cannot be sold onsite and incoming caravans must be less than 20 years old.

Example: 12-month permit holders' caravans are inspected annually to ensure compliance with park regulations. Caravans being brought into the park on a 12-month permit must not be more than 10 years old and must be eligible for registration under the *Road Safety Act 1986*. Management must approve all alterations to the caravan, annex or site and specifications are set in the "Agreement".

Example: 12-month permit holders must remove or suitably tie down canvas annexes while they are away.

Ensure accommodation mix and price structures cover costs for park and reserve management

1. Managers need to review fees regularly to ensure they are fair, competitive and cover costs
2. Strategies to ensure income flow
 - 12-month permit fees to be paid upfront (or in set instalments).

Example: Charge a 12-month fee for the right to occupy a site and an additional daily fee for when people stay at the park. Discourage people from applying for a 12-month permit unless they live within two hours' drive of the park, as people who live further away tend not to visit often and leave their sites vacant for most of the year.

Example: Increase the 12-month permit fee by the equivalent of 12 days' worth of daily fees for 2 adults. When permit holders pay for the 12-month permit issue 12 x daily fee vouchers. This gives park managers more guaranteed income and having paid for these nights upfront 12-month permit holders are likely to visit more often, increasing visitation (and presumably spending) in local townships.

- Individually meter electricity and water usage where possible.

Example: Meter each site individually and charge quarterly for electricity use plus a service fee. With the installation of suitable infrastructure, water use can also be metred individually.

Expand the client base to respond to growing markets

Develop strategies to attract emerging markets including retirees and larger groups (school and tertiary students) to cater for campervans, mobile homes, recreational vehicles, environmentally sustainable accommodation and standing camps (higher-end tent accommodation). Consider how to expand the client base, particularly outside the peak season.

Example: Consider reconfiguring the park layout and reducing the number of 12-month permit sites. This will allow Committees of Management and park managers to maximise current markets and tap into new markets by:

- Increasing overall usage of the park (casual visitors, peak and off peak)
- Increasing peak and off peak visitor markets by providing a diversity of accommodation options and amenities available, e.g.: education/multipurpose facility
- Establishing ongoing off peak use through partnerships with educational institutions
- Offering park visitors and local community opportunities to learn about the natural environment.

Objective 2: To ensure affordable and equitable access to Crown land caravan and camping parks

Issues

Selling a caravan on site allows the vendor to avoid the inconvenience of packing up and removing their caravan, annex and other attachments (e.g. storage box). It may also allow them the potential to realise investments made in value-added features such as ensuite bathroom facilities and reticulated sewerage.

Unfortunately this may give the purchaser the inaccurate perception they have gained ownership of the site, rather than just the caravan and accessories they have actually bought.

The practice of on-site sale of caravans creates various issues such as:

- Caravan vendors and buyers may falsely assume a sense of ownership of caravan sites on public land
- The purchase price of a caravan on-site may not reflect the true market value of the item/s being sold
- On-site sales may artificially slow turnover of permit-holders as caravan vendors hold out for their desired sale price
- Any person who wishes to obtain a 12-month permit but does not wish to purchase a caravan on-site is disadvantaged
- There is potential for profiteering from public land.

On-site sales of caravans in connection with 12-month permit sites will only be allowed in exceptional circumstances.

Policy direction

2.1 Caravans must not be sold on-site within Crown land caravan and camping parks, unless exceptional circumstances* apply.

* *Exceptional circumstances are outlined below, (see 'How to implement policy direction').*

This policy will replace section 2.8 vii) of the 1986 *Policy for the Occupation of Crown land Caravan parks* that states "caravans are to be removed off-site if offered for sale".

How to implement policy direction

Below are some suggested methods for implementing the policy direction. Committees of Management and park managers must maintain fairness and equity in all park management processes, including the implementation of this policy.

Process for ceasing on-site sales

If a Committee of Management currently allows on-site sales, the following process must be used to transition to disallowing on-site sales:

1. Committee must contact DSE to ensure proper planning for such a change.
2. All park users must be promptly and adequately notified that on-site sales will no longer be allowed (this includes people on waiting lists).
3. This policy should be implemented within two years of release. A reasonable transition period must be provided to allow park users to adjust to the changes.

Exceptional circumstances

On-site sales may be allowed (subject to approval from DSE) in some Crown land caravan and camping parks where there is no unmet demand for 12-month permits. That is, where an applicant for a 12-month permit has the option of being granted a site without a caravan on it.

If a Committee of Management believes it is in a situation where exceptional circumstances can be considered, before making any changes, a member or representative of the Committee must contact DSE at either the local office or the policy officer at DSE's Melbourne office, as outlined under For Assistance.

Process for managing on-site sales under exceptional circumstances

If a Committee permits on-site caravan sales under exceptional circumstances, a fair and transparent process must be adopted. It will include:

For prospective buyers

1. Development and maintenance of a waiting list of people wishing to buy a caravan on site (the Committee/park manager may choose to charge a fee to cover administration costs). Caravans can only be sold to those on the waiting list.
2. Obtain prospective buyers' written permission to pass on their contact details to caravan vendors upon notification of intention to sell.
3. Distribution of a notice to prospective buyers as they join the waiting list, to ensure they fully understand the purpose of Crown Land Caravan and Camping Parks, the sales process and the limitations of purchasing a caravan on-site. See 'Notice To Prospective Buyers' below for details to include in notice.

For caravan vendors

1. The above mentioned notice must also be distributed to all existing 12-month permit holders. This should be redistributed annually and displayed on notice boards.
2. The park manager must be notified by a vendor who wishes to sell the caravan on-site and surrender their 12-month permit. If a vendor sells without informing the park manager, the buyer will not be entitled to a permit.
3. Only caravans less than 30 years old and in an appropriate condition (according to park rules) may be approved for on-site sale. The park manager may wish to develop an Application For Sale document, where the park manager approves the condition of the caravan and attachments before a sale and site reallocation is allowed to occur.
4. The park manager provides the details of those on the waiting list to the vendor who arranges a sale. Sale is only allowed to a buyer who is on the waiting list, thus who has received the specific information outlined under 'Notice to Prospective Buyers', below.
While the transaction of selling a caravan does not concern the park manager directly, the 12-month permit held by the caravan vendor represents a relationship between the park manager and the permit-holder.
5. The vendor must relinquish their permit to the park manager upon sale of their caravan. See 'Family Transfer' below.
6. The 12-month permits are not transferable. The park manager will enter into a new agreement with the buyer.
7. If the caravan has not been sold within 12 months of initial notification to the park manager, the vendor must remove the caravan from the site and a permit for the site only is then offered to new park users.

Valuation

Committees of Management and park managers may wish to require that caravans be valued by an independent, certified valuer and this information be passed on to potential buyers.

Notes:

Limitations of any sales process

There are many reports of vendors and buyers agreeing to a “reasonable” price on paper but extra payments happening outside of an established process. While implementing a valuation gives the buyer a clear idea of the true value of the caravan, this still doesn’t guard against under-the-table deals. Therefore the preferred approach is to ensure everyone involved is provided with clear and accurate information about the park being on Crown land, and the limitations of a 12-month permit so buyers can make an informed decision about whether to buy a caravan on-site and for what price.

Family transfer

Committees may wish to allow the transfer of an unexpired 12-month permit to a permit holder’s spouse, defacto partner or child, whether or not they are on a waiting list. Conditions must be detailed in the park’s 12-month permit terms and conditions.

Allowing transfer of the balance of permits within a family will not contribute to a park’s minimum 10% of sites to be available for new permit-holders (as specified at Policy Direction 1.3)

Notice to prospective buyers

A notice to prospective buyers is included at Appendix 6 of the Best Practice Management Guidelines. It will include the following information:

- The caravan park is on Crown land which is managed for the benefit of all Victorians
- Under Victorian law, no person can become a permanent tenant in Crown land caravan and camping parks
- The on-site sales process allows for the purchase of a caravan and annex and to hire the site for the balance of 12 months only
- It is only the caravan and annex that is sold – the site is not owned by the buyer. There is no guarantee of access to the site beyond the expiry of the initial 12-month permit. The purchase price of the caravan and accessories should be equivalent to the price of similar items sold outside of the caravan park
- Renewal of the 12-month permit is not guaranteed, but may be possible as per the park’s terms and conditions
- Prospective buyers must base their purchase price on the value of the caravan, annex and attachments only
- Joining the waiting list will not guarantee prospective buyers the opportunity to buy caravans on particular sites. As a caravan becomes available for sale it will be offered to the buyer at the top of the waiting list.

Implementation of policy within leased parks

1. CoM who have leased the management of their parks may agree with the lessee to vary the lease to incorporate the *Policy for Improving Equity of Access to Crown Land Caravan and Camping Parks* and associated parks rules regarding access and on-site sales. Where the CoM and lessee do not agree to vary the lease to incorporate this policy, these policy directions must be stipulated in new lease arrangements.
2. To ensure the park is managed as desired, make specifications in the lease agreement before a lease begins. The best way of doing this is to make sure a current and comprehensive park management plan and/or business plan is developed in consultation with DSE before a lease begins
3. The Best Practice Management Guidelines include a park management plan template to provide Committees of Management and park managers with a framework to address a wide range of issues (see Section 6: Management planning)
4. All park management plans should be prepared in consultation with stakeholders and must be endorsed by DSE before their implementation.

Reporting

DSE will support CoM in implementation of this policy. Committees will be required to report to DSE on a regular basis demonstrating their implementation of this policy. Information collected through regular reporting will enable informed review of the policy in 2014. DSE can provide reporting templates for this purpose.

