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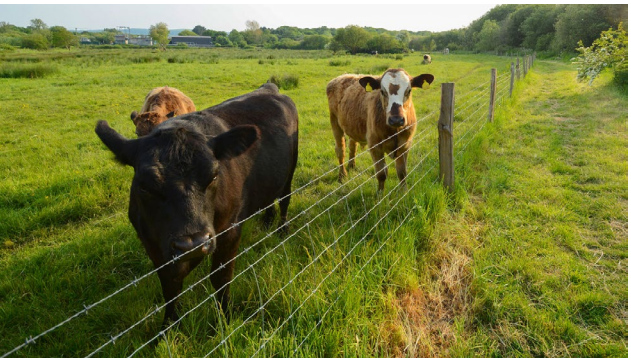
Landed Estates Special

Winter 2026



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Landed Estates Special Winter 2026

Welcome to this Winter edition of Agricultural Lore – a "Landed Estates Special." This edition focuses on both topical and common issues faced by Landed Estates.

As expected, the Autumn budget brought several tax rises, many of them not surprising given the months of speculation. One of these was the tax surcharge on houses worth over £2 million. For farmers and business owners the surprise announcement before Christmas that the IHT threshold for APR and BPR will be raised to £2.5 million was welcome news. Elinor Crosbie-Dawson and Iwan Williams discuss these upcoming changes on **page 12**.

The backdrop for farmers remains uncertain and challenging but 2026 should bring several key changes. It was a relief to finally have some details of the new SFI offering earlier this month. The first window for applications (for those with small farms and those without existing ELM schemes) will open in June. However, further details about the scheme are awaited. The launch of the 25 Year Farming Roadmap is expected early this year and should provide some direction for farmers and policy makers. The Roadmap will draw on the findings of the Farming Profitability Review led by Baroness Minette Batters published in December 2025. The Review provides a welcome insight to the issues underpinning farming profitability and offers 57 recommendations to build a more profitable and sustainable farming system.

The Renters' Rights Act 2025 received Royal Assent on 27 October 2025. The Government's roadmap for implementation has been released, and Phase 1 measures will be introduced from 1 May 2026. Phase 1 will include the abolition of both ASTs and section 21 no-fault eviction notices. It would be sensible to review portfolios because from 1 May 2026 landlords will not be able to serve a section 21 notice and will instead need to establish a mandatory or discretionary ground for possession.

For the agricultural sphere there were two other key pieces of legislation that received Royal Assent in December. These were the Planning and Infrastructure Act 2025 (**PIA 2025**) and the Employment Rights Act 2025 (**ERA 2025**). The PIA 2025 will enable huge planning reforms, and it is hoped that it will facilitate the need for housing and infrastructure whilst balancing the needs for nature recovery. The ERA 2025 brings a raft of new employee rights and is discussed by Kate Gardner on **page 9**.

In this edition, we cover a wide range of issues from money laundering regulations to residential tenancy compliance and from housing rural workers to landscape recovery.

We are looking forward to hosting another Agricultural Roadshow between 2 - 6 February 2026. We will be discussing the Natural Capital market, considering both publicly funded schemes and private investment. We look forward to seeing many of you there.

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Renters' Rights Act 2025:

Navigating accommodation for rural workers

Providing accommodation for employees remains common practice on many farms and rural estates. In England, this can currently be done in several ways, including as:

- an Assured Shorthold Tenancy (**AST**)
- an Assured Tenancy
- an Assured Agricultural Occupancy (**AAO**)

  or

- a Service Occupancy.

The housing of agricultural workers needs to be approached differently from housing for other rural workers. This is because an AAO can arise where a qualifying agricultural employee occupies accommodation provided by the employer, and this will give the agricultural worker long-term security of tenure. For that reason, employers will want to avoid service occupancies for agricultural workers, but they can be used for other rural workers such as gamekeepers.

Since the creation of ASTs by the Housing Act 1988 (**HA 1988**), many lettings to agricultural workers have been via ASTs (with the employer landlord having served a Form 9 Notice in advance to avoid the creation of an AAO). This has given employers the ability to regain possession of the accommodation using the section 21 process when an agricultural worker's employment terminates.

The Renters' Rights Act 2025 (**RRA 2025**) will abolish ASTs and end section 21 'no fault' evictions and these provisions are due to come into force on 1 May 2026. All ASTs will automatically become assured tenancies, with landlords having only limited grounds to regain possession from their tenants.

After 1 May 2026, the two key means of providing accommodation to rural workers will be Service Occupancies and Assured Tenancies. For agricultural workers, employers will want to grant Assured Tenancies alongside the relevant advance opt out notice.

Service Occupancies

A service occupancy is a type of licence with no security of tenure. It is designed for use where an employer requires a worker to live in a property owned by the employer for the better performance of that worker's duties. There is a strict test to qualify for a service occupancy. An agreement will only be a service occupancy if either:

- it is necessary / essential for the worker to occupy a particular house

  or

- the worker can perform their duties better by living at the property and it is an express term of the employment contract that they do so.

The courts have demonstrated that this is a high bar to meet. The need must be genuine and not merely convenient for the employer. Examples of a true service occupancy may be a boarding-school teacher, hotel manager or on-site security guard.

Service occupancies are a useful mechanism to provide accommodation for rural workers such as gamekeepers and housekeepers. A service occupancy offers flexibility for employers who will be able to terminate the agreement in one of several ways:

- employer terminating the employment contract without the need to first serve a notice to quit
- employee moving out of the accommodation

  or

- service of a notice to quit by the employer.

However, service occupancy agreements will never be appropriate for agricultural workers because of the risk of inadvertently creating an AAO. Where there is a tenancy or licence capable of protection and the "agricultural worker condition" has been met, security of tenure will be obtained under the HA 1988 with the tenancy or licence becoming an AAO.

The "agricultural worker condition" can be met not only if a workers' proposed employment is agricultural but also if an employee's work prior to moving into the dwelling was agricultural. An AAO will continue long after the tenant's employment because it confers lifetime security on an occupant and includes one succession to their spouse or a member of their family. For more information on AAOs, see Farm cottages: **Finding a way through the statutory maze.**

Assured Tenancies

Once the relevant sections of the RRA 2025 come into force, ASTs will no longer be an option for landlords and instead the default form of tenancy will be an Assured Tenancy. When granting an Assured Tenancy to an agricultural worker, landlords will still be able to avoid granting an AAO by serving an 'opt-out' notice on the worker before they go into occupation.

Terminating an Assured Tenancy for landlords will not be as easy as terminating a service occupancy or an AST. The RRA 2025 varies the existing grounds that landlords may use to obtain possession. Ground 5C expands on the old Ground 16 introducing a specific mandatory ground for reclaiming possession where the dwelling was let because of the tenant's employment. It covers two scenarios:

- where the employment has come to an end

  or

- where the tenancy was not meant to last the duration of the employment and the dwelling is required to house a new employee.

This ground can be used where there is an agreement between a landlord and an employer for the landlord to house the employee – it will cover both agricultural and other rural workers. Ground 5C provides flexibility for estates and rural businesses where the employing entity is different to the landowning entity; this is unlike service occupancies where the employer must own the property.

If either of the scenarios in Ground 5C are made out, i.e. the worker's employment has ended or the early employment requirement applies, the employer landlord would need to serve at least two months' notice to terminate the Assured Tenancy.

Next Steps

Employers should consider existing and future housing arrangements of employees to ensure that they are appropriate and do not limit their ability to recover possession. In particular landlords should:

- consider if they need to serve any s.21 notices before the ability to serve one ends on 1 May 2026
- maintain comprehensive written records documenting the accommodation arrangement and the employment contract of employees (this will be particularly important where a landlord wishes to rely on new grounds such as Ground 5C to reclaim possession)
- once the RRA 2025 comes into force - where housing agricultural workers - ensure they have served the requisite opt out notice in advance
- seek legal advice if they are concerned that they may have a service occupancy agreement housing an agricultural employee.

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Landscape Recovery Schemes:

Things to consider

The Landscape Recovery scheme, the highest level of Defra's Environmental Land Management schemes, aims to drive significant environmental and other outcomes by funding large-scale projects with ambition to generate long lasting landscape and use changes through the engagement of multiple participants and third-party investors. Entering part of an estate into such a scheme can be an attractive proposition and a way to diversify income streams as well as strengthen connections and resilience within the local community for the wider good.

Many of the proposed projects seeking Defra funding under the Landscape Recovery scheme require effective collaboration between large groups of participants (including landowners, tenant farmers and land managers) across hundreds or even thousands of acres of land. The focus is often, and quite rightly, on the possible interventions, the environmental and commercial outcomes and the structure of the delivery vehicle set up to oversee the project. But what, as a potential participant in a scheme, should be considered? Here are a few points to think about:

- Ownership and occupation - landholdings can be complex. Freeholders, tenants, occupiers and partnerships can all feature in the ownership structure and operations taking place on farms and land generally. There should be clarity as to who has an interest in the land because the project will need to sign contracts with the relevant participants to ensure that the scheme can be delivered.

- Certainty as to the land being 'put in' to the scheme is crucial, not just to understand any existing constraints (for example, utilities, third party access rights, or restrictive covenants) and any third-party consents required, but to give certainty in the future as to the land affected. Having suitable scale plans at an early stage can be extremely helpful.

- Negotiations with Defra, the participants collectively and third-party funders can take time, be prepared for changing timeframes before the scheme gets underway. Once the scheme has commenced, participants should understand the programme for any significant works/interventions on the land to minimise the effect of any operations on - or plans for - any adjoining land.

- Be aware that Defra's expectation is that the project will endure for at least 20 years, quite possibly longer. The long-term requirements and aspirations for a participant's overall landholding should be considered, as well as any ongoing obligations to report or actively contribute to the project.

- What type of interventions will take place on the land? Are there any other effects to consider or where mitigation measures may be beneficial? In terms of the interventions, who will carry these out – the participant or will they be conducted by the project's delivery vehicle itself or subcontractors?

- What are the participants expected and/or desired outcomes? What financial returns are expected in conjunction with the environmental benefits? Are they accurately reflected in the documentation?

While the participants will be able to undertake much of the work required to settle land management plans and provide information about the land directly, it may also be beneficial to take legal advice, or the advice of a surveyor to assist in what can be a complex process. The advice given by the professional team acting for the project has at its heart, the interests of getting the scheme into the delivery phase. Obtaining separate legal advice will ensure that the specific interests of a participant in relation to land, business and family circumstances are considered.

Best practice in Landscape Recovery schemes is developing, which means that all parties involved are breaking new ground and there is a great need to hear voices with different perspectives. We have experience of working with various parties engaged in bringing forward projects for Landscape Recovery scheme funding, so if you are considering becoming a participant in a project and have any queries or concerns, please do contact us if you would like to discuss any aspect further.

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The Employment Rights Act 2025:

Employers beware!

The 'most transformative change in employment law for decades' (says the Guardian), the Employment Rights Act 2025 became law in December and brings into force a raft of new employee rights to be introduced from April 2026 onwards.

Statutory Sick Pay (SSP)

You may be aware that changes to SSP have already taken effect, meaning there is no longer a 'lower earnings threshold' nor 3 day waiting period. So, all employees can now claim SSP from day one of absence at either 80% of their wage or £118.75 per week whichever is lower.

Qualifying period for unfair dismissal claim

More controversially the removal of the qualifying period to claim unfair dismissal is due to commence in 2027. Originally proposed as day 1 employment rights for all, this has now been set at a 6-month qualifying period, so employers can still assess and dismiss new staff relatively easily if necessary.

However, an employee will be able to issue a claim of unfair dismissal much earlier than the current 2-year qualifying period allows. As a result, it is predicted that there will be a significant increase in unfair dismissal and related employee claims.

Employers will need to ensure they follow all lawful processes to protect themselves from claims in the Employment Tribunal. Disciplinary and grievance policies should be reviewed and staff training undertaken to reduce the risk of expensive and time-consuming litigation.

Harassment in the workplace

Of further concern to employers is the new requirement to take 'all reasonable steps' to prevent harassment, sexual or otherwise, of their employees in the workplace. A failure to do so could lead to large awards of compensation being paid to employees who are victims of bullying or harassment at work.

This change will also cover unwanted conduct toward your workforce from third parties. From October next year, employers will be responsible for taking all reasonable actions to prevent suppliers, customers, clients or any other third parties, from harassing their workers.

Furthermore, sexual harassment will also become a 'protected disclosure ' under whistleblowing legislation. This means that an employee complaining of unwanted attention from a colleague or customer, for example, could choose to treat this both as a grievance and as 'whistleblowing'. And, if the Employment Tribunal agrees that the employer failed to protect them and could have done so, there is no limit to the amount of compensation that the employer may be ordered to pay the victim.

To protect your organisation, now is the time to review and install robust anti-harassment policies and staff training programmes.

Signage may also need to be installed if staff are public facing, to say that abusive or inappropriate comments to staff will not be tolerated.

We can help with pragmatic and clear advice on all aspects of these imminent and significant legal challenges ahead.

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Residential lettings:

Navigating the maze of statutory obligations

Over the last 10 years the residential private rented sector has endured huge regulatory change culminating in the Renter's Rights Act 2025 (**RRA 2025**). Whilst the RRA has grabbed all the headlines, residential landlords should not forget the myriad other statutory obligations which apply.

The complexity of managing multiple dwellings across an estate is made all the more challenging because the statutory obligations differ between different types and lengths of tenancies; just because a farm is let out on an agricultural tenancy does not mean that it avoids many of the regulations that apply to pure residential lettings.

Below we set out the different types of lettings which could include a dwelling, the statutory obligations which could apply and then focus on three common misconceptions.

Types of tenancies and licences

The main types of occupational rights are:

- Assured Shorthold Tenancies (**AST**s) and Assured Tenancies
- Farm Business Tenancies and Agricultural Holdings Act Tenancies
- Rent (Agriculture) Act 1976 Tenancies and Rent Act 1977 Tenancies
- Landlord & Tenant Act 1954 tenancies
- Common law tenancies
- Service occupancies
- Tenancies at will.

Statutory obligations

These include obligations relating to:

- electrical safety standards
- smoke and carbon monoxide alarms
- gas safety
- control of asbestos
- private drainage sewerage rules
- repairing obligations under section 11 Landlord & Tenant Act 1985
- control of hazardous substances (including legionella)
- deposits
- right to rent checks
- Energy Performance Certificates (**EPC**s) and Minimum Energy Efficiency Standards (**MEES**).

Many of the regulations governing the responsibilities contain exceptions to the general rules.

Penalties for breach of the various statutory obligations range from hefty fines to a prison sentence so landlords will want to be sure that they do not fall foul of the law.

A few common misconceptions

There are many pitfalls, but here are a few particularly noteworthy ones:

1. Chimney sweeping and ASTs

This obligation differs according to the length of a tenancy.

For tenancies of less than 7 years, section 11 of the Landlord and Tenant Act 1985 (**LTA 1985**) imposes an obligation on landlords "to keep in repair and proper working order the installations in the dwelling-house for space heating." It seems therefore that the landlords of these tenancies are responsible for chimney sweeping if the fireplace is necessary for heating the property.

Section 11 applies to assured tenancies, ASTs, Rent Act tenancies and common law tenancies.

For longer term tenancies not caught by the LTA 1985, the parties will need to decide who is responsible for the chimney sweeping and cleaning. Under the Tenant Fees Act 2019 (**TFA 2019**), a landlord cannot require a tenant of an AST to pay for third party services, such as chimney sweeps. However, the government guidance states that if the tenant prefers to employ a third party, they will be responsible for the costs.

Many tenancy agreements prohibit the use of any fireplaces in the dwelling without consent as a means of controlling this issue. The guidance makes it clear that if the tenant goes ahead in breach of this restriction and this causes loss to the landlord, then this can be recovered from the deposit. If fireplaces (as defined in the agreement) are going to be used, landlords would be well advised to have the chimneys of working fireplaces swept themselves.

2. EPCs, MEES and listed buildings

Despite the common misconception, listed buildings are not automatically excluded from the requirement to have an EPC or to comply with MEES. Listed buildings will only be exempt in so far as compliance with certain minimum energy performance requirements would unacceptably alter their character or appearance.

It is sensible to get a draft EPC to determine whether a listed building is exempt. A property owner needs to know what the recommended improvement works for a property are and must determine whether these would unacceptably alter the character or appearance of the building. The standard for 'unacceptable' alterations will vary in each case. As a minimum, the standard will be met if the proposed changes would require local authority planning permission. The local authority's conservation officer can provide case-by-case advice on this. If improvements can be made without altering the building's character or appearance, then an EPC is required and the MEES apply.

3. Licences, tenancies at will and service occupancies

Whether licences, tenancies at will and service occupancies are caught by the obligations depends on the wording of each set of regulations themselves. Some obligations do apply to certain licences, tenancies at will and service occupancies, such as obligations relating to carbon monoxide and smoke alarms, gas, electrics and right to rent checks.

Conversely, other obligations it seems do not catch licences, tenancies at will or service occupancies. For example, the EPC and MEES Regulations (and accompanying guidance) suggest property occupied under a licence will not be caught, provided it is genuinely a licence and not a lease.

Conclusion

There are numerous ways that a landlord can get caught out and fail to comply with their legal obligations. With the RRA 2025 changes coming down the tracks in 2026, those managing residential lettings would be well advised to carry out a full review of their portfolio to ensure that they are not caught out by inadvertent breaches.

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Landed Estates:

The impact of upcoming changes to tax legislation

The countdown to inheritance tax (**IHT**) reform for farms and estates is underway, with significant changes to Agricultural Property Relief (**APR**) and Business Property Relief (**BPR**) coming into effect on 6 April 2026.

In a rather last minute and unexpected move, the government has announced a softening of its proposed reforms, with an increase of the 100% relief allowance from £1 million to £2.5 million.

In less welcome news, the Chancellor announced the introduction of a new mansion tax-style surcharge on residential properties worth over £2 million, applying from April 2028.

Landed estates - often comprising a mixture of agricultural, business and high value residential assets - are likely to feel the combined impact of both of these reforms, as explored here.

Changes to APR and BPR

Under the original proposals, APR and BPR were to be restricted from 6 April 2026, with each individual (and certain trusts) having a £1 million allowance for assets otherwise qualifying for 100% relief. The latest announcement on 23 December 2025 confirms that this allowance will now be increased to **£2.5 million**, providing welcome breathing room for many rural businesses.

As announced at the Autumn Budget on 26 November 2025, the allowance will also be **transferable between spouses and civil partners**, enabling couples to shield up to **£5 million** of qualifying agricultural or business property from IHT on death.

Where the first spouse or civil partner dies before 6 April 2026 and the survivor after that date, the first spouse is treated as having a full 100% allowance available for transfer. Any assets above the individual or combined allowances will attract a **default 50% APR and BPR**, equating to an effective **20% IHT charge** on qualifying agricultural and business assets above the threshold.

These reforms appear in the **Finance (No.2) Bill 2024–26**, which is progressing through Parliament and may still be amended before its implementation date.

Even with the enhanced allowances and transferability provisions, many estates will face heightened IHT exposure from April 2026.

The window for strategic planning is narrowing rapidly, and we encourage clients to:

- review ownership structures and consider generational transfers
- explore trusts or corporate structures to optimise tax outcomes under the current and future regimes

  and

- plan for liquidity to meet future IHT liabilities.

New Mansion Tax

In her Autumn Budget, the Chancellor also introduced a highly anticipated—and often debated—measure: an annual surcharge on high value residential properties.

This reflects the government's broader shift towards taxing property wealth and aligns with its stated objective of increasing revenue from perceived concentrations of wealth.

From **April 2028**, owners of residential properties valued at over **£2 million (as at 2026)** will be liable for a recurring annual charge, known as the High Value Council Tax Surcharge, payable in addition to standard Council Tax.

The proposed structure is:

Property Value	Annual Surcharge
£2m – £2.5m	£2,500
£2.5m – £3.5m	£3,500
£3.5m – £5m	£5,000
£5m+	£7,500

The HM Valuation Office will conduct a targeted valuation exercise to identify properties above the £2 million threshold, with revaluations every five years. Although collected by Local Authorities, the revenue will largely pass to central government. A public consultation in early 2026 will address reliefs, exemptions and rules relating to complex ownership structures such as companies, trusts, partnerships and investment vehicles.

The annual surcharge will apply to both primary residences and second homes, which means many landowners—particularly those with principal estate houses or large heritage properties—may fall within the regime.

For some, this may introduce cash flow difficulties, especially for estates that are asset rich but income poor, and especially where annual Mansion Tax liabilities coincide with increased IHT exposure arising from the APR/BPR restrictions.

Conclusion

The forthcoming APR/BPR reforms and the introduction of the mansion tax represent two significant shifts in the tax landscape for landed estates. While the measures operate independently, their effects will often overlap.

Estates that exceed their APR/BPR allowances may simultaneously fall within the mansion tax regime, creating both lump sum and recurring tax pressures. This combination increases the importance of proactive planning, not only to manage long term IHT exposure but also to ensure sufficient liquidity to meet annual property based charges.

Although further detail on the mansion tax will emerge through the 2026 consultation, the more immediate priority is the APR/BPR reform coming into force on 6 April 2026. By taking steps now, rural and landed estate owners can better protect the long term sustainability of their holdings and ensure that the transition into the new tax regime is as efficient and resilient as possible.

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Send out the Myrmidons!

Rights of way disputes, and how to avoid them

At the heart of Charles Dickens's Bleak House is a legal dispute. I don't mean the wills case of *Jarndyce v Jarndyce*, but the dispute between Lawrence Boythorn and Sir Leicester Deadlock over a right of way… "the green pathway by the old parsonage-house, now the property of Mr Lawrence Boythorn, is Sir Leicester's right of way, being in fact a portion of the park of Chesney Wold, and Sir Leicester finds it convenient to close up the same."

Boythorn then describes what sounds like a typical right of way dispute:

> "*The fellow sends a most abandoned villain with one eye to construct a gateway. I play upon that execrable scoundrel with a fire-engine until the breath is nearly driven out of his body. The fellow erects a gate in the night. I chop it down and burn it in the morning. He sends his myrmidons to come over the fence and pass and repass. I catch them in humane man traps, fire split peas at their legs, play upon them with the engine--resolve to free mankind from the insupportable burden of the existence of those lurking ruffians. He brings actions for trespass; I bring actions for trespass. He brings actions for assault and battery; I defend them and continue to assault and batter. Ha, ha, ha!*"

Bracing, but familiar to anyone who's been involved in these most intractable of arguments.

What causes a dispute?

More or less anything connected with a right of way can cause a dispute. For a start, rights of way can spring up even when they're not written on the face of a document. In 1837, Edward Collingwood conveyed his family chapel in Northumberland to the Church Commissioners, but retained his family's burial vault, which was in the centre of the chapel. With the vault, the conveyance reserved Collingwood and his successors the right to open the vault, use it and repair it, but said nothing explicitly about accessing the vault through the chapel.

By 2004, the chapel was redundant, and the Church Commissioners sought to sell it to be converted into a house. Unfortunately for the Commissioners, in *Collingwood King v the Diocese of Newcastle in 2019*, the Court found that members of the Collingwood family still owned the vault, and that, although the conveyance did not mention a right of way, it was included by implication, because it was needed "to give due and proper effect" to the rights to use and repair the vault.

Limitations on use

1. Who can use

But then, when you have a right of way, who can use it, and with what? In *Ballard v Dyson* in 1808, Lord Mansfield held that a right of way that had been used with vehicles (carts and carriages in those days) and "fat hogs" did not extend to "horned cattle", which would be "indictable for a nuisance" and "an intolerable annoyance to the grantor."

2. How can it be used

How a right of way is used can also be ripe with dispute. Of course, someone could drive dangerously quickly, but what if they drive suspiciously slowly? In *Jeffries v Robb* in 2012, the Court found that Mr and Mrs Jeffries were using a right of way very slowly, lingering and loitering along it and parking, for "intrusive photography, spying and eavesdropping" on Robb, and

that such "intrusive snooping" amounted to "a campaign of unlawful harassment." Accordingly, an injunction was issued against the Jeffries, requiring them to use their right of way "at a reasonable speed."

3. Types of vehicles

And what about the types of vehicles that can use a way? In *Lock v Abercester* in 1939, Mrs Lock, with the help of "a cloud of witnesses" whose "evidence is unimpeachable", demonstrated that she had a right of way along a farm track in Worcestershire with horses and carts. Over time, the horse and cart had been supplanted by the internal combustion engine and mechanically propelled vehicles. The farmer was not happy, but Mr Justice Bennett declared that, "The law must keep pace with the times", and so Mrs Lock was able to drive her motor car along the track.

Over time, those vehicles have become larger and heavier. And the law has continued to keep pace with them. In 2012, in *Zieleniewski v Scheyd*, Paul Zieleniewski had a right of way to drive his agricultural vehicles over some hard-standing. In 2009, Mr Scheyd had erected a wall and fence, which made the land rather narrow in places, so that, while a tractor could still be driven along it, a large modern hay-baling machine could not. The Court found that the erection of the fence and wall was an unlawful interference with the right of way.

And what about other kinds of vehicles? *Bucknell v Alchemy Estates* in 2023 involved a yard which benefited from "a right of way at all times and for all purposes to pass and repass over the roadway coloured brown on the said plan with or without animals and vehicles". Alchemy Estates was a property developer, and started using the roadway with construction traffic for the development of the yard. Mrs Bucknell sought an injunction on the basis that this use of the roadway exceeded the right of way, and was a nuisance. The judge found that, while a right of way must not be used excessively (which means one user cannot interfere with the rights of another), Alchemy Estates' use had not been excessive; demolition and construction are facts of everyday life, and while there must be "give and take" in relation to them, they are not an actionable nuisance. So the right of way extended to construction traffic.

What to do

So how can we help you avoid disputes like this, and save you from having, like Lawrence Boythorn, to send out the Myrmidons (the fearsome followers of Achilles in the Trojan War)?

The cases on rights of way generally demonstrate two things:

1. That whatever the problem, you can find a case that says exactly what you want, and another that says exactly the opposite (some call this "the fundamental rule of easements").
2. Why rights of way clauses in deeds have become longer over time. More words and conditions are added to try to short-circuit disputes.

The solution is to draft the right of way as clearly as possible. If it is to be on foot only, say so. If vehicles are permitted, what kind? One of the most important things to specify is what the land that is being accessed by the right of way can be used for. You might be happy to grant someone a right of way to drive his tractor down your lane to reach his field, but if he built 500 houses on the field, you might not be overjoyed to see 500 cars on the lane. So we might provide that the right of way is for the use of the property "as agricultural land but not for any other purpose". And in case he starts driving like a lunatic, or loitering suspiciously like Mr and Mrs Jeffries, we can include a condition that the person using the right of way must abide by any reasonable directions of the landowner.

In some cases, it will be prudent to reserve to the landowner a right to vary or "lift and shift" the route of the right of way, in case you want to develop the land. Bearing in mind that a right of way can include a right to maintain the track or roadway (on the basis that the grant of an easement includes any ancillary rights that are necessary to exercise it), we would consider who in practice will maintain the track, and how it will be paid for (in "reasonable proportions according to use", or would a fixed percentage be cleaner in some instances?).

Thinking about these and other questions when a right of way is being granted will help to prevent them from catching you unawares if they become points of dispute in future.

In short, when we are dealing with rights of way, we will liaise closely with our clients and their agents and consider, practically and in detail, how the right should be drafted to protect our clients and neutralize future arguments.

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Money Laundering Regulations:

Landed Estates

In the last 5 years the obligations on letting agents in both the residential and commercial sector have increased hugely. Regulations have been tightened to clamp down on illicit funds and dirty money running through the rental sector.

Below we set out the key pieces of legislation that letting agents are subject to.

Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (2017 Regulations)

Under the 2017 Regulations, a letting agency business is a company or sole practitioner instructed by either a prospective landlord seeking a tenant or a tenant seeking land to rent. Since 10 January 2020, these Regulations have applied to letting agents where the monthly rent is £10,000 or more and the tenancy lasts at least one month.

Where letting agents meet this threshold they will need to:

- Register with HMRC before carrying on any letting agency business and pay the necessary annual fees.
- Apply customer due diligence measures for any landlord and tenants. This includes (but is not limited to) verifying the identities of beneficial owners, taking reasonable measures to understand the ownership and control structure of the beneficial owner (e.g. if it is a trust, company, foundation etc.), and identifying politically exposed persons and verifying their identity and source of wealth.
- Report any suspicious activity to the National Crime Agency by making a Suspicious Activity Report.

Failure to comply can result in fines, prison and money laundering charges.

Sanctions (EU Exit) (Miscellaneous Amendments) (No. 2) Regulations 2024 (2024 Regulations)

In May 2025 letting agents were added to the definition of 'relevant firms' under the 2024 Regulations. This brought letting agents under the same requirements as law firms and financial institutions and, regardless of value, letting agents must comply with the financial sanctions regulations.

How this applies to lettings on landed estates depends on how 'letting agent' is interpreted. Under the 2024 Regulations, a letting agent is any firm or sole practitioner who, or whose staff, carries out letting agency work. A 'firm' includes any non-individual entity, such as a company, partnership or unincorporated association. Although not defined, 'sole practitioner' is broad and likely covers many types of businesses.

'Letting agency work' means work:

a) consisting of things done in response to instructions received from:

- a person seeking to find another person to whom to let land (prospective landlord), or
- a person seeking to find land to rent for a term of a month or more (prospective tenant), and

b) done

- in relation to a prospective landlord, from the point that the prospective landlord instructs the letting agent, or
- otherwise in the course of concluding an agreement for the letting of land of a term of a month or more.

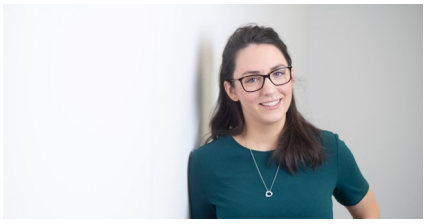
Clearly, this would catch many landlords and agents dealing with property on landed estates. Relevant firms must:

- Screen landlords and tenants against the **UK financial sanctions list**.
- Report any matches to the Office of Financial Sanctions Implementation (**OFSI**).
- Freeze any transactions where there is a match and seek guidance from OFSI.
- Keep records of checks and the results of sanction screening for at least 5 years.

The consequences of non-compliance are significant, heavy fines and even imprisonment in the most serious cases.

Conclusion

Letting agents must stay alert to their money laundering and financial sanctions obligations, ensuring their policies, employee training and awareness of suspicious activity are up to date. These regulations clearly apply to landlords or agents on landed estates who meet the definition of a 'letting agent' and, under the 2017 Regulations, those letting high-value properties.



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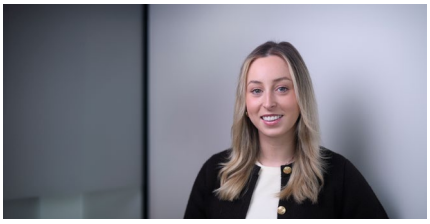

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