

This Report will be made public on Friday, 15 May 2026



Report Number: **OS/26/01**

To: Overview & Scrutiny Committee
Date: 26th May 2026
Responsible Officer: Frederick Miller, Transportation Manager
Cabinet Member: Cllr Polly Blakemore, Cabinet Member for Transport, Regulatory Services & Building Control

SUBJECT: **IMPLICATIONS OF INTRODUCING 20 MINUTES FREE PARKING IN TOWN CENTRE CAR PARKS**

SUMMARY: This report reviews a suggestion from a member of the public to introduce 20minutes of free parking in town centre car parks as a measure to support and revitalise struggling high streets.

RECOMMENDATIONS:

1. To receive and note report OS/26/01; and
2. To consider the proposal and either:
 - a. Note the proposal and take no further action.
 - b. Make recommendations to the Cabinet Member for Transport for further consideration.

1. INTRODUCTION

- 1.1 As part of the call for Scrutiny topics, a member of the public submitted a suggestion to introduce 20 minutes of free parking in town centre car parks. The stated intention of the proposal is to address concerns about declining activity on local high streets. The proposer notes that some residents may currently choose not to visit local shops for short trips due to the requirement to pay parking charges, which may have an impact on town centre footfall.
- 1.2 The proposal further indicates that the provision of short stay free parking could improve accessibility to local shops, particularly for those who may be less willing or able to use mobile based parking payment systems. It is suggested that this approach may encourage short visits to the town centre and provide potential support to local businesses.

2. REVIEWS ON FREE PARKING ON SHOPPING STREETS/HIGH STREETS

- 2.1 The issue of free parking on shopping streets has been the subject of long running national reviews and debate, most notably the 2011 Mary Portas "Portas Review", which examined the future of UK high streets.
- 2.2 Over the last 10 to 15 years, government reviews, various council studies, and transport and economic reports have generally concluded that:
 - Free or cheaper parking can increase short term footfall, particularly in smaller towns and for convenience shopping.
 - Parking incentives alone are not a complete or long-term solution to high street decline.
 - The main drivers of decline were identified as online shopping, high business rates and rents, competition from out-of-town retail parks, a lack of attractive retail and leisure options, wider economic challenges, limited community focused uses, and poor town centre management.
- 2.3 The UK Government accepted most of Portas' recommendations in principle, including the need to make parking more affordable. However, there was no nationwide implementation of universal free parking. In practice, the outcome has been uneven.
- 2.4 Local authorities take varied approaches to parking incentives. Some have introduced limited free parking periods or reduced charges, while others have made no changes.
 - Ashford provides free parking after 3pm in one car park every day and also offers free parking from 3pm in another car park on Sundays and public holidays.
 - Thanet offers free parking on Saturdays in four car parks.
 - Canterbury and Dover do not provide any free parking in town centre car parks.

- F&HDC continues to offer free parking everyday across all shopping streets, maintaining a more generous approach than neighbouring authorities.
- 2.5 Over time, a broader consensus emerged among local authorities that the long-term vitality of high streets required more than parking policy alone. Increasingly, focus shifted towards reinvention through leisure uses, residential development, markets, events, cafes, local services and mixed-use community spaces. This approach reflects the view that successful high streets depend on creating attractive destinations rather than relying primarily on free parking to drive footfall.

3. CONSIDERATIONS

- 3.1 It should be noted that, if adopted, the proposal would apply to the following ten car parks:

Folkestone	Sandgate	Hythe	New Romney
Shellons Street	Castle Road	Mount Street	West Street
Pleydell Gardens		Military Road	Church Road
Foresters Way		Prospect Road	
Sangate Road			

- 3.2 Members should note that the council already provides limited free parking in a number of shopping streets. This includes up to two hours of free limited waiting in Folkestone, Sandgate and New Romney, and up to one hour of free parking in Hythe.
- 3.3 In addition to the on-street free parking, F&HDC offers district residents a discounted car park permit. The permit costs £80 per year or £20 per quarter and allows up to three hours' free parking in long-stay car parks and up to two hours in short-stay car parks per day. The permit is due to be rebranded and more actively promoted to improve awareness and take up.
- 3.4 There is also the free pre-Christmas parking in F&HDC car parks on the 3 Saturdays before Christmas costing the council over £10k annually.
- 3.5 While the proposal aims to improve accessibility and support town centre activity, there are significant financial implications that should be considered.
- 3.6 The introduction of 20 minutes of free parking is likely to have a negative impact on parking income, particularly in car parks where short stay visits are common. Based on last year's usage data, the estimated reduction in income is approximately **£198,000 per annum**. This estimate has been calculated by applying the current 20-minute parking charge to usage levels across the car parks listed above.
- 3.7 However, there is a risk that the actual loss of income could be significantly higher. Approximately 60 percent of users currently park for 30 minutes or one hour, and these motorists may choose not to purchase a ticket if 20 minutes of free parking is introduced. In addition, current legislation allows motorists a further 10-minute grace period after their ticket expires, which

may further reduce the duration of paid parking. If this behavioural change occurs, the potential annual loss of income could increase to approximately **£356,000**.

- 3.8 This potential reduction represents around 11 percent of the total car park income received during the previous financial year under the best-case scenario outlined in section 3.6, and up to 20 percent under the worst-case scenario described in section 3.7.
- 3.9 There is a further risk that free short stay parking could increase demand for limited town centre parking spaces, potentially reducing availability for longer stay users and shoppers. This may lead to increased vehicle turnover and congestion within car parks, as well as additional pressure on enforcement activity to prevent misuse, such as drivers exceeding the free period without payment.
- 3.10 The implementation of free parking periods will require changes to signage, parking systems, and enforcement processes, which could result in additional administrative or implementation costs. The cost of changing parking signage and systems has been estimated to be around **£2,000** annually. The costs of additional enforcement are harder to quantify. If more time is taken enforcing town centre car parks, then less enforcement resource will be available for coastal and rural locations. This would need to be kept under constant review to ensure that enforcement levels could be maintained across the district.

4. **F&HDC TOWN CENTRE MEASURES TO SUPPORT INCREASED ACTIVITY**

- 4.1 Folkestone & Hythe District Council (F&HDC) has secured over £19m in Levelling Up funding, alongside UK Shared Prosperity Fund investment, to deliver the *Folkestone: A Brighter Future* programme and a suite of business-support initiatives. A new Economic Strategy is also being developed to guide targeted interventions that strengthen town centres and stimulate local economic growth.
- 4.2 A key component of the FABF programme is the enhancement of access and public realm in Folkestone town centre. To maximise the impact of these improvements, F&HDC has introduced a Town Centre Operating Model (TCOM), shifting the council towards proactive management of town-centre activity. The TCOM includes a dedicated Town Centre Manager, a coordinated events and activity plan, streamlined licensing for pop-ups and activations, and a partnership with KCC Highways to enable more flexible use of public spaces. The model is designed to increase footfall and can be replicated in other F&HDC town centres.
- 4.3 The redevelopment of Folca into a mixed-use scheme — including a medical centre serving 23,000 patients and additional commercial, leisure, and community uses — will act as a major new anchor, generating significant daily footfall and supporting the wider high street.

4.4 Through UKSPF, F&HDC has also delivered a High Street and Rural Business Support Programme, helping businesses adopt modern technology, improve resilience, and attract new customers, further contributing to increased activity and footfall across the district's high streets.

5. FINANCIAL IMPLICATIONS

5.1 As previously noted, the introduction of 20 minutes of free parking is likely to result in a reduction in parking income due to the associated loss of revenue. This reduction may have implications for the funding of parking services and other related council functions.

5.2 The potential loss of income is estimated at **£198,000 per annum** under a best-case scenario, and up to **£356,000 per annum** under a worst-case scenario. This equates to approximately 11 percent and 20 percent respectively of total parking income. These estimates have been derived using parking usage data from the ten car parks included within the scope of the proposal.

5.3 In addition to the potential income impact, there will be annual costs associated with enabling the 13 parking terminals to enforce the rules such as limiting users to one free period per vehicle per charging period. There will also be a need to update the signage within the car parks. The total cost of these implementation works is estimated to be approximately **£2,000** annually.

5.4 The introduction of 20 minutes of free parking is likely to need higher levels of enforcement as referred to in paragraph 3.10 of the report. This is difficult to quantify at this stage but is likely to have an impact on enforcement levels in other areas of the district unless the number of officers is increased. This would need to be kept under review.

6. RISK MANAGEMENT ISSUES

6.1 A summary of the perceived risks follows:

Perceived risk	Seriousness	Likelihood	Preventative action
Potential income loss	High	High	Potential income loss, data included so that this can be considered.
Uncertainty over whether increased footfall would offset any loss of parking income through wider economic benefits.	High	High	Extensive data collection and modelling would need to be undertaken to demonstrate increased footfall and economic benefit.
Increased pressure on town centre car parks due to higher demand for short stay spaces,	High	High	Monitor occupancy and turnover rates to assess whether parking stress increases.

which may affect availability for longer stay users.			
Increased risk of misuse, such as motorists exceeding the free parking period without payment, requiring additional enforcement resources.	High	High	Ensure clear rules are established for how the free period operates, including requirements for ticketing or registration. Higher enforcement presence will be required.
Possibility that the availability of free short stay parking may encourage vehicle trips that would otherwise have been made by walking, cycling, or public transport, potentially conflicting with wider transport or environmental objectives.	High	Medium	Monitor to assess if scheme aligns with wider transport and town centre strategies.

7. CONCLUSIONS

- 7.1 It is not certain that the introduction of short stay free parking would directly result in increased spending in local shops, and the financial impact on the council would need to be carefully weighed against the potential economic benefits to the town centres.
- 7.2 There are also a number of significant considerations, such as an increased risk of misuse, added pressure on limited parking capacity, and conflict with wider transport and environmental objectives.
- 7.3 The council is involved in a number of significant interventions that are designed to significantly improve the town centre offers and increase footfall, particularly;
- The Folkestone a Brighter Future Project
 - The reinvention of the Folca Building as a medical centre and mixed-use commercial space
 - A new Town Centre Operating Model
 - Increasing the market offer
 - Employing a Town Centre Manager
 - Romney Marsh Partnership Officer
 - Drafting a district wide economic strategy

- 7.4 F&HDC offers district residents a discounted car park permit. The permit costs £80 per year or £20 per quarter and allows up to three hours' free parking in long-stay car parks and up to two hours in short-stay car parks per day. The permit is due to be rebranded and more actively promoted to improve awareness and take up.
- 7.5 F&HDC already provides limited free on-street parking in town centres across the district.

8. LEGAL/FINANCIAL AND OTHER CONTROLS/POLICY MATTERS

8.1 Legal Officer's Comments (KP)

The Council has the necessary statutory powers to introduce and vary parking charges, including the provision of a time-limited free parking period. Implementation of the proposals will be dependent on compliance with duties under the traffic management and equality legislation.

Under the Road Traffic Regulation Act 1984 sections 32 and 35 empowers the Council to provide and regulate off-street parking places. The Local Authorities' Traffic Orders (Procedure) (England and Wales) Regulations 1996 set out procedural requirements (including publication of a notice of proposals and consultation requirements as applicable). Enforcement would continue under the civil enforcement regime established by the Traffic Management Act 2004 and associated regulations, and the Council must ensure enforcement arrangements are lawful, proportionate and clearly communicated (including the impact of any grace period to be applied above the 20 minutes free of charge).

Consideration should also be given to the Subsidy Control Act 2022. While the introduction of a time-limited free parking period is unlikely to constitute a prohibited subsidy, the Council should be satisfied that any economic benefit (for example, to business owners) is consistent with the subsidy control principles and that this is appropriately documented.

The Council must have due regard to its duties under the Equality Act 2010 and the Public Sector Equality Duty. An Equality Impact Assessment should be considered to ensure that proposals do not result in disproportionate adverse impacts on persons with protected characteristics, such as disabled users, and to consider mitigations.

8.2 Finance Officer's Comments (AM)

The key financial implications are set out in the report. There is no provision within the approved General Fund Revenue budget to accommodate any reduction in income, and any resulting shortfall would therefore need to be funded from alternative sources within the Council's budget. At this early stage of the financial year, there is no assurance that surplus parking income will materialise at a level sufficient to offset the potential loss. Based on the estimated reduction in income of between £198k and £356k—equating to approximately 11% to 20% of the total parking income budget—this represents a significant and unplanned pressure on the Council's finances.

Such a loss would directly undermine the Council's ability to deliver a balanced budget without the implementation of mitigating actions, such as the identification of alternative savings, the deployment of reserves, or other corrective financial measures.

8.3 Diversities and Equalities Implications (FM)

There are no diversities or equalities implications associated with this report.

8.4 Climate Change Implications (JWi)

The introduction of 20 minutes free parking may encourage car use for short trips instead of encouraging walking, cycling, or public transport in line with the council's District Wide Carbon Strategy. Consequently, transport carbon emissions and air quality could be impacted in the town centres with increased congestion.

8.5 Local Government Reorganisation Implications (FM)

Implementing the change presents a risk of reduced income. External auditors have advised that the council should not proceed with changes that could place income at risk.

9. CONTACT OFFICERS AND BACKGROUND DOCUMENTS

Councillors with any questions arising out of this report should contact the following officer prior to the meeting

Frederick Miller, Transportation Manager
Telephone: 01303 853207
Email: frederick.miller@folkestone-hythe.gov.uk

The following background documents have been relied upon in the preparation of this report:

None

Appendices:

None