



English Woodland Grant Scheme

Operations Note 14

1st June 2008

Change of Ownership under EWGS

Purpose This leaflet provides guidance on the implications for the purchaser and seller when land subject to an English Woodland Grant Scheme changes ownership. Please note that these arrangements differ from previous Forestry Commission grant schemes such as WGS and separate guidance for them is available from your local FC office

About the EWGS Contract The EWGS contract gives details of the work that we have agreed the owner may carry out. It also includes a map or maps to show the location of the work. We will pay grant for this work if it is done in accordance with the contract and to our reasonable satisfaction. The owner can only start work once both parties have signed the contract and he or she receives their copy. The EWGS contract is an 'enabling' contract; the owner (or lessee) has agreed to do the work on a voluntary basis only. The Terms and Conditions of the scheme normally require that the work is maintained to a reasonable standard for a set period of time

How Long Does the Contract Last? There are two distinct time periods outlined in the Terms and Conditions. The Approval Period is the period within which the owner is allowed to carry out carry out the work agreed in the contract, and lasts for one to five years depending on the type of work approved. The Contract Period can be longer, depending upon the type of grant that is being paid and relates to how long the owner must look after the woodland to meet the grant conditions. For instance, if we are paying Woodland Regeneration Grant then the contract lasts for ten years from the payment of the first instalment. If however the owner is claiming Woodland Creation Grant with public access provision or Farm Woodland payments then the contract may last for 20 or 30 years

Change of Ownership The seller, their agent or solicitor should inform [Forestry Commission \(FCRegional Office staff\)](#) (Pdf) as soon as possible that the land is to be sold or transferred. This will give us time to give advice about the EWGS contract, any information we hold about previous inspections and any other relevant information about the scheme. We cannot guarantee to inspect the scheme at time of sale and we strongly recommend both the seller and potential purchaser seek professional forestry and legal advice prior to the transfer. It is also important that we should be informed when the sale is completed

Effect of Sale Upon EWGS Contract The contract is legally terminated as soon as the change of ownership takes place. This happens even when only part of the property is sold or transferred. provided the owner objectives and proposals remain the same, the purchaser may choose to continue to implement the existing EWGS contract and carry out any uncompleted work or maintain the work already carried out in order to claim any remaining grants. In order to guarantee payment of any remaining grants, the purchaser must notify the FC within 3 months of the date of sale and sign the new EWGS contract

Liabilities of the Seller Under the Terms and Conditions of the Scheme, the original owner remains liable for the repayment of any grants they received with interest, even after the sale. This liability to repay grant remains up until the time the original contract period expires. If the conditions of the scheme are not met then the FC will always reclaim grant from the person to whom it was paid. As a seller, you can make a private legal agreement with the purchaser to transfer your liability for grant repayment, but as this is a private arrangement, we will still seek to reclaim from the seller. Example:

- Owner A applies for grant, carries out work and receives grant in year 1 before selling the land to Owner B in year 2. The contract period is 10 years from payment of 1st instalment of grant. Liability has been privately transferred as a condition of land sale
- Owner B removes all the trees in year 9. The FC will reclaim grant paid from Owner A. Owner A will have to seek private action to recover the money from Owner B under the terms of their private agreements

Buying Land With An EWGS Contract In Place We recommend you seek professional forestry and legal advice on the implications of the EWGS contract. If you are interested in receiving future grants, contact your local Forestry Commission office as soon as possible for advice. You can take over the existing EWGS contract provided you write to us within 3 months of purchase. Alternatively you can make a fresh application for grants, but note we cannot guarantee an offer of grant as it is subject to the scheme rules and funding availability

Felling Permission If we have given the seller a felling licence to permit felling within the EWGS contract, permission to fell any more trees will expire when the contract is terminated and the purchaser would have to reapply if they wish to carry out further felling. If felling has been carried out by the seller which included conditions e.g. the area must be restocked and maintained for 10 years, these conditions will legally pass to the purchaser of the property under the terms of the Forestry Act 1967. This will mean that the purchaser will have to carry out any uncompleted restocking and/or maintain any restocking that has been done by the seller.

How To Transfer Liabilities You should get in touch with your solicitor to get a legal agreement signed with the purchaser to transfer the liabilities for repaying grant. A form of words is provided at the end of this note to help you draw up an agreement, but you must seek legal advice to ensure the agreement is

adjusted to meet your particular circumstances.

Further Advice We recommend you seek professional legal and forestry advice for your particular circumstances. For any queries on the EWGS contract please contact your local Forestry Commission office

The EWGS website www.forestry.gov.uk/ewgs contains all the information needed to apply for grant support. If you do not have access to the internet, you can request any of the information from your local Forestry Commission office.

We recommend getting professional advice on woodland management and grants. A list of national and regional professional organisations is available at www.forestry.gov.uk/england-advice or from your local FC office.

Versions Version 1.0 issued 6th December 2006

Version 1.1 issued 1st June 2008 – minor changes including header

Annex

English Woodland Grant Scheme Transfer of Obligations

This Transfer of Obligations ("Transfer") is made with reference to the land ("the transferred land") subject to English Woodland Grants Scheme (EWGS) Contract with

Property Name ; and

Reference number, approved on ("the Contract")
and is made between

The outgoing occupier of the transferred land

Full Name:	
Address:	
Postcode:	
Email:	

("the Seller")

and

The incoming occupier of the transferred land

Full Name:	
Address:	
Postcode:	
Email:	

("the Purchaser")

The Seller hereby assigns the obligations under the Contract to the Purchaser with effect from ("the transfer date").

The Purchaser confirms that he/she/they either has possession of the transferred land as at the date of his/her/their signature of this form or will have possession within 6 weeks of that date.

The Purchaser confirms that he/she/they has read a copy of the EWGS Contract and understands that, under the terms of this transfer, circumstances could arise in which the Purchaser may be required to repay grants paid to a previous occupier of the land and have future instalments of grant withheld even though the circumstances giving rise to such reclaim/withholding occurred during or as a result of a previous occupation.

Signatures

Seller's signature:

Date:

Purchaser's signature:

Date: