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TRAVEL

How the British holiday park dream can turn into a costly nightmare

Vastly depreciating lodges and unexpected costs leave some owners out of pocket, even facing harassment if they speak out



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Debra and Liam Gormley are hoping to be able to scrape together enough money to send their grandchildren on holiday this year. They used to take an annual break at a caravan park in [Wales](#), where the couple owned a static caravan. However, fast depreciation and what they believe was a mis-sold upgrade, as well as service fee increases and facilities which they claim were promised but failed to materialise, meant that the Gormleys finally decided to cut their losses and leave the park at the end of 2024. They're now hoping to recoup some of the money they've spent with the help of a claims firm.

For a while, it had been the family's happy place. "[The caravan](#) was the only annual holiday our grandchildren had," says Debra. "They are absolutely heartbroken, and it kills me to see them like that."

With the rise of the [“staycation”](#), many holiday parks have had 21st-century makeovers and owning a slice of the action can seem attractive. Some are well run with happy owners on-site. In a handful of cases, holiday lodges can be a wise purchase too – generally in prestigious resorts, where they are sturdily built with long-lasting materials and surrounded by the countryside of popular areas such as the Highlands or Cotswolds.

But the industry has no overriding regulatory body, leaving purchasers, many of whom are elderly, at the mercy of park owners. The Facebook group Legal and Legislative Law for the Static Caravan Industry is full of stories from people who have lost tens of thousands of pounds over a few years due to depreciation. “Only lost £77k in 2.5yrs” reads one post. “Bought mine for £20,000. After 3 years they gave me £3,700. Next day it was back up for £17,500...” says another.



Many holiday parks have had makeovers in recent years, making the prospect of ownership more attractive Credit: iStockphoto

In some cases, the comments are anonymous because posters are scared to speak out about what’s happened to them. There are tales of harassment to quash dissent; others of sellers made to sign NDAs when they finally reached an agreement. But the press is beginning to take notice: both the BBC’s Panorama and ITV’s Tonight Programme have produced episodes focusing on issues with lodge and caravan purchases.

These can start at the point of sale. In many cases, buyers don’t take legal advice before proceeding.

“They probably feel more comfortable and trusting because it’s on home soil,” says Greg Wilson of holiday ownership claims firm European Consumer Claims ([ECC](#)). “You say that, for people to purchase a timeshare,

they must have left their brains at the airport, but [in the UK] consumers think, ‘It’s just two hours from home. It’s a British company.’ And the salespeople paint it as nice and idyllic with good rental returns.”

Slick websites and social media add to the allure while, on Facebook pages about park lodge ownership, there are posts suggesting that would-be purchasers skip using expensive lawyers – but this could prove to be far more costly later. Barrister Ibraheem Dulmeer, who works with prospective owners via his business [Park Home Law](#), says his fee to look over sales documentation starts at £750, rising according to the price of the lodge. It’s a fraction of what it costs for a legal battle if things go wrong.

“Once you’re involved in a litigation process, things really do escalate. You’re not talking about £1,000. You can be talking 20 or 30 times that. That’s why I would urge people to get advice early on. When you’re paying huge sums of money, significant proportions of your savings, you would want someone on your side to check that paperwork, to make sure that you’re aware of the potential implications of getting it wrong, and that you’re actually aware of the terms and conditions. If people are aware of them, then I think there will be far less complaints [down the line],” he says.

Meanwhile, claims from park companies about potential rental income can be confusing. At the beginning of 2025, the Advertising Standards Authority upheld a complaint about an advert for Luxury Lodges that appeared in *The Times*, on the basis that its claims about guaranteed rental yields for two years didn’t fully explain how the scheme worked, reference additional fees or charges that might apply, or note that the value of investments is variable and can go up as well as down.

Though there’s no suggestion that this was the case with Luxury Lodges, Wilson feels that some parks mislead customers. “They over-inflate the sale price and say ‘we guarantee you two years’ rental’, right? It sounds great. People think ‘two years, okay, I’ve got a bit of finance on it and that covers the site fees’. But they get two years down the line, and that runs out and then the park says ‘sorry, the demand has shrunk slightly’. But then, three lodges down, another couple has made a purchase, and [now] they’re getting their rental return off their overpriced lodge,” he says.



The holiday parks industry has no overriding regulatory body, leaving purchasers at the mercy of park owners Credit: getty

Wilson believes that prospective buyers should always be made aware that static caravans and park lodges do depreciate – a fact that some operators, including market leaders Haven and Parkdean Resorts, make clear on their websites. “It’s like a car: buy a brand-new car in the showroom today, and you’re going to get hit straight away. It’s probably a 20 per cent depreciation, and then thereafter it depreciates a little bit less each year. When you speak to clients with very recent purchases, three years down the line, sometimes that percentage can be 40 per cent. It’s really hard and fast in the first couple of years,” he says.

One lodge owner, who didn’t want to be named, told *The Telegraph* that his site fees had more than doubled since 2022 when he purchased his holiday home for around £140,000. In addition, although he claims a salesperson had suggested he would make tens of thousands per year from renting it out, he was left with less than £1,500 in income after the first year and £300 after the second, once running and maintenance costs had been deducted.

A doubling of service fees and a pricey pitch move deemed compulsory by park operators led to significantly more outlay than expected, leaving him very out of pocket and keen to sell. But operators only offered him around 20 per cent of the original purchase price to buy back his lodge and, morally, he felt that he couldn’t sell it on to other unsuspecting purchasers in a private sale.

Contracts sometimes stipulate that owners must give operators first refusal when reselling, and many operators also charge commission on private sales. Though 10 per cent is the norm, *The Telegraph* has heard about people being charged up to 18 per cent.

Meanwhile, for a proportion of purchasers, a [lodge or caravan is more than just a place to go on holiday](#) – it's a home. In a desperate quest for affordable housing, they may hand over life savings or pension pots to buy static caravans or lodges. But, despite tales of salespeople claiming otherwise, designated holiday developments don't allow year-round living – a fact that sometimes only emerges after contracts are signed.

“This can cause major problems, like having to move out for part of the year, paying higher site fees (which include VAT on holiday homes), and even struggling to sell the property later on, potentially at a loss,” says Richard Hand, a Senior Legal Manager at the government-funded [Leasehold Advisory Service](#). “A lack of regulation and enforcement of existing laws can make it difficult to obtain redress if things go wrong.”

If buyers have taken a loan to finance their buy, they may also be paying back far more than the purchase price. There are no mortgages for lodges or caravans but some providers offer financing options.

“Unfortunately, the clients who are a little bit more vulnerable seem to be pounced upon by the sales teams and sold finance products to help pay for it. With someone who spends £35,000 pounds on a caravan, the sales team may have relied heavily on the idea that you can just pay for it on a monthly basis. ‘It's only 300 quid a month. If you don't want to pay 300 quid, you can probably rent it out to pay for it’ [they might claim],” says Wilson.



Major television networks have produced shows focusing on issues with lodge and caravan purchases Credit: getty

Though the monthly payments may sound OK, interest rates can be high, meaning owners could end up paying much more than the original purchase price for something that could hold negligible value at the end of the loan term. They also need to factor in maintenance and site fees, which some unscrupulous site owners use to put spiralling costs into place.

During the time that the Gormleys owned their lodge in Wales, they claim that they and other owners were told that the park would be open for an extra month and a half per year and they would need to make service charge payments to cover this (they had only ever agreed to nine months per year as health issues meant they needed to spend the winter in their permanent home). Despite a group objection, they were given a month's notice until the new rule came into effect – but the Gormleys claim that services, such as the on-site bar, weren't actually made available over the extended opening period.

The couple also alleges that [promised amenities](#) that had led the couple to buy at the park, including a children's playground and working Wi-Fi, failed to materialise, leaving them feeling they had no choice but to sell up. Another issue occurs when park lodge businesses go into liquidation – as happened in 2023 with Royale Parks, which operated 29 sites across the country and reportedly owed £308 million when it collapsed. When a park is taken over by a new firm, there are questions over whether owners' existing contracts still apply or whether they could face increased charges or compulsory upgrades to their properties, or endure forced moves to other areas of the site.

“There has been quite a bit of litigation when it comes to residential parks, but it hasn't been tested with holiday homes. So in my view, there isn't a clear answer there. For that particular question, I would urge the owners to get specific advice,” says Dulmeer.

He's keen to stress that not all operators are bad. “I act for operators also, and in most cases, my clients simply want to resolve issues, and have wanted to understand what the legal position was for them before they acted, which I always would encourage. Whereas, when I've been on the other side of operators, you sometimes see quite aggressive practices. You try to say, ‘why don't we sit around the table and avoid the litigation process?’ but sometimes that's entirely ignored.”

A spokesperson for The British Holiday & Home Parks Association told *The Telegraph*: “Buying a holiday caravan or lodge is a long-term lifestyle purchase, not a financial investment. It is designed to enable you to enjoy regular holidays for a fixed period of time – usually 10 years or more. Its value will fall over time with the greatest reduction coming in the short term. [BH&HPA has produced a 90-second video](#) for anyone thinking of buying a holiday caravan or lodge.

“Many thousands of people buy a holiday caravan or residential park home each year, the vast majority of whom have a positive experience, and go on to enjoy all the holiday and lifestyle benefits that come with ownership.”