

Bristol City Council
Place Directorate
Transport Service
City Hall
PO Box 3176
Bristol BS3 9FS

Date 22 September 2016

Your Ref J.M.MANSFIELD

Our Ref 115/SMF/N14497/5467

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Via Post & Email: joanne.mansfield@bristol.gov.uk; Peter.Mann@bristol.gov.uk

Dear Sirs

**Re: Long Ashton Park and Ride, Bristol
Our Client: National Car Parks Limited**

We refer to your letter dated 1 September 2016 and subsequent correspondence, including your letters of 16 and 21 September 2016.

We have requested a short extension of time in which to take our client's instructions in relation to your letter dated 1 September 2016 and to provide a substantive response. However, you have maintained that if our client's representations are not received today they will not be able to be included in the Cabinet Report to be presented on 4 October 2016 or taken into account in formulating the recommendation to the Cabinet. Whilst we remain of the view that your position in this regard is unreasonable, we have taken our client's instructions and this letter should be reviewed as an initial reply to your letter of 1 September, in light of the fact that it is unrealistic to expect us to be able to take our client's full instructions in the short time frame imposed, whether that be 15 or 20 days, when the matters raised by you relate to a contract entered into almost 20 years ago.

As the Council is aware, the Operating Agreement forms part of an overall contractual position which has been in place since 1997, with such contractual position reflecting the longstanding commercial relationship between our client and the Council. It therefore comes as a total surprise to our client that the Council is contemplating the steps which your letter suggests.

As you will also be aware, numerous events concerning the P&R facility have occurred since 1997 and our client is firmly of the view that not only is the Council in any event estopped from terminating the payments, but that the proposal to do so immediately, without due notice or full consideration, cannot be a reasonable decision made by a public body.

However, entirely without prejudice to the legal position and particularly estoppel by convention, we have considered this matter with our client to the extent possible and we shall endeavour to explain our client's concerns in relation to this matter.

Whatever the precise construction of the agreement between the parties, and notwithstanding the numerous variations to the agreement, the Council and our client have operated an arrangement for almost 20 years and it is completely inappropriate for the Council to now simply seek to suspend and then terminate an integral element of that arrangement without proper notice and/or proper discussion of the ramifications of doing so. If the Council proceeds to withdraw the

payments to our client, our client will be forced to consider and then pursue its contractual remedies and to reconsider the commercial viability of continuing the P&R operation in its entirety.

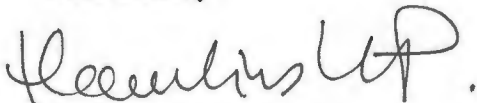
Although our client would like to preserve the long standing and successful relationship it has with the Council, it will not stand by and accept that payments can be withdrawn on a unilateral and unreasonable basis without the courtesy of proper consultation. It is extremely concerned that any ongoing relationship with the Council will be irreparably damaged in the event the payments are withdrawn. Our client cannot fathom how a decision by a local authority as to whether to withdraw all further payments to our client, which have been made in consideration of the services it continues to provide, can be justifiable without full, proper and reasonable consultation, which should include discussions and meetings with our client. Your letter of 1 September does nothing to suggest that the Council wishes to preserve the goodwill built up between the parties over the last two decades.

In the circumstances, and in accordance with the provisions of the Operating Agreement (which forms part of the overall contractual position), which requires the parties to attempt to resolve any issues by negotiation (and without resorting to dispute resolution by the Courts or elsewhere), our client requires the Council to immediately agree to defer any further decision regarding this matter at the meeting on 4 October, for a short period of four weeks. During that period our client proposes that the parties should meet to start a consultation process and to fully and constructively address all issues raised in your letter of 1 September 2016.

Given what we have set out above, if the Council fails to agree to our client's very reasonable proposal we put you on notice that we reserve all of our client's rights to take whatever steps that are necessary to protect its commercial interests, including, but not limited to, injunctive relief and to pursue its contractual as well as public law remedies against the Council. We trust that you will, however, agree that it is in the interests of both parties and indeed the public, who ultimately benefit from the services provided, that the parties meet as suggested to commence the necessary discussions in relation to this matter.

We require confirmation of the Council's agreement to our client's proposal by no later than 3pm tomorrow.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Hamlin LLP', written in a cursive style.

Hamlins LLP