



The UK trade body for the tourer, motorhome,
holiday home and park home industries

www.thencc.org.uk



Making the best use of your caravan holiday home/holiday lodge

What every caravan holiday home/
holiday lodge buyer should know



This is essential reading if you are a caravan holiday home/holiday lodge owner, or considering buying a holiday home or lodge on a holiday park.

Owning a caravan holiday home/holiday lodge – referred to here as a holiday home - is a big commitment and can represent a significant outlay. When you have found that perfect spot, somewhere you 'want to keep coming back to', naturally you will want to enjoy using it as often as you can, with friends and family. But a holiday home is just that – *somewhere for leisure or holiday purposes*. The following questions and answers will help you understand when the home can be used and how you can get the best from it.

What is a holiday park?

Land which has planning permission and is licensed by the local authority as a park for holiday and recreational use. Parks can be by the sea or in the countryside, some with lots of facilities, and others designed to offer peace and tranquillity.

When can I use my holiday home?

Your holiday home is for leisure and recreational use, to be enjoyed when you take a break away from your main residence. Depending on the licence, holidays can be taken there during the months the park is open; this could be every weekend, or for longer periods during the spring and summer when the children are on holiday.

It cannot be used as a substitute for your main residence, where you live when not on holiday.

Can I move permanently into my holiday home?

No. You must have a main residence and, when you first buy your holiday home, provide evidence of that address (e.g. a utility or Council Tax bill for the property, or driving licence in your name). A holiday home is for holiday or recreational purposes only. Living permanently in your holiday home would be in breach of the licence agreement you signed when you purchased it. It could have serious legal consequences for you and the park operator. *Also* you risk having your agreement terminated and being asked to leave the park and to remove your holiday home from it.



Use it as your main home and you risk losing it altogether

Does the Mobile Homes legislation apply to holiday parks?

No. The Mobile Homes Act legislation was designed to protect the rights of owners of residential park homes on **licensed residential parks**. It does **not apply** to caravan holiday homes sited on holiday parks.

I have bought a caravan holiday home/holiday lodge to use now I am retired and have more leisure time. Are there any restrictions about how long I can live on the park?

One of the benefits of being 'retired' or working less is, of course, that you have more opportunities to enjoy your leisure time. But you still can't use your holiday home as your main residence. You can only use the holiday home when the park is open and only for leisure breaks.

What about spending consecutive months in the unit?

Any plans to use your holiday home for long term stays should be discussed with the park owner/manager **before you make the purchase**. Many holiday park rules stipulate a maximum period when the home can be occupied e.g. no longer than 60 consecutive days. This may be dictated by the local authority site licence conditions that govern the operation of the park and/or the agreement you sign with the park.

What's wrong with long term occupation?

Parks licensed for holiday use may have consent to open for 12 months, allowing holiday home owners to use and enjoy their holiday home for frequent breaks throughout the year. But this doesn't allow the holiday home to be 'lived' in all year round. You should not do this because:

- it is a breach of your agreement with the park
- you risk being asked to leave and remove your home from the park

- the local authority has powers to enforce planning permissions – this could have serious consequences for the park and for you as a home owner e.g an Enforcement Notice requiring the park and you to take action.

While holiday homes have been designed and manufactured to provide comfortable, high-quality 'home-from-home' accommodation as you would expect, this is for **recreational use only**, not permanent all-year-round living.

What is the usual length of the holiday season – how long does a holiday last?

This differs from park to park. Some parks are open for 12 months which gives many opportunities to visit and stay at the home but it doesn't allow anyone to live there permanently as their only residence. Check with the park before you buy to ensure it will allow you the access you want during the year.

Who decides the length of the season?

The local planning authority sets the maximum period that the park is permitted to be open for business each year. Holiday parks want holiday home owners to be able to use their homes as often as they wish and to maximise the investment in their holiday and leisure time. As outlined earlier, many parks have been granted permission to open 12 months a year but it is more common to find 10 or 11 month licences.

Why might the park decide on a different shorter period?

There may be a number of reasons, but often, any closed period is used to carry out essential maintenance and improvement work, without any disruption to holidaymakers.

Can I use my holiday home in the winter?

Only if the park is open during the winter months. But check that the holiday home you intend to buy is built with appropriate insulation levels to deal with cooler temperatures, as not all holiday homes are intended for occupation in winter weather conditions. The NCC has recently developed a Structural Thermal Rating Scheme, designed to give purchasers of a holiday home built to BS EN 1647 an indication of its likely thermal efficiency. A rating label is attached to the holiday home and is a visible indicator of the degree of efficiency achieved by a particular model. There is a leaflet explaining more at

www.thencc.org.uk/our_schemes/energyscheme.aspx

NB – some holiday lodges are built to BS 3632, which usually provides higher levels of insulation and indicates the likely energy consumption and carbon dioxide (CO₂) emissions of the home.





If a holiday home – particularly an older one - is used a lot in cold months, you should expect higher energy costs and a higher level of condensation, both visible and unseen, which could affect its life and future value.

I want to enjoy spending lots of time in my holiday home, but my health isn't as good as it used to be. Can I register with the doctor's surgery close to the holiday park?

If someone is taken ill whilst on holiday, they can usually contact the local GP's surgery as a temporary resident, so it should not be necessary to register whilst you are using your holiday home for leisure breaks. If you have a specific medical condition, then your local GP at your home may be able to pass information to the surgery local to your holiday home.

I have lived abroad for many years and my main residence is outside the UK. I still have friends and family in the UK and want to own a holiday home/lodge to allow me to see them and spend time enjoying their company. Can my home overseas be considered as my main residence?

Yes – but it needs to be clear that the residence abroad is your **main residence** (i.e. not a holiday let/rental). That will depend upon whether you own it, how much time you spend in it and how much time you spend in your holiday home here in the UK. You must provide documents to show evidence of ownership/ the right to occupy it as your main residence.

I have been told that second homes are required to pay Council Tax. Does this apply to holiday homes/holiday lodges and should I register with the local council, particularly if I need help with paying pitch fees?

Owners of holiday homes pay a contribution towards the business rates of the holiday park and are therefore **not required to pay Council Tax**. Payment of Council Tax or the receipt of housing benefit to help with pitch fees would suggest that the holiday home is being used as a permanent main residence, rather than as a holiday home and this would be in breach of your agreement as outlined above.

I own a holiday lodge to earn some rental income as well as enjoying it for personal leisure breaks. Is this possible and what information do I need to provide the park about those that rent my holiday home?

Hiring out your holiday lodge can offer you a regular source of income but it is crucial to check that your chosen holiday park allows the home to be hired out (either under a private hiring agreement and/or a hiring scheme managed by the park). If private hiring is possible, then the park will require you to provide evidence of the rental agreements which may be limited to a certain period of time e.g. no more than 60 days at a time - to ensure that any one holidaymaker doesn't outstay their welcome and put you in breach of your agreement with the park. The thing to remember is hiring out your own holiday home, where permitted, is not considered to be a business (although the income may be taxable – take expert advice) but hiring out anything more than one home could be. Check with the park first.

I have seen advertisements encouraging me to downsize to buy a holiday home. Does this mean I can sell my house and use the caravan holiday home/holiday lodge instead?

Downsizing is an option you may choose to free up some capital to purchase the holiday home but it still requires you to maintain a main residence (i.e. you can downsize your existing property to a smaller/cheaper one and use the cash this releases to help fund a holiday home but the requirement to have a main residence still applies).

What about running a business from my holiday home/holiday lodge?

This is not permitted. If you are on holiday in your holiday home, then by definition you are not at work. If you were to run a business from your holiday home, then that would be a breach of the agreement with the park and could indicate that the home is being used for non-holiday or non-recreational purposes. Of course, people may need to engage in business communications

(e.g. by email or by phone) even when on holiday, but this would be for short periods only during a holiday break.

As mentioned above, hiring out your own holiday home, where permitted, is not considered to be a business but hiring out more than one holiday home could be. Again, check with the park in the first instance.

So what are my rights?

Your rights are contained within the written Licence Agreement - the contract that you and the park will sign when you buy the holiday home/holiday lodge. This agreement includes your right to keep the holiday home on the park **for a given period of years** and the times during which you can use your unit. If you purchase a new holiday home, then the licence period should be no less than 12 years if you purchase from an NCC member holiday park. If you want to change your home during that time, or move to another park, that is fine and the procedures for this will be detailed in your agreement.

The agreement will also contain a clause that prohibits using the holiday home as a main residence.

Does the agreement say anything more?

It certainly does – ***it is an important document that should clearly and fairly set out the rights you have as an owner. It will include, for example, the ways you can sell your home and details of pitch fees (the charges you must pay each year to keep your caravan on the park).***

It is essential that you read the agreement thoroughly beforehand and only commit yourself to it if you are happy with its contents. If there is anything you don't understand, ask the park to explain or clarify for you before you sign.

The agreement is there to ensure that everyone gets the most out of their holiday home and that you can look forward to great holidays, maximising your leisure time and enjoying holiday home ownership.



What about insurance cover?

It is essential that you insure your holiday home. When you buy from an NCC member park, it will be a condition of the agreement that you sign that your holiday home is correctly insured. The park is usually able to offer policies to its owners, but you are not obliged to use theirs, so long as you provide evidence that the home is properly insured. It is important to bear in mind that the cover provided for holiday homes is not the same as that for residential park homes when it comes to providing 'alternative accommodation.'

For holiday homes, the insurance cover reflects the fact that this is not the home owner's permanent residence. The cover usually does not extend to providing temporary re-housing in the event of damage to the holiday home. The Licence Agreement contains more detail about the levels of insurance that can be taken out on the home.

Finally, what happens if my circumstances change and the only place I can stay in is my holiday home/ holiday lodge?

In such circumstances, speak to the park owner immediately and explain the situation. They will want to work with you while you find a new main permanent residence as soon as possible, so that you don't breach your agreement for owning a holiday home. The local authority may be able to assist and can liaise with the holiday park management during this difficult period. Crucially, even if you lose access to your main residence, for whatever reason, you cannot just move into your holiday home and live there instead. You may find yourself losing that, too, so don't be tempted - keep the holiday park informed at all times.

The important thing to remember is a holiday home is for holiday and recreation use ONLY.



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