

## Private Parking Code of Practice

<b>Lead department</b>	Ministry of Housing Communities and Local Government (MHCLG)
<b>Summary of proposal</b>	The policy intention of this proposal is to raise standards over time across the private parking industry in England, Scotland, and Wales to better protect and support motorists whilst balancing the legitimate needs of private parking operators.
<b>Submission type</b>	Options Assessment – 16 May 2025
<b>Legislation type</b>	Secondary legislation
<b>Implementation date</b>	To be confirmed
<b>RPC reference</b>	RPC-MHCLG-25042-OA(1).
<b>Date of issue</b>	5 June 2025

## RPC opinion

<b>Rating<sup>1</sup></b>	<b>RPC opinion</b>
<b>Fit for Purpose</b>	The department has provided sufficient evidence to justify consultation on options to raise standards across the private parking industry.

*This opinion has had some material redacted from the version originally issued to the department for the reason(s) stated in the redaction.*

<sup>1</sup> The RPC opinion rating is based only on the robustness of the rationale, options identification (including SaMBA) and justification for preferred way forward, as set out in the [Better Regulation Framework guidance](#). RPC ratings are fit for purpose or not fit for purpose.

## RPC summary

Category	Quality <sup>2</sup>	RPC comments
Rationale	Green	The Department argues that asymmetric information between parking operators and motorists is affecting both motorists' decision to park and how they respond to parking charges which could potentially be challenged. The OA presents evidence from motoring groups to support this position which the Department will seek to strengthen during consultation.
Identification of options (including SaMBA)	Green	<p>The OA sets out a long list of 8 options which is narrowed down to a list of 5 options to take forward to consultation.</p> <p>The OA shows that both the status quo and preferred way forward result in disproportionate costs for the smallest businesses. The Department should better address how they will ensure the smallest firms are not put at a significant competitive disadvantage relative to larger firms by these costs.</p>
Justification for preferred way forward	Green	The OA identifies implementing a government code of practice as the preferred option but notes that the consultation will be used to gather views. A shortlist of options, including non-regulatory, are presented for consultation.
Regulatory Scorecard	Weak	The OA sets out the costs to businesses and households, monetising where possible and providing illustrative estimates where evidence is not available. The Department should consider whether there could be any unintended costs, for example if the policy results in more wilful noncompliance by motorists. Potential impacts on competition in the industry should also be discussed.

<sup>2</sup> The RPC quality ratings are used to indicate the quality and robustness of the evidence used to support different analytical areas. The definitions of the RPC quality ratings can be accessed [here](#).

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Monitoring and evaluation	<b>Satisfactory</b>	The OA provides a detailed description of how the Scrutiny and Oversight Board (SOB) will monitor the code and advise on any changes required. The OA could also set out how the Department will monitor and evaluate the overall policy, including the role of the SOB.
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## Response to initial review

As originally submitted, the OA was not fit for purpose for three reasons:

1. The Department had not provided sufficient evidence of harm to justify the stated objectives. While evidence was provided that the number of fines issued has increased, no evidence was provided that this represented poor practice on the part of parking operators rather than improved enforcement mechanisms and an increase in the quantity of parking spaces under private operator management.
2. The Department did not provide evidence that the introduction of the Industry Code failed to address the problem.
3. The Department did not provide evidence to support the claim that the majority of affected businesses were SMEs. There was also no assessment of the impact of the policy on SMEs.

Since the original submission:

1. The Department has now provided additional evidence that there are cases of poor practice by private parking operators and clarified the source of the evidence.
2. The Department has provided additional information on why it does not consider the industry code to be sufficient but has clarified that an option to monitor the industry code before acting will be considered as part of the consultation process (the OA notes that the code will not be fully implemented until December 2026).
3. The Department has provided evidence for the proportion of firms that are SMEs. It would be better if the OA considered proportion of activity covered by small firms rather than just the proportion of firms which are SMBs as the OA indicates that SMBs as identified by number of employees may not give an accurate indication of the revenues generated by these firms. The OA now includes a breakdown of fees by revenue of affected business which shows that the very smallest firms will be disproportionately affected. There is no discussion of mitigations (see SaMBA section). However, it is highlighted that SMBs already face costs associated with membership of existing trade associations.

## Summary of proposal

The policy intention of this proposal is to raise standards over time across the private parking industry in England, Scotland, and Wales to better protect and support motorists whilst balancing the legitimate needs of private parking operators.

Parking on private land is managed largely under contract law. When a driver enters and decides to park on a site owned or managed by a parking operator, they are held to have accepted and entered into a contract with that operator. The terms and conditions displayed on signs on the site represent the basis of that contract.

Parking charges are currently issued either at the time of contravention (handed to the driver or placed on the vehicle windscreen) or by sending a ticket to the vehicle's registered keeper by post (usually when a contravention is detected remotely, e.g. via cameras). To be able to send tickets by post or enforce unpaid tickets issued at the time of contravention, parking operators must identify the vehicle's registered keeper, which can be done by making a request to the Driver and Vehicle Licensing Agency (DVLA) for those details.

To access that data, operators must demonstrate that they have a reasonable cause to receive it as well as be a member of a DVLA-accredited Trade Association (trade association). To become a trade association, the DVLA requires trade bodies to have a Code of Practice, providing guidance on how they expect its members to operate, as well as setting minimum standards including for signage, dealing with complaints, managing appeals, setting caps for parking charges and debt recovery fees, and setting expectations for early payment discounts. They are also required to have a mechanism to enforce the Code of Practice and provide an independent, second stage appeals service. There are currently two trade associations British Parking Association (BPA) and International Parking Community (IPC).

Until recently, both trade associations published individual Codes of Practice. However, in October 2024 the trade associations adopted some standards from the Government's withdrawn Code of Practice and published a single Industry Code. The enforcement mechanisms and processes for second stage appeals remain different. In doing so, this adds to the lack of clarity for motorists. This will be explored during the consultation process.

The number of parking charges being issued by private parking operators is at a record high. Data published by the DVLA on the number of registered vehicle keeper requests made by private parking operators provides a useful proxy for the volume of parking charges issued and gives insights into the trends. DVLA vehicle keeper data requests have increased from 1.9 million in 2012 to 8.4 million in 2019, and 12.8 million in 2024. This represents around a 673% increase in requests made over the space of those years, and a 34% increase since 2019.

This increase has been accompanied by a steady stream of credible accounts of poor behaviour by some parking operators, and this has continued since the introduction of the Industry Code. These accounts are of motorists charged for breaking the rules in car parks when those rules were not clear, or where the motorist was unable to comply with the terms and conditions through no fault of their own e.g. poor signal, faulty apps, or faulty machines. The Department recognises that the increase in parking charges has not been driven by poor operator practices alone and identifies a number of other factors. However, they conclude that further investigation is required to understand what proportion of parking charges result from motorist non-compliance vs poor operator behaviour so that Government can ensure future interventions are properly targeted and balance the needs of motorists and industry.

A Private Members Bill, introduced by Sir Greg Knight in response to concerns about private parking operators' behaviour, led to the introduction of the [Parking \(Code of Practice\) Act \(2019\)](#). The Act places a **legal duty** on the Secretary of State to prepare a Code of Practice. The Government Code of Practice must contain guidance that promotes good practice in the operation and management of private parking facilities, and guidance about appeals against private parking charges imposed by, or on behalf of, persons providing private parking facilities.

From an initial long list of 8 options the Department has identified a short list of 5 options, to consider at consultation including the preferred option (option 4).

#### **Option 1 – Counterfactual (repeal the 2019 Act)**

Under this option, Government does not take any action to implement a Government Code of Practice and would repeal the 2019 Act to remove the duty from the Secretary of State to publish a Code. The current Industry Code would remain along with the two existing second stage appeals services, and industry would continue to set and enforce their own standards.

#### **Option 2 – Monitor Industry Code**

Under this option Government does not take any action to implement a Government Code of Practice **but does not repeal the 2019 Act**, so the duty from the Secretary of State to publish a Code is kept in reserve. The current Industry Code remains along with the two existing second stage appeals services, and industry continues to set and enforce their own standards through their Code.

#### **Option 3 – Government adopts Industry Code with new compliance framework.**

Under this option Government adopts the Industry Code, including the current industry caps of £100 for parking charges and £70 for debt recovery fees. A Scrutiny and Oversight Board (SOB) is established, alongside a Certification Scheme. The MHCLG engages with stakeholders to develop Government guidance for motorists. Government encourages the trade associations to make improvements to their existing appeals services.

#### **Option 4 - Government Code with new compliance framework (Preferred option)**

A Government Code of Practice will clearly set out the standards which all parking operators are expected to meet. This will be supported by a compliance framework to ensure that parking operators comply with the Code. It would be made up of two elements – an independent Scrutiny and Oversight Board (SOB), and a United Kingdom Accreditation Service (UKAS) approved Certification Scheme to oversee how private parking operators are complying with the Code. The compliance framework would ensure that operators who engage in poor practices are held to account, with the ultimate sanction of losing access to DVLA data.

## **Option 5 - Complaints Portal with Government Guidance**

This non-regulatory option would provide light-touch support for motorists. The Industry Code would remain the regulatory basis of the sector, with Government able to review the extent and range of complaints over time. The MHCLG would engage with stakeholders to develop Government guidance for motorists as the industry continues to regulate itself.

## **Rationale**

### **Problem under consideration**

The Department provide evidence that the number of parking charges issued is at a record high and, while they accept that there are a number of factors behind this, they also provide sufficient evidence of motorists being fined for unintentional noncompliance to support consultation.

### **Argument for intervention**

The Department argues that asymmetric information between parking operators and motorists is affecting both motorists' decision to park and how they respond to parking charges which could potentially be challenged. The OA presents evidence from motoring groups to support this position which the Department will seek to strengthen during consultation.

## **Identification of options (inc. SaMBA)**

### **Identification of the 'long-list' of options**

The OA presents a long list of 8 options and explains the process by which these are chosen from an initial longer list of 60 options. The IA could have benefitted from providing a little more information on these 60 options and how they were narrowed down.

### **Consideration of alternatives to regulation**

The long list of options considers Government regulation and self-regulatory options but does not include any co-regulatory options. The OA should consider these as a potential alternative.

### **Small and medium sized business Assessment (SaMBA) and medium-sized business (MSB) assessment.**

The OA provides evidence that the majority of car parking operators (70-91%) are micro or small businesses with medium businesses accounting for most of the rest (6-11%). While this provides some useful context, the OA would benefit from setting out the proportion of the market covered by SMBs as revenues generated may not correlate with numbers of employees.



The OA provides a breakdown of cost by business size that shows that both the existing regulations and the preferred option impose a disproportionate impact on firms with the least revenue *[text redacted from the published opinion due to commercial sensitivity]*. The OA contains no discussion of mitigations, dismissing the cost increase on the grounds that it will have no significant impact as SMBs already face trade association membership costs. The Department should better address how they will ensure the smallest firms are not put at a significant competitive disadvantage relative to larger firms by these fees.

## Justification for preferred way forward

### Appraisal of the shortlisted options

The OA assesses each of the shortlisted options against the objectives and provides a qualitative assessment of the pros and cons of each option. The Department set out that they will use the consultation to further strengthen their assessment of the shortlisted options.

### Identification of preferred option

The preferred option is for Government to implement a code of practice based on the current industry code. This is based on an assessment of the shortlisted options against the objectives.

## Regulatory Scorecard

### Part A

#### Total impacts

The OA sets out the costs to businesses and households, monetising where possible and providing illustrative estimates where evidence is not available.

#### Impacts on business

The costs presented assume that there would be a reduction in fines only where drivers are accidentally non-compliant. The department should consider whether there could be any other costs as a result of unintended consequences of the policy, for example if a lower success rate in pursuing deliberate non-compliance results in lost revenue from parking charges. The department should also consider any potential impact on competition, for example arising from the advantage to larger firms from a smaller percentage increase in fees associated with the preferred option.

## Monitoring and evaluation

The OA provides a detailed description of how the statutory oversight body will monitor the code and advise on any changes required.

The current M&E plans focus on the role of the Scrutiny and Oversight Board (SOB) in providing twice annual reviews of the Code. While this will be an effective way of



reviewing the details of the Industry Code the OA could better set out how the department will review the overarching policy, including the role of the SOB.

### **Regulatory Policy Committee**

For further information, please contact [enquiries@rpc.gov.uk](mailto:enquiries@rpc.gov.uk). Follow us on X [@RPC\\_Gov\\_UK](#), [LinkedIn](#) or consult our website [www.gov.uk/rpc](http://www.gov.uk/rpc). To keep informed and hear our views on live regulatory issues, subscribe to our [blog](#).