

Grazing licence

(1) [name of Licensor]

and

(2) [name of Licensee]

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PARTICULARS

Date	[date]
Licensor	[insert name and address]
Licensee	[insert name and address]
The Premises	The land known as [specify] at [specify] extending to approximately [number] [hectares OR acres] [listed in Schedule 1] and shown more particularly edged [specify] on the attached plan.
Licence Period	The period starting on [date] and expiring on [date]
Licence Fee	[amount] payable [by [two] equal instalments of [amount]] on [date] [and [date]]
Rights	The [right to keep [sheep OR cattle OR livestock] on the Premises for grazing purpose only] [and the] [right to mow the Premises [once] [twice] during the Licence Period and to take away the grass]
Maximum head of livestock	[specify]

THIS LICENCE is made on the date set out in the Particulars.

PARTIES

- (1) The **Licensor** named in the Particulars (the **Licensor**); and
- (2) The **Licensee** named in the Particulars (the **Licensee**).

THE PARTIES AGREE:

1 Definitions and interpretation

1.1 In this Licence:

Agri-environment Scheme

means any scheme operating under a Rural Development Programme implemented under Council Regulation (EU) 1305/2013;

Authority

means any statutory, public, local or other authority or any court of law or any government department or any of their duly authorised officers;

Basic Payment Scheme

means the scheme set down and defined in Council Regulation (EU) 1307/2013;

CPH Number	means the permanent County Parish Holding number for the Premises;
Cross Compliance Obligations	means the cross compliance obligations imposed under the Basic Payment Scheme;
Enactment	<p>means:</p> <ul style="list-style-type: none"> (a) any Act of Parliament or subordinate legislation or code of practice; or (b) any European Community legislation or decree having effect of law in the United Kingdom; <p>and any reference to an Enactment includes reference to that Enactment as amended or replaced from time to time and to any subordinate legislation, bye-law, order, notice, code of practice and guidance made under that Enactment;</p>
Legal Obligation	means any obligation from time to time created by any Enactment or Authority which relates to the Premises or their use;
Licence Fee	means the licence fee set out in the Particulars payable as set out in the Particulars;
Licence Period	means the licence period set out in the Particulars;
NVZ	means a Nitrate Vulnerable Zone designated under the Nitrate Pollution Prevention Regulations 2008;
Particulars	means the particulars page set out at the beginning of this Licence;
Premises	means the land (including all buildings and fixed equipment on the land) set out in the Particulars and described in Schedule 1;
Quota	means all quota, payment entitlements or other right of production or right to payment or subsidy whether under any scheme for the production or marketing of agricultural produce or otherwise or any right of or restriction on production or the use of the Premises for farming or any licence or consent required for such production or use which is now or at any time in the future may be allocated, transferred or made available to the Licensee in respect of the Premises whether or not such quota

attaches to the Premises;

Replacement Subsidy Scheme

means any new scheme which replaces the Basic Payment Scheme and provides a subsidy in respect of the use and/or management of the Premises;

Rights

means the rights granted as set out in the Particulars subject to the provisions of Schedule 2;

VAT

means value added tax and includes any future tax of a like nature.

1.2 In this Licence unless the context otherwise requires:

1.2.1 where any obligation is undertaken by two or more persons jointly they shall be jointly and severally liable in respect of that obligation;

1.2.2 any sum payable by one party to the other will be exclusive of VAT which will where it is chargeable be paid in addition to the sum in question at the time when the sum in question is due to be paid.

2 The Rights

2.1 The Licensor grants the Licensee the Rights for the Licence Period on the terms of this Licence.

2.2 The Licensor permits the Licensee to enter onto the Premises to the extent necessary to exercise the Rights and for no other purposes during the Licence Period on the terms set out in this Licence.

2.3 For the avoidance of doubt full occupation and possession of the Premises remains with the Licensor subject only to the Rights granted by this Licence to the Licensee.

3 Licensee's Agreements

The Licensee agrees to observe and perform the agreements set out in Schedule 2.

4 [Licensor's Agreements]

4.1 [The Licensor agrees with the Licensee:

4.1.1 [to keep the Premises clean and free from spear thistle, creeping or field thistle, curled dock, broad leaved dock and ragwort;]

4.1.2 [to fertilise the Premises in the spring of each year of the Licence Period and where necessary in the reasonable opinion of the Licensor to reseed and to top the grass on the Premises;]

4.1.3 [to keep all gates, fences and ditches on or surrounding the Premises in good order;]

4.1.4 [add any other obligations].]

5 [Basic Payment Scheme and other schemes]

5.1 The parties agree that:

5.1.1 the Licensor has the Premises at his disposal and is entitled to claim under the Basic Payment Scheme in respect of the Premises;

5.1.2 [the Licensee has the Premises available to him for the purposes of applying for [state relevant scheme eg an agri-environment scheme].]

5.2 The parties acknowledge that copies of all relevant scheme agreements setting out their conditions have been given to both Licensor and Licensee.

5.3 If during or following expiry of the Licence Period or other termination of this Licence the Licensee receives any allocation of any Quota in respect of or as a result of his use of the Premises and/or any claim under any subsidy scheme submitted in respect of the Premises the Licensee shall immediately transfer such Quota to the Licensor or at his direction.

5.4 The Licensee shall comply with all Cross Compliance Obligations and other obligations arising under the Basic Payment Scheme or any Replacement Subsidy Scheme which relate to the Licensee's use of the Premises and/or livestock on or moving to and from the Premises and the Licensee shall indemnify and keep the Licensor indemnified in respect of any loss, costs, claim, demand or liability including (but not limited to) any loss or penalty applied under the Basic Payment Scheme or Replacement Subsidy Scheme arising from any breach of this obligation.

5.5 [The Licensee shall take account of the terms of an [Agri-environment Scheme agreement [details]] dated [date] affecting the Premises (a copy of which agreement is annexed to this Licence) and shall not do or omit to do anything on or to the Premises which causes or could cause a breach of such agreement and the Licensee shall indemnify and keep the Licensor indemnified in respect of any loss, costs, claim, demand or liability arising from any breach of this obligation.]

6 Livestock and Food Legislation

6.1 Keeper of animals

6.1.1 The Licensee confirms that he is the keeper with day to day control of all [sheep OR cattle OR livestock] grazing on the Premises under the terms of this Licence with responsibility for the welfare, movement and all other statutory or other obligations relevant to the keeping of livestock.

6.1.2 The Licensee agrees to maintain an accurate and up to date livestock register of all livestock on the Premises under the terms of this Licence and shall on request produce such register to the Licensor and to any Authority and allow copies to be taken.

6.1.3 [The CPH Number for the Premises is [number] and the Licensor agrees to allow the Licensee to use the CPH Number during the Licence Period for the purposes only of moving the livestock to and from the Premises.

OR

6.1.4 The Licensee acknowledges that he is not permitted to use the Licensor's CPH Number for the Premises and agrees to obtain a temporary CPH number in respect of

his use of the Premises under the terms of this Licence and to supply the Licensor with details of such temporary CPH number.】

- 6.1.5 The Licensee agrees to comply with all relevant Legal Obligations and codes of practice issued by any Authority and all statutory management requirements regarding livestock on the Premises at any time during the Licence Period including (but not limited to) those relating to the keeping of livestock on the Premises and the movement of livestock to and from the Premises.

6.2 [TB Status

- 6.2.1 The [Licensor OR Licensee] confirms that:

- (a) [the TB status of the Premises is *[status]*];
- (b) the county TB testing interval for the Premises is every *[number]* year[s];
- (c) [the last TB test of livestock on the Premises took place on *[date]*].

- 6.2.2 The Licensee shall provide the Licensor prior to termination of this Licence with details of all TB testing and results carried out on any animals which have grazed the Premises at any time during the Licence Period.】

6.3 [Nitrate Vulnerable Zone

- 6.3.1 The Licensor confirms that the Premises is located within an NVZ.

- 6.3.2 The Licensee agrees to provide the Licensor and any Authority with details of all livestock on the Premises during the Licence Period and any other issue relating to the Licensee's use of the Premises required to enable the Licensor to comply with all rules and obligations which apply to land within an NVZ.

- 6.3.3 The Licensee agrees to comply with any additional restrictions imposed by the Licensor for the purposes of complying with NVZ rules in respect of the Premises.】

6.4 [Grass Crop

The Licensee and Licensor agree to cooperate with each other to ensure compliance with all statutory requirements relating to the production of any grass crop grown on the Premises and subsequently severed and fed to livestock.】

7 Termination

The Rights and this Licence will terminate immediately on the happening at any time of any of the following events:

- 7.1 the whole or any part of the Licence Fee remains unpaid 21 days after becoming due (whether demanded or not); or
- 7.2 the Licensee:
 - 7.2.1 commits any grave breach or persistent breaches of this Licence and the Licensor having given written notice to the Licensee of such breach or breaches the Licensee fails within such period as the Licensor may specify to rectify such breach or breaches (if capable of rectification); or

- 7.2.2 proposes or enters into any composition or arrangement with his creditors generally or any class of his creditors; or
- 7.2.3 is the subject of any judgment or order made against him which is not complied with within 7 days or becomes subject to any procedure for the taking of control of his goods by another or subject to any process levied upon or enforced against any part of his undertaking property assets or revenue; or
- 7.2.4 is the subject of a bankruptcy petition or bankruptcy order; or
- 7.2.5 is the subject of an application or order or appointment under Section 253 or Section 273 or Section 286 of the Insolvency Act 1986; or
- 7.2.6 is unable to pay or has no reasonable prospect of being able to pay his debts within the meaning of Sections 267 and 268 of the Insolvency Act 1986; or
- 7.2.7 dies or becomes incapable by reason of mental or physical illness of discharging his obligations under this Licence.

8 Personal Licence

The Rights and this Licence are personal to the Licensee and will not be capable of being assigned or otherwise dealt with.

9 Fitness of the Premises

By entering into this Licence the Licensor does not undertake that the Premises are or will become or remain fit for the purposes set out in the Particulars.

10 Contracts (Rights of Third Parties) Act 1999

The parties do not intend that any term of this Licence should be enforceable by any third party as provided by the Contracts (Rights of Third Parties) Act 1999 but any third party right which exists or is available independently of that Act is preserved.

AGREED by the parties etc

[For execution clauses and signature blocks see vol 12(3) (2017) DEEDS, AGREEMENTS AND DECLARATIONS]

**SCHEDULE 1
THE PREMISES**

[Ordnance Survey OR National Grid] Number	Description	[Acres OR Hectares]

SCHEDULE 2
LICENSEE'S AGREEMENTS

1 Obligations

- 1.1 To pay to the Licensor the Licence Fee on the dates for payment set out in the Particulars.
- 1.2 In the exercise of the Rights not to do, cause or permit to be done any act or thing on or near the Premises which may be or become a nuisance or inconvenience or cause damage or annoyance to the Licensor or to any third party sharing occupation of the Premises with the Licensee or which may infringe any Legal Obligation.
- 1.3 To use the Premises for the exercise of the Rights and for no other purpose.
- 1.4 To indemnify and keep the Licensor indemnified from and against all loss, costs, claims, liabilities and demands made against the Licensor arising out of any breach of this Licence, any escape of livestock from the Premises or otherwise in connection with the exercise by the Licensee of the Rights.
- 1.5 To comply fully with all Legal Obligations so far as they relate to the exercise of the Rights and the Licensee's use of the Premises and to keep the Licensor effectively indemnified against all actions, proceedings, costs, expenses, claims and demands in respect of any matter contravening the provisions of any Legal Obligation.
- 1.6 Within 14 days of demand to provide the Licensor with all information reasonably required by the Licensor concerning the Licensee's use of the Premises.
- 1.7 To comply with any other restrictions which the Licensor may reasonably dictate during the Licence Period.
- 1.8 On termination of this Licence immediately to remove the Licensee's stock from the Premises.

2 Restrictions

- 2.1 Not to bring onto the Premises any diseased animal.
- 2.2 Not to bring onto the Premises at any one time more than the maximum number head of livestock as stipulated in the Particulars.
- 2.3 Not to destroy or damage any trees, hedges or fences on the Premises and to ensure that no such damage is caused by the Licensee's stock.
- 2.4 Not to allow the Premises to become poached by treading during wet weather conditions and if the Licensor certifies that any damage is being caused then upon demand immediately to remove the stock.
- 2.5 Not to bring, cause or permit to be done or brought any object, matter or thing onto the Premises which might prejudicially affect any policy of insurance held by the Licensor or any third party.
- 2.6 Not to submit any claim under the Basic Payment Scheme in respect of the Premises.

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