

UK Staycation Summer in Crisis: A £22 Billion Warning

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The UK economy could suffer a blow exceeding £22 billion this year as domestic tourism sharply declines, prompting urgent calls for intervention. Despite a summer marked by multiple heatwaves, traditional British staycation activities such as camping and caravanning are seeing a major drop in participation, leaving small businesses and rural communities vulnerable.

According to a recent report by the campaign group Back British Holidays, the UK economy is at risk of a significant blow this year due to a sharp decline in domestic tourism. The report claims that domestic holidays will fall by nearly 40% from 2022 to 2025, from 42.3 million to 25.5 million trips. This decline could potentially cost the economy an estimated £22.24 billion by the end of 2025, and as much as £34.86 billion by 2028 if current trends continue. The group says high prices and the overall economic strain on households are deterring many from holidaying within the UK, despite favourable weather conditions.

Key sectors such as camping and caravanning are forecast to lose over £1.2 billion this year alone, representing a 39% drop in consumer spending, according to the group. Campsite operators are already reporting significant losses in what should be the busiest time of year.

A campsite owner shared that bookings at his scenic Yorkshire Coast site are down 18% this summer and 15% overall compared to last year. After speaking with other local businesses dependent on tourism, he found the downturn to be widespread, with revenues falling as much as 20% for some. He attributed the decline to the economic pressures facing consumers, observing that “there’s less money about; people have got less money.” He also mentioned that many people are saving more in anticipation of a possible recession and pointed out that “going camping isn’t cheap anymore.” This sentiment is supported by a report from the New Economics Foundation (NEF), which found that spending on domestic holidays in Britain fell by 21% between 2022 and 2024, representing a loss of £3 billion for the sector. VisitBritain data also shows a 21% drop in overnight trips within England in April 2025 compared to April 2024, with spending on those trips falling by 12%.

The national trend is supported by VisitEngland data, which shows that Britons made 5.9 million overnight trips within England in April 2025, a 21% drop from April 2024. Correspondingly, spending on those trips fell by 12% to £1.9 billion.

As families continue to tighten their budgets and opt for fewer or cheaper travel options, campaigners are pressing the government to implement targeted support measures. Without timely action, they argue, the domestic tourism sector, long seen as a resilient part of the UK economy, may face long-term decline.