



## **THE CENTRAL ASSOCIATION OF AGRICULTURAL VALUERS**

### **MIDLAND COUNTIES GROUP**

### **PRACTICAL EXAMINATION**

**WEDNESDAY 12TH NOVEMBER 2008**

Will candidates particularly note that examination conditions prevail on both days of the examinations, including the lunch periods.

Candidates must not become involved in any unfair or dishonest practice in any part of the examination.

- Candidates will be monitored throughout the whole of the examination and are not permitted to leave the site without the express permission of the chief examiner.
- Candidates are not to use their own vehicles during the examinations.
- No alcohol or smoking will be permitted during the examination.
- The use of mobile phones, digital cameras, laptops and any other communicating or IT device is strictly prohibited for candidates, examiners and observers. Candidates may use simple calculators but any pre-programming of data is not allowed – examiners may inspect calculators.
- Candidates must not take into the examinations any unauthorised materials or equipment.

Candidates must observe Health and Safety regulations at all venues used for the examinations.

Candidates in breach of any of these provisions will be penalised and may be excluded from the exam.

All documents and information provided will be collected at the end of the examinations, save for the candidates' notes on the topic of the Interview.

Candidates will be advised at the initial briefing on the Wednesday morning of any area of the farm which may feature in the afternoon paper as well as the subject of the Interview on the second day and will be allowed an allocated period of time sufficient to inspect it. Candidates will be able to make and retain separate notes on the subject of the Interview for use in the Interview.

Candidates will be free to leave as soon as they have completed the Written Papers to their own satisfaction and handed them in to the invigilator together with all publications provided and supplementary papers.



**THE MIDLAND COUNTIES EXAMINATION GROUP  
OF THE CENTRAL ASSOCIATION OF AGRICULTURAL  
VALUERS**

**PRACTICAL EXAMINATION PAPER**

**Wednesday 12<sup>th</sup> November 2008**

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

The Examination is held at Yelvertoft Village Hall, Yelvertoft, Northamptonshire and on farm at Silsworth Lodge Farm.

**MORNING QUESTIONS**

Answers to be written in the Note Book provided.

**ORAL QUESTION**

Silsworth Lodge Farmhouse and traditional buildings as shown coloured by the yellow highlighting on Plan 2 will be the subject of the Oral Interview on Thursday 13<sup>th</sup> November. Candidates may make notes on the **yellow paper** provided. These notes will be retained by the candidate and brought to the Oral Interview. No other books, notes or materials may be brought into the Interview.

**AFTERNOON 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 the Practical and Written Examinations and the Interview 2008 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.
3. Livestock and Produce are to be valued 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 Note Book is prepared, the field work set out, general agricultural knowledge, conduct and professionalism.
6. The day's timetable will be:-

8.30am	Candidates to arrive at Yelvertoft Village Hall, Northamptonshire.
8.45am <b>Prompt</b>	Introduction and exam briefing by Exam Group Chairman and reading paper
9.00am to 12.30pm	Inspection of farm and answering of morning session questions in notebooks
12.30pm to 1.00pm	Examination Room – Completion of notebooks
1.00pm to 1.45pm	Lunch at the Yelvertoft Village Hall, Yelvertoft
1.45pm to 4.15pm	Afternoon written paper in exam room answering four questions out of five from notes made during the morning inspection.
7. Note 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. Note Books will be collected in at the end of the morning session.

8. Marks are available in each section as follows:-

Practical examination –		
Morning Paper	90	
Afternoon Paper	<u>60</u>	150
Written examination –		100
Oral interview		50

10 of the 90 marks allocated to the morning session of the Practical examination will be awarded for conduct, professionalism and presentation.

To pass, candidates will require 65% of the 100 marks in the written section and 65% of the 200 marks in the practical and oral sections combined subject to achieving a minimum of 60% in each of the practical and oral interview parts.

9. Candidates should mark their papers with their examination number but **NOT** their name.
10. Candidates should indicate on the inside cover of their Note Book the general geographical area they work in and similarly on the first page of their afternoon answers.
11. Candidates are under examination conditions and will be supervised throughout the day including during lunch.



THE MIDLAND COUNTIES EXAMINATION GROUP  
OF THE CENTRAL ASSOCIATION OF AGRICULTURAL VALUERS

PRACTICAL EXAMINATION PAPER

Wednesday 12<sup>th</sup> November 2008  
Morning Paper (to be answered in Note Book)

**No 1 AGRICULTURAL KNOWLEDGE (15 Marks)**

- 1.1 Answer the 10 general agricultural knowledge questions on the separate question sheet provided. (5 marks)

**Commodities**

- 1.2 Identify and give the current market value in £s per tonne of the seven items labelled a-g. (7 marks)

**Agricultural Equipment**

- 1.3 Identify the six items labelled h-m (3 marks)

**No 2 LIVE AND DEADSTOCK INCLUDING GROWING CROPS (20 Marks)**

**Livestock (4 marks)**

- 2.1 Describe and give current market value of the following animals shown to you.

- (a) Pen of Sheep (2 marks)  
(b) Pen of Sheep (2 marks)

**Implements and Machinery (9 marks)**

- 2.2 Select three items of machinery from the items shown to you referenced A-E and for each :

- Describe as for an auction sale catalogue.
- Estimate the hammer price.
- Identify and briefly comment on the principal factors influencing the value of each item.

**Harvested Crops (4 marks)**

- 2.3 Describe and assess the quantity and give the current market value of the produce harvested in September 2008 identified to you:

- (a) Bin 3 (2 marks)  
(internal diameter of bin 7.5m; height of commodity in bin 4.5m)

- (b) Building 7 (Value 50 bales shown) (2 marks)

**Growing Crops (3 marks)**

- 2.4 Describe and value for stocktaking purposes as at today's date the growing crop in Field SP6171 0154, which has a gross area of 4.40 hectares. Show your assumptions and workings. (3 marks)

### **No 3 LANDLORD & TENANT (15 marks)**

For the purposes of this question it is to be assumed that Silsworth Lodge Farm is let on an Agricultural Holdings Act 1986 tenancy incorporating the model clauses SI 1973/1473.

#### **Dilapidations**

- 3.1 Describe the Building 7 and prepare a schedule in note form of the dilapidations (2 marks)
- 3.2 Identify which dilapidations are the Tenant's responsibility (2 marks)
- 3.3 Prepare brief notes on the basis of valuation, any relevant statute or case law, timescales and procedures for the Landlord to claim dilapidations at the end of the tenancy. (4 marks)

#### **Tenant's Improvements**

- 3.4 Provide a valuation of Building 7 as a Tenant's Improvement on the basis it is subject to an unconditional consent and explain how a conditional consent may differ from an unconditional consent with regard to its valuation at the end of the tenancy. Show your assumptions and workings. (3 marks)

#### **Tenant's Fixtures**

- 3.5 Provide a valuation of Building 7 as a Tenant's fixture assuming the Landlord has elected to purchase and confirm the basis of valuation. (2 marks)
- 3.6 Set out what notices and procedures the Outgoing Tenant should follow to claim compensation for a fixture at the end of the tenancy. (2 marks)

### **No 4 ENVIRONMENTAL MATTERS (10 Marks)**

Your client has recently purchased Silsworth Lodge Farm. With reference to Field SP6171 2031 (edged green on the plan comprising 5.19 hectares and in permanent pasture):

- 4.1 Identify characteristics and features which would lend themselves to inclusion into an Environmental Stewardship Scheme, together with the applicable scheme options and the financial returns which might be expected. (4 marks)
- 4.2 What procedures under an Environmental Impact Assessment would need to be followed if your client wished to put this land into arable cultivation? (3 marks)
- 4.3 Silsworth Lodge Farm is located within a Nitrate Vulnerable Zone (NVZ). List the constraints which will apply to this land under the NVZ designation as from 1<sup>st</sup> January 2009? (3 marks)

## **No 5 ALTERNATIVE USE OF RURAL ASSETS (10 Marks)**

Your owner occupier client has informed you that Building 2 is surplus to requirements and he would like your advice on converting and letting the building for an alternative use.

- 5.1 Briefly describe the building (1 mark)
- 5.2 Identify the key considerations your client should have regard to when considering an alternative use for this building at this location. Include any regulatory, practical, and financial issues. (6 marks)
- 5.3 What use would you recommend and why? (2 marks)
- 5.4 Assuming your client wanted to convert the building to an office unit identify:
  - i) The likely cost of conversion per square metre
  - ii) The anticipated rent per square metre (1 mark)

## **No 6 COMPULSORY PURCHASE AND COMPENSATION (10 Marks)**

Central Networks have given notice of their intention to construct a new underground electricity line from the transformer at the rear of the farmhouse westwards to Monroe Farm as shown by a broken purple line on Plan 1.

Central Networks have indicated that they are happy to offer either a wayleave or an easement for the cables and poles.

- 6.1 Set out in note form the issues to be considered relating to accommodation works, working practice and compensation for a pre-start discussion with your client including any grounds for claiming higher than normal payments from Central Networks (6 marks)
- 6.2 Explain in note form to your client the essential differences between an easement and a wayleave. (4 marks)

## **AFTERNOON PAPER**

**Wednesday 12<sup>th</sup> November 2008**

**TIME ALLOWED 2 ½ Hours**

**To be answered on the A4 paper provided.**

**Please start each question on a fresh sheet of paper.**

**Write your CANDIDATE NUMBER ONLY on the top right hand corner of each sheet of your answer paper**

**ANSWER FOUR QUESTIONS ONLY OUT OF THOSE SET**

**All Questions carry 15 marks each**

---

### **No 7 COMPULSORY PURCHASE (15 Marks)**

Your owner occupier client has been notified that the A428 West Haddon/M45 Link Road Compulsory Purchase Order has recently been confirmed with the proposed route of a dual carriageway shown by a pink line on Plan 1 attached. Your client has asked for a meeting with you to discuss his position over how to mitigate the effects of the scheme, compensation and procedure. In addition, he has been approached by the main contractors who wish to establish their main compound on approximately 1 acre of the farm at location A for a period of 2 years.

- 7.1 Set out in note form the major issues to be discussed with your client in preparation for a subsequent meeting with the acquiring authority. Include notes on the principal issues for the farm, any mitigation works, procedure and items of claim. (10 marks)
- 7.2 Set out draft Heads of Terms for an agreement with the contractors including the fee the contractors should pay to your client to use the compound. (5 marks)

### **No 8 LANDLORD AND TENANT (15 Marks)**

Your owner occupier client has allowed Mrs Jones to develop a livery and riding school business in the traditional buildings, ménage and some of the adjoining pasture on the farm (coloured orange on Plan 1). She has an informal, unwritten agreement with your client, who lives at Silsworth Lodge.

- 8.1 Make brief notes on any protection Mrs Jones may have (6 marks)
- 8.2 Outline the steps that your client might take to terminate the occupancy covering the different types of occupation Mrs Jones may have. (4 marks)
- 8.3 Mrs Jones is agreeable to entering into a lease. Prepare Heads of Terms for your client's solicitor paying particular attention to the clauses you may wish to include given the location and extent of the proposed letting and include a suggestion of rent. (5 marks)



### **No 9 PROPERTY VALUATION (15 Marks)**

You have been instructed by the occupier of Silsworth Lodge Farm to advise on a rental tender in respect of Part Monroe Farm (shown edged blue on Plan 1) which has become available to let adjoining your client's farm. The land is to be available from 1<sup>st</sup> December 2008 on a fixed term Farm Business Tenancy until 30<sup>th</sup> September 2011, with an ingoing payment for tenantright matters. SPS Entitlements are not to be made available by the Landlord and the land is not currently included in an ELS scheme.

- 9.1 In note form list the principal information you would expect to be provided with by the letting agent (3 marks)
- 9.2 Prepare a costed and detailed rental budget to support your client's tender and indicate the rental figure you would recommend that your client should submit. Please state any assumptions. (10 marks)
- 9.3 What options does your client have in respect of claiming the single farm payment and what would be your advice on how to proceed? (2 marks)

### **No10 PROPERTY AGENCY (15 Marks)**

Your owner occupier client has informed you that, having been let on an assured shorthold tenancy, Silsworth House is now surplus to requirements. You have met with your client to discuss his options and he has decided that he would like to sell the property freehold by private treaty. He has asked you to write to him with your recommendations about the inclusion of additional land, timing of the sale, taxation and the effect on his retained property and how this could be mitigated. He has also asked you to confirm your terms for acting in the sale and any additional costs associated with the sale. Set out in letter format your advice.

### **No11 OCCUPATION OF LAND (15 Marks)**

Due to the impending retirement of the employee responsible for all the arable cultivations, you have been asked to advise on the different ways that your client might consider farming the arable land in the future.

- 11.1 Set out and advise on the alternatives available. (8 marks)
- 11.2 Advise on the principal tax advantages and disadvantages of each of the possible alternatives. (5 marks)
- 11.3 Advise on how the implications will impact on the Single Farm Payment. (2 marks)

## SCHEDULE OF AREAS

### Silsworth Lodge Farm

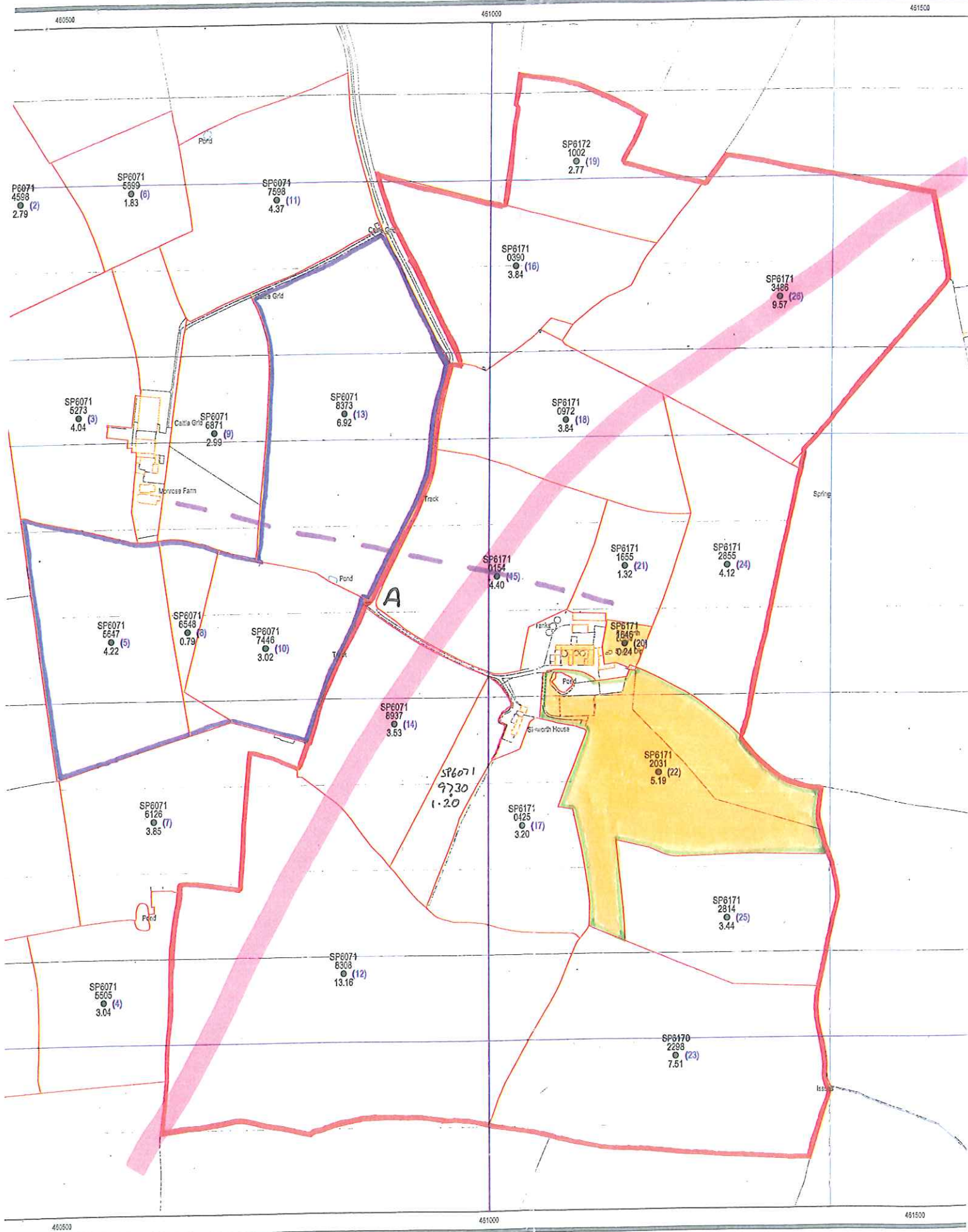
RLR Reference	Area (ha)	Cropping
SP6071 8308	13.16	Arable
SP6071 8937	3.53	Arable
SP6071 9730	1.20	Pasture
SP6171 O154	4.40	Arable
SP6171 O390	3.84	Arable
SP6171 O425	3.20	Arable
SP6171 O972	3.84	Arable
SP6172 1002	2.77	Arable
SP6171 1646	0.24	Pasture
SP6171 1655	1.32	Arable
SP6171 2031	5.19	Pasture
SP6170 2298	7.51	Arable
SP6171 2855	4.12	Arable
SP6171 2814	3.44	Arable
SP6171 3486	9.57	Arable
<hr style="width: 100px; margin-left: 0;"/>		
67.33 ha		
		Trees
		House and Buildings
		Track

### Part Monroe Farm

SP6071 5647	4.22	Arable
SP6071 6548	0.79	Arable
SP6071 7446	3.02	Arable
SP6071 8372	6.92	Arable
<hr style="width: 100px; margin-left: 0;"/>		
14.95 ha		

# SILSWORTH LODGE FARM

PLAN 1



NOT TO SCALE

