

Research Briefing

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Consumer protection: leisure park homes



Summary

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Summary

The term ‘mobile home’ covers a variety of accommodation units, such as a ‘caravan’, ‘park home’ or ‘lodge’, which are located on a site/park and can be transported from place to place. Current law in England and Wales distinguishes between a residential mobile home (in which the owner lives all year round) and a mobile home which is used for holidays.

Private leisure parks allow static caravans (leisure homes) to be parked on site and used as holiday homes. They cannot be used all year round as a permanent residence.

The [Mobile Homes Act 1983](#) applies to residents of sites with residential planning permission; a permanently parked leisure home is not caught by the Act. However, leisure home owners are protected under consumer rights legislation and all leisure home parks are required to be licensed by local authorities under [the Caravan Sites and Control of Development Act 1960](#).

The sale of a leisure home and/or associated site costs are governed by the contractual terms and conditions agreed between the buyer and the owners of the leisure park. The contract is also subject to Part 2 of the [Consumer Rights Act 2015](#), which protects consumers from enforceability of unfair terms in contracts. In addition, under the [Consumer Protection from Unfair Trading Regulations 2008](#) there is a duty on all businesses to trade fairly.

This briefing paper provides an overview of the existing protections available to owners of leisure homes under consumer legislation. In the process, it also considers common complaints made by owners, in particular the mis-selling of leisure homes by some holiday parks.

1 Features of holiday parks

1.1 Planning permission

Leisure mobile home sites are privately owned. There are sites at holiday locations across the UK. In granting planning permission for a site, local planning authorities will usually attach planning conditions. Typically, these will specify that a site is for “holiday use only” or restrict occupation to a specified period (for example, 6 months of the year). Sites subject to these requirements will, as a rule, not be “relevant protected sites” to which the [Mobile Homes Act 1983](#) (as amended) applies.

Living year-round on a site with planning permission for “holiday use only” may amount to a breach of planning permission. Site owners with planning permission for holiday use may require mobile homeowners to vacate the site for a specified period each year in order to avoid such a breach. Local planning authorities have powers which allow them (at their discretion) to take [enforcement action](#) against a breach of planning conditions.

1.2 Licensing

Under the [Caravan Sites and Control of Development Act 1960](#), all caravan sites in England (except those exempted) are required to have a site licence from the relevant local authority (in addition to planning permission). The purpose of licensing is to ensure that sites are safe for residents and other users.

The [Mobile Homes Act 2013](#) amended the 1960 Act to introduce a new local authority site licensing regime, which applies to all “relevant protected sites”, including sites with planning permission for residential use only, as well as mixed-use sites with planning permission for both holiday and residential use.

Local authorities have powers to impose conditions in site licences and enforce them if they are breached. These conditions may relate to the number of static caravans on the site, the spacing between them and the provision of amenities. In attaching conditions to the licence, local authorities will seek to ensure that general standards of environmental health are maintained. If a park owner fails to comply with a notice of non-compliance, the local authority can prosecute them; if convicted, they face an unlimited fine.

Crucially, the 2013 Act also made provision to introduce a fit and proper person test for site owners and managers of all relevant protected sites, including mixed sites.

1.3 Pitch licence agreements and fees

Most (but not all) leisure parks use a standard form of licence agreement promoted by the [British Holidays and Home Parks Association](#) (BH&HPA), a trade body. This model licence agreement makes it clear that the purpose of the agreement is to allow owners to pitch their caravans on the site in order to enjoy a holiday (not to live permanently on site).

Pitch or site fees and any other paid for compulsory services should be made known to the consumer before they sign a contract to purchase or site a static caravan. On signing the contract, the consumer agrees to abide by the terms and conditions put in place by the holiday park operator. The contract should specify what the consumer will receive in exchange for site fees, how often they will be expected to pay site fees, and what other conditions may apply (for example, a late payment charge).

Amenities vary between sites, and this is reflected in the level of site fees charged. Some sites offer few amenities, allowing visitors to enjoy peaceful national parks, others may provide family entertainment and leisure facilities.

1.4 Utilities

Holiday caravan owners pay for their own gas and electricity usage. While some holiday parks allow its caravan owners to supply their own refillable gas bottles, others will use meters to monitor usage rates. Electricity rates can vary from park to park. Water rates vary from region to region, and some parks will operate via water meters while others charge via the rateable value of the holiday home.

2 Issues raised by leisure park homeowners

Many people enjoy taking holidays in leisure parks in locations across the UK. However, some leisure homeowners have raised concerns about the unfair commercial practices used by some leisure parks in respect of the purchase and sale of static caravans and associated costs.

2.1 Unregulated sector

A common complaint is that the holiday park industry is not sufficiently regulated.¹ Some holiday owners complain that they have no option but to put up with unfair terms and charges through fear of eviction from the holiday park site. The costs involved in relocating a caravan can be huge.²

2.2 Mis-sold leisure caravans & unfair practices

Some owners complain they were mis-sold leisure homes, with salespeople making misrepresentations about being able to live on site all year round when this is not the case.³ Others complain of receiving insufficient information to make an informed decision about the purchase and the absence of proper affordability checks. Once repayments become unaffordable, they have no option but to sell the leisure home often at a loss. In some instances, buyers complain they walk away with nothing due to potential sales being obstructed by the holiday park, caravans are simply handed back to park owners.⁴

Some holiday parks only grant limited pitch agreements or only allow static caravans under a specific age limit (usually around ten years), regardless of how well it is maintained.⁵ When a caravan becomes too old, the owner may

¹ [Scotland's static caravan and lodge owners call for action](#) (online), The National, 25 June 2023, (accessed 13 December 2023)

² [Consumer rights activist is warning people to think twice before buying a static caravan](#) (online), 'In2Town Today News', 14 August 2019, (accessed 13 December 2023)

³ [Dozens take legal action over holiday homes](#) (online), BBC News, 16 January 2020, (accessed 13 December 2023)

⁴ See above

⁵ [Consumer rights activist is warning people to think twice before buying a static caravan](#) (online), 'In2Town Today News', 14 August 2019, (all accessed 13 December 2023)

be forced to relocate their static caravan to a different park or make other arrangements. Some parks may assist with this, others may have rules and regulations governing caravan movement adding to the cost of the process.

2.3 Rising site fees and other costs

Another common complaint is that pitch or site fees rise year on year,⁶ and do not accurately reflect the cost of site maintenance.⁷ Park owners ultimately decide what expenditure they incur on their sites (for instance, grass cutting, servicing the pitches, carrying out site improvement works).

Similarly, some static caravan owners complain that some park owners charge electricity well above an acceptable unit price.⁸ Linked to this is the fact that gas and electricity safety checks must usually be organised by the park owner and can be costly. Some static caravan owners also complain that they can only purchase storage sheds and decking directly from the holiday park at vastly inflated prices.

⁶ [Residents at large holiday park in Northampton speak out against 'exorbitant' fees and 'increase in crime'](#) (online), Northampton Chronicle *Echo, 15 November 2023, (accessed 13 December 2023)

⁷ [No warning: caravan owners' anger over £1,000 price increase – "many of us cannot afford"](#) (online), Express, 20 October 2021, (accessed 13 December 2023)

⁸ [Let's get park homeowners energy bills justice](#) (online), Park Home & Holiday Living, (accessed 13 December 2013)

3 Owners' statutory rights

3.1 Breach of contract and misrepresentation

The sale of holiday mobile homes and pitch agreements are governed by contract law. The use of a mobile home in a holiday park is also a contract, not a tenancy. The written contract should stipulate the rights and obligations of both parties.

In any contractual dispute, much would turn on what was said by both parties before the contract was made and the representations made. The relative bargaining power of both parties is also significant. If a dispute cannot be resolved, then ultimately it would be for the court to decide.

The [Misrepresentation Act 1967](#) protects consumers from false claims made by a seller before the contract is made (either fraudulently, negligently or innocently). The representations must have induced the consumer into buying something (eg a mobile holiday home) or to enter into a contract (eg a site agreement). The general remedy for misrepresentation is for the court to cancel or unwind all or part of the contract and/or award damages.

3.2 Unfair contract terms

In many circumstances, consumers have no power or influence over the details of the terms which they are asked to agree to when entering into consumer contracts. Part 2 of the [Consumer Rights Act 2015](#) (CRA 2015), which came into force on 1 October 2015, protects consumers from unfair contract terms. It covers:

- a consumer contract; and
- a consumer notice to the extent that it relates to rights or obligations between a trader and a consumer or purports to exclude or limit a trader's liability to a consumer.⁹

Written terms of a consumer contract or notice must be transparent (in plain and intelligible language and legible if written) and must be fair. [Part 2](#) includes a "fairness test" for the enforceability of terms. A written term will be

⁹ A notice does not have to be in writing; it is any communication or announcement intended to be seen or heard by a consumer.

unfair if, contrary to good faith requirements, it causes a significant imbalance in the parties' rights and obligations under the contract to the detriment of the consumer. [Part 2](#) includes a "grey list" of potentially unfair clauses in consumer contracts. For example, a term which imposes an excessive financial burden on the consumer, or a term that allows the trader to use enforcement methods that violate the consumer's privacy or property rights (much would depend on the facts). Crucially, terms that specify the main subject matter of the contract or the price (so called "core terms") are exempt from the test of fairness provided they are transparent and prominent.

[Part 2](#) also blacklists certain terms, making them automatically unenforceable, without the need to consider the fairness provisions. For example, a term that would exclude or restrict liability for death or personal injury resulting from negligence.

If the court decides a term is unfair it will not be binding on the consumer, but the rest of the contract will take effect as far as practicable. Where a term can have more than one meaning, the interpretation most favourable to the consumer will usually prevail.

The unfair contract terms provisions are enforced by the relevant local authority trading standards service. In serious cases, the [Competition and Markets Authority](#) (CMA) may intervene. The CMA and Trading Standards Services have powers to pursue legal action to stop a business using terms and consumer notices that are unfair or a breach of the transparency requirement, as well as those that are blacklisted. If necessary, this will be achieved by seeking a court order.

If a business is using, proposing to use or recommending wording that appears to be in breach of the transparency requirement, or is unfair or blacklisted under the CRA 2015, the CMA (or another listed regulator) can seek a court injunction. If, however, a business gives a satisfactory undertaking to the CMA (or other regulator) to stop using this wording, or to revise it, court proceedings will not be necessary (provided that the agreed course of action is fulfilled).

Individual consumers can also take legal action against unfair terms but should first seek legal advice (see below).

3.3

Unfair trading

In addition to the CRA 2015, there is a duty on all businesses to trade fairly under the [Consumer Protection from Unfair Trading Regulations 2008](#) (CPRs). The Regulations prohibit traders in all sectors from engaging in unfair commercial practices against consumers (for example, misleading selling) and determines when commercial practices are unfair. The CPRs apply to business-to-consumer transactions and apply to conduct before, during and

after the contract is made. The regulations are enforceable by Trading Standards through the civil and criminal courts.

3.4 Enforcement orders and redress

Part 8 of the [Enterprise Act 2002](#) (EA 2002) gives the CMA (and other enforcers) separate powers to investigate and seek undertakings or enforcement orders in relation to breaches of consumer law generally, including the CRA 2015. Use of these powers may be appropriate where, for example, issues arise under several different pieces of consumer legislation.

An undertaking or enforcement order under the [EA 2002](#) may, in certain circumstances, include provisions offering redress for consumers who have suffered loss (which can include monetary compensation). However, it is important to note that the CMA has no power to take up consumers' individual cases for them, or to provide advice on private disputes.

4

Where to go for help?

There is not a statutory regulator responsible for overseeing holiday parks across the UK. However, there are two main industry bodies, the [National Caravan Council](#) (NCC) and the [British Holiday & Home Parks Association](#) (BH&HPA). The NCC has a consumer code of practice and a set of minimum standards that members must adhere to.

In the event of a dispute, a holiday homeowner should seek legal advice based on a full appraisal of the relevant contract (for instance, a caravan sale or site contract) and the facts. In addition to a solicitor, advice can be obtained free of charge from Citizens Advice. The [Citizens Advice website](#) contains a useful search tool to help people find their nearest office, there is also the Citizens Advice consumer helpline: **0808 223 1133**.

The Library's briefing paper, [Legal help: where to go and how to pay](#) (PDF) may be of interest. It is also worthwhile checking the scope of any home insurance policy, as it may offer legal expenses cover.

If a person thinks they have been mis-sold a holiday caravan, their local Citizens Advice should be their first port of call. Citizens Advice may refer serious cases to Trading Standards to investigate. A complainant can also [report a competition or market problem to the CMA](#), but typically, the CMA does not advise on individual consumer cases.

5

Parliamentary debates and questions

On 28 January 2019, Helen Whately MP (Conservative) asked if the Government would consider extending the provisions of the Mobile Homes Act 2013 to give leisure homeowners more rights and protections. She also asked if the Government would take a broader look at the mis-selling and misuse of leisure homes. Mrs Heather Wheeler, then Parliamentary Under-Secretary of State for Housing, Communities and Local Government, responded as follows:

My hon. Friend has been a thorough champion on behalf of residents of leisure park homes. The situation is iniquitous. The Mobile Homes Act applies to residents of sites with residential planning permission, but leisure homeowners are protected under consumer rights legislation. My department is working with the Department for Business, Energy and Industrial Strategy, which is responsible for consumer issues, to better communicate those protections to leisure homeowners.¹⁰

On 27 February 2019, Helen Whately MP introduced a Westminster Hall debate on the rights and protections of residents of leisure park homes. In explaining why Government action is needed, she said:

I recognise that leisure park homes or holiday homes are a significant part of Britain's tourism industry. They are often in beautiful rural or coastal settings and can be important drivers of the local economy when used for their true purpose: holidaying. According to a recent report by the UK Caravan and Camping Alliance, holiday homes in mobile home or caravan parks make up 8% of the UK's tourism sector, generate £3.9 billion in visitor spend, and support 170,000 jobs.

When run in a decent and proper way, holiday parks support local economies and provide much-needed jobs in areas where work can be hard to find, but that is not always the case, [...]. In my constituency and elsewhere, holiday homes appear to be being mis-sold as residential homes, depriving the local area of tourist income and leaving residents, some of whom are elderly, in poor health and vulnerable to exploitation, with few rights or protections.

The situation is compounded by the failure of local authorities to enforce the terms of holiday home licences consistently by checking whether people are living there all year round—they should not be—and that they have another, main address.¹¹

In response, Mrs Heather Wheeler, then Parliamentary Under-Secretary of State for Housing, Communities and Local Government, said:

The mobile homes legislation, which sets out the contractual relationship between a site owner and a resident, applies only to those sites with planning

¹⁰ [HC Deb 28 January 2019 c.469-470](#)

¹¹ [HC Deb 27 February 2019 c.187WH](#)

permission for residential use. Applying it to all holiday caravan owners would mean such accommodation no longer being available in the tourism sector.

[...] it is important that we protect the holiday sector and the many benefits that it provides.

The Government have already introduced significant protections for holiday caravan owners under consumer legislation. What is required is to ensure that prospective purchasers of holiday caravans are aware of the rights and responsibilities available to them under consumer law. The rules, which are designed to protect individual buyers from unfair commercial practices, are set out in the Consumer Protection from Unfair Trading Regulations 2008. Breaches of those rules are a criminal offence. In 2014, they were supplemented to provide a private right of redress for consumers who have fallen victim to misleading commercial practices such as presenting a holiday caravan as a permanent residence, hiding information, or providing information in an unclear, ambiguous or untimely way.¹²

In May 2020, Richard Fuller MP (Conservative) asked a multi-part PQ on what steps the Government plans to take to (1) regulate the holiday park industry, (b) ensure that practices of park owners are fair towards caravan/lodge owners on holiday parks and (c) ensure similar protection to that available to owners of residential mobile/park homes; and whether the Government plans to introduce and (i) ombudsman and (ii) independent regulator to consider grievances in the holiday park sector. On 26 May 2020, Christopher Pincher, then Minister of State (Housing, Communities and Local Government) provided the following [written response](#):

The Government has taken steps to regulate all businesses, including holiday parks, to ensure they are run responsibly and that the right regulatory frameworks are in place to meet business and consumer needs. No further regulation of the holiday park sector is planned.

The Consumer Rights Act 2015 protects consumers including owners of holiday caravans and lodges on parks licensed for holiday use, against unfair contract terms. Other consumer law protects against mis-selling of goods and services and prohibits unfair commercial practices against consumers, primarily in the course of marketing and selling.

Consumers in England and Wales can obtain free advice on their rights and how to seek redress by contacting the Citizens Advice consumer service (0808 223 1133) or through its website. In Scotland consumers can call the Advice Direct Scotland line (0808 800 9060).

Holiday sites are required to maintain their parks and ensure they are safe to use. Local authorities have powers to take enforcement action against site owners who breach those requirements.

Given these existing protections, the Government does not plan to give caravan/lodge owners on sites with planning permission for holiday use, similar protections as those on residential sites, or introduce an ombudsman or independent regulator.

¹² [HC Deb 26 May 2020 c202WH](#)

However, we are aware of examples of poor practice in this sector and my department will continue to work with the Department for Business, Energy and Industrial Strategy, which has responsibility for general consumer protection, to explore how messages about rights and responsibilities can be communicated more effectively.¹³

On 12 February 2021, in response to a [petition calling for a public inquiry into unfair trading practices of holiday caravan park owners](#), the Government said:

Unfair practices are prohibited by consumer law and trading standards services and the CMA are responsible for its enforcement. The Government has no plans to launch an inquiry.¹⁴

Currently, there is a ‘live’ petition to [Enhance consumer protection for holiday caravan owners](#), the deadline to sign the petition is 24 May 2024. The petition is calling on the Government to amend the [Caravan Sites and Control of Development Act 1960](#) to reflect changes in consumer protection regulations and require all related consumer contracts to list clearly all services and associated costs payable/deductible in respect of pitch fees. In addition, to provide access to First-tier Tribunal (Property Chamber) to challenge any increase above the Consumer Prices Index (CPI). The Petition states:

The Government and others are aware of the issues associated with holiday caravan ownership, which have persisted for decades. We believe consumers are at significant risk of life-changing detriment as a result of unfair trading practices we consider are being operated across the sector. Challenging such practices is prohibitively expensive.¹⁵

The Government responds to all petitions that get more than 10,000 signatures. This petition already has 14,444 signatures and is awaiting the Government’s response.

¹³ PQ 48382 [on [Caravan Sites](#)], December 2020

¹⁴ [E-petition 553515: Public Inquiry into Unfair Trading Practices of Holiday Caravan Park Owners](#). 13 April 2021


¹⁵ [E-petition 650884: Enhance consumer protection for holiday caravan owners](#), December 2023, Created by Carole Keeble

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