

Briefing on School Car Park Contract

Briefing Note: School Car Park Licence and Future Options

1. Summary

Planning consent for the new school (granted 2004) prohibited a parent car park on the school site due to the proximity of the Grade II* listed Winsford Hospital. To enable safe drop-off and pick-up, Devon County Council (DCC) asked the Parish Council to provide a car park on the former railway embankment. The Parish Council agreed, extended the existing gravel area, metalled it, and built the footpath to the school. This required a loan, which has been serviced entirely by an annual licence fee paid by DCC. The loan will be fully repaid by February 2027.

The school has indicated it will ask the Parish Council to stop charging the licence fee once the loan ends. However, the contract is between the Parish Council and DCC, not the school, and DCC has previously stated that failure to collect the fee would constitute breach of contract.

2. Background and History

- **Planning constraints (2004):** Permission for the new school was granted with conditions to protect the setting of the Grade II* Winsford Hospital. A key condition prohibited a parent car park on the school site to avoid visual and traffic impacts.
- **Initial car park arrangement:** A small gravel car park already existed for football and hall use. Residents of Station Road paid to use it for long-stay parking.
- **DCC request to the Parish Council:** DCC asked whether the Parish Council would provide a larger car park for school use during term-time. This would allow parents to drop off and collect children without breaching planning conditions.
- **Funding model agreed:** Instead of installing meters, DCC agreed to pay an annual licence fee of **£2,500**, calculated on the basis of **50p per vehicle, twice daily, during term time**.
- **Parish Council investment:** The licence income enabled the Parish Council to:
 - Extend and surface the car park
 - Construct the footpath to the school
 - Take out a loan to fund the works

As parish councils cannot repay loans from the precept, the licence fee was essential to meet repayments.

- **Loan status:** The loan will be fully repaid by **February 2027**. Only two payments remain.

3. Current Contractual Position

- **Parties to the contract:** The agreement is between **Devon County Council** and the **Parish Council**. The school is **not** a party to the contract.

- **Payment mechanism:** Originally DCC paid directly from its budget. Now the school receives a fixed allocation for external contracts, and the licence fee is paid from that allocation. If the contract ends, that money may become available to the school for other purposes.
- **DCC's stance on non-collection:** When this issue was raised previously, DCC stated that **failure to collect the fee would be treated as breach of contract**, exposing the Parish Council to potential legal action. Therefore, the Parish Council **cannot simply stop invoicing**.
- **Termination rights:** The contract allows either party to terminate. DCC has stated they **will not** terminate. Therefore, if the contract is to end, the Parish Council must be the party to give notice.

4. Issues for the Parish Council to Consider

- **Financial implications:**
 - Ending the contract removes the annual £2,500 income.
 - Once the loan is repaid, the car park will still require maintenance, resurfacing cycles, and liability cover.
 - Without the licence fee, these costs fall entirely on the Parish Council and therefore the precept.
- **Community expectations:**
 - The car park is heavily used by parents and reduces traffic on the surrounding roads.
 - Terminating the contract may lead to pressure for alternative arrangements or increased roadside parking.
- **Contractual risk:**
 - The Parish Council must avoid any action that could be interpreted as breach.
 - A formal termination process would be required if councillors wish to end the arrangement.
- **Relationship with the school:**
 - The school may feel the fee is no longer justified once the loan ends.
 - However, the Parish Council must balance this with its duty to manage assets responsibly and avoid shifting costs onto residents.
- **Long-term asset management:**
 - The car park is a parish asset used primarily for school traffic.
 - Councillors may wish to consider whether continued contribution from DCC is appropriate to support ongoing maintenance.

5. Options Available to the Parish Council

Option A – Continue the contract unchanged

- Maintains income to cover maintenance and future resurfacing.
- Avoids legal risk.
- School continues to pay from its external-contracts allocation.

Option B – Negotiate a revised fee

- Could reduce the annual charge while still contributing to upkeep.
- Requires DCC agreement; the school cannot negotiate directly.

- Must be formalised to avoid ambiguity.

Option C – Terminate the contract (Parish Council must initiate)

- Removes the income stream.
- Transfers all costs to the Parish Council.
- May increase traffic and parking issues if parents revert to roadside drop-off.
- Requires careful communication with residents and the school.

6. Key Points for Councillors

- **The school is not the contracting party;** any request from the school is advisory only.
- **The Parish Council cannot stop collecting the fee without breaching the contract.**
- **Only the Parish Council can terminate the agreement,** DCC has said it will not though that position may change with devolution..
- **Ending the contract has financial and operational consequences** that will fall on the Parish Council and local residents.
- **A negotiated reduction** may be a middle ground if councillors wish to acknowledge the end of the loan while protecting parish finances.

Councillor Briefing Pack: School Car Park Licence

1. Purpose of this Briefing

To equip councillors with the information, context, and decision pathways needed to determine the Parish Council's position on the future of the car park licence fee once the loan is repaid in February 2027.

2. Essential Background (Concise)

- Planning permission for the school (2004) prohibited a parent car park on the school site due to the Grade II* Winsford Hospital.
 - DCC asked the Parish Council to provide a car park on the railway embankment for school drop-off/pick-up.
 - The Parish Council expanded and surfaced the car park and built the footpath, funded by a loan.
 - DCC pays an annual licence fee of £2,500, originally calculated as 50p per vehicle twice daily in term time.
 - Parish councils cannot repay loans from the precept, so the licence fee was essential for loan repayments.
 - The loan will be fully repaid in February 2027 (two payments remaining).
 - The school has indicated it will ask that the fee cease once the loan ends.
 - The contract is between **DCC and the Parish Council**, not the school.
 - DCC has previously stated that **failure to collect the fee would be treated as breach of contract**.
 - DCC has also said **they will not terminate the contract**; termination must come from the Parish Council if desired.
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3. Current Position and Constraints

Contractual

- The Parish Council must continue invoicing unless the contract is formally terminated.
- Only the Parish Council can initiate termination.
- The school cannot negotiate or end the contract; it is not a party to it.

Financial

- Ending the contract removes £2,500 annual income.
- Ongoing costs remain: maintenance, resurfacing, insurance, liability.
- Without the licence fee, these costs fall on the precept.

Operational

- The car park is heavily used for school traffic.
- The car park is used by others not related to school use such as the football club, they are not charged.
- Termination may increase roadside parking and congestion on surrounding roads.
- The school's budget allocation for external contracts would be freed for other uses if the licence ends.

4. Decision Options for Councillors

Option A – Continue the Contract Unchanged

What it means:

Maintain the £2,500 annual licence fee after the loan ends.

Pros:

- Provides stable income for maintenance and future resurfacing.
- Avoids legal risk.
- Recognises that the car park is used primarily for school traffic.

Cons:

- The school may feel the fee is no longer justified.
- Could create tension if not well-explained.

When this option fits:

If councillors prioritise asset sustainability and minimising precept increases.

Option B – Negotiate a Reduced Fee

What it means:

Seek a revised annual payment from DCC that reflects ongoing maintenance but acknowledges the end of the loan.

Pros:

- Maintains a contribution from DCC.
- Shows goodwill to the school.
- Reduces precept exposure.

Cons:

- Requires DCC agreement; the school cannot negotiate.
- Must be formalised to avoid ambiguity.

When this option fits:

If councillors want a compromise that balances community relations and financial responsibility.

Option C – Terminate the Contract

What it means:

The Parish Council gives formal notice to end the agreement.

Pros:

- Responds directly to the school's request.
- Simplifies administration.

Cons:

- Removes £2,500 income.
- All maintenance and resurfacing costs fall on the Parish Council.
- Potential for increased roadside parking and safety concerns.
- Requires careful communication with residents and the school.

When this option fits:

If councillors believe the car park should be fully parish-funded or if they wish to redefine its use.

5. Comparative Overview

Factor	Option A: Continue	Option B: Reduce Fee	Option C: Terminate
Annual income	£2,500	Negotiated amount	£0
Legal risk	None	None if formalised	None if properly terminated
Impact on precept	Low	Medium	High
Relationship with school	Potential friction	Cooperative	Positive for school
Traffic/parking impact	No change	No change	Possible increase
Administrative burden	Low	Medium	Medium

6. Key Considerations for the Meeting

- What level of financial responsibility should the Parish Council carry for an asset used primarily for school traffic?
 - How should councillors balance parish finances with the school's request?
 - What are the long-term maintenance and resurfacing costs, and how will they be funded without the licence fee?
 - How might residents respond to increased precept costs or increased roadside parking?
 - Is a renegotiated fee a viable middle ground?
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7. Draft Agenda Item for the Next Parish Council Meeting

Agenda Item: Review of School Car Park Licence Fee and Contract with Devon County Council

Purpose:

To consider the future of the car park licence fee following the scheduled repayment of the Parish Council's loan in February 2027, and to determine whether to:

1. Continue the contract unchanged;
2. Seek to renegotiate the annual licence fee with Devon County Council; or
3. Initiate termination of the contract.

Background:

Planning conditions for the school prohibited on-site parent parking. The Parish Council agreed to provide a car park and footpath, funded by a loan. DCC pays an annual licence fee of £2,500, which has been used to service the loan. The school has indicated it will request that the fee cease once the loan ends. The contract is between the Parish Council and DCC; DCC has stated it will not terminate the contract and that failure to collect the fee would constitute breach.

Decision Required:

Councillors are asked to resolve which of the three options the Parish Council wishes to pursue and, if applicable, to authorise the Clerk to begin discussions with DCC or to issue formal notice of termination.

DEVON COUNTY COUNCIL

DATED 2009

HALWILL PARISH COUNCIL

and

DEVON COUNTY COUNCIL

AGREEMENT

relating to use of Halwill Village Hall Car Park

ROGER GASH

County Solicitor

Devon County Council

County Hall

EXETER EX2 4QD

Ref CTD/A21571

THIS AGREEMENT is made the _____ day of 2009
BETWEEN HALWILL PARISH COUNCIL of PO Box 16, BEAWORTHY, Devon
EX21 5ZG (hereinafter referred to as "the Parish Council") of the one part and
DEVON COUNTY COUNCIL of County Hall Topsham Road Exeter EX2 4QD
(hereinafter referred to as "the County Council") of the other part

WHEREBY IT IS AGREED as follows:

1. THIS Licence shall commence on 4th September 2007.
2. THE Parish Council hereby licences and authorises to the County Council a Licence Agreement for the shared use of the Halwill Village Hall Car Park shown edged red on the drawing numbered H.L1/8A (hereinafter called "the Plan") for use during normal school term times for the use by the parents of the school children in delivering to and collecting their children from school together with rights of access over the access roadway leading to the car park from the public highway and in particular over that land hatched blue on the Plan.
3. THE County Council shall pay to the Parish Council as consideration an annual licence fee of two thousand five hundred pounds (£2,500.00) ("the Licence Fee") payable half yearly in advance on the 4th September and 4th March each year.
4. THE Licence Fee may be reviewed on the fifth anniversary of the commencement of this licence on either party giving to the other not less than 3 months prior written notice to the other and the Licence Fee payable from the date of the review shall be such sum as shall

be agreed between the parties to be a fair and reasonable fee for the use permitted by this Licence upward only.

5. IN the event that the parties cannot agree a fair and reasonable licence fee in accordance with clause 4 of this Licence either party may refer the matter to a single arbitrator to be appointed in default of agreement between the parties by the President of the Royal Institution of Chartered Surveyors or his deputy whose decision on the matter shall be final.

6. THE Parish Council shall be responsible for all repair and maintenance and any improvement works to the car park and the access road leading thereto and shall keep the same in a reasonable state of repair throughout the existence of this Licence.

7. THE County Council shall pay on completion of this Licence the reasonable legal costs of the Parish Council in the preparation and completion of this Licence Agreement.

8. EITHER party may terminate this licence at any time by giving twelve months prior written notice to the other party whereupon this Licence shall terminate.

IN WITNESS WHEREOF the parties have signed this Licence the day and year first above written

SIGNED by SHELLEY A KNIGHT

and ROBIN J HULL

on behalf of HALWILL PARISH COUNCIL

in the presence of:

SIGNED by

on behalf of DEVON COUNTY COUNCIL