

Agreements between Horse owners and Landowners

Many horse owners have no land of their own and have to keep their horses on someone else's land or premises.

Types of agreement

There are many different arrangements that horse owners can make with landowners for the benefit of their horses. Each will be categorised according to the terms of the actual agreement.

The main categories are:

- Livery agreements
- Grazing licences
- Deeds of profits à prendre
- Grazing tenancies
- Farm business tenancies
- Business tenancies

Does the agreement have to be in writing?

It is a common misconception that if there is no written agreement between the parties then this will “keep things simple”. This is far from the case.

Whether an agreement is verbal or in writing, it will be one of the above. But if it is not in writing there is great scope for misunderstandings and uncertainty. In the event of a dispute, a Court will decide which of the above applies, on the individual facts of the case. The result may have an effect which one or both of the parties neither wished nor intended.

It is far safer for both parties therefore, if a written agreement is drawn up, reflecting the intentions of the parties, the effect of which has been clearly explained, since each different type of agreement has consequences in law which may not have been understood by the parties.

Example 1

If horses of different owners are to share a field, this is likely to be a grazing licence. If it is in writing, it will be clear that sharing is intended, even if other horses are not there all the time. That said, for tax purposes, a profit à prendre deed may be better for the landowner.

Example 2

If an owner's horse or horses is/are to have exclusive use of the field, this could be a straightforward common law tenancy, which can be terminated on a week's notice (if a weekly tenancy) or on a month's notice (if a monthly tenancy) etc. **This will only apply** if the horse(s) is/are used for private recreational use by the horse-owner.

If however, the horse(s) is/are being used by their owner in his/her next door riding stables or the field is being rented for the horses of a livery business, then the occupation of the field is usually a business tenancy.

This means that, if it is not in writing (and sometimes even if it is) the landowner may find he has a “sitting tenant”!

A well-drafted agreement can avoid this result.



Points for the landowner to consider when deciding what sort of agreement is required:

- Can I terminate the arrangement when I want to (e.g. if I want to sell or develop the land)?
- Can I put other horses in the same field?
- Who is responsible for keeping the horse(s) fenced in?
- Who is responsible for keeping the land in good heart?
- Who is responsible if someone is hurt while handling the horse(s) in my field?
- What are my responsibilities towards the horse?
- Is the horse “safe” or is it going to attack someone?
- How often can I increase the charges to the horse-owner?
- How will I be taxed on the income from this arrangement?

Points for the horse-owner

- Who is responsible for looking after my horse?
- If the landowner, what are his responsibilities exactly?
- Does my horse have to share with other horses?
- How long does this arrangement last?
- How much does it cost?
- Can the landowner throw me (my horse) out?
- What if there is not enough grass for my horse?

Points for both parties to cover in livery and loan agreements

Uncertainty and/or disappointment can arise if all or any of these subjects are not covered in a well-drafted agreement:

- Feeding, stabling and grazing requirements
- Welfare requirements
- Vet and farrier arrangements
- Fee (if any)
- The permitted use of the horse
- Where the horse is to be kept?
- Who provides the tack?
- Requirements for the parties to keep each other informed
- Any behavioural tendencies of the horse
- What happens if the horse dies?
- (Loan agreements only) does the keeper of the horse have a right of first refusal if the horse owner wants to sell?
- Insurance
- Owner’s access to the horse

The above information is not intended to be a complete or definitive statement of the current law.

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