

Date:

2017

Landlord:

SUFFOLK COUNTY COUNCIL

Tenant:

Holding:

Farm Business Tenancy
Duration: less than 7 years
Agricultural Land

TABLE OF CONTENTS

1	DEFINITIONS	1
2	LETTING.....	5
3	TENANT'S COVENANTS.....	5
4	LANDLORD COVENANTS.....	12
5	ENTITLEMENTS AND PAYMENT RIGHTS.....	13
6	TERMINATION OF TENANCY.....	13
7	FURTHER MUTUAL AGREEMENTS	15
	Schedule 1 - The Holding	17
	Schedule 2 - Tenant's Rights.....	177

TENANCY AGREEMENT

Date

2017

PARTIES

- (1) **SUFFOLK COUNTY COUNCIL** of Endeavour House 8 Russell Road Ipswich Suffolk IP1 2BX ("the Landlord")
- (2) ("the Tenant")

1 DEFINITIONS

- 1.1 In this agreement except where specially defined in this clause the words and phrases used have the meaning given to them by the Act

Act	means the Agricultural Tenancies Act 1995
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	the system introduced to replace the Single Payment Scheme under Council Regulation (EU) No 1307/2013 and all the relevant subsequent Enactments
Compliance Requirements	means the requirements for the management of land or other compliance requirements imposed under the Single Payment Scheme, the Basic Payment Scheme or any scheme which governs Payment Rights including but not limited to: (a) requirements for statutory management and to keep land in good agricultural and environmental condition under the Single Payment Scheme or the Basic Payment Scheme; and (b) the agricultural practices beneficial for the climate and the environment contained in Chapter 3 of Title III of Council Regulation (EU) No 1307/2013 and all the relevant subsequent Enactments

DEFRA

Department for Environment Food and Rural Affairs

Enactment	means any Act of Parliament or subordinate legislation or any European Community or European Union legislation or decree having effect of law in the United Kingdom and any regulations guidance or codes of practice made thereunder or any requirements of an enforcing Authority
Entitlements	
Holding	shown outlined in red on the attached plan and detailed in Schedule 1
Holding Payment Rights	means the maximum number amount or value of Payment Rights which may be claimed in respect of the Holding and no fewer Payment Rights than the number of the Entitlements
Interest Rate	6% above the base rate of Lloyds Bank Plc or any other London clearing bank chosen by the Landlord
Landlord	Suffolk County Council of Endeavour House 8 Russell Road Ipswich Suffolk IP1 2BX and afterwards whoever from time to time is entitled to reversion to the Holding
Legal Obligations	means any obligation created by any Enactment which relates to the Holding or its use
Part Termination Purpose	any non-agricultural purpose

Payment Rights	means any rights to payment or subsidy whether under the Basic Payment Scheme or any scheme replacing or similar to the Basic Payment Scheme or under any scheme for the production or marketing of agricultural produce or otherwise or any quota or right of or restriction on production or the use of the Holding for farming or any licence or consent required for such production or use or any other similar benefit which is now or at any time in the future may be allocated transferred or made available in respect of the Holding (and whether as a matter of law attached to the Holding or not) other than Entitlements
Rent	£ per annum payable in two equal instalments six monthly in arrears on the Rent Days
Rent Days	6 th April and the 11 th October throughout the term
Rent Review	The rent may be reviewed on the third anniversary of the start date
Rights	means the Entitlements and/or the Holding Payment Rights
RPA	Rural Payments Agency
Start Date	11 th October 2017
Tenancy	means the tenancy granted by this agreement
Term	Five years starting on the Start Date and expiring on the 10 th October 2022
Use	The land is to be used for the trade and purpose of Arable Farming

1.2 In this agreement unless the context otherwise requires:

- (a) words importing one gender only include every gender, words importing the singular include the plural and vice versa, and words importing persons include firms and companies and vice versa;
- (b) the term "the Landlord" includes the person for the time being entitled to the reversion immediately expectant upon the determination of the Tenancy;
- (c) the term "the Tenant" includes the person for the time being entitled to the Tenancy;
- (d) where there are two or more persons included in the expressions "the Landlord" and "the Tenant" the obligations of such persons under this agreement shall be joint and several;
- (e) any reference to "the Holding" includes any part or parts thereof;
- (f) the "Term" includes any period after the last day of the Term during which the Tenant is entitled to continue occupying the Holding either by agreement or by any statutory or other right;
- (g) any sum payable by one party to the other shall be exclusive of value added tax which shall where it is chargeable be paid in addition to and at the same times as the sum in question;
- (h) any provision not to do an act or thing imports an obligation not to cause to permit such act or thing to be done;
- (i) any reference to any Enactment, legislation or to codes of practice guidance notes or similar documents includes reference to that legislation code of practice guidance note or similar document as amended supplemented or replaced from time to time and to any subordinate legislation made thereunder
- (j) if at any time a period of notice referred to in this Tenancy is in breach of any Enactment for any purpose there shall be deemed to be substituted for such purpose the minimum period of notice required by such Enactment

2 LETTING

The Landlord lets the Holding to the Tenant for the Term SUBJECT to such title matters and third party rights as affect the Holding

EXCEPTING AND RESERVING from the Tenancy to the Landlord

- (a) The right for the Landlord and all persons authorised by them with or without vehicles animals machinery and plant to enter on any part of the Holding at all reasonable times for the purposes set out below and for all other reasonable purposes including any survey work required to promote land within this agreement for non-agricultural purposes
- (b) All mines and minerals including all substances in or under the Holding of a kind ordinarily worked or removed by underground or surface working with power to search for win dress and make merchantable and carry them away from the Holding and from neighbouring land over the Holding and to execute all incidental works including the right to let down the surface of the land the Tenant being paid reasonable compensation for all damage caused by the exercise of such rights
- (c) The right to take water from any source of water supply on the Holding provided sufficient water is left for the Tenant to farm in accordance with this agreement
- (d) The right to grant rights to third parties over the Holding subject to the payment of reasonable compensation for damage but retaining for the Landlord the full benefit of any payments made for those rights or any existing rights
- (e) All timber and other trees (except fruit trees), saplings, pollards and underwood with the right to inspect mark fell cut replant and carry them away from the Holding and from neighbouring land over the Holding without making any payment to the Tenant for the use
- (f) The right (jointly with the Tenant) for the Landlord and all persons authorised by the Landlord to kill shoot and take away rabbits hares pigeons or any other pests
- (g) The right to use lay repair connect to and renew existing or new pipes drains conduits cables wires or other works and to carry out surveys and ground inspections the Tenant being paid reasonable compensation for all damage caused to him by the exercise of such rights
- (h) All existing rights of way (if any) enjoyed across the Holding for the benefit of other property of the Landlord

3 TENANT'S COVENANTS

The Tenant covenants with the Landlord as follows

3.1 Rent

To pay the Rent without set-off or deductions on the Rent Days and in the manner required by this agreement (whether demanded or not)

3.2 Interest

To pay interest at the Interest Rate on all sums due by the Tenant to the Landlord under this agreement for the period from the due date to the date of actual payment

3.3 Outgoings

To pay all rates taxes and outgoings relating to the Holding during the Term

3.4 Maintenance and repair

- (a) To clean all ditches and drains and keep them unblocked
- (b) To keep all hedges in good agricultural condition and all fences, gates, walls and other boundary features in good and stock proof condition
- (c) Not to remove or change any fence, hedge or other boundary on the Holding

3.5 Insurance

To maintain public liability insurance in respect of the Tenant's business assets and activities on the Holding, up to a value of **£5,000,000** (Five Million Pounds)

3.6 Use and management

- (a) Throughout the Term personally to farm the Holding as a trade or business for the Use only
- (b) To keep the Holding free from weeds and pests and to farm the Holding in accordance with the rules of good husbandry as defined in the Agriculture Act 1947 and not merely to keep the Holding in good agricultural and environmental condition
- (c) To comply in all respects with the recommendations and guidance contained in the Guidance for Soil Management issued by DEFRA and the RPA in relation to cross compliance under the Basic Payment Scheme and with the DEFRA Code of Good Agricultural Practice
- (d) Throughout the Term to spread all manure slurry and compost on the Holding

- (e) Not to break up or convert into arable any part of the Holding shown in Schedule 1 as permanent pasture and not to remove from the Holding any turf or top soil and to maintain all public rights of way
- (f) Not to deposit any refuse waste redundant material or redundant machinery of any kind on the Holding
- (g) To take all reasonable steps to prevent trespass on the Holding (and not to permit third parties to search for buried objects on the Holding without the Landlord's prior written consent) and to prevent any new public or private rights from being acquired over the Holding and to notify the Landlord in writing of any encroachment or trespass on the Holding (and not to permit third parties to search for buried objects on the Holding without the Landlord's prior written consent)
- (h) Not to do or suffer to be done on the Holding anything which may be or become a nuisance or annoyance to the Landlord or other occupiers of neighbouring land
- (i) Not to commit any wilful or voluntary waste on all or any part of the Holding or to remove or alter any fence hedge or other boundary feature without first seeking prior written consent from the Landlord
- (j) Not to destroy alter or reduce in height any hedge fence bank or wall or obliterate any landmark or boundary or create any new boundary whereby the size or shape of the fields or the general layout of the premises is changed
- (k) Not to cut down or injure any trees growing on the Holding and to protect all trees from damage by animals save that the Tenant shall cut and remove all fallen and dangerous trees on the Holding
- (l) To inspect the trees on the Holding regularly and to give written notice to the Landlord of any dead dangerous or potentially dangerous trees on the Holding
- (m) Not to put the Holding down to crops of more than 2 years duration

- (n) To take all reasonable precautions to prevent the introduction of eelworm, rhizomania, violet root, brown rot, and white rot on the premises; in particular not to grow on the same land during any period as specified below namely:-

<u>Period</u>	<u>Crop</u>
10 years	Bulbs
5 years	Potatoes
5 years	Carrots
5 years	Onions
5 years	Parsnips
3 years	Sugar Beet

- (o) Not to use or permit the Holding to be used for camping or parking of vehicles or caravans or for the purpose of auctions, sales, fairs, festivals, contests, rallies, competitions or any form of public gathering or for commercial photography or film
- (p) Not to put any notice boards or advertisements on the Holding
- (q) To take all reasonable steps to preserve and prevent the destruction of all wild birds included in the Wildlife and Countryside Act 1981 Schedule 2 (including their nests and eggs)
- (r) Not to use the Holding for growing, keeping or developing genetically modified plants
- (s) To comply with such directions as the Landlord may reasonably issue with the purpose of conserving biodiversity pursuing good environmental practice and promoting sustainability
- (t) Not to allow any oil grease waste or any other matter which is deleterious poisonous noxious polluting harmful or dangerous (to humans property or the environment) to enter any watercourse channel drain sewers or pipe in on or near the Premises or to be present on any part of the Premises unless properly controlled and contained and in the event of a breach of the foregoing the Tenant shall notify the landlord immediately and make good any damage done in accordance with the requirements of the Landlord and any Authority
- (u) In the last year of the term to farm and cultivate the Premises in accordance with any reasonable written requirements of the landlord

- (v) Not to drain any ditches ponds or other watercourses or water supplies on the Premises
- (w) When using any sprays to take all reasonable care to ensure that adjoining hedges trees and crops are not adversely affected and to make good or replant as necessary should any damage occur and so far as possible to select and use chemicals whether for spraying seed dressing or other purposes whatever which will cause least harm to game birds and other wildlife other than vermin or pests
- (x) Not to allow anything to be done on the Premises which might cause the pollution of any watercourse or any supply of water
- (y) To permit the Landlord to enter the Premises or any part thereof on giving to the Tenant reasonable notice (save in the event of an emergency)

3.7 **Information**

- (a) To supply free of charge to the Landlord a copy of all documents submitted during the Term in respect of the Holding which the Tenant completes pursuant to any Enactment or in respect of Entitlements or any document submitted or received in respect of Payment Rights (including a claim for allocation of Payment Rights) at the time the document is completed or received and records (including invoices) of all crops grown on the Holding
- (b) To supply immediately on receipt to the Landlord a copy of any notice or proceedings served upon the Tenant concerning the Holding or any report or survey relating to the Holding prepared by or for the Tenant
- (c) On termination of this Tenancy (or earlier upon written request) to supply any documents held by the Tenant which are required to enable the Holding to be farmed in accordance with this agreement
- (d) To supply free of charge to the Landlord a copy of any charge over the Tenant's business assets at the time the charge is completed

3.8 **Legislation**

Immediately to comply with any Legal Obligations and to produce all notices orders directions or other correspondence relating to the Holding to the Landlord and to permit the Landlord to take a copy

3.9 **Alienation**

- (a) Not to assign, sublet, charge, part with or share possession or occupation of the Holding except as expressly permitted in clause 3.9 (b) of this agreement

- (b) Not to enter into any contract farming agreement or share farming agreement in relation to the Holding without first consulting the Landlord and securing formal written consent from the Landlord to the contract farming agreement

The Landlord will not however unreasonably withhold consent for the Tenant to engage contractors to carry out single contract operations specifically lime spreading, mole draining, combining or similar operations

- (c) Not to have on the Holding third party livestock

3.10 **Alterations and improvements**

Not to alter, remove or make additions to any item of fixed equipment nor erect any new buildings or other item of fixed equipment nor apply for planning permission nor make any other improvements (with the exception of routine improvements) to the Holding without the prior written consent of the Landlord

3.11 **Licences and Authorisations**

During the Tenancy to preserve any existing licence or authorisation or any new licence or authorisation granted for the Holding relating to water supply or any other matter under any Enactment and on termination of the Term to transfer any such licence and/ or authorisation to the Landlord or at his direction

3.12 **Schemes**

Not without the prior written consent of the Landlord to enter into any grant scheme management agreement or other arrangement under which the use and/or management of the Holding is restricted

3.13 **Ancient Monuments**

- (a) Not to demolish or remove any part of the Holding which is an ancient monument or break up the surface of the ground on any part of the Holding which is the site of an ancient monument whether or not it is designated as an ancient monument under Section 61(12) of the Ancient Monuments and Archaeological Areas Act 1979
- (b) To prevent any person from damaging any such ancient monument or site
- (c) To use the Tenant's best endeavours to prevent access or damage to such sites by human trespassers or by livestock rabbits foxes badgers and other burrowing animals

- (d) Not to use metal detectors on the Holding or allow anybody to search for buried objects on the Holding unless the permission of the Landlord is obtained in advance

3.14 **Artefacts**

- (a) To give written notice to the Landlord forthwith upon the discovery of any artefact giving to the Landlord all such details as are known to the Tenant including the precise place of discovery the precise nature of the artefact and the identity of the person making such discovery and to preserve such artefacts for the benefit of the Landlord
- (b) Not without the written consent of the Landlord to enter into any arrangement with any person to explore the Holding for artefacts
- (c) Forthwith to deliver to the Landlord any artefact discovered which artefact shall in any event be the property of the Landlord (but subject always to the law of Treasure Trove)
- (d) If notwithstanding the foregoing the Tenant receives a reward or a share of a reward in respect of any artefact discovered on the Holding to hold the same upon trust for the Landlord and to pay the same over to the Landlord forthwith

3.15 **Damage to Services**

Where damage results from the laying of pipelines sewers and other apparatus or from the erection of poles pylons and other apparatus to use any monetary compensation received to remedy such damage and fully restore the Premises or obtain suitable indemnity from the statutory or acquiring authority

3.16 **Costs**

To indemnify the Landlord against all costs incurred by the Landlord in or in contemplation of enforcing their rights or the Tenant's covenants (including the service of notices and the preparation and service of any schedule of dilapidations) or considering or granting requests for consent under this agreement

3.17 **Death of Tenant**

If the Tenant dies during the Tenancy his executors or administrators or other person or persons in whom any interest in the Tenancy is vested immediately after his death shall within one month of his death give notice in writing to the Landlord of such death and its date

3.18 Yield up

- (a) On termination of this agreement to hand back the Holding to the Landlord with vacant possession in a clean and tidy condition having removed all the Tenant's property and any rubbish
- (b) If subject to the Tenants right under section 8(2) of the Act on termination of this agreement the Tenants leave any fixtures fittings or other items at the Premises the Landlord may treat them as having been abandoned and may remove destroy or dispose of them as the Landlord wishes and the Tenant's shall pay to the Landlord on demand the cost so incurred with interest at the interest rate from the date of demand to the date of payment and to indemnify the Landlord against any and all resulting liabilities

3.19 Employees

The Tenant shall indemnify and keep indemnified the Landlord against each and every claim, liability, cost (including legal costs), expense or demand arising out of any claim or demand made by or on behalf of any employee whose contract of employment is or would be transferred to the Landlord by operation of the Transfer of Undertakings (Protection of Employment) Regulations 2006 at the end of this agreement and may have a claim against the Landlord relating to their employment or its termination

4 LANDLORD COVENANTS

The Landlord covenants with the Tenant as follows:

4.1 Quiet enjoyment

If the Tenant observes and performs the Tenant's covenants and obligations in this agreement the Tenant may peaceably hold and enjoy the Holding during the Term without any interruption or disturbance from or by the Landlord or any person claiming through under or in trust for the Landlord

5 RENT REVIEW

The Landlord and the Tenant mutually agree that the rent shall be subject to the statutory rent review provisions contained in Part II of the Act and shall be reviewed on the third anniversary of the commencement date.

6 ENTITLEMENTS AND PAYMENT RIGHTS

The Landlord and the Tenant covenant:

6.1 Entitlements and Payment Rights

- (a) Immediately following the grant of the Tenancy both parties shall take all necessary steps to transfer the Entitlements to the Tenant for the Tenant's use during the Term
- (b) The Tenant will secure the Holding Payment Rights by allocation or transfer (but not allocation from any national reserve if that limits the Tenant's ability to transfer those Payment Rights at any time) but the Tenant shall not do or omit anything which may prejudice the allocation of Payment Rights to the Landlord or any other occupant of the Holding or part of it if one of those parties is able to claim the Payment Rights and the Landlord directs that it should
- (c) The Tenant shall maintain the Rights and not transfer lease or charge them or do or omit to do anything which results in the loss confiscation or reduction of any of the Rights or renders them unavailable or not transferable on termination of the Tenancy nor permit the number of eligible hectares on the Holding to fall below the number of the Entitlements
- (d) Before the termination of the Tenancy the Tenant shall transfer no less than hectares of Basic Payment Scheme Entitlements to the Landlord or their nominee without payment so that those Rights are registered in the name of and usable by the Landlord or their nominee on the day after the last day of the Tenancy (or the relevant part of it)
- (e) The Tenant shall comply in full with all Compliance Requirements affecting the Holding
- (f) The Landlord shall for the remainder of the calendar year during which the Tenancy ends procure that all Compliance Requirements affecting the Holding are (save to the extent that the Tenant has himself failed to observe them) observed in full
- (g) The Tenant's obligations concerning Rights shall not apply insofar as the Rights have been subject to reduction imposed by any Authority unless such reduction is due wholly or partly to any act or omission by the Tenant (any compensation for that reduction being due to the Landlord)

7 TERMINATION OF TENANCY

The Landlord and the Tenant agree:

7.1 **Termination of Whole**

- (a) The Landlord shall be entitled on the death of the Tenant to terminate this agreement by serving Notice on his personal representatives
- (b) The Landlord shall be entitled (in the event of being reasonably satisfied that the Tenant is incapable by reason of physical or mental incapacity of farming the Holding in accordance with the obligations contained in this agreement) to terminate this agreement by serving Notice on the Tenant
- (c) On the expiry of the Notice this agreement shall end but without prejudice to any right of action of the Landlord in respect of any previous breach by the Tenant of this agreement

7.2 **Termination of Part**

- (a) The Landlord shall have the right at any time to terminate this agreement in respect of any part of the Holding for a Part Termination Purpose by serving three calendar months prior written Notice on the Tenant
- (b) Any termination of part of the Tenancy shall not terminate the Term except in respect of the land taken (in respect of which this agreement shall end but without prejudice to any right of action of the Landlord in respect of any previous breach by the Tenant of this agreement) and the Tenant shall be entitled to an appropriate proportionate reduction in rent

7.3 **Forfeiture**

- (a) If the whole or any part of the Rent (or any other sum reserved as rent) remains unpaid twenty-one days after becoming due (whether demanded or not); or
- (b) If any of the Tenant's covenants or agreements in this agreement are not performed or observed; or
- (c) If the Tenant proposes or enters into any composition or arrangement with his creditors generally or any class of his creditors; or is the subject of any judgment or order which is not complied with within seven days or is the subject of any execution or distress levied on the Holding; or is the subject of an application or order or appointment under sections 253, 273 or 286 of the Insolvency Act 1986; or is unable to pay or has no reasonable prospect of being able to pay his debts within the meaning of section 268 of the Insolvency Act 1986; or
- (d) If the Tenant (being a company) is the subject of a petition presented or an order made or a resolution passed for appointing an administrator or winding up such company; or a receiver or administrative receiver is appointed of the whole or

any part of the undertaking, property, assets or revenue of the company; or agrees to declare a moratorium or is unable to pay its debts within the meaning of section 123 of the Insolvency Act 1986; or ceases or threatens to cease to carry on its business

the Landlord may without prejudice to any other rights he may have at any time (and notwithstanding the waiver of any previous rights of re-entry) re-enter the Holding or any part of it whereupon the Tenancy shall end

8 FURTHER MUTUAL AGREEMENTS

8.1 Set-off

The Landlord may deduct from any compensation due to the Tenant all sums due from the Tenant to the Landlord

8.2 Failure by Tenant to effect repairs

If the Tenant fails to start work on the repairs for which he is liable under this agreement within one month or if he fails to complete them within two months of receiving from the Landlord a written request specifying the necessary repairs and calling on him to execute them then the Landlord may enter and execute such repairs and recover the costs from the Tenant as a debt immediately after the completion of such repairs

8.3 Whole Agreement

This agreement contains the whole agreement between the Landlord and the Tenant relating to the transaction contemplated by the grant of this agreement and the Tenant covenants that he does not in entering into this agreement rely on any representation or warranty other than those expressly set out in this agreement or contained in any written replies given by or on behalf of the Landlord to any written enquiries raised by or on behalf of the Tenant

8.4 Dispute resolution

- (a) In the event of any dispute arising under this agreement between the parties other than a dispute in respect of Rent or consent for improvements or compensation it shall be determined by an independent expert who shall be appointed on the joint written application of both parties or in default of agreement on the application of either party by the President of the Royal Institution of Chartered Surveyors
- (b) The appointment of such expert shall specify that his decision shall be made following representations in writing by the parties and the costs of the expert shall

be borne as directed by the expert and his decision shall be final and binding on all parties

8.5 Landlord's Address and Notices

- (a) For the purposes of the Landlord and Tenant Act 1987 the Landlord's address at which notices and proceedings should be served is as specified in clause 1 or at such other address as the Landlord may notify to the Tenant in writing
- (b) Notices or other documents required or authorised to be given under the Act may be sent by ordinary first class post or recorded delivery or facsimile at the address given for the party in this Agreement or in a manner provided for in Section 36 of the Act

8.6 Contracts (Rights of Third Parties) Act 1999

The parties do not intend that any term of this agreement 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

8.7 Implied rights

The Tenant shall not impliedly be or become entitled to any easement or similar right and section 62 of the Law of Property Act 1925 is excluded from this Tenancy

SIGNED by the parties on the date of this agreement

Schedule 2

Tenant's Rights

SIGNED for and on behalf of)

SUFFOLK COUNTY COUNCIL)

in the presence of:)

Witness Signature

Witness Full Name

Witness Address

.....

.....

.....

Witness Occupation

SIGNED by)

The Tenant

in the presence of:)

Witness Signature

Witness Full Name

Witness Address

.....

.....

.....

Witness Occupation