From: Hayley Fletcher
Senior Director, Consumer

16 July 2026

To whom it may concern,

OPEN LETTER TO PRIVATE PARKING OPERATORS

1. Private car parks across the UK play an important role in supporting the economy, local businesses and high streets by providing shoppers and visitors with a place to park while they are in the local area.

2. However, parking charge notices ('PCNs') can represent a significant, often unexpected cost to consumers, particularly in the context of wider cost of living challenges. Appealing a PCN to a parking operator can also be a stressful experience for consumers and, as our work suggests, can result in outcomes which they perceive to be unfair.

3. The Competition and Markets Authority ('CMA') is today publishing this open letter to private parking operators ('operators') in relation to our work in the private parking sector ('the sector'). We have also:

   (a) opened an investigation into one operator over consumer law concerns;

   (b) issued advisory letters to some operators regarding their appeals processes for motorists and their reliance on potentially unfair terms when seeking to recover unpaid PCNs[1];

   (c) written to the two trade associations representing operators in the UK asking them to consider what they can do to ensure their members who run private car parks fully comply with consumer law and the Private Parking Sector Single Code of Practice (the 'Industry Code')[2];

   (d) published a letter to government setting out recommendations to improve outcomes for motorists; and

[1] Advisory letters set out possible breaches of consumer law and encourage the business to make changes to ensure compliance with consumer law. They are not a finding that the law has been breached.
[2] Following the government issued Parking Code of Practice being withdrawn in 2022 due to a legal challenge from the parking industry, the industry published the Private Parking Sector Single Code of Practice in June 2024 (The private parking sector single Code of Practice). While this Industry Code is not legally binding, the sector trade associations require their members to abide by it and trade association membership is required for operators to access vehicle keeper data from the Driver and Vehicle Licensing Agency.

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(e) published a short video for motorists to help them avoid getting a PCN and know how to appeal one they think has been issued in error.

4. This letter sets out actions operators should take now to ensure their practices are consistent with consumer law.

5. Operators should review their practices and terms and make any necessary changes to ensure compliance with consumer law to help improve outcomes for consumers.

The CMA's function and powers

6. The CMA is the UK's principal competition and consumer authority. Our purpose is to promote competition and protect consumers with a clear end goal – to drive economic growth and improve household prosperity.[3] The CMA has a range of powers and functions to address consumer protection concerns. This includes the power to investigate and enforce certain consumer protection legislation (including unfair commercial practices and unfair terms) against individual businesses through our civil powers under the direct enforcement regime or court-based enforcement.[4] In relation to unfair terms, the CMA has a specific responsibility to set guidance, interpret the relevant statutory requirements set out in the Consumer Rights Act 2015 ('CRA'), and to coordinate action with partners across the consumer protection landscape.[5]

7. We support businesses to do the right thing by providing guidance and advice on consumer law and recognise that this can be an effective route to supporting compliance. However, where we see egregious or ongoing conduct which harms consumers and disadvantages fair-dealing businesses, we stand ready to act decisively, including by taking enforcement action.

The CMA's work in the private parking sector

8. The CMA's work in the sector was prompted by data showing operators are issuing record numbers of PCNs and complaints from motorists who feel that they have been unfairly issued a PCN.[6] Our focus has been on the processes involved when a PCN is issued, appealed or enforced, and whether those processes give rise to consumer law concerns.

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[3] CMA strategy 2026 to 2029.
[4] The CMA also has the power to prosecute traders criminally if they engage in most unfair commercial practices, see for example Chapter 1 of Part 4 of the DMCC Act. The direct enforcement regime is set out in Chapter 4, Part 3 of the DMCC Act and Schedule 5 of the CRA.
[5] Unfair contract terms guidance – CMA37.
[6] In the 12 months leading up to March 2025, a total of 14.4 million PCNs were issued to UK consumers. This is double the amount issued just six years ago and 13% up on the 12.8 million PCNs issued between April 2023 and March 2024 (Private parking companies issue a record 14.4m tickets to drivers in a single year | RAC Drive). Revenue in the sector is estimated to reach £1.3 billion in 2025-26 with profits around 4.8% and set to increase to £1.4 billion by 2030-31 (IBISWorld, Carparks in the UK December 2025).

9. Alongside a review of consumer complaints (those publicly available as well as those recorded on the Citizens Advice database), and publicly available information such as information on the number of PCNs overturned on appeal by the Parking on Private Land Appeals ('POPLA'), we also obtained information directly from organisations in the sector, including some operators.[7,8] The information obtained, via our formal information gathering powers, included a sample of PCNs appealed by consumers to operators ('the sample of PCN appeal files').[9,10] The CMA reviewed the information received, assessing it in light of consumer law requirements and the Industry Code.

10. All businesses, no matter their size, must ensure they comply with consumer law. Consumer law applies to all sectors of the economy, including the parking sector. The CMA has published extensive guidance for businesses to help them understand consumer law requirements and you can find a list of all the consumer protection guidance we have published on our webpages.

11. Consumer law contains provisions to protect consumers from unfair trading including prohibitions on unfair commercial practices. One of these prohibitions is the contravention of the requirements of 'professional diligence'. Professional diligence is an objective standard which requires businesses to provide a reasonable standard of service and treat their customers fairly. Acting in a professionally diligent manner includes thinking about the consumer's legitimate interests or expectations and taking steps to protect these.[11] Guidance and codes of practice may be drawn upon to help establish whether a trader is behaving in a professionally diligent manner. However, complying with these codes and guidance may not always be sufficient in itself for a trader to be professionally diligent or comply with consumer protection law.[12]

12. A code of practice exists to set clear expectations and promote consistent, standardised behaviour across businesses. In respect of the private parking sector, the relevant Code of Practice is the Private Parking Sector Single Code of Practice (version 1.1) jointly published by the British Parking Association and the International Parking Community. The Industry Code sets out rules for all operators to follow to ensure that they continue to provide professional services whilst maintaining consistency for motorists. As set out above, codes of practice, such as the Industry Code, may be drawn upon by the CMA to help establish

[7] POPLA Annual report 2024 Appendix 01 & 02. The other second-stage appeals service, the Independent Appeals Service, does not publish comparable levels of data to POPLA.
[8] Citizens Advice is a UK charity that provides free, confidential and impartial advice about a range of issues including financial, legal and consumer problems. It also plays a key role in identifying emerging consumer harms and systemic issues by capturing evidence on a database in relation to the advice they provide to individuals. There are a number of organisations, such as Trading Standards and the CMA, which can access this database.
[9] The CMA has the power to give notice to a person requiring the production of information under paragraph 14, Schedule 5 of the CRA.
[10] The CMA reviewed a sample of PCNs where the internal appeal made to the operator was decided between 6 April 2025 and 6 July 2025.
[11] For further guidance on unfair commercial practices, including the contravention of the requirements of professional diligence see Unfair commercial practices - GOV.UK (CMA207).
[12] CMA 207, Guidance on Unfair Commercial Practices paragraph 8.6.

whether a trader is behaving in a professionally diligent manner for the purposes of consumer law.

13. Although compliance with the standards and provisions set out in the Industry Code (and any industry specific guidance) is relevant to whether consumer law is complied with, compliance with a code does not mean that an operator is compliant with the provisions of consumer law. Operators also need to ensure their practices and terms comply with consumer law.

14. Our work identified some practices which indicate potential non-compliance with consumer law and also do not appear to be consistent with the Industry Code and the Appeals Charter ('the Charter'), contained in Annex F of the Industry Code. Specifically, we have seen that:[13]

(a) some PCNs which should be revoked, or which should have been reduced to £20 during the appeal to the operator ('internal appeal'), in line with the requirements set out in the Industry Code and the Charter, are not;[14]

(b) further evidence from consumers is not always requested by operators during the internal appeal, contrary to requirements of the Industry Code and the Charter;

(c) operators' internal appeals processes can lead to inconsistent and suboptimal outcomes for consumers;

(d) communications sent to consumers by operators can be confusing and should be improved as it could lead to consumers not understanding the rules, their rights, or their appeal options, and may lead to them not pursuing an appeal; and

(e) operators may be relying on unfair terms to seek additional charges when enforcing PCNs which remain unpaid by consumers. Binding consumers to unfair terms is prohibited.

15. Based on our work, we wrote to the Minister with responsibility for off-street parking on 27 April 2026, setting out our recommendations for requirements we consider government could place on operators to improve outcomes for consumers.[15] A copy of that letter has been published today on our website and we continue to engage with the Ministry of Housing, Communities and Local

[13] The Charter sets out the circumstances in which a PCN should be cancelled or reduced to £20 subject to relevant evidence being provided by the appellant upon appeal.
[14] Consumers must first go through an operator's internal appeals process before they become eligible to seek alternative dispute resolution.
[15] The Minister has since resigned from government. The current Minister, Nesil Caliskan MP, was appointed to this post on 12 May 2026.

Government in relation to the development of the new code of practice for the sector.

16. We have also today written to the two Driver and Vehicle Licensing Agency ('DVLA') accredited trade associations representing the parking industry – the British Parking Association ('BPA') and the International Parking Community ('IPC'), outlining what they could do now to support better outcomes for consumers ahead of the new code of practice.

The CMA's expectations in line with consumer law and the Industry Code

Consideration period

17. The CMA is concerned that some operators may be interpreting and applying the consideration period requirements in a way that is inconsistent with the Industry Code. This may result in consumers being issued with PCNs in circumstances where they have not been given an appropriate opportunity to consider the parking terms or where they have encountered difficulties during their parking period, for example trying to pay.

18. Section 5.1 and Annex B of the Industry Code specifically provide consumers with a consideration period to enter a car park, review the terms and conditions and decide whether to accept them. This reflects the need to protect consumers' legitimate interests and expectations by ensuring they have a reasonable opportunity to make an informed choice before becoming bound by the terms.

19. Annex B of the Industry Code sets the mandatory minimum consideration periods required. At most parking sites, the mandatory minimum consideration period is set at 5 minutes. However, this minimum consideration period varies at certain types of parking sites, such as short stay areas, sites with more than 500 spaces where parking is free for an hour or more, or for pre-booked spaces/advance bookings.[16] Section 5.1 of the Industry Code further lists a number of factors which should be taken into account by operators when allowing a consideration period of appropriate duration and makes clear that the consideration period may be extended if the circumstances require it.[17] Annex B further states that "*It is*

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[16] Annex B of the Industry Code sets out the minimum consideration periods at table B.1. This ranges from 1 minute to 10 minutes depending on factors including the size of the site and whether a tariff is paid. Most types of controlled land listed in table B.1 have a 5-minute minimum consideration period.

[17] Section 5.1 of the Industry Code lists a number of factors which should be taken into account when allowing a consideration period of appropriate duration. These include:

- the time required for a driver to identify and access a parking bay appropriate to their needs (such as a Blue Badge parking bay or a parent and child parking bay);
- the time required for a driver to identify and read signs that display the parking terms and conditions, or the consequences of choosing to park where public parking is not invited;
- the time required for a driver to identify and comply with requirements for payment;
- the time required for a driver to leave the controlled land if they decide not to accept the terms and conditions;
- the impact of the layout of the controlled land;

important to note that where there is evidence the consideration period has expired the minimum period of time for the consideration is not relevant however, the operator should retain evidence to show how the consideration period had ended".[18]

20. However, our analysis of the sample of PCN appeal files shows that PCNs are being issued to consumers who enter a car park and leave after 5 to 11 minutes (e.g. 5 minutes and 32 seconds but more typically between 6 and 11 minutes). These PCN appeal files include cases where it appears consumers are unable to park because they cannot make payment for parking via the means available at the site – for example, because of factors such as poor mobile phone signal, broken payment machines, and/or being unable to find a parking bay that suits their needs (such as designated Blue Badge parking).

21. This suggests that some operators may be, contrary to the Industry Code, interpreting the 5-minute consideration period as a maximum rather than a minimum period.

22. We have also seen evidence that suggests that where consumers decide, within the consideration period, to park, operators are treating the parking period as having commenced at the moment the consumer drove into the car park, rather than at the point they decided to park. In consequence, consumers may not enjoy the full period of parking that they should be entitled to.

23. **Operators should take note that the consideration period set out in the Industry Code is a minimum and should not be interpreted as a hard cut-off. Furthermore, operators should consider the factors in section 5.1 of the Industry Code when allowing a consideration period of appropriate duration. Operators should also ensure that all their internal processes, including those relating to the issuing of PCNs and consideration of appeals, reflect this approach.**

Operator communications

24. The CMA is concerned that information provided to consumers during the PCN process may not always be sufficient to support consumers in making informed decisions. In particular, key communications sent by operators do not consistently direct consumers to the Industry Code and the Charter, despite these documents containing information that is relevant to a consumer's decision whether to pay or appeal a PCN.

- the impact of the layout of the controlled land;
- the impact of the number of vehicles accessing the car park; and
- the impact of the volume of traffic within the controlled land.

[18] Industry Code, Annex B, page 34.

25. Having reviewed a sample of the communications sent by some operators to consumers when PCNs are issued and appealed, we consider that improvements should be made to ensure consumers are able to take informed decisions about whether to pay or appeal a PCN.

26. In particular, we have seen that the letters which inform consumers that a PCN has been issued, also known as a Notice to Keeper ('NTK'), payment reminder letters and communications sent to consumers during the internal appeal, do not signpost consumers to the Industry Code and the Charter.[19]

27. We consider the existence of the Industry Code and Charter, and where they may be found, is '*material information*' which consumers need to take an informed decision about whether to pay the PCN or appeal. 'Material information' refers to information that the average consumer needs to take an informed transactional decision in line with section 227(2) of the Digital Markets, Competition and Consumers Act 2024 (the 'DMCC Act').[20]

28. **Operators should make any necessary changes to ensure that all substantive correspondence they send to consumers directs them to the Industry Code and the Charter in order to allow consumers to make better informed decisions on whether to pay or appeal a PCN. Substantive correspondence includes the NTK, payment reminder letters and letters sent to consumers during an internal appeal.**

PCN appeals process and alternative dispute resolution ('ADR')

29. The CMA is concerned that some operators' internal appeals processes may not be operating effectively or consistently. Our review of the sample of PCN appeal files suggests that, in some cases, appeals may be rejected without proper consideration of the grounds raised or without seeking further evidence where this would be appropriate. This can lead to consumers paying charges that should have been cancelled or reduced by the operator under the Industry Code and Charter.

30. Our review of the sample of PCN appeal files suggests that operators' internal appeals processes may lead to unsatisfactory and inconsistent outcomes for consumers. In particular, we have seen examples of operators failing to:

(a) request additional evidence from consumers and instead prematurely rejecting appeals where consumers were asserting that they had a legitimate

[19] A notice to transfer a liability to the vehicle keeper is known as a 'Notice to Keeper'.
[20] A transactional decision is defined as any decision made by a consumer relating to: (1) the purchase or supply of a product (including whether, how or on what terms to make the purchase or supply); (2) the retention, disposal or withdrawal of a product (including whether, how or on what terms to retain or dispose of it); or (3) the exercise of contractual rights in relation to a product (including whether, how or on what terms to exercise such rights). Section 245 of the DMCC Act.

reason to park and/or had circumstances recognised by the Charter where the PCN should be reduced;

(b) engage with the grounds of appeal raised and instead rejecting internal appeals inappropriately and/or prematurely. We have seen examples where it appears that, according to the Charter, the internal appeal should have resulted in the PCN being cancelled or reduced if the grounds had been properly considered or pending receipt of further evidence. As a result, consumers had to appeal to ADR bodies unnecessarily and, in some cases, PCNs may have been paid in full when there was no payment (or only a reduced payment) properly due under the Charter;

(c) reduce PCNs to £20 in line with the Charter and instead continuing to demand either the 'Early Payment Discount' or full value of the PCN, despite these sums not being due[21]; and

(d) take a consistent approach to considering appeals. As a result, we have seen that similar circumstances can lead to different outcomes for consumers.

31. These practices could infringe consumer law, in particular by falling below the standard of care and skill expected of operators, as these are likely to impact consumers' decision making.

32. **In light of the above, operators should take note that Annex F of the Industry Code states that "Where the operator is not satisfied with the evidence, they should request further evidence from a motorist when it becomes clear they are claiming to meet the criteria [of the Charter, which requires a PCN to be cancelled or reduced]" and ensure that they engage properly with all grounds of appeal raised and seek additional evidence from a consumer where necessary.**[22]

33. **To make the appeals process more efficient, operators should provide consumers with an indication of the type of evidence/additional information they may want to provide when (i) making an appeal as well as (ii) requesting additional evidence from a consumer during an ongoing appeal.**

34. **Operators should also review their internal appeals processes to ensure that they comply with the Industry Code and are fit for purpose.**

[21] Section 8.2.2 of the Industry Code states that operators must offer consumers a reduction to the PCN "*of a minimum of 40%*" where payment is made within 14 days of the issue of the Notice to Driver where a notice is issued at the time of the parking event, or of the issue of the Notice to Keeper and/or Notice to Hirer where the first notice is sent through the post. This reduced charge is referred to as the 'early payment discount'.
[22] Industry Code, Annex F, page 43.

Potentially unfair additional fees terms

35. We are concerned that some operators may be seeking to recover additional fees in reliance on contractual terms that are unclear, insufficiently prominent or otherwise inconsistent with the requirements of the CRA. This may result in consumers being exposed to financial liabilities that have not been properly disclosed or which operators may not be entitled to enforce.

36. The CMA has issued advisory letters to certain operators in respect of the use of additional fees terms relied on to recover unpaid PCN charges. However, we have concerns more broadly and advise that all operators review any terms they have relating to additional fees to recover unpaid PCN charges.

37. The CMA has concerns that operators may be seeking to rely on terms which purport to allow additional charges when enforcing unpaid PCNs which either (i) have not been incorporated into the contracts with consumers (and so do not form part of the contract with the consumer and are unenforceable) or (ii) are unfair under section 62 of the CRA (if they are incorporated) and/or are not transparent under section 68 of the CRA. Where a term is unfair it is unenforceable against the consumer and cannot be relied upon.

38. The CMA notes that the Industry Code provides that a sum of up to £70 may be added by an operator where a parking charge becomes overdue.[23] However, the CMA considers this provision of the Industry Code does not itself provide a legal basis to render consumers liable to pay any fee, make additional fees terms automatically incorporated into contracts or render any term purporting to allow the recovery of such charges fair.[24] It simply means that an operator is not in breach of the Industry Code. All consumer terms must be assessed against the requirements of fairness set out in Part 2 of the CRA.

39. A term is unfair under section 62, and does not bind a consumer, if contrary to the requirement of good faith, it causes a significant imbalance in the parties' rights and obligations under the contract to the detriment of the consumer.[25] Whether a term is fair is to be considered taking into account the nature of the subject matter of the contract, and by reference to (i) all the circumstances existing when the term was agreed and (ii) all of the other terms of the contract or of any other contract on which it depends (s62(5)).

40. The CMA has observed examples of contract terms across a number of operators which purport to allow operators to recover additional charges and fees if a consumer fails to pay a PCN within 28 days. The effect of these terms is that the

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[23] Section 9 of the Industry Code.
[24] For instance, in *Munkenbeck & Marshall v* Harold [2005] EWHC 356 (TCC), the High Court found an indemnity costs term to be unfair, notwithstanding that its inclusion was recommended by the relevant industry body.
[25] See sections 62(1) and 62(4) CRA.

operator adds additional charges on top of the PCN, which is already a financial sanction, and which can result in the consumer paying sums which the operator would not be entitled to recover if they only relied on the Civil Procedure Rules Small Claims Track costs regime.[26]

41. The CMA's concerns in relation to the terms purporting to allow additional charges when enforcing unpaid PCNs include:

(a) They are often vague and unclear – for example, there are references to additional charges, fees or costs which "may" be incurred.

(b) We have seen examples where some terms do not quantify the amount sought when operators will be aware of the amounts they will seek to recover. As a result, consumers do not know the full extent of their potential financial liability when entering the contract.

(c) We have seen examples where some terms appear to be hidden within small print or in detailed Terms & Conditions documents and signs and are not prominent or brought to the consumer's attention when they are deciding whether to enter into a contract with the operator.

(d) We have seen examples where some terms appear to be broadly worded, reserving a discretion for operators to increase the sums after the contract has been formed, or appearing to entitle third-party debt collectors, with whom the consumer does not have a contract, to charge fees to the consumer.

(e) Such terms may also fall within the scope of paragraphs 6[27], 10[28] and 14[29] of Schedule 2 of the CRA (the 'grey list') which lists consumer contract terms which may be regarded as unfair.

42. **Operators should review the terms and conditions on which they seek to rely to ensure these are properly incorporated and meet the fairness and transparency requirements under Part 2 of the CRA.**

43. As noted in paragraph 15, we are aware that the government has consulted on the development of a new code of practice for the sector, which included options for debt recovery fees.[30] As such, the government may soon announce regulatory

[26] See Rule 27.14 of the Civil Procedure Rules which provides where a case is allocated to the small claims track a court may not order a party to pay another party's costs, fees and expenses except as set out in rule 27.14(2)(a)-(h). 27.14(2) (a) indicates costs are fixed and calculated in accordance with Table 2 of Practice Direction 45.
[27] Schedule 2, CRA paragraph 6 "A term which has the object or effect of requiring a consumer who fails to fulfil his obligations under the contract to pay a disproportionately high sum in compensation."
[28] Schedule 2, CRA paragraph 10 "A term which has the object or effect of irrevocably binding the consumer to terms with which the consumer has had no real opportunity of becoming acquainted before the conclusion of the contract."
[29] Schedule 2, CRA paragraph 14 "Giving the trader the discretion to decide the price payable under the contract after the consumer has become bound by it, where no price or method of determining the price is agreed when the consumer becomes bound"
[30] Private parking code of practice - GOV.UK.

changes in this area as part of the new code, though any requirement in the new code of practice may not come into effect immediately.

44. **It is important that operators comply at all times with consumer law. Operators should consider the content of this letter now to avoid or mitigate the risks outlined.**

Next steps

45. As noted above, operators should consider the contents of this letter and review their practices and terms, including in relation to consideration periods, communications with consumers, internal appeals and additional fees, to ensure compliance with consumer law and that appropriate regard is given to the Industry Code and the Charter.

46. All businesses are responsible for ensuring they (and those who work for them) comply with consumer law and operators may wish to seek independent legal advice.

47. Operators should not wait for the government's new code to review their practices and terms – the consumer law provisions discussed above are in force now. Failure to comply with consumer law could result in the CMA or other enforcers taking action.

Yours sincerely

Hayley Fletcher
Senior Director, Consumer

Enclosures

Annex A - Summary of actions operators should take

ANNEX A: SUMMARY OF ACTIONS OPERATORS SHOULD TAKE

It is important that parking operators comply at all times with consumer law. Operators should consider the content of the Open Letter, make any necessary changes to ensure compliance with consumer law to avoid or mitigate the risks outlined and take the steps outlined in 1 – 4 below.

Consideration period

A.1 Operators should:

(a) take note that the consideration period set out in the Industry Code is a minimum and should not be interpreted as a hard cut-off;

(b) consider the factors in section 5.1 of the Industry Code when allowing a consideration period of appropriate duration; and

(c) ensure that all their internal processes, including those relating to the issuing of PCNs and consideration of appeals, reflect this approach.

Operator communications

A.2 Operators should make any necessary changes to ensure that all substantive correspondence they send to consumers directs them to the Industry Code and the Charter in order to allow consumers to make better informed decisions on whether to pay or appeal a PCN.

PCN appeals process and ADR

A.3 Operators should:

(a) take note that Annex F of the Industry Code states that "Where the operator is not satisfied with the evidence, they should request further evidence from a motorist when it becomes clear they are claiming to meet the criteria [of the Appeals Charter, which requires a PCN to be cancelled or reduced]" and ensure that they engage properly with all grounds of appeal raised and seek additional evidence from a consumer where necessary;

(b) provide consumers with an indication of the type of evidence/additional information they may want to provide when (i) making an appeal as well as (ii) requesting additional evidence from a consumer during an ongoing appeal; and

a. review their internal appeals processes to ensure that they comply with the Industry Code and are fit for purpose.

Potentially unfair additional fees terms

A.4 Operators should review the terms and conditions on which they seek to rely to ensure these are properly incorporated and meet the fairness and transparency requirements under Part 2 of the CRA.