

NCC guidance for consumers thinking of buying a holiday caravan or holiday lodge

The NCC as the trade association for the UK caravan, motorhome, holiday park and residential park industries reminds and urges anyone considering purchasing a holiday caravan or holiday lodge to carry out extensive research before committing to a purchase.



The NCC has a series of *Top Tips* that all potential holiday caravan/holiday lodge owners need to know.

If you are thinking of moving to a park and buying a holiday caravan or holiday lodge so you can stay there for holidays and short breaks remember that **you cannot live in a holiday caravan or holiday lodge on a park that is licensed for holiday use only:**

Do your research and make sure:

- the holiday caravan/holiday lodge will suit your requirements
- the park is licenced for holiday use the local authority will be able to confirm
- you understand the ongoing costs of owning a holiday caravan including the monthly pitch fee, utility costs, insurances, and ongoing maintenance of the holiday caravan/lodge
- you are given a Purchase and Licence Agreement, and a copy of the park rules and any warranty that remains on the holiday caravan/lodge. Read them carefully and if you don't understand what ownership means seek professional advice before signing on the dotted line
- you understand that you can use the holiday caravan/lodge when the park is open and if the park is open for 12 months that doesn't mean you can stay there permanently and live there. It just means you can visit your holiday caravan for holidays and short breaks at any time of the year
- Check the park website for any additional details
- Arrange to meet the owner of the holiday caravan/lodge at the park and have a list of questions ready to ask the owner or the sale team the holiday caravan/lodge may be privately owned by the existing owner or it may be owned by the park owner

- Think of your holiday caravan as **a long-term lifestyle purchase** and not as a property investment a holiday caravan is a depreciating asset, and the resale value will be less than the original purchase price
- Check that the park operator is an NCC member and complies with the NCC's Best Practice Guidance for Holiday Parks with Holiday Caravans /Lodges in Private
 Ownership which reflects the points raised in the government-supported Business
 Companion advice issued in spring 2023. These documents provide guidance for park
 owners and operators on marketing and the sales process, and the importance of using
 clear and transparent documentation (the contract), helping new owners to understand
 the costs and obligations of becoming a holiday caravan owner
- Always consult a professional adviser such as a solicitor so they can help you understand what ownership means for you and if it is the right choice for you and your family

Download a copy of the NCC's <u>Making the best-use-of-your-holiday-caravan</u> which is a Q&A guide on holiday caravan ownership. It explains what ownership means and crucially why a holiday caravan sited on a park licensed for holiday use only cannot be lived in as a permanent residence (either by an owner or someone the owner has allowed to rent it).

NCC's Dispute Resolution Service

If things don't go quite as expected, the NCC offers holiday caravan owners who have purchased from, or have a holiday caravan sited on, an NCC member park the opportunity to engage with the Informal Dispute Resolution Service (NCCIDRS) free of charge. This aims to help both parties come to a mutually satisfactory conclusion, but if things remain unresolved it may be eligible for referral to the Independent Case Examiner, as part of access to Alternative Dispute Resolution. The complaints guidance and form can be <u>downloaded here</u>.

It is vital that consumers are aware of exactly what they are buying, do their research and seek professional advice first. The NCC remains committed to raising and promoting high standards of best practice across the parks sector and will continue to work with park operators and other relevant stakeholders to achieve this for the benefit of our members and their consumers.