

**THE WEST MIDLAND, MIDLAND COUNTIES AND WELSH EXAMINING
BODIES OF THE CENTRAL ASSOCIATION OF AGRICULTURAL
VALUERS**

PRACTICAL EXAMINATION PAPER

Wednesday 12th November 2003

**CANDIDATES MUST NOT CONVERSE WITH EACH OTHER AND
BREACH OF THIS RULE MAY DISQUALIFY A CANDIDATE**

The holding at Manor Farm, Thrussington, Leicestershire, in all extends to 153.66 hectares.

The farm is a mixed Dairy livestock and arable unit run by Mr J Hall and his son Peter. They are currently considering their future in the light of the changes in Mid Term Review proposals, with particular reference to the livestock enterprises and the desire for Mr Hall Senior to retire. Some machinery and livestock may be sold.

ORAL QUESTION

One of the options available to the family is to raise capital from the sale of some of the fixed assets. With reference to the attached plan (A) you will be asked to advise on the possibilities presented by these assets. You will be shown an area of the farmstead that could be developed for other purposes. Candidates may make notes on the paper provided. These notes will be handed in at the end of today's examination and will be handed back to you at the start of the oral interview.

WRITTEN QUESTIONS

This afternoon's questions will be based on items seen on the farm during this morning's inspection. Candidates are advised to make their supporting notes on the paper provided.

NOTES TO CANDIDATES

1. All candidates will be deemed to have read the CAAV Guidelines for Candidates 2003 and be familiar with their contents.
2. **IMPORTANT** in all cases you **MUST** show your Methods and Calculations. The examiners are not just looking for the answer. In a full valuation a valuer would make detailed notes for later reference. You must do the same. Valuation books, however, **MUST NOT BE RE-WRITTEN**. Write just as you would for an actual valuation.
3. Values should be as at today's value.
4. The questions should contain all the information necessary to answer them. If candidates need to make any other assumptions, these should be clearly stated. Examiners will not provide further information if questioned.

5. Marks will be awarded as shown on the attached sheets. In addition, marks will be given for the way in which the valuation book is prepared, the field work set out, general agricultural knowledge, conduct and professionalism.
6. The day's timetable will be:

8.45 am – 9.00 am	Chairman's remarks and reading paper
9.00 am – 12.30 pm	Field work
12.30 pm – 1.00 pm	Completion of valuation books in classroom
1.00 pm – 1.45 pm	Lunch
1.45 pm – 4.15 pm	Written questions answered from notes made during morning session.
7. Valuation books will be provided together with sheets of paper for making notes for the afternoon and oral exams. No other paper or books may be taken into the exam. Valuation books will be collected in at the end of the morning session.
8. Answers, where appropriate, to be in accordance with the Agricultural Holdings Act 1986.
9. Marks are available in each section as follows:

Practical Examination	150
Written Examination	100
Oral Interview	<u>50</u>
Total	<u>300</u>
10. Candidates should mark their papers with their area of work, and their examination number but NOT their name.
11. The summary of values should be completed in the valuation books as question 7.

EXAM PAPER

Morning paper to be answered in valuation books

- | | | |
|-------|---|----|
| No 1. | Implements and Machinery
Describe and value five only of the items lettered A-H | 10 |
| No 2. | Livestock
Describe and value the following animals shown to you:
a) Cattle
b) Cattle
c) Sheep
d) Sheep | 10 |
| No 3 | Harvested Crops
a) As a practical Agricultural Valuer, describe and value the items shown to you assuming a valuation for farm sale purposes.
b) Assuming a clamp of silage, gross measurements are 27m x 8m x 2m average height. Describe and value to an ingoing tenant using the analysis provided.
c) Describe and value the single bay of produce as shown. | 10 |

- d) Describe and value the single bay of produce in the grain bin. Assume a depth of a commodity in the bin of 3.75m and a diameter of 7.4m
- No 4 Dilapidations 10
Assuming that the holding is let under an Agricultural Holdings Act 1986 Tenancy, and that repairing obligations are in accordance with SI 1973 No: 1473 (as amended):
- outlining the action to be taken by the Landlord to enable a dilapidations claim to be made at the end of the tenancy
 - prepare a costed Dilapidations Schedule in respect of the cattle building indicated to you.
 - prepare a costed Dilapidations Schedule in respect of the part of the field OS No: 8152 as shown and as edged in red on plan.
- No 5 Fixtures and Improvements 10
Appropriate notices have been served by the tenant on the landlord prior to the end of the tenancy.
- describe and value to an ingoing tenant the Mueller bulk milk tank located in the dairy building
 - describe and value to an ingoing tenant the adjacent livestock building, erected by the outgoing tenant in September 1992 at a cost of £10,800. An open consent was granted by the Landlord with compensation to be assessed in accordance with the Agricultural Holdings Act 1986.
- No 6 Growing Crops 10
Describe in note form and value, to an ingoing tenant, the crops in the following fields, showing, where relevant, your basis of valuation, considerations and calculations.
- OS 5072 – sown spring 2001
 - OS 3800 – sown winter wheat
2. How could the value of 1.b change if the valuation was at Lady Day 2004?
- No. 7 5
- What is the value of a tonne of feed wheat in your area?
 - What does BSPB stand for?
 - What is the cost of a cubic metre of concrete in a full lorry load?
 - What is the time scale for submission of a planning appeal?
 - What is the reference period for the mid term review?
 - What is the cost of litre of milk quota with a 4% butterfat?
 - Which planning guidance note is relevant to agriculture and the countryside?
 - What is the normal discount for a house with an agricultural condition?
 - What is the stamp duty rate on the sale of a property of £450,000?
- No. 8 Commodities to identify 5
Identify the ten items indicated

No. 9 Compulsory Purchase 15
The freehold owners of Manor Farm, Thrussington have received a letter from Vodafone stating that they would be interested in acquiring a site for a telecommunications mast at point A on the attached farm plan.

You are instructed to act on behalf of the freehold owners of Manor Farm in negotiations with Vodafone.

Vodafone are seeking immediate early entry prior to formal completion of a 20-year lease.

You have received a telephone call from a representative from Vodafone who wishes to meet you to discuss possible early access and lease heads of terms.

Prepare briefing notes for your meeting listing the heads of terms (to form the basis of the lease agreement) that you will seek to agree with Vodafone acting on behalf of your client.

Consider the advice that you will give to your client regarding Vodafone's request for early entry.

No. 10 The landlord has served on the tenant a section 12 notice dated 16th September 2003:

1. In note form, list the procedures and timescales that will apply in reviewing the rent of the holding.
2. With reference to the holding, list the particular factors that the landlord and tenant's agents will need to consider in order to assess the rent.
3. Please clearly state any assumptions that you have made.

No. 11 Environmental 10
English Nature has notified your client that the River Wreake, and a 20m wide strip of the field parallel to the river is a site of special scientific interest. Following the discovery of rare white-clawed crayfish in the river, they have decided to offer your client a management agreement.

In order to advise your client, list the matters that should be included in the management agreement and advise on the basis of any payment.

No. 12 Pollution Control 10
Your client has heard a neighbouring farmer has been visited by an officer from the environment agency. He has not reviewed his slurry handling system for a number of years and has asked for your advice. Limiting your answer to the above ground circular slurry store and associated pit, girds and ramp, advise your client on the condition of the system and of any wider risks it may present.

No. 13 Report writing (Plan C) 15
You act on behalf of the landlord of the farm who has submitted an outline planning application of the areas shown hatched on plan c.

The landlord has been verbally told that he may receive consent by the planning authority and now requires you to advise how he may recover possession of the site and dispose of the area to release capital.

You should advise, in a report letter form, how the landlord should proceed assuming planning consent is granted, including any compensation issues that may be due to the tenant.

You should note that the old bin and brick building are scheduled as redundant and the implement shed and workshop are scheduled as tenants fixtures.

SCHEDULE

OS NUMBER	HECTARES	ACRES	DESCRIPTION
8152	11.451	28.30	Pasture
9237	0.1251	0.31	Pond
0159	1.183	2.92	River
7063	1.069	2.64	Farmhouse & Buildings
5540	4.383	10.83	Pasture
5784	2.694	6.66	Pasture
5072	3.410	8.43	Pasture
4365	2.876	7.11	Pasture
3456	4.164	10.29	Pasture
2550	3.435	8.49	Pasture
0074	12.555	31.02	Arable
1700	3.042	7.52	Arable
2400	2.623	6.48	Arable
3800	3.394	8.39	Arable
TOTAL	56.404	139.39	