

LAPFORD MILL HERITAGE RAILWAY CIC

Operating Licence Agreement

DRAFT — FOR REVIEW AND LEGAL ADVICE BEFORE SIGNING

Document Control

Date	Version	Summary	Author
19.3.2026	1.0	Initial Draft	AG & AH

This Agreement	Is made on [Date] between the parties set out below.
1. The Landowner	[insert]
2. The Railway Owner	[insert]
3. The CIC	Lapford Mill Heritage Railway CIC A company limited by guarantee (registration pending)

1. Licence Grant

1.1 The Landowner and Railway Owner hereby grant the CIC a non-exclusive, revocable licence to operate the miniature railway and associated heritage activities on the Land for the purpose of delivering community, educational, and heritage programmes.

1.2 The licence does not confer ownership of the land, railway, rolling stock, or any other infrastructure to the CIC.

1.3 The CIC acknowledges that its right to operate is entirely subject to the terms of this Agreement and any safety or operational instructions issued by the owners.

2. Permitted Activities

2.1 The CIC may conduct the following activities:

- Public open days and heritage railway experiences
- Educational programmes, school visits, and skills workshops
- Volunteering and community engagement activities
- Fundraising and grant-funded projects supporting the above activities

2.2 Any new activities outside this scope require prior written consent from both asset owners.

3. Operational Responsibilities

3.1 The CIC shall:

- Operate the railway safely and responsibly
- Comply with all relevant health and safety regulations
- Maintain appropriate insurance coverage for all activities
- Keep accurate records of events, volunteers, and educational programmes
- Notify the owners of any incidents affecting the land, railway, or visitors immediately

3.2 The CIC is responsible for routine operational costs, including staffing, volunteer supervision, consumables, and minor maintenance required to deliver its activities.

4. Asset Protection & Maintenance

4.1 Ownership of all physical assets, including the land, railway track, rolling stock, buildings, and equipment, remains with the respective owners.

4.2 The CIC may make temporary improvements or purchases only with written permission from the owners. Ownership of any such improvements shall be defined in a separate written agreement at the time of consent.

4.3 The CIC shall not encumber, sell, lease, or transfer any rights in the land or railway infrastructure.

5. Term & Termination

5.1 This Agreement is effective from [Start Date] and continues until terminated by either Party in accordance with this clause.

5.2 The licence may be terminated by the Landowner or Railway Owner:

- Immediately, in the event of a breach of safety obligations or misuse of assets
- On not less than 6 months' written notice, for any other reason, at the owners' discretion — such notice not to be given during any period in which the CIC holds an active grant commitment, unless by mutual agreement

5.3 On termination, the CIC shall:

- Cease all railway operations on the Land immediately
- Remove all CIC-owned equipment brought onto the site within two calendar months
- Return the site to a safe and tidy condition

6. Financial Arrangements

6.1 In consideration of the licence granted by this Agreement, the CIC shall pay to the Landowner and Railway Owner jointly a nominal annual licence fee of £1 (one pound), payable on the anniversary of the Start Date each year. This fee is intended to give legal effect to the licence and does not represent a commercial valuation of the rights granted.

6.2 The CIC may retain all income generated from public events, grants, and fundraising activities conducted under this licence.

6.3 The CIC may, by separate written agreement with the owners, contribute to agreed maintenance or improvement costs where such expenditure directly supports the CIC's community benefit programmes.

6.4 All surplus funds retained by the CIC must be reinvested in activities consistent with its community benefit purpose and CIC registration obligations.

7. Insurance & Liability

7.1 The CIC shall maintain public liability, employers' liability, and volunteer insurance as required by law and as appropriate to its activities, and shall provide evidence of such insurance to the owners on request and annually.

7.2 Neither the Landowner nor the Railway Owner shall be liable for any loss, injury, or damage arising from CIC activities, except where directly caused by their own negligence or breach of this Agreement.

8. Governance & Reporting

8.1 The CIC shall provide an annual report to the Landowner and Railway Owner within three months of the end of each financial year. The report shall include a summary of:

- Activities delivered and events held

- Volunteer numbers and hours contributed
- Attendance and beneficiary numbers
- Income and expenditure summary
- Any incidents, near-misses, or safety matters arising

8.2 Any material changes in CIC operations, programme scope, directorship, or governance structure must be notified to the owners in writing within 28 days of the change.

8.3 The owners may request a meeting with CIC directors no more than once per year to review the operation of this Agreement, and the CIC shall participate in good faith.

9. Dispute Resolution

9.1 In the event of any dispute arising under this Agreement, the Parties agree to attempt informal resolution in good faith. If the dispute is not resolved within 28 days of written notification, the Parties shall escalate to independent mediation, with costs shared equally, before pursuing legal action.

9.2 Nothing in this clause shall prevent any Party from seeking urgent injunctive or other relief from the courts where necessary.

10. General

10.1 This Agreement represents the entire understanding between the Parties regarding the CIC's licence to operate on the Land and railway, and supersedes any prior discussions or arrangements.

10.2 Any amendments must be made in writing and signed by all Parties.

10.3 This Agreement is governed by the laws of England and Wales. The Parties submit to the exclusive jurisdiction of the courts of England and Wales.

10.4 If any provision of this Agreement is found to be invalid or unenforceable, the remaining provisions shall continue in full force and effect.

Signatures

This Agreement has been entered into on the date last signed below.

The Landowner — [name]

Signed:

Full Name (Print):

Date:

The Railway Owner — [name]

Signed:

Full Name (Print):

Date:

Lapford Mill Heritage Railway CIC — Director

Signed:

Full Name (Print):

Date: