

# Rightfocus

## Latimer Hinks receives endorsements from Legal 500 & Chambers UK

Solicitors with Latimer Hinks have received national recognition for their work from two of the UK's most influential legal guides.

The firm has received glowing tributes in the latest Legal 500, which gives in-depth information and recommendations on law firms in more than 70 countries.

Anne Elliott, who has a particular expertise in agriculture work, including property and tenancy work, agricultural succession applications and advice to farming families, and Nicola Neilson are singled out in Chambers UK Guide.

### The UK Legal 500 says:

- Latimer Hinks' commercial property team includes Tim Haggie, who is 'strong and clear on all contracts', Nicola Neilson, and the 'practical' Neil Stevenson.
- Nicholas Poole at Latimer Hinks acts for a mainly SME client base. Recent highlights for his team include advising on the purchase of certain domiciliary care activities.
- In terms of agriculture, Neil Stevenson and Anne Elliott are the key contacts at Latimer Hinks, and recently advised on the division of a farm and the sale of a shooting moor.
- Anne Elliott and Andrew Way are noted for their work in the administration of a high-value estate. Court of Protection deputy Helen Thomas is 'professional and compassionate'. Latimer Hinks is valued for its 'exceptionally professional yet personal approach'.

### Chambers UK says:

- "This Darlington-based outfit is routinely regarded as a one-stop shop for clients with farming needs in the region. The group advises clients on a range of matters, ranging from farm and shooting, and moor sales and purchases, to renewables options development and tax planning. Sources remark that "the team has a practical, no-nonsense approach to farming



**Anne Elliott, Solicitor and Marketing Partner**

issues." Anne Elliott is an inheritance tax and succession planning expert. Sources note that she "brings a complete understanding of farming matters to the law. She understands the intricacies."

Chambers UK has also acknowledged Nicola Neilson as a 'notable practitioner':

- "Nicola Neilson of Latimer Hinks focuses on commercial property, landlord and tenant, and agricultural development work. Clients consider her to be "very professional, with a great ability to express herself in a very clear and easy-to-understand way."

Chambers UK Guide, which prides itself on the independence and objectivity of its research, carries out thousands of in-depth interviews to assess the reputation and expertise of business lawyers. Its rankings take into account technical legal ability, professional

### Welcome to the Latimer Hinks edition of Rightfocus...

In this issue we are delighted to lead with an article regarding endorsements made in the leading legal directories - Legal 500 and Chambers UK.

In our business section we advise caution to landowners considering diversification. Anne Elliott's article on diversification has also been published in the Private Client Adviser - Dec/Jan 2013 - to read more go to our website [www.latimerhinks.co.uk/downloads](http://www.latimerhinks.co.uk/downloads).

Our final article focuses on providing information to buyers on how to take the first step onto the property ladder (as difficult as it is in the current climate).

Finally may we take this opportunity to wish you a Happy New Year!



conduct, client service, commercial awareness, diligence and commitment to clients.

Anne Elliott, Partner at Latimer Hinks, said: "We are delighted to have ranked again so highly in this year's Legal 500 & Chambers UK. This assessment is an independent validation of the quality of service that Latimer Hinks provides across our specialist areas."

**Latimer Hinks**  
S O L I C I T O R S



# Caution urged for landowners considering business diversification

**Latimer Hinks is urging farmers to be aware of the potentially dangerous Inheritance Tax (IHT) implications of diversifying their businesses. This is a particular issue given the huge increases in land values in recent years.**

Faced with lower produce prices and higher costs, many farmers have already chosen to boost their income by diversifying their commercial activities. Many have converted under-used or redundant farm buildings, barns and storage facilities, to provide residential or commercial and business lets, for example. Other projects can range from wind farms, children's nurseries and small office developments to farm shops, liveryes and other equine activity.

Problems can arise due to the fact that any changes to how the land is used can affect the farmer's entitlement to Agricultural Property Relief (APR), if agricultural land

and buildings are adapted for alternative purposes.

Anne Elliott, Partner and agricultural law specialist at Darlington-based Latimer Hinks, says such changes can prejudice the farmer's entitlement to Agricultural Property Relief.

"While APR means owners of agricultural property may qualify for 100% relief from Inheritance Tax (IHT), it comes with conditions," she says.

"One of these is that the land must meet the IHT definition of agricultural property and be occupied for agricultural purposes. Changing its use can affect land owners' entitlement to APR."

She added: "There are also important rules regarding not only the occupation but the length of ownership of the property. Farmers and land owners who have decided to change, or are considering

changing, the use of their land, should be aware that they can lose APR. If they do so, to mitigate IHT, they must try and ensure that they qualify for the alternative, Business Property Relief (BPR.)

"Diversification can be a huge boost for farmers, but there can be pitfalls when it comes to retaining and ensuring eligibility for APR; or failing APR, for BPR. With the right advice and careful planning, problems and, potentially loss of these immensely valuable reliefs, can be avoided."

Anne Elliott is a member of the Agricultural Law Association, as well as a Recommended Professional for the Tenant Farmers Association. In 2011, she was cited in the prestigious Legal 500 directory for both her work on Inheritance Tax and in the category of Agriculture and Estates. This was followed by a recommendation in Chambers 2012 for her expertise concerning, among other areas of law, the Agricultural Holding Act.

## ***Campaign to extend squatting criminalisation will be popular with business owners***

**Recent legislation criminalising squatting in residential premises has led to a call for commercial premises to also be included. Some commercial property owners fear that squatters will increasingly target them – given that commercial squatting remains a civil rather than criminal offence.**

**With commercial premises owners covering everything from 'one man bands' to multinationals, civil action costs are clearly a factor for many smaller businesses who will be keen to see the criminal squatting law consolidated.**

## **Can SMEs have confidence in the FSA's mis-selling compensation scheme?**

**Involving just 50 claimants from each of the banks, the FSA's pilot scheme to compensate small business victims of mis-selling went live on September 12, 2012.**

The scheme is designed to remedy the financial problems in which many SMEs found themselves, having been forced into expensive hedging products linked to bank loan offers from 2001 onwards.

Doubts, however, have been raised by the Federation of Small Businesses about the chances of the FSA scheme being successful, given the close involvement of banks implicated in mis-selling in the compensation process itself.

John Walker, National Chairman, Federation of Small Businesses, commented: "Without the key element of independence, small firms will be deeply sceptical that the very bank that mis-sold



the product to them is running its own compensation scheme."

The Federation is calling for a more independent 'five principle' approach. This aims to clarify the scope of eligibility through agreement between the banks, FSA and business community; operate the scheme separately from those banks involved in mis-selling; offer swift redress to affected firms still paying expensive premiums; and guarantee full transparency and clear right of appeal.

# Key points to remember when making a will

Generally people approach the task of making a will with at least some degree of trepidation, but the process can be very simple and much more straightforward than people think.

Having a will can save family and friends a great deal of heartache at what will inevitably be a very difficult time for them.

## Here are our top tips for making your will:

- Make sure that whoever draws up your will knows what they are doing. DIY can work for home improvements but, even if you are extremely confident and knowledgeable, it does not always work for wills.
- Choose your executors carefully. The 'executor' of a will is the person specifically appointed or chosen by the deceased to administer his estate and to ensure his final wishes are respected. In effect, the executor speaks for the deceased in the settlement of his estate and carries out the instructions set out in the will.
- Appoint a substitute executor in case a "first choice" executor has died or

becomes unable to act.

- If you are setting up a trust in your will, or if your beneficiaries are young and under 18, you will need to appoint reliable trustees - usually the same person as the executor but you will need to have a minimum of two.
- If you want to preserve family heirlooms or items of special sentimental value you should leave these items to a named beneficiary or to your executors to distribute in accordance with your instructions.
- Make sure you leave a residuary gift. "Residue" is what is left over in the estate after the specific gifts and cash legacies are made and paid. You must specify to whom any remainder is to go.
- Make a tax efficient will. Inheritance tax is becoming a burden for many more families as the value of assets increases and the tax free amount remains static.
- Sign your will and make sure it is properly witnessed – and then safely stored. You must comply with strict signature, dating and witnessing formalities if the will is to be valid.

- Review your will regularly. An out-of-date will can be as bad as no will at all. In most families in any three to five year time frame there is likely to be a birth, death or marriage and maybe even a divorce and bankruptcy. All of those events will very probably affect the will and how you want it to take effect.

## For your peace of mind...

At Latimer Hinks we have a number of legal professionals who are members of recognised specialist practice organisations, including:

- Solicitors for the Elderly (SFE)

SFE are committed to providing and promoting robust, comprehensive and independent advice for older and vulnerable people, their families and their carers.

- Society of Trust & Estate Practitioners (STEP)

STEP are the most experienced and senior practitioners in the field of trusts and estates.

For more information call 01325 341500 or email [lh@latimerhinks.co.uk](mailto:lh@latimerhinks.co.uk)



## Why the new year is a good time to make a will

Many people will be making, (and breaking!) New Year resolutions including whether to lose weight or to take more exercise. Making and keeping some resolutions can have a long-lasting effect, according to Natalie Palmer, partner in Latimer Hink's private client department.

Natalie commented: "Planning for your death is not a particularly festive subject but at this time of year when we are all making resolutions, it's a good idea to sit down and do some legal and financial planning to ensure that your wishes will be carried out and that your family will not be left burdened with worry and perhaps unwelcome tax liabilities and legal costs which were not anticipated"

## Festive shopping: what are your rights when things go wrong?

Christmas comes just once a year – along with a seasonal dose of stress for anyone let down by an off or online retailer.

The inexorable rise of online shopping has brought its own particular issues as shoppers log-on in their millions to enjoy the massive choice and competitive prices on offer. So knowing where you stand legally should a Christmas gift arrive too late for the special day is a good first port of call.

Online retailers have 30 days to fulfil your order – unless agreed otherwise. So do take that into account when planning your next virtual shopping spree. Should

the retailer have guaranteed pre-Xmas delivery – confirming it by email – and then not succeeded, you may then claim in the small claims court.

And although they can't make up for disappointment, the distance selling regulations (DSR) offer further protection against goods arriving late, as long as they are returned within seven days of receipt.

Bad weather is something that no-one can control, and is increasingly being written into 'unforeseen circumstance' clauses by individual retailers. The 'seven day rule' applies from when the item is received by the purchaser, rather than the retailer.

This means that any bad weather delay does not affect your returns rights. The rule also offers the right to a full refund, including original delivery charges, whatever the reason for returning the item.

Beyond these online retail specifics, buying from a website confers the same rights you would expect were you to hit the Christmas shops in person. These include a refund, replacement or repair if an item is not as described, of unsatisfactory quality, or unsuitable for its intended purpose.

**Eye test for professional drivers every five years to be introduced during 2013**

**The Driving Licences Directive (2006/126/EC) prescribes that holders of commercial driving licences will need to have their eyes tested every five years.**

**The UK must implement the Directive by 2013.**

Solicitors for families,  
businesses, farmers &  
landowners

## Contacts and services

### you & your family

An understanding approach to house buying and selling, long term care and retirement, wills, trusts and probate.

**Private Client Team:** Anne Elliott, Andrew Way, Elizabeth Armstrong, Natalie Palmer, Helen Thomas, Gillian Ibbotson, Nadine Sweeney, Kelly McLoughlin, Daniel Williams, Claire Conway, Julie Porter

**Residential Conveyancing Team:** Nicola Neilson, Martin Williamson, Dorothy Price

### business & commercial

Advice on commercial property law, employment and contract law, selling a business and succession planning.

**Commercial Team:** Nick Poole, Anne Elliott

**Commercial Property Team:** Tim Haggie, Neil Stevenson, Nicola Neilson

### farmers, landowners & landed estates

Knowledgeable legal expertise in land sales and purchases, land option agreements, tenancy agreements, succession planning, diversification schemes and renewable energy developments.

**Agricultural Team:** Tim Haggie, Anne Elliott, Neil Stevenson, Nicola Neilson

**Private Client Team:** Anne Elliott, Andrew Way, Elizabeth Armstrong, Natalie Palmer, Helen Thomas, Gillian Ibbotson, Nadine Sweeney, Kelly McLoughlin, Daniel Williams, Claire Conway, Julie Porter

## Contact details for Latimer Hinks:

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# How to be a First Time Buyer

As I've highlighted during the past several weeks, many first-time buyers are experiencing difficulties getting on to the housing ladder in the current economic climate.

However, as I've also stressed, there are still ways to realise the dream of property ownership. Whether it's the 'Bank of Mum and Dad', FirstBuy or similar schemes, first-time buyers can still overcome the lack of affordable housing and the scarcity of mortgages.

In fact, there are some strong rays of light emerging: For a start, there are more lenders and products available, especially at higher loan-to-values (LTVs) than there were last year, while mortgage rates are still at historically low levels.

Here are some helpful tips for first-time buyers:

### Be prepared

Lenders like to see:

- your last three years' address history, with no gaps
- your last three months' payslips and your last P60 form or three years' accounts
- your last three months' bank statements
- full details of any loans or credit cards you have.

### Credit history

All lenders want to make sure they are lending money to someone who is highly likely to pay it back.

So it may be worth checking your credit score with a company like Experian or Equifax.

Simple things like paying all your credit cards on time and making sure you're on the electoral roll at your current address will help.

### Deposit

Don't be put off if you don't have a sizable deposit for your new home.

According to the financial information service Moneyfacts, there are now 49 mortgages requiring a deposit of at least 5% of the property value, compared with just 24 last year.

Meanwhile, the number of 90% mortgages has increased from 214 to 343 in the past year.

### The importance of good conveyancing

The term 'conveyancing' refers to all the legal and administrative work associated with transferring the ownership of land or buildings from one owner to another.

When you buy, sell or remortgage a property, you are advised to use a conveyancer, employed by a firm of solicitors, or a licensed conveyancer, to look after your interests and deal with the complex paperwork.



**Martin Williamson, Head of Residential Property**

Your conveyancer will ensure all the legal conditions and obligations are met and the new mortgage goes into place without problems.

### Affordability

When buying a property, the primary concern is that it is within your budget and will be a suitable home for you.

You should also only consider an interest-only loan if you have a viable way of repaying the loan, such as savings or the ability to trade down to a cheaper property in the future.

### Agreement in principle

To make sure you have the best chance of buying a home, securing a mortgage 'agreement in principle' (AIP) first is a good start.

This AIP can then be used to confirm to the vendor your creditworthiness, and that you are a serious bidder.

### Shared ownership

Shared ownership involves housing associations allowing you to buy a percentage share of the property, say 50%, while paying rent on the balance.

Alternatively, purchasing with a friend or two may let you pool your resources.

In summary, while the property market is still very difficult for first time buyers, there are options available for those who take the time to research the market and get the right advice.

Martin Williamson is Head of Residential Property at Latimer Hinks Solicitors in Darlington. For further information: [www.latimerhinks.co.uk](http://www.latimerhinks.co.uk) or call 01325 341500.