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Pitch Fee Increase.

As a matter of course, we must inform you that our advice is given to you based on our industry experience and knowledge of previous cases. We are not solicitors, although in some cases we will gather legal advice from them. Consulting NACO does not preclude you from taking independent legal advice at any time.

If your park operator increases your pitch fee but an amount considerably more than the 'cost of living', it is good practice for them to give you adequate notice and an explanation of the increase. Whether your park can legally introduce such a change will depend on a number of factors with the first, and main one being the contract.

The Contract.

[Q] Have you got a written agreement?

Ideally you would have an agreement that spans a number of years and contains information about how the pitch fee will increase and what reasons can be factored in to the increase – for example:

- The Retail Price Index (RPI)
- Improvements to facilities at the park
- Factors out of the park's control such as increases in rates, water charges and other third party charges
- Changes to staffing levels or salaries

If you haven't got a written contract, your position is very weak when it comes to pitch fee increase.

Without a written agreement with security of tenure (a contract that has a long licence period, say 15 years) we describe the contractual relationship that exists between caravan owner and park operator as being "annually renewable".

If your contract with your park operator is annually renewable, it means that the terms can be altered each year because it is effectively a new contract that you are being offered at the start of each season.

This enables the park to increase the pitch fee as much as they like because it is a new contract that is being offered.

This is just one of the many points of change in the industry that we are campaigning for – we believe that annually renewable contracts are not appropriate for the purchase of a static holiday caravan.

We have no contract, what can we do?

You should write to your park about the increase and ask why it has gone up – you are within your rights to ask questions about the reason behind the increase. Bear in mind that the park aren't obliged to respond, if they don't we'd be happy to follow up on your behalf.

Ok, what's a reasonable increase?

At the time of writing this, the RPI is around 4%. Now, in our opinion this doesn't really represent the true cost of inflation to businesses, especially caravan parks. A fairer increase would be in the region of 5-8%, with higher increases needing further justification.

My pitch fee has gone up by 20% - the park say it's due to redevelopment, is this ok?

It's accepted within the industry that park development and even proposed park improvements can be used as justification for an unusually high pitch fee increase. As we mentioned earlier, pitch fee increase and other related topics should be covered by terms in your contract.

So, in summary:

- **Check your contract**
- **Write to your park to ask about the increase**
- **Keep a copy and send a copy to us at NACO, address it to the Advice Team**
- **Speak with other park users and encourage people to write regarding the increase – 'strength in numbers'**

If once you've done these simple steps the park management are either not forthcoming or won't give any reasons we'd be happy to approach on your behalf.