

TENDRING

HOLIDAY PARK SECTOR REVIEW

Final Report

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Tendring District Council

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EXECUTIVE SUMMARY

The Purpose of the Study

- The Tendring Holiday Park Sector Review provides information on recent and likely future market and product development trends in the UK and Tendring holiday park sector as a basis for considering requirements for future planning policies for holiday parks in Tendring as part of the Local Development Framework for the District.

The UK Holiday Park Sector

- The UK holiday park sector comprises four broad types of accommodation business:
 - Large-scale **holiday centres** operated by Butlin's and Pontin's, which provide a choice of catered and self-catering accommodation, a wide range of sports and leisure facilities and a full programme of activities and entertainment.
 - Large-scale **holiday villages** providing high quality self-catering accommodation units and a wide range of sports and leisure facilities. Center Parcs is the main operator of holiday villages in the UK.
 - **Holiday parks** that offer caravan holiday homes, chalets and lodges for ownership and/or rental and in some cases touring caravan and camping pitches. These can range in size from small, independently operated parks with just a few static caravans to large holiday parks with extensive leisure, catering and entertainment facilities operated by national and regional holiday park companies.
 - **Holiday lodge parks**, which offer timber holiday lodges for outright or timeshare purchase and/or rental. These are usually small and upmarket and have developed primarily in inland locations, often in woodland or waterside settings.
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The Tendring Holiday Park Sector

- Tendring has a total of 26 holiday parks with 6,816 owned holiday homes, 744 holiday homes for hire and 543 touring pitches. The District has no holiday centres or holiday villages. It has one holiday lodge park at Dovercourt. The majority of holiday parks in Tendring are independently owned and operated. Two of the UK's leading holiday park operators (Park Holidays and Park Resorts) are well represented in Tendring. Haven also has a site in the District. Accommodation units on Tendring holiday parks are primarily caravan holiday homes. A few parks have timber holiday lodges or log cabins. These are primarily located in the rural parts of the District. Holiday parks in Tendring are concentrated in Clacton-on-Sea, Walton-on-the-Naze, St Osyth and to a lesser extent Dovercourt.

The Economic, Social & Environmental Contribution of Holiday Parks

- Many holiday parks make a significant contribution to their local economy in terms of the volumes of visitors they attract, the money that these visitors spend in the local area, the jobs that they provide and the support that they provide to local businesses through their purchase of produce, goods and services from them. In some cases holiday parks make their facilities available for local people to use. Many holiday park owners have a proven track record of protecting and enhancing the natural environment.

Market Trends

- The market for **holiday home sales** has become much more challenging in 2008 and 2009 as a result of the recession, following a period of strong growth in demand up to 2007. The volume of sales has generally recovered in 2009, with many holiday park operators reporting similar sales levels to 2006 and 2007. Profit margins have however reduced, with fewer sales of premium caravan holiday homes and holiday lodges and stronger sales of smaller and lower end holiday homes and a growth in sales of pre-owned holiday homes. In the longer term the outlook for holiday home sales looks very positive, with industry commentators and holiday park operators expecting to see growth in 2010 and 2011.
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- Up until 2007, before the current economic downturn, the trends in holiday home sales had been towards the purchase of:
 - Larger caravan holiday homes, with strong growth in sales of 6-8 berth caravans and twin holiday homes;
 - More expensive, higher quality, higher specification caravan holiday homes with features such as en-suite bathrooms, double glazing, central heating and higher levels of insulation;
 - Plots with direct road access, car parking spaces, patios and landscaping, with a general demand for more privacy;
 - Holiday lodges.

 - These trends are likely to resume as the economic climate improves.

 - The growth in the holiday home ownership market over the last 20 years and improved specification of caravan holiday homes has driven demand for extended opening of holiday parks to 10 to 11 months of the year.

 - The **holiday home rental** market in the UK has seen strong growth in 2009 as UK holidaymakers have sought lower cost holiday options during the recession and switched from taking a European holiday while the euro has been so strong against the pound. Holiday parks have also benefited from the growing popularity of UK holidays as people become more concerned about reducing their carbon footprint. These trends have introduced many new customers to holiday parks.

 - The trend in holiday home hire has for many years been towards short breaks, with increasing demand for 4 and 5 night breaks and long weekends and reducing demand for one and c two-week holidays, although the market for weeklong holidays remains strong during July and August.

 - The season for caravan holiday home hire has not particularly lengthened over the past 20 years. Demand remains focused on the traditional family holiday periods between Easter and October. The growth in short breaks has however boosted weekend demand in the shoulder months.
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- Demand for **touring caravanning and camping** has grown strongly in the UK in 2009 as a result of more UK holidaymakers opting for holidays in the UK this year. Growth in this market is also being fuelled by people's increasing concerns to reduce their carbon footprint. There have been no significant trends in terms of the length of the season for touring caravanning and camping in the UK. Demand has remained highly seasonal and weather dependent. The growth in demand for short breaks is helping to boost weekend demand throughout the season however.

Development Trends

- The market for buying and selling holiday parks has become much more challenging in the last 2 years as a result of the recession, with no significant **holiday park sales** in 2008 and 2009. The last few months have begun to see some easing in the market as finance starts to become more available, with a number of small to medium-sized deals. Caravan park property agents expect the market to slowly recover in 2010 and 2011.
- Prior to the current economic downturn there had been strong demand for sites for **new holiday parks** in the UK. The difficulty of obtaining planning permission for a new holiday park has generally constrained the development of new sites however.
- The main focus in terms of the development of new holiday parks has been in terms of the **development of holiday lodge parks**, for which it has generally been easier to obtain planning permission. These are usually much smaller developments, often in wooded, waterside or valley locations where they will have less visual impact on the landscape.

- The last 20 years have seen significant **improvements in UK holiday parks** with operators investing in:
 - Upgrading indoor swimming pools and in some cases developing new leisure pool complexes;
 - Upgrading existing and developing new entertainment centres;
 - Indoor and outdoor leisure and sports facilities;
 - Upgrading club houses;
 - Upgrading holiday home plots;
 - New park layouts;
 - Landscaping;
 - Park roads, street lighting and other infrastructure;
 - Health and safety improvements;

 - In terms of layout, holiday parks have been moving away from rows of static caravans to cul de sacs of caravan holiday homes. Holiday home owners are also now looking for larger plots with parking spaces and patios and landscaping and screening to afford greater privacy. The new layouts of holiday parks and market demand for larger and more private plots are generally resulting in a lower density of holiday homes on parks, in many cases 15-20% less than the previous capacity.

 - With the growth in demand for holiday home ownership and rental over the last 20 years many parks have gradually expanded where they have land available and have been able to secure planning permission. With the strong growth in the market in 2009 and good future prospects for the sector many holiday park operators are likely to be keen to expand in the future if they can. Many holiday parks have no land available however. The **expansion of holiday parks** is also often constrained by planning policies.

 - There has been something of a trend in recent years for the **conversion of touring caravan and camping pitches** on holiday parks to caravan holiday home plots as this is usually much more profitable for them.
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- Park Holidays has introduced **timber holiday lodges** on some of its holiday parks in other parts of the country. The company has no plans to do so on its holiday parks in Tendring, as it does not feel that there would be demand for this type of unit here. Park Resorts has no plans to introduce timber holiday lodges on its holiday parks.

Pressure for Alternative Uses

- Holiday parks often face pressure from residential use of holiday homes. Bona fide park operators are generally keen to deter such use as far as they can. It can be very difficult to fully control on large holiday parks however. Less committed holiday park operators may be much less stringent about residential use.
- In some locations, including Tendring, holiday parks have been lost to residential development and may face renewed pressure for this as an alternative use once the residential property market recovers. There could also be pressure for other alternative uses such as supermarkets and retail parks.

The Future for the Holiday Park Sector in Tendring

- The review of trends and prospects for the UK holiday park sector suggests a strong future for the industry in Tendring:
 - Demand for holiday home ownership and rental looks set to increase;
 - Holiday park operators are keen to continue to invest in upgrading and developing their parks;
 - There would appear to be market potential and operator demand for the expansion of holiday parks and the possible development of new holiday parks, if planning permission can be secured;
 - Further holiday lodge parks may be developed in the rural parts of the District;
 - Demand for longer operating seasons for holiday parks may increase;
 - Holiday park operators may increasingly look to convert touring caravan and camping pitches to caravan holiday home plots.

- Holiday parks in the District are however likely to face continuing pressure for residential use of holiday homes and for development from other alternative uses.

Planning Policy Considerations

- The analysis of likely future trends and prospects for the Tendring holiday park sector, together with national policy guidance, suggest that Tendring District Council will need to have planning policies in place for the future which, subject to other material planning considerations and conditions, can support:
 - The upgrading and development of existing holiday parks;
 - The expansion of existing holiday parks, subject to adequate screening and landscaping and satisfying flood risk issues;
 - The development of new holiday parks, subject to satisfactory measures to minimise their environmental impact and satisfying flood risk issues;
 - The development of holiday lodge parks in the rural parts of the District;
 - The retention of existing holiday parks and protection from residential use and development for alternative uses, unless they cannot be economically upgraded and an alternative use might be more appropriate;
 - The extension of the operating season for holiday parks to up to 11 months and possible extension of the season for holiday parks in areas at risk of flooding beyond the 8 month season that the current Local Plan allows;
 - The development of permanent on-site accommodation on holiday parks for park managers.
 - The District Council may also need to consider a policy to control the loss of touring caravan and camping pitches on holiday parks to conversion to caravan holiday home plots. Further research may be needed to fully assess this issue. Much will also depend on whether touring caravan and camping sites develop in the District to replace capacity that may be lost on holiday parks.
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1. INTRODUCTION

1.1 Background & Purpose of the Research

- Tendring District Council is currently in the process of preparing its Core Strategy & Development Control Policies DPD as part of its Local Development Framework Programme. The Core Strategy Discussion Document issued in March 2009 proposed a specific core policy on tourism to maximise the potential for tourism growth in the District. The text relating to the tourism policy recognises the important role that tourism plays in economy of Tendring, with 13% of the District's workforce currently working in this sector, and potential for a significant proportion of new jobs to be tourism-related. The Development Policies section of the Core Strategy Discussion Document suggests a need for a policy on extensions to caravan parks as is included in the current Adopted Local Plan for the District. To help inform this and other possible planning policies for caravan parks as part of the Core Strategy & Development Control Policies DPD, Tendring District Council has commissioned Hotel Solutions to undertake a review of recent market and product development trends in the UK and Tendring holiday park sector and the future prospects for the sector in Tendring. The following report provides the findings of this review and draws conclusions on the future policy direction for the Council in relation to holiday park development and retention.

1.2 Research Methodology

- The following modules of research and consultation have been undertaken as part of the holiday park sector review:
 - A review of available research reports on trends and future prospects in the UK holiday park sector:
 - Holiday Centres Leisure Intelligence – Mintel, October 2008
 - UK Holiday Parks – Fast Forward After A Setback - Ros Pritchard, Director General of the British Holiday & Home Parks Association – article published in VisitBritain's Insights, November 2003
 - The UK Holiday Lodge Market Survey – Humberts Leisure, October 2006

- A telephone survey of UK holiday park operators represented in Tendring and two major holiday parks in the District:
 - Park Holidays – Matt Purdom, Development Director
 - Park Resorts – Alan Castledine, Operations Director
 - The Firs Caravan Park – Hazel Senchell
 - Orchards Holiday Village – Neil Ainsworth

 - Telephone consultations with key industry bodies and experts:
 - British Holiday & Home Parks Association – Joan Clark
 - National Caravan Council – Louise Woods
 - Humberts Leisure – John Anderson
 - Charles F Jones – David Grant Haslam
 - Rural Urban Planning – Ian Butter
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2. THE UK HOLIDAY PARK SECTOR

2.1. General Overview of the UK Holiday Park Market & Sector

2.1.1. The UK Holiday Park Market¹

- Holidays taken on holiday parks, in both owned and rented holiday homes, accounted for almost 9% of all tourist bednights in the UK in 2008 and visitor spending of over £1.1 billion. Almost 7 million British people took a holiday in a caravan holiday home in the UK in 2008, 3.7 million in their own holiday home and 3.2 million in a rented holiday home. 32.6 million nights were spent in caravan holiday homes, with an average length of stay of 4.7 nights.
- In addition to holidays on holiday parks British people took a further 1.9 million holidays in UK holiday centres in 2008, spending a total of 8.1 million nights and some £395 million. This equated to around 2% of the UK tourist market in 2008.

2.1.2. The UK Holiday Park Sector

- The UK holiday park sector essentially comprises 4 broad types of accommodation business²:
 - Holiday centres;
 - Holiday villages;
 - Holiday parks;
 - Holiday lodge parks;

¹ The source for all of the statistics quoted for the UK holiday parks market is the United Kingdom Tourism Survey (UKTS) 2008

² While many holiday parks provide pitches for touring caravanning and camping, purely touring caravan and camping sites are a separate sector

Holiday Centres

- These were originally known as holiday camps that started to develop in the UK in the 1930s and 40s, providing low-cost catered holidays in chalet accommodation for working class families that included a wide range of sports and leisure facilities and a full programme of activities and entertainment. The UK supply of holiday centres reduced significantly in the 1980s and 1990s as competition from overseas holidays increased. There are now only two main holiday centre operators in the UK – Butlins and Pontin's – together with a small number of independent operators. Both companies have sold off most of their holiday centres, in many cases for conversion to caravan holiday home parks, and invested heavily in their remaining centres.
 - Butlins (owned by Bourne Leisure) now has just 3 centres – at Bognor Regis, Minehead and Skegness. It has invested heavily in these sites over the past 15 years in terms of upgrading their accommodation offer and developing new leisure, sports, entertainment and catering facilities, including the introduction of High Street restaurant brands. Recent years have seen the company starting to diversify the accommodation offer of its holiday centres to meet market requirements, with the focus now firmly on the family break market and a move more upmarket. The company opened the Shoreline Hotel at its Bognor Regis centre in 2005 and a new 4 star hotel and spa in 2009. Further phases of development envisage the continuing replacement of chalet accommodation with hotels, with plans for a budget hotel and possibly an aparthotel. At the Minehead centre a timeshare complex has been developed. The company has also invested a further £1.3 million in upgrading the centre's facilities in 2009, including the installation of a 200 ft zip wire and climbing facilities. A further £1 million has been invested in upgrading the Butlins Skegness centre in 2009.
 - Pontin's was acquired by private investment company Ocean Parcs in 2008. The company has recently unveiled plans for a multi-million pound investment in the expansion, development and refurbishment of the 5 remaining Pontin's holiday centres across the UK, following the closure of its Blackpool centre in 2009. The investment programme will include extending and upgrading the leisure pools at each centre, new spa complexes, the refurbishment of entertainment centres, new bars and restaurants and new amusements, bingo, betting and gaming facilities. A new generation of high quality, eco-friendly guest accommodation will also be developed at each centre to increase their capacity. The Southport Pontin's will also see the development of a hotel and conference facility.
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- The traditional market for holiday centres has been C1/C2 families. Butlin's has moved more into the B family market as it has upgraded its product. Pontin's will also start to target this market following the investment in their holiday centres. Both companies hold party weekends and cater for corporate weekends outside of the main season to boost off peak periods.

Holiday Villages

- Center Parcs is the main operator of holiday villages in the UK. It opened its first UK site at Sherwood Forest in Nottinghamshire in 1987 and has subsequently developed holiday villages at Elvedon Forest in Suffolk and Longleat Forest in Wiltshire. It also acquired the Oasis Forest Holiday Village from Bourne Leisure in 2001, now known as Center Parcs Whinfell Forest. The Center Parcs concept is environmentally themed and based on a package of sports and recreational facilities and activities, including a central water-leisure centre. All of its holiday villages also now include spas, together with a range of restaurants. The majority of visitors stay on-site for the duration of their stay. The company achieves average annual occupancies of over 90% trading primarily in the AB family break market. A fifth Center Parcs holiday village is currently under construction at Woburn in Bedfordshire, due to open in 2010.
 - The £110 million Bluestone Holiday Village opened in Pembrokeshire in 2008. It has 335 timber holiday lodges surrounding a Celtic village of 60 holiday cottages. Central facilities include a waterpark, spa, sports centre, indoor snow centre and adventure sports centre.
 - Plans have recently been unveiled for major new holiday villages in Derbyshire and Northumberland. Further details are provided at Appendix 1.
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Holiday Parks

- There are approximately 4,000 holiday parks in the UK with around 335,000 caravan holiday homes, chalets and lodges for ownership or rental, with touring caravan and camping pitches on many parks. The UK holiday park sector is characterised predominantly by independent private ownership of relatively small holiday parks, together with a number of larger national holiday park operators, in many cases backed by private equity companies, with 20-40 holiday parks in their portfolios and regional holiday park operators with smaller collections of holiday parks. A key trend in recent years has been the emergence of a number of major national holiday park operators that have acquired individual parks or smaller operators and then invested in upgrading and expanding the sites that they have acquired. A number of these companies are seeking to further grow their portfolios of holiday parks. Information on the key UK holiday park operators is provided at Appendix 1. The sector remains dominated by independent owners however. Of the 4,000 or so holiday parks in the UK the top 5 holiday park operators still have fewer than 180 parks between them.
 - Most UK holiday parks provide a mixture of owned and hired caravan holiday homes. Holiday home ownership only really started to take off in the 1980s. Prior to this the market had been primarily for rented holiday homes. This growth in holiday home ownership has been a key driver of the improvements that have taken place in the standards of holiday parks and the quality of holiday homes over the last 20 years. The purchase of a holiday home is a significant investment for most people. Holiday home owners tend to be aged over 40 years and may be buying a holiday home with funds released from downsizing from a previous family home. They tend to be much more demanding in terms of quality than hirers, often wanting the same standard of facilities and comfort that they have in their own homes. These requirements of holiday home owners have helped to lift quality standards in the sector.
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- Most holiday park operators offer a rental service to holiday home owners to let their holiday homes. In many cases owners let their holiday homes themselves. In some cases owners have purchased a number of holiday homes on a park and market them for hire as a micro holiday home letting business within a holiday park. This market for the letting of holiday homes and the income it generates for owners has been a further factor that has driven the holiday home ownership market. It also helps to generate on-site spend for holiday parks in their bars, restaurants and entertainment facilities and off-site spend in the local area by generating a flow of holidaymakers throughout the season.
- Holiday home ownership and sales are vital to the operation of holiday parks as they provide the base income for the park. Few holiday parks operate purely on a hired basis.

Holiday Lodge Parks¹

- A new type of holiday park that has emerged in the last 20 years is the holiday lodge park offering timber holiday lodges for outright or timeshare purchase and/or rental. Such parks have developed primarily in inland locations, often woodland or waterside settings and/or associated with other developments and activities such as marinas, golf courses (golf lodges), fishing lakes (fishing lodges), watersports or alongside hotels. Timber holiday lodges initially started to develop in response to market demand for higher quality accommodation and to address environmental concerns about the visual impact of static caravans. In the 1980s there was a view that holiday lodges would eventually replace static caravans on holiday parks. This has not happened however due to the substantial improvement in the specification of static caravans and the significantly higher cost of holiday lodges. While timber holiday lodges fit well in a woodland or waterside setting they are not as well suited to coastal locations and do not usually sit well alongside caravan holiday homes. Holiday lodge parks have thus developed more as a niche product at the top end of the holiday park market.

¹ Much of the information on holiday lodge parks is drawn from 'The UK Holiday Lodges Market Survey', HLL Humberts Leisure, October 2006

- Most holiday lodge parks are small – the average holiday lodge park covers 32.2 acres and has 35 lodges. Timber holiday lodges are generally seen as a more up-market and exclusive alternative to the traditional static caravan holiday home: they are particularly popular with older and more affluent customers. Most holiday lodges have two or three bedrooms. Holiday lodge parks increasingly have a number of on-site leisure facilities, including restaurants, bars, swimming pools, gyms and children's play areas. Holiday lodges are generally purchased as second homes for holiday purposes. Most park operators offer a holiday rental service to owners and many make participation in such a service a condition of purchasing a lodge. Lodge owners typically live within 3 hours of their holiday lodge and are aged over 50. The lodge rentals market attracts a younger clientele, with rental holidaymakers most typically aged 31-50.

2.1.3. The Economic, Social & Environmental Contribution of Holiday Parks to an Area

- Many holiday parks make a significant contribution to their local economy in terms of the volumes of visitors they attract, the money that these visitors spend in the local area, the jobs that they provide and the support that they provide to local businesses through their purchase of produce, goods and services from them. Research¹ demonstrates that each caravan holiday home generates spend of between £6,305 and £17,952 into the local economy. Research has also shown that every two caravan holiday homes support one rural job in terms of both direct and indirect spend.
- Holiday parks employ significant numbers of people in jobs ranging from restaurant and bar staff, shop assistants and entertainment staff to reception staff, security guards and grounds maintenance staff. While many parks are only able to offer seasonal employment, parks that have extensive indoor leisure and entertainment facilities now open for 10 to 11 months of the year and are able to offer year-round jobs.
- In some cases holiday parks make their facilities available for local people to use. This might be in terms of allowing local people to make use of their on-site shop or post office or allowing local residents and schools to make use of a park's swimming pool and leisure facilities. Holiday parks are thus providing amenities that might not otherwise be available for the local community.

¹ 'Caravan Holiday Homes in Wales', The Tourism Company, 2003 – RPI applied to give 2009 economic contribution.

- Many holiday park owners have a proven track record of protecting and enhancing the natural environment. By their very nature holiday parks are green spaces that provide managed environments that are equally attractive to holidaymakers, flora and fauna. Holiday park operators have undertaken a range of initiatives to better assimilate holiday parks into the landscape, from the painting of static caravans to new landscaping and screening. Many holiday park operators pay great attention to protecting the environment and reducing their carbon footprint e.g. through the use of solar power, the development of wildlife areas and encouraging holiday home owners and hirers to recycle their waste. The achievements of almost 670 UK holiday parks in relation to nature and environmental conservation management are now recognised by the David Bellamy Conservation Award Scheme for holiday parks that was first established in 1996.

2.2. Market Trends

2.2.1. Holiday Home Sales

- The market for holiday home sales has become much more challenging in 2008 and 2009 following a period of strong growth in demand up to 2007. Sales of new caravan holiday homes in the UK were down by 22% in 2008. This can largely be attributed to the economic recession and downturn in the residential property market however 18,000 new caravan holiday homes were still sold during the year. Caravan holiday home sales have been better than expected in 2009. The volume of sales has generally recovered with many holiday park operators reporting similar sales levels to 2006 and 2007, although this has not been the case in all parks. Profit margins have however reduced in 2009 with fewer sales of premium caravan holiday homes and holiday lodges and stronger sales of smaller and lower end holiday homes and a growth in sales of pre-owned holiday homes. In the longer term the outlook for holiday home sales looks very positive, with industry commentators and holiday park operators expecting to see growth in 2010 and 2011.
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- The growth in the numbers of older people in the population has been a factor that has fuelled the growth in demand for owning caravan holiday homes and is likely to continue to be a factor in the future. Purchasers of caravan holiday homes and holiday lodges are usually in their 40s and 50s. They are generally looking for the comfort and convenience of a permanently located holiday home that they can use at their leisure rather than touring caravanning and camping that they might have undertaken when they were younger. In some cases holiday home purchasers may be using funds released from the sale of a family home as they downsize to a smaller property in older age.

- Up until 2007, before the current economic downturn, the trends in holiday home sales had been towards the purchase of:
 - Larger caravan holiday homes, with strong growth in sales of 6-8 berth caravans and twin holiday homes;
 - More expensive, higher quality, higher specification caravan holiday homes with features such as en-suite bathrooms, double glazing, central heating and higher levels of insulation;
 - Plots with direct road access, car parking spaces, patios and landscaping, with a general demand for more privacy;
 - Holiday lodges.

- These trends are likely to resume as the economic climate improves.

2.2.2. Holiday Home Rental

- The holiday home rental market in the UK is estimated to have increased by around 25% in 2009 as UK holidaymakers have sought lower cost holiday options during the recession and switched from taking a European holiday while the euro has been so strong against the pound. Holiday parks have also benefited from the growing popularity of UK holidays as people become more concerned about reducing their carbon footprint. These trends have introduced many new customers to holiday parks in 2009. Some holiday park operators have increased their hire fleets and may look to further increase them in the future if these trends continue.

- The trend in holiday home hire has for many years been towards short breaks, with increasing demand for 4 and 5 night breaks and long weekends and reducing demand for one and certainly two-week holidays. However, the market for weeklong holidays remains strong during July and August.
- The season for caravan holiday home hire has not particularly lengthened over the past 20 years. Demand remains focused on the traditional family holiday periods between Easter and October. The growth in short breaks has however boosted weekend demand in the shoulder months.
- The market for caravan holiday home hire remains predominantly young families from the C, D and E socio-economic groups. The growth in the short breaks market and the improvements in the standards of holiday parks and holiday homes have however resulted in some growth in demand from career couples, emptynester couples and AB families.
- Caravan holiday home hirers are not generally looking for particularly high quality holiday homes. Price is the key driver in this market. Haven reported a growing demand from holiday home hirers wanting to upgrade to higher quality units on its parks however. Career and emptynester couples and AB families are likely to require higher quality holiday homes. These are minor market for caravan holiday home hire. High quality rental units on holiday lodge parks attract strong demand from these markets.

2.2.3. Touring Caravanning & Camping

- Demand for touring caravanning and camping has grown strongly in the UK in 2009 as a result of more UK holidaymakers opting for holidays in the UK this year. Growth in this market is also being fuelled by people's increasing concerns to reduce their carbon footprint. Caravanners and campers generally have a higher green awareness compared to the public in general.
- There have been no significant trends in terms of the length of the season for touring caravanning and camping in the UK. Demand has remained highly seasonal and weather dependent. The growth in demand for short breaks is helping to boost weekend demand throughout the season however.

2.2.4. Extending the Season

- The growth in the holiday home ownership market over the last 20 years has driven demand for extended opening of holiday parks to 10 to 11 months of the year. The improved specification of caravan holiday homes and high quality of holiday lodges has resulted in demand from owners wanting to use their holiday homes into the winter and over the Christmas and New Year period. The holiday home rental market remains largely seasonal however, with little demand for rented caravan holiday homes in the winter other than some weekend demand for large holiday parks with significant indoor leisure and entertainment facilities. Holiday lodge parks can also attract some rental demand for weekend breaks in the winter, depending on where they are located. Butlin's and Pontin's hold party weekends and cater for corporate weekends outside the main season to help boost off-peak business.
- Smaller holiday parks that open during the winter will often close their restaurant and leisure facilities at this time of the year as they are uneconomic for them to run with reduced numbers of people on site. This can help to encourage spending in the local area by holiday home owners in the winter.
- Flood risk issues have been a major restriction on extended opening of holiday parks in areas that are subject to flooding in the winter as planning policies in most such locations will not usually permit this.
- Most bona fide holiday park operators find a forced period of closure in the winter beneficial as it helps them to control residential use of holiday homes by reinforcing the fact that they are holiday parks and not residential parks. It also allows a clear period for major repairs and maintenance work to be undertaken.

2.3. Development Trends

2.3.1. Sales of Holiday Parks

- The market for buying and selling holiday parks has become much more challenging in the last 2 years as a result of the recession, with no significant holiday park sales in 2008 and 2009. While there is still a reasonable amount of interest in the market, prospective buyers are having difficulty in securing finance to purchase holiday parks. Relatively few holiday parks have been coming onto the market. Potential holiday park vendors are not interested in selling in the current depressed market. The holiday park sector has also remained very robust during the economic downturn with very few holiday parks entering administration and coming onto the market as a result. The sector has not seen the same numbers of holiday parks going into receivership as has been seen in other sectors of the tourist accommodation market, such as the hotel sector.
- The market for buying holiday parks had been very buoyant up until 2007 with sales of holiday parks to independent buyers, existing holiday park owners buying a second or third park, and regional and national holiday park operators looking to grow their portfolios of parks. The majority of holiday park buyers have then gone on to invest in upgrading and developing the parks that they have acquired.
- The last few months have begun to see some easing in the market as finance starts to become more available, with a number of small to medium-sized deals. The caravan park property agents that we spoke to expect the market to slowly recover in 2010 and 2011.

2.3.2. Development of New Holiday Parks

- Prior to the current economic downturn there had been strong demand for sites for new holiday parks in the UK. The difficulty of obtaining planning permission for a new holiday park has generally constrained the development of new sites however. The majority of local authorities across the country have planning policies that resist the development of new holiday parks because of their visual impact on the landscape. Flood risk issues are also a major barrier to new holiday park development. As a result very few new holiday parks have been developed in the UK in the last 20 years. Development activity has had to focus more on the expansion and upgrading of existing holiday parks.

- These constraints on the development of new holiday parks have however been a key factor in the robustness of the sector as it has meant that market demand has generally exceeded supply in most parts of the country.
- New caravan holiday home parks are very capital intensive to develop due to the investment needed in site infrastructure, the development of leisure and entertainment facilities, holiday home plot development and the establishment of hire fleets.
- The main focus in terms of the development of new holiday parks has been in terms of the development of holiday lodge parks. These are usually much smaller developments. They are also often in wooded, waterside or valley locations where they will have less visual impact on the landscape. They are not usually located in areas that are at risk of flooding so it has generally been much easier to obtain planning permission for these types of development.

2.3.3. Investment in Holiday Parks

- The last 20 years have seen significant improvements in UK holiday parks with operators investing in:
 - Upgrading indoor swimming pools and in some cases developing new leisure pool complexes;
 - Upgrading entertainment facilities and developing new entertainment centres;
 - Indoor and outdoor leisure and sports facilities;
 - Upgrading club houses;
 - Upgrading holiday home plots;
 - New park layouts;
 - Landscaping;
 - Park roads, street lighting and other infrastructure;
 - Health and safety improvements;
- In terms of layout, holiday parks have been moving away from rows of static caravans to cul de sacs of caravan holiday homes with each home having direct road access. Holiday home owners are also now looking for larger plots with parking spaces and patios and landscaping and screening to afford greater privacy.

- The new layouts of holiday parks, market demand for larger and more private plots and larger sizes of holiday homes that people have been buying are generally resulting in a lower density of holiday homes on parks, in many cases 15-20% less than the previous capacity.
- With the growth in demand for holiday home ownership and rental over the last 20 years many parks have gradually expanded where they have land available and have been able to secure planning permission. With the strong growth in the market in 2009 and good future prospects for the sector many holiday park operators are likely to be keen to expand in the future if they can. Many holiday parks have no land available however. The expansion of holiday parks is also often constrained by planning policies that will not allow the expansion of holiday parks in areas that are at risk of flooding. Coastal holiday parks and holiday homes often fall into the high risk category in relation to flooding. Some local authorities, e.g. Rother District Council in East Sussex, have however been more sympathetic recently to the expansion of holiday parks even in flood risk areas.
- There has been something of a trend in recent years for holiday park operators to convert touring caravan and camping pitches to caravan holiday home plots as this is usually much more profitable for them.
- Another development trend that is starting to emerge is the development of hotels at holiday centres and on large holiday parks that offer extensive leisure and entertainment facilities. Butlins has developed two hotels at its Bognor Regis holiday centre, while the development plans for the Pontin's holiday centre at Southport include plans for a hotel. A hotel opened at the Southview Leisure Park in Skegness in 2004.
- Park Resorts has invested heavily in the holiday parks that it acquired in Tendring following its merger with Great British Holiday Parks in 2004. This has included new covered swimming pools and updated entertainment complexes. The company has expanded the parks where it had land available. Expansion plans have been held back in some cases, as planning permission has not been granted due to flood risk issues.

- Park Holidays has invested heavily in the Seawick Holiday Village, with new holiday home plots and a new swimming pool, pub and entertainment complex. It has also upgraded the clubhouses at its St Osyth and Oaklands holiday parks. The company would like to increase the number of caravan holiday homes at the Seawick Holiday Village but is constrained from doing so due to flood risk issues preventing it from securing planning permission for expansion here.
- Park Holidays has introduced timber holiday lodges on some of its holiday parks in other parts of the country. The company has no plans to do so on its holiday parks in Tendring, as it does not feel that there would be demand for this type of unit here. Park Resorts has no plans to introduce timber holiday lodges on its holiday parks. It will remain firmly focused as a caravan park business.
- Bourne Leisure continually invests in improving and developing its UK holiday parks. Work at the Orchards Holiday Village in 2008 and 2009 has focused on upgrading many of the park's holiday home plots in terms of raising the level and improving the drainage of plots to counteract the threat of flooding, installing mains gas and electricity, new concrete bases and landscaping. The number of touring caravan and camping pitches has also been doubled. Further investment in plot improvements and upgrading and expanding the park's facilities is planned for 2010.
- The Firs has plans to extend onto an adjacent 10-acre site to increase its capacity to 274 holiday home plots in order to enable it to meet demand for the larger plots that customers now require for the holiday homes that they are looking to purchase. The expansion would also allow improvements to the existing site. The park is however in the Green Gap. A planning application will be lodged early in 2010.

2.3.4. Pressure for Alternative Uses

- Holiday parks often face pressure from residential use of holiday homes. Bona fide holiday park operators are generally keen to deter such use as far as they can. It can be very difficult to fully control on large holiday parks however. Less committed holiday park operators may be much less stringent about residential use.
- In some locations, including Tendring, holiday parks have been lost to residential development and may face renewed pressure for this as an alternative use once the residential property market recovers. There could also be pressure for other alternative uses such as retail parks. The former Great British Holiday Parks previously applied for planning permission to redevelop the Highfield Grange holiday park in Clacton-on-Sea as an edge of town retail park.
- In some cases it may not be economically viable to upgrade and develop holiday parks to meet modern standards. This may be where holiday parks have become very run down and will require substantial investment or where the accommodation stock is primarily in the form of holiday chalets. It may therefore be appropriate to consider alternative uses for such parks.

3. TENDRING HOLIDAY PARK SUPPLY & PLANNING POLICIES

3.1. Tendring Holiday Park Supply

- The holiday park sector is clearly a key driver of the visitor economy in Tendring. Information provided by the District Council identifies a total of 26 holiday parks in Tendring (listed in the table overleaf), with 6,816 owned holiday homes, 744 holiday homes for hire and 578 touring pitches. This supply includes 9 very large holiday parks with over 400 holiday homes and with extensive central swimming pool complexes, leisure facilities and entertainment centres.
- Two of the UK's leading holiday park operators are well represented in Tendring - Park Resorts with 5 parks and Park Holidays with 3 parks. Park Resorts inherited a number of Great British Holiday Parks sites in Tendring when the two companies merged in 2004 and has since invested heavily in their upgrading. Haven also has a large holiday park in the District – the Orchards Holiday Village at Clacton-on-Sea, with over 1,000 caravan holiday homes. All of the other holiday parks in the District are independently owned.
- Fourteen of the District's holiday parks purely have owned holiday homes. A number of these parks are relatively small parks. All are independently operated. 10 holiday parks also have hire fleets of caravan holiday homes. Three parks have large hire fleets of over 100 holiday home units. All of the sites that are operated by national holiday park operators have hire fleets of varying sizes. Eight of the District's holiday parks also provide touring caravan and camping pitches. Two parks have over 100 touring pitches.
- Most of the parks have some availability for owned holiday home plots. Few have significant availability however and some are trading at their full licensed capacity.
- Owned and rented accommodation units on the Tendring holiday parks are mostly caravan holiday homes. A few parks have timber holiday lodges or log cabins. These are primarily located in the rural parts of the District.
- Holiday parks in the District are concentrated in Clacton-on-Sea, St Osyth, Walton-on-the-Naze and to a lesser extent Dovercourt.

TENDRING HOLIDAY PARK SUPPLY – OCTOBER 2009

Holiday Park	Location	Star Rating	Owned Holiday Homes	Vacant Owned Holiday Home Plots	Holiday Homes for Hire	Touring Caravan & Camping Pitches	Operator
Ashley's Holiday Park	Little Clacton		100	14	0	0	Independent
Bentley Country Park	Great Bentley		306	0	0	0	Independent
Brightlingsea Leisure Village	Brightlingsea		99	n/a	0	0	Independent
Dovercourt Haven	Dovercourt		500	Few	26	60	Independent
Elm Farm	Thorpe-le-Soken		39	39	0	0	Independent
Firs Caravan Park	Little Clacton		180	0	4	0	Independent
Fletchers Cara Park	Clacton-on-Sea		25	10	0	0	Independent
Greenacres Caravan Park	Dovercourt		93	20	0	0	Independent
Highfield Grange	Clacton-on-Sea	4 star	487	40	114	43	Park Resorts
Homestead Lake Park	Weeley	4 star	15	4	0	54	
Hutleys Caravan Park	St Osyth		165	Varies	0	18	Independent
Leisure Glades Park	Clacton-on-Sea		100	n/a	0	0	Independent
Martello Caravan Park ¹	Walton-on-the-Naze		400	20	38	0	Independent
Martello Beach Holiday Park	Jaywick	4 star	244	90	39	140	Park Resorts
Mill Farm	Great Bromley		22	6		8	Independent
Naze Marine Holiday Park	Walton-on-the-Naze	3 star	549	0	58	44	Park Resorts
New Hall Lodge	Dovercourt		40	18	0	0	Independent
Oaklands Holiday Village	St Osyth	3 star	405	50	0	0	Park Holidays
Orchards Holiday Village	Clacton-on-Sea	3 star	850	100	250	65	Haven
Sacketts Grove ¹	Clacton-on-Sea		205	n/a	0	100	Independent
Seawick Holiday Village	Clacton-on-Sea	3 star	483	n/a	125	0	Park Holidays
Silver Dawn/ Chester Holiday Park	Clacton-on-Sea		56	0	0	46	Independent
St Osyth Beach	St Osyth		430	46	32	0	Park Holidays
Southcliffe Trailer Park	Walton-on-the-Naze		36	0	0	0	Independent
Valley Farm	Clacton-on-Sea	4 star	666	70	47	0	Park Resorts
Weeley Bridge	Weeley	4 star	219	23	11	0	Park Resorts
Willows Caravan Park	Walton-on-the-Naze		102	0	0	0	Independent

Notes:

1. There is a widespread belief that these caravan parks are operating more as residential parks than holiday parks

3.2. Tendring Local Plan Policies for Holiday Parks

- The current Tendring Local Plan, adopted in 2007, includes three policies that relate specifically to holiday parks:

- **Policy ER18 - Protection of Existing Caravan and Chalet Parks**

This policy seeks to safeguard existing caravan and chalet parks from redevelopment for alternative uses. The policy was introduced following the loss of a number of caravan parks and holiday camps over the last 20 years, including some to housing development, and a recognition of the importance of this type of holiday accommodation for the future development of tourism in the District. The policy particularly seeks to retain the larger parks in prime locations in the main tourist areas in the District (Clacton/Jaywick, St Osyth/Point Clear and Dovercourt) and parks that have been upgraded or that have the potential to be upgraded and developed in the future.

- **Policy ER19 – Extensions to Static Caravan and Holiday Parks**

This policy allows for the extension of existing static caravan and holiday parks where this will result in material improvements to the overall layout, amenity and appearance of sites, provided that they are not in an area of high flood risk and expansion schemes include adequate screening and landscaping.

- **Policy ER20 – Occupancy Timescales**

This policy does not allow the occupation of holiday units, including chalets and caravans between 14 January and 1 March in order to deter permanent residential occupation of such forms of holiday accommodation. The policy allows for occupation to be further restricted to the period 1 March to 31 October where sites lie adjacent to areas designated for their importance for nature conservation or where a flood risk assessment indicates that this is necessary.

o **Policy ER22 – Small Holiday Villages**

The policy allows for the development of ‘small holiday villages’ in the District provided that they are not located in areas of flood risk and areas with special landscape designations, such as the AONBs that fall with the District, the Coastal Protection Belt and SSSIs. The supporting text to the policy defines a small holiday village as a development of well designed timber chalets preferably set in a predominantly wooded and undulating landscape with water features. Such sites are now more commonly defined as holiday lodge parks.

- The Local Plan does not include any specific policies for the development of new holiday parks or the relocation of holiday parks that may be adversely affected by coastal flooding in the future.

4. CONCLUSIONS

4.1. The Future for the Holiday Park Sector in Tendring

- Our review of the UK holiday park sector and the insight we have gained into the holiday park market in Tendring suggest a strong future for the holiday park sector in the District. Demand for holiday home ownership and rental is increasing and generally exceeds supply. Tendring is well placed to meet demand from these markets from East London, the Home Counties and the Midlands. Holiday park operators are investing in upgrading and developing holiday parks and look set to continue to do so in order meet increasing market demands for higher standards. The demand for holiday park acquisitions is likely to increase as the economy recovers, with buyers generally looking to invest in the parks that they acquire.
- There would appear to be market potential and operator demand for the expansion of holiday parks if planning permission can be secured. There could also be market potential for, and developer interest in new holiday park development, again if planning permission can be secured. Further holiday lodge parks may be developed as the demand for this type of accommodation and developer interest increases.
- Holiday home owners will continue to want to use their holiday homes during the winter resulting in continuing market demand for longer operating seasons for holiday parks.
- Holiday park operators may increasingly look to convert touring caravan and camping pitches to caravan holiday home plots given the higher profits that they can achieve from doing so. The holiday park operators that we spoke to in Tendring indicated that they find that there is more demand for caravan holiday homes in Tendring than there is demand for touring pitches. Further work may be needed to verify this however.

4.2. Planning Policy Considerations

- This analysis, together with national policy guidance¹ suggests that the District Council will need to give consideration to planning policies for holiday parks to cover the following issues:

- **The Upgrading & Development of Holiday Parks**

Our research suggests a need to continually encourage the upgrading of holiday parks in the District to meet ever more demanding market requirements. This will include the upgrading and development of leisure, sports and entertainment facilities, clubhouses and bars and restaurants as well as park layout, landscaping and infrastructure.

There may be scope for the development of hotels on holiday parks in the District as has started to happen in other parts of the country e.g. at the Southview Park holiday park in Skegness in Lincolnshire.

- **The Expansion of Holiday Parks**

Our research suggests that the District Council should maintain its current Local Plan policy to allow the extension of existing holiday parks where this will result in material improvements to the overall layout, amenity and appearance of sites provided that park extensions include adequate screening and landscaping. Our research suggests that the Council should consider whether there are any ways of permitting the expansion of holiday parks in flood risk areas as planning restrictions related to flood risk currently appear to be holding back the development of holiday parks in these parts of the District. We are not qualified to comment further on this issue however but raise it for the Council's consideration.

¹ Contained in the DCLG Good Practice Guide on Planning for Tourism, PPS7 – Sustainable Development in Rural Areas and the draft PPS4 – Planning for Sustainable Economic Development. Relevant sections of the Good Practice Guide and PPS7 are reproduced at Appendices 3 and 4.

o **The Development of New Caravan Holiday Home Parks**

The Council may wish to consider a policy in its LDF that would permit the development of new holiday parks, subject to satisfactory measures to minimise their environmental impact, to meet future growth in demand and possibly to replace holiday parks in coastal locations that may be lost to flooding as sea levels rise. PPS7 (see Appendix 4) encourages planning authorities, where appropriate, to set out policies in LDDs on the provision of new holiday parks and the re-location of holiday parks away from sites prone to flooding or coastal erosion, subject to ensuring that such developments are not prominent in the landscape and that any visual intrusion is minimised by effective screening. New holiday parks may not be appropriate in areas of high flood risk and are unlikely to be appropriate in AONBs and other areas of special landscape designation and nature conservation.

The Council may need to consider what scope there is to allocate sites in the District for new holiday park development as it moves forward with its Site Specific Allocations DPD.

o **The Development of Holiday Lodge Parks**

Our research suggests that there would be merit in the District Council maintaining the current Local Plan policy to allow the development of holiday lodge parks in the rural parts of the District, subject to them meeting all other material planning considerations. Such developments could possibly be considered in the AONBs in woodland settings or sites that are well screened from view. The Council would need to weigh up the benefits that such developments could provide to the AONB economies against their environmental impact.

o **The Retention of Holiday Parks**

Our research suggests a need for the Council to maintain its current Local Plan policy to safeguard existing holiday parks from alternative use. Holiday parks are the primary type of tourist accommodation in Tendring and vital to the future development of tourism in the District. While the sector remains successful and has such good future prospects there is no real need to allow holiday parks to convert to alternative uses. There may however be some parks that cannot be economically upgraded and where alternative uses might be more appropriate.

Effective enforcement of this policy will however be needed where residential use of holiday homes is suspected.

o **The Retention of Touring Pitches on Holiday Parks**

Our research suggests that holiday park operators in the District may increasingly look to convert touring caravan and camping pitches to caravan holiday home plots as this is much more lucrative for them. This would result in a reduction in the District's provision for touring caravanning and camping. The holiday park operators that we spoke to identified reducing demand for touring caravan and camping pitches on their holiday parks in Tendring. This is somewhat at odds with other indicators that show strong growth in the touring caravanning and camping market in the UK. Further research may therefore be needed to fully assess this issue. The touring market is much more seasonal than the holiday home ownership market. There may therefore be merit in allowing the conversion of touring pitches to caravan holiday home plots to help extend the tourist season in the District. Much will also depend on whether touring parks develop in the District to replace capacity that may be lost on holiday parks.

- o **Seasonal Occupancy Conditions**

Our research suggests that a period of winter closure is generally welcomed by bona fide holiday park operators as it helps them to deter residential use of caravan holiday homes and allows them a period to undertake major repairs and maintenance work. Demand for winter use of holiday homes has increased from holiday home owners. There could be a case for allowing further extensions to the operating season for holiday parks up to 11 months, possibly including the February school half term period. The Council may also wish to consider whether there is any scope to allow a longer operating season for holiday parks in areas at risk of flooding beyond the 8 month season that the current Local Plan allows.

- o **Staff Accommodation**

The DCLG Good Practice Guide on Planning for Tourism and PPS7 (see Appendices 3 and 4) identify a need for local planning authorities to recognise that it may be necessary to allow the development of permanent on-site accommodation on holiday parks for park managers to ensure security, maintain service quality and meet obligations in terms of health and safety regulations. The Council may therefore need to consider a policy that would allow the development of such accommodation on holiday parks.

APPENDICES

APPENDIX 1

**PROPOSED HOLIDAY VILLAGE, HOLIDAY PARK & HOLIDAY LODGE PARK
DEVELOPMENTS IN THE UK**

Peak Resort, Derbyshire

Chesterfield Borough Council in Derbyshire gave planning permission in 2008 for the £300 million Peak Resort at Unstone. This will include 250 holiday lodges in a woodland setting, a championship golf course and golf academy, a hotel and spa, an aparthotel, restaurants and bars.

Widdrington, Northumberland

Plans have been announced for the development of a £200 million tourism and leisure attraction on the site of three former mines at Widdrington in Northumberland. The scheme includes a holiday village, an indoor leisure complex with 50m pool, a man made sailing lake, a 150 bedroom hotel, a health spa and a championship golf course.

Holiday Lodge Park, West Lothian

Scottish developer VW Leisure is planning to build a £15 million eco-friendly leisure and holiday lodge park at the site of a former sand and gravel quarry in West Lothian. The project includes 33 New England –style log cabins set around two artificial lakes, together with water sports facilities, a large children’s play area and a fine dining restaurant. The development will incorporate a number of eco-friendly measures, including a wind powered main electricity supply and geo-thermal heating system. The park will be aimed particularly at families living in West Lothian.

UK HOLIDAY PARK OPERATORS

Haven

Owned by Bourne Leisure, Haven operates 35 holiday parks with a total of 23,000 owned static caravans and hire fleets and touring caravan and camping pitches on most sites. The majority of Haven holiday parks are large sites with indoor water leisure/ swimming pool complexes and a range of leisure and entertainment facilities. The company invested £41 million in 2008 in upgrading leisure, entertainment and restaurant facilities across its parks, together with £7 million on new accommodation units. It has also introduced luxury spa facilities at a number of its parks. Haven has invested a further £19 million in its holiday parks in 2009 on improved landscaping, new restaurant and entertainment facilities and new outdoor leisure facilities including ropes courses, climbing walls, zip wires and power fans at a number of holiday parks.

Park Resorts

Owned by GI Partners, Park Resorts operates 37 holiday parks across the UK offering static caravans, chalets and lodges for ownership or rental and touring caravan and camping pitches on many parks. The company invested £15 million in its holiday parks in 2008 and acquired sites on the Isle of Wight and in East Yorkshire. It achieved an 81% occupancy of its holiday hire fleet in 2008 and a 17% year-on-year growth in holiday home rentals. Key target markets are school-age families during peak holiday periods and couples, the grey market and pre-school families at other times. The company has invested heavily in leisure facilities, swimming pools and bars on its holiday parks in the last 2 years and will invest in accommodation and entertainment facilities in 2009.

Park Holidays

Previously Cinque Ports Leisure, Park Holidays operates 25 holiday parks across the UK, predominantly offering static caravans for ownership and small hire fleets on some parks. The company acquired a site in Devon in 2008. Like-for-like sales were up 14% in 2008 and have increased by 50% in the last 2 years. The company operates at an average seasonal occupancy of 75%. Its main customer base is C1, C2, D and E families. Younger families tend to hire. 40-60 year olds are more predominant in caravan sales. The company is continually investing in the accommodation units and leisure, catering and entertainment facilities on its holiday parks.

Parkdean Holidays

Parkdean Holidays operates 24 holiday parks across the UK (15 in the South West, 6 in Scotland, 2 in South Wales and one in Norfolk) offering static caravans, holiday homes and lodges for ownership and rental and touring caravan and camping pitches on many parks. Recent years have seen Parkdean investing in holiday lodge developments at a number of its holiday parks.

Haulfryn Group

The Haulfryn Group has 21 holiday parks (11 in North Wales, 5 in the West Country and 3 in the South East) offering static caravans and luxury holiday lodges primarily for ownership, with some units for hire. The company acquired 3 parks in 2008.

Pure Leisure Group

The Pure Leisure Group has 6 holiday parks in the Lake District and Northamptonshire with static caravans and holiday lodges for sale or rental and touring caravan and camping pitches. The company has recently unveiled plans for the development of a £9.5 million leisure and entertainment complex at its Billing Aquadrome site in Northamptonshire and a £3.5 million leisure complex at its Fell End park in the Lake District.

Island Meadow Parks

Island Meadow Parks has 9 holiday parks in Sussex, the New Forest, Suffolk and Norfolk. The company acquired Honeybridge Park in West Sussex in 2008 and has since launched a new development of holiday lodges and luxury caravan holiday homes at the park. The company is based in Chichester.

Hoburne Holiday Parks

Hoburne Holiday Parks has 6 holiday parks and one holiday lodge park in South East and South West England. The company's holiday parks provide caravan holiday homes for ownership and rental and significant leisure and entertainment complexes. Some parks also provide holiday lodge accommodation and touring caravan and camping pitches. The company is based in Dorset. It was first established in 1920. Hoburne has reported a 200% increase in holiday hire bookings in 2009.

EXTRACT FROM DCLG GOOD PRACTICE GUIDE ON PLANNING FOR TOURISM

Holiday, touring caravan, and chalet parks

19. In the UK as a whole, the parks industry accounts for tourist spend of some £3.23 billion¹ each year, accommodating some 22% of all holiday bed nights. The industry comprises holiday chalets, caravan holiday homes, pitches for touring caravans, motor homes and tenting and all types of self-catering accommodation. Holiday parks are the largest provider of rural tourism bed spaces.
20. PPS7 provides advice for planning policies and development proposals for static holiday and touring caravan parks and holiday chalet developments. Planners should carefully weigh the objective of providing adequate facilities and sites with the need to protect landscapes and environmentally sensitive sites. They should examine the scope for relocating any existing visually or environmentally intrusive parks away from sensitive areas, or for re-location away from sites prone to flooding or coastal erosion. However, the high land values associated with holiday parks, the cost of infrastructure and possible planning issues relating to a proposed site may make such proposals impractical and unviable.
21. This advice recognises that planning provides an opportunity to improve the attractiveness of such developments to those who visit them and as features in the landscape. The *Environmental Code for Holiday parks, Caravan and Camping Sites, and Park Home Estates*² advises park owners on fulfilling the industry's commitment to environmental protection. *Holiday Parks: Caring for the Environment – a guide to good practice* (1991), published by the Countryside Commission, remains an important reference document that includes many case studies directing holiday park operators toward best practice. Planners should work with owners and developers of sites to ensure that the most is made of these opportunities. Where there is an identified demand for new or expanded sites, planners should ensure that environmental impacts and impacts on visual amenity are minimised.

¹ UKTS 2002

² Park home estates are outside the scope of this guide as they are residential and not tourist developments

22. New sites that are close to existing settlements and other services will generally be more sustainable as some local services may be accessed by means other than by car. Similarly caravan storage facilities that are close to existing settlements may have less adverse impact and be more sustainable. However, there may be valid reasons for extending or improving existing holiday parks that are not located close to existing settlements by virtue of their support for successful local businesses and the provision of employment. Authorities should also consider how the proposal will affect tourism in the area, particularly in terms of its economic and environmental impacts.
23. Local planning authorities may attach conditions to planning permissions for holiday parks to ensure that they are used for holiday purposes only. However, with better caravan standards and the trend towards tourism as a year round activity, authorities should give sympathetic consideration to applications to extend the opening period allowed under existing permissions. Annex B covers these matters in more detail.

STAFF ACCOMMODATION

24. For many types of holiday parks, a residential managerial presence is often essential, to achieve quality service to the customer, security for the property, and to meet the obligations of health and safety regulations. Accommodation may sometimes also be needed for key members of staff. As far as possible, suitably located existing dwellings should be used to meet these accommodation needs. But where this is not a feasible option, and particularly in locations where suitable housing is not available, or is unaffordable, it may be necessary to provide new, on-site accommodation for managerial and/or other staff. In such cases the conversion of any suitable available existing buildings should be considered first in preference to the construction of new and potentially intrusive housing development in the countryside.

25. PPS7 makes it clear that isolated new houses in the countryside require special justification for planning permission to be granted. PPS7 further states that one of the few circumstances in which isolated residential development may be justified is when accommodation is required to enable agricultural, forestry and certain other full-time workers to live at, or in the immediate vicinity of their place of work. There will be some cases where the nature and demands of the work concerned make it essential for one or more people engaged in a tourism enterprise to live at, or very close to, the site of their work. Local planning authorities should give consideration to the essential needs of all businesses located in rural areas, including tourism and should apply the policies set out in PPS7 – in particular those in Annex A. Planning conditions can ensure that such accommodation is occupied for this purpose only.

Seasonal and Holiday Occupancy Conditions

1. The nature of holidays in this country has become increasingly diverse, in location, in season and in duration. Many people go away several times a year, often for short breaks and not exclusively in the summer months. Much of this demand is for self-catering accommodation – whether in new or converted buildings or in caravan holiday homes. This spread of demand improves the use that is made of this accommodation and so is advantageous to the businesses that provide it and to those host communities that are supported by the spending that it generates. It can help to reduce the disadvantages of seasonal employment, including the difficulties of retaining trained and experienced staff.
2. Whilst extension of the season has these advantages, the demand for this accommodation may occur in areas in which the provision of permanent housing would be contrary to national or local policies which seek to restrict development, for example in order to safeguard the countryside. The planning system can reconcile these two objectives through the use of occupancy conditions designed to ensure that holiday accommodation is used for its intended purpose. Planning authorities commonly impose such conditions when granting permission for self-catering holiday accommodation. Chapter 6 above explains the general use of conditions with planning permissions.
3. One type of condition frequently used for holiday accommodation, particularly in holiday areas, is known generically as a ‘holiday occupancy condition’. The aim of such conditions is generally to ensure that the premises are only used by visitors and do not become part of the local housing stock. There are three principal reasons why a planning authority might seek to do this:
 - in order that national or local policies on development of the countryside are not compromised. Often the conversion of redundant rural buildings to holiday accommodation provides a means to retain those buildings without introducing a level of activity that would occur with permanent households;

- to avoid occupation by permanent households which would in turn put pressure upon local services. Permanent households may place demands for local schools and social and health services that would not normally arise from visitors. Moreover, in remote locations the cost of providing these services is greater. It may therefore be reasonable for the planning authority to place an occupancy condition when properties are being built or converted for residential use; and
- to strengthen tourism in a particular area by ensuring that there is a wide range of properties available to encourage visitors to come there on holiday.

Planning authorities will frame these conditions according to local circumstances, and in accordance with general Government advice that conditions should be reasonable and fair. They will also need to frame them so that they can be readily enforced by the authority but in a way that is not unduly intrusive for either owners or occupants.

Controlling use of holiday caravan and other holiday park accommodation

East Riding of Yorkshire Council established a joint working group to establish the best approach to secure holiday use of caravan parks. This group comprised councillors and council officers; representatives from the British Holiday and Homes Parks Association Ltd; the park operators and their agents; and the caravan manufacturers. It concluded that planning conditions needed to be stronger, requiring documentary evidence of occupiers maintaining a primary residency elsewhere to be provided. As a result the planning committee agreed that future planning permissions for holiday caravan parks, holiday log cabins and holiday chalets shall normally be subject to the following conditions:

- (i) the caravans (or cabins/chalets) are occupied for holiday purposes only;
- (ii) the caravans (or cabins/chalets) shall not be occupied as a person's sole, or main place of residence;
- (iii) the owners/operators shall maintain an up-to-date register of the names of all owners/occupiers of individual caravans/log cabins/chalets on the site, and of their main home addresses, and shall make this information available at all reasonable times to the local planning authority.

The reason for these conditions is to ensure that approved holiday accommodation is not used for unauthorised permanent residential occupation. The register required in (iii) above shall normally be collected by the caravan site licence holder or his/her nominated person.

4. Another type of condition that may be appropriate for tourist areas is known as a 'seasonal occupancy' condition. This would seek to restrict use of holiday accommodation during particular times of year, perhaps to protect the local environment. This could be used if, for example, use of the premises or the site might affect an important species of bird during its breeding season or when it is winter feeding. Local planning authorities will need to balance the need to impose seasonal occupancy conditions with the wish to avoid exacerbating the seasonal nature of tourism in the locality and its possible adverse effects upon local businesses and jobs

EXTRACT FROM PPS 7 – SUSTAINABLE DEVELOPMENT IN RURAL AREAS

Tourist Accommodation

39. In considering planning policies and development proposals for static holiday and touring caravan parks and holiday chalet developments, planning authorities should:
- (i) carefully weigh the objective of providing adequate facilities and sites with the need to protect landscapes and environmentally sensitive sites, and examine the scope for relocating any existing, visually or environmentally-intrusive sites away from sensitive areas, or for re-location away from sites prone to flooding or coastal erosion;
 - (ii) where appropriate (e.g. in popular holiday areas), set out policies in LDDs on the provision of new holiday and touring caravan sites and chalet developments, and on the expansion and improvement of existing sites and developments (e.g. to improve layouts and provide better landscaping); and
 - (iii) ensure that new or expanded sites are not prominent in the landscape and that any visual intrusion is minimised by effective, high-quality screening.