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AGREEMENT FOR ENTRY INTO A SUSTAINABLE FARMING INCENTIVE SCHEME (MOORLAND INTRODUCTORY STANDARD)

[NAME OF COMMONERS ASSOCIATION]

This Agreement is dated 2022

and made between:

1. …………………………………………………….. (full name)

of: ……………………………………………………..

 ……………………………………………………..

 …………………………………………………….. (address)

 …………………………………………………….. (postcode)

 …………………………………………………….. (email address) (“**I**”);

1. The individuals listed in Schedule 1 of this Agreement as may be amended from time to time (“**the Members**”) excluding the person named at (1) above; and

**BACKGROUND**

1. Definitions and Interpretation

The following definitions apply in this Agreement:

|  |  |
| --- | --- |
| **“the Association”** | [ ] of which I [am a member / will become a member by signing this Agreement]. |
| **“my Business”** | 1. a partnership of which I am a partner; or
2. a company of which I am a director; or
3. any other trading entity in which I have an interest which has claimed BPS in 2022 and whose name is set out next to my own in Schedule 1 of this Agreement.
 |
| **“the Common”** | [ ] Common which is registered as unit CL[ ] by [ ] Council acting as Commons Registration Authority, or any part or parts of it. |
| **“EOI Form”** | The Expression of Interest Form completed by [me / my Business] [as an active grazier] prior to the completion of this Agreement |
| **“Officers”** | the [Chairman, Treasurer and Secretary] appointed from time to time in accordance with the Rules. |
| **“my Rights”** | rights to graze animals on the Common which are registered to [me / my Business] or which attach to the land which [I / my Business] farm and are rights to graze animals on the Common which [I / my Business] [have / has] declared on the EOI Form and in relation to which [I / my Business] [have / has] management control of for the duration of the SFI. The number of Rights held by [me / my Business] are set out at Schedule 2. |
| **“RPA”** | The Rural Payments Agency, the Department for Environment, Food and Rural Affairs or such other responsible authority for BPS. |
| **“Rules”** | The rules of the Association which are [contained within an agreement dated [ ] relating to a Stewardship Scheme / are set out at Schedule 3 of this Agreement]. |
| **“SFI”** | the Sustainable Farming Incentive scheme moorland introductory standard agreement to be entered into between the Association and the RPA. |
| **“Stewardship Scheme”** | any current or future agreement that exists on the Common that requires Members to undertake land management actions, including but not limited to stocking restrictions, capital works and vegetation management  |

2. Agreements by the Members [and the Owner]

The Members [and the Owner] agree as follows:

2.1 This Agreement will commence on the date of this Agreement and will end when the SFI ends.

2.2 The Association will enter the Common into the SFI as soon as practicable.

2.3 The Officers are hereby appointed as authorised agents to sign the SFI, to administer the SFI and to manage the administration and distribution of monies under this Agreement.

2.4 The Association is authorised to obtain and is responsible for obtaining all necessary consents from any third parties required to enter the Common into the SFI.

2.5 The Members [and the Owner] jointly and severally undertake to indemnify the Officers and each of them against any loss, cost or expense incurred by the Officers or any of them acting as such for the Association.

3. Agreements by me

3.1 I agree with the Association as follows:

3.1.1 that the Association can make the same agreements and give the same undertakings on my behalf to other parties to this Agreement as it gives to me on behalf of those other members as set out in this Agreement;

3.1.2 that [I am a member of the Association and will continue to abide by the Rules / I will be a member of the Association and will abide by the Rules]. I must remain a member of the Association to be eligible for payments under this Agreement; and

 3.1.3 that [I / my Business] will promptly repay to the Association a share of any monies properly demanded by the RPA or the Association if the Officers make reasonable demand.

3.2 The Association may adjust the percentages set out in Schedule 2 of this Agreement to allow a new member to join the Association or when a member leaves the Association and any sums due to me by virtue of this Agreement are subject to change as a result.

3.3 If [I / my Business] transfer some or all of my Rights then [I / my Business] may assign or transfer the benefits held under this Agreement provided that I promptly provide the Association with a copy of any assignment or transfer. If [I / my Business] transfers some or all of my Rights then I will inform the Association and the payments due to me under this Agreement may be reduced.

3.4 If [I / my Business] acquire any Rights from another member of the Association then I will inform the Association who will determine whether the payments due to me under this Agreement may be increased.

3.5 If I have provided an email address then I consent to receive communication and notices from the Association by email.

3.6 If I am a signatory to another agreement on this Common relating to a Stewardship Scheme then I will continue to abide by that agreement in addition to this Agreement.

3.7 I agree to provide my bank account details to the Association on request and agree that the transfer of any payments due under clause 5 to that account will constitute payment to me by the Association.

3.8 I will attend not less than [ ] of meetings of the Association in a twelve month period and will participate in discussions relating to the evaluation of the public goods potential and help identify opportunities for public good enhancement. I understand that if I do not comply with this clause then the payments due to me may be reduced.

[4. Agreements by the Owner

4.1 I agree with the Association as follows:

 4.1.1 that the Association can make the same agreements and give the same undertakings on my behalf to other parties to this Agreement as it gives to me on behalf of those other members as set out in this Agreement;

4.1.2 that [I am a member of the Association and will continue to abide by the Rules / I will be a member of the Association and will abide by the Rules]. I must remain a member of the Association to be eligible for payments under this Agreement;

4.1.3 that I will promptly repay to the Association a share of any monies properly demanded by the RPA or the Association if the Officers make reasonable demand; and

4.1.4 that I agree to the Association and those authorised by it accessing the Common by foot or by vehicle to undertake such activities as are required to meet the requirements of the SFI for the duration of the SFI. Any information collected and obtained will be available to the Members and the RPA. Nothing in this clause shall limit the existing rights of the Members.

4.2 If I transfer some or all of the Common then I may assign or transfer the benefits held under this Agreement provided that I promptly provide the Association with a copy of any assignment or transfer.

4.3 If I have provided an email address then I consent to receive communication and notices from the Association by email.]

4.4 If I am a signatory to another agreement on this Common relating to a Stewardship Scheme then I will continue to abide by that agreement in addition to this Agreement.

4.5 I agree to provide my bank account details to the Association on request and agree that the transfer of any payments due under clause 5 to that account will constitute payment to me by the Association.

4.6 I will attend not less than [ ] of meetings of the Association in a twelve month period and will participate in discussions relating to the evaluation of the public goods potential and help identify opportunities for public good enhancement. I understand that if I do not comply with this clause then the payments due to me may be reduced.]

5. Agreements by the Association

5.1 The Association by its members agrees with me that while the SFI continues and payments are received from the RPA, it will do as follows in the order of priority set out below:

5.1.1 pay to any Members who:

a) undertake surveying, the sum of £[ ] per SFI survey point completed in accordance with the SFI requirements in accordance with the method agreed by the Officers ; and / or

[b) attend not less than [75%] of meetings in a 12 month period and participate in discussions relating to the evaluation of public goods potential and identify opportunities for public good enhancement (in accordance with clauses [3.8 [and] 4.6 above), the sum of £[ ] per year, commencing on the date of this Agreement.]

c) carry out the minimum eligibility SFI requirements required by the RPA prior to applying for the SFI, including but not limited to notifying all those with the legal interest in the Common of the SFI and preparing the legally binding internal agreement;

d) obtain the information on the actual and potential provision of public goods on and from the Common as required by the SFI, including but not limited to any surveying (if not all undertaken by the Members); and

e) do any work and obtain any data related to the environmental condition of the Common and the current and potential public goods on the Common as required by the Officers and agreed at a meeting of the Association.

5.1.2 pay the expenses of employing a land agent or other third-party adviser who the Officers may instruct to undertake any of the tasks in 5.1.1

5.1.3 pay any other expenses properly incurred and evidenced in writing by the Association;

5.1.4 retain such sums as the Officers consider reasonable for future expenses and costs relating to this Agreement, the SFI and the management of the Common;

 [5.1.5 pay [£ ] to the Owner;] and

5.1.6 distribute any surplus sums to the Members in the percentage shares set out in Schedule 2 of this Agreement [subject to compliance with clause 3.8 or clause 4.6].

5.2 The Association will maintain proper accounts and have annual accounts prepared and presented at the Annual General Meeting.

5.3 The Association confirms that it:

 5.3.1 has used reasonable endeavours to compile a live register of common rights on the Common; and

 5.3.2 has used reasonable endeavours to notify all individuals with a legal interest in the Common (including the Owner and any tenants) of the SFI

 5.3.3 [ ]

6. Disputes

 If there is a dispute or difference between any two or more members of the Association or between the Association and a member, such dispute will be determined by a representative of a Commons Council, or another third party agreed by and appointed by both disputing parties, and in default of agreement as to any such appointment then the dispute will be determined by a land agent appointed by the president for the time being of the Royal Institution of Chartered Surveyors or the Central Association of Agricultural Valuers on the application of either party and he shall act as arbitrator in the matter.

Signed by the Member: ………………………………………………………………………..

Signed by the Association acting

by two Officers: ………………………………………………………………………..

 ………………………………………………………………………..

Schedule 1

The Members

[LIST ALL MEMBERS, INCLUDING THE OWNER, AND BUSINESSES]

Schedule 2

The Rights / Payments to the Members

[LIST THE RIGHTS AND PERCENTAGE SPLIT AS PER CLAUSE 5.1.6]

[Schedule 3

The Rules

1. The Association shall be known as [ ].

**2.** **The objects of the Association**

The objects of the Association shall be:

2.1 To manage the SFI and Stewardship Schemes on the Common.

2.2 In so far as is legally permissible, to control and manage the exercise of registered grazing and other rights on the Common.

2.3 to assist and advise members on all other relevant matters.

**3. Membership**

3.1 Membership shall be open to:

 3.1.1 the Members listed in Schedule 1

 3.1.2 [ ]

 3.1.3 [New Members – [if active graziers]]

3.2 A member shall cease to be a member:

 3.2.1 if he gives the Officers written notice of his resignation as a member;

 3.2.2 if the Association resolves by a majority of two thirds at a meeting to remove him as a member; or

 3.2.3 if he ceases to have an interest in the Common.

**4. The Officers**

4.1 The Association shall have a [ ]:

 [ ]

 [ ]

4.2 The Officers will remain in office [until the next Annual General Meeting of the Association when new officers are elected / for the duration of the SFI]. Any Officer of the Association may stand for re-election.

4.3 A person will cease to be an Officer of the Association:

 4.3.1 if he ceased to have an interest in the Common;

 4.3.2 if the Association resolves by majority to remove him from office;

 4.3.3 if he suffers from a mental disorder;

 4.3.4 if he resigned his office by written notice to another Officer; or

 4.3.4 he fails to attend [ ] consecutive meetings of the Association without given a reason acceptable to it (unless he is afterwards reappointed by the Association).

4.4 The Association will appoint a replacement Officer to fill a vacancy.

4.5 The liability of the Officers to the Members to observe and perform the terms of this Agreement and their liability in respect of any breach of such terms or any of them will not be their personal liability, except where such breach arises from the fraud, negligence or wilful default on the part of the Officer or Officers. In such circumstance, the Officer or Officers shall be responsible to make good the loss.

**5. Meetings**

5.1 A meeting of the Association will be either a general meeting (which will include an Annual General Meeting) or an extraordinary general meeting.

5.2 All Members are entitled to vote at all meetings.

5.3 A general meeting is called by an Officer, giving at least [ ] days’ notice to all Members. The notice must state the date, time and place of the meeting.

5.4 An extraordinary general meeting may be called by notice in writing addressed to the Officers and signed by three Members or may be called by the Officers at any time and will give at least [ ] days’ notice to all those entitled to attend and vote, such notice to state the date, time and place of the meeting, the text of any resolution proposed and the general nature of the business to be transacted.

5.5 In cases of emergency, a meeting may be called on less than [ ] days’ notice.

5.6 A quorum for a general meeting will be [ ] Members. If no quorum is present within 30 minutes of the time stated in the notice then the meeting is to be abandoned.

5.7 Voting at any meeting will be by show of hands on any issue, one vote per member, or a recorded vote if demanded by two or more members.

5.8 In the case of equality of votes then [ ] will have the casting vote.

5.9 At the Annual General Meeting, the financial statements of the Association are to be approved.

5.10 Minutes of a meeting will be taken by [ ] and will be recorded in a minute book and laid before the next meeting for approval. Minutes will be distributed to the Members following each meeting.

**6. Change of Rules**

6.1 Changes to the Rules can only be made at a meeting, must be notified to the Members in the meeting at which they are to be considered and must be supported by [two thirds] of all Members present.

6.2 For so long as this Agreement lasts, the Rules shall always be in a form which ensures compliance with the Stewardship Schemes and the SFI.

**7. General**

7.1 A Member is entitled to inspect the minutes of the Association meetings and the financial records, correspondence and other documents belonging to the Association upon reasonable written notice to the Officers.

7.2 A notice given under these rules may be sent by post or email to Members at the last address notified to the Association.

7.3 The Officers shall keep proper books of financial records.

7.4 The Officers may authorise the expenditure of funds to meet all of the Association’s expenses and may instruct third parties to help meet the Association’s obligations under the SFI and this Agreement.

7.5 Any documents, papers or proceedings may be signed for and on behalf of the Association by two Officers.

**8. Grazing Rules / Rules of the Common**

8.1 The Association will have the power to make rules for grazing on the Common.

8.2 The current rules for grazing are:

[ ]]