



**THE WEST MIDLAND & WALES
EXAMINING BODY
OF THE CENTRAL ASSOCIATION OF AGRICULTURAL VALUERS**

PRACTICAL EXAMINATION PAPER

MORNING PAPER

Wednesday 14th November 2012

Answer all the questions in this section in the Note book

No 1 AGRICULTURAL KNOWLEDGE (20 MARKS)

- 1.1 **General Knowledge (10 marks)**
Answer the general agricultural knowledge questions on the separate sheet provided.
- 1.2 **Commodities (10 marks)**
Identify and give the current market value in £s per tonne of the items labelled a-j.

No 2 LIVE AND DEADSTOCK (20 MARKS)

Livestock (9 marks)

- 2.1 Describe and give current market value of the following animals shown to you.
(a) Pen of Cattle
(b) Pen of Cattle
(c) Pen of Sheep

Harvested Crops (5 marks)

- 2.2(a) Describe and Value the quantity of produce shown to you.
2.2(b) Describe and Value the quantity of produce shown to you.

2.3 Implements and Machinery (6 marks)

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

- (a) Identify and describe the item as if for auction catalogue purposes

- (b) Estimate the likely hammer price achievable at auction.
- (c) Identify at least two main factors affecting value.

3. TENANTS FIXTURES & IMPROVEMENTS (10 MARKS)

For the purposes of this question **ONLY** you are to assume the farm has been occupied by the current tenant since Lady Day 1985. The tenant has given notice of their intention to vacate the farm as at Lady Day 2013. You are to advise on the following stating clearly any assumptions that you make.

- (a) The building marked 'X' on the attached plan was erected by the tenant 10 years ago without any landlord's consent but the landlord had indicated that they wish to purchase the building. Provide a full description of the building and assess the amount of any compensation due to the tenant at the end of the tenancy.

(5 marks)

- (b) The building marked 'Y' on the plan was erected just over 2 years ago by the tenant with the landlord's unconditional consent. You are to assess the amount of any compensation due to the tenant at the end of the tenancy.

(5 marks)

4. GROWING CROPS & BUDGETING (15 MARKS)

In this question assume that Wernllwyd Farm is let on an Agricultural Holdings Act 1986 tenancy incorporating the model clauses SI 1973/1473. State any other assumptions you may need to make.

- (a) Part OS.3384 hatched blue on the plan is scheduled as arable in the tenancy agreement. Set out a costed dilapidation claim on behalf of the landlord in respect of this area which extends to 0.5ha. **(5 marks)**

- (b) Set out your valuation notes for field no SJ2002 3384 2.78 ha (Shed Field) as a Tenant's pasture at an end of tenancy claim **(5 marks)**

- (c) Your client is the Tenant of a 100 acre block of bare arable land within Wernllwyd Farm. He has recently received a Section 12 notice from the Landlord to review the rent from Lady Day 2013 on this block. Provide a farm budget for the 100 acres based on winter wheat

(5 marks)

5. COMPULSORY PURCHASE (10 MARKS)

The Welsh Government is to improve the A483 Trunk road by removing the bend to the south west of your client's farm. The scheme requires the acquisition of the land shown hatched in red on the attached plan. They have served on your client a Notice to Treat and a Notice to Enter in order to acquire their interest in 0.5 hectare of land. Your

client, the freehold owner-occupier of the farm has instructed you to prepare a claim and has been told that entry will be taken shortly.

Prepare heads of claim on behalf of your client. State what accommodation works you would seek on their behalf from the acquiring authority.

Confine your answer to valuation principles as a priced claim is **not** required.

6. RESIDENTIAL LETTINGS – (10 MARKS)

You will be shown Wernllwyd Cottage which has recently been occupied by the farm owner's sister. She has now married and moved onto "pastures new"

Your client, the Owner, has asked you to let the cottage on his behalf.

- (a) Prepare a set of letting particulars with a brief description of the cottage.
- (b) Outline any works you recommend your Client should carry out prior to letting.
- (c) Advise your Client what reports are required for the letting of the cottage.



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AFTERNOON PAPER

Wednesday 14th November 2012

TIME ALLOWED 2 ½ HOURS

To be answered on the A4 lined 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 THE FIVE SET

All Questions carry 15 marks each

7. HEALTH & SAFETY (15 MARKS)

Farmer Jones, owner occupier of Wernllwyd Farm has recently recruited his 5th employee. He has asked your firm for advice on ensuring the wellbeing of his employees.

- a) Having inspected the farm, write briefing notes for a meeting with Farmer Jones to outline what is required of him and the legislation behind the requirement. **(3 marks)**
- b) Identify six issues that should be brought to the employees' attention and measures that should be taken to avoid those issues causing harm. **(12 marks)**

8. AGRICULTURE AND PLANNING (15 MARKS)

Wernllwyd Farm is currently undergoing a period of rapid expansion. To follow up on the construction of the building marked 'Y' on the plan, just over two years ago, there are proposals being considered for a further farm building to be constructed in position 'Z' on the attached plan. The proposed building will be used to house young stock and dry cows and will be of identical size to the building marked 'Y'. Unfortunately a public

footpath crosses the site of the proposed building which is also illustrated on the attached plan.

You are instructed to write a letter to your client, the owner of Wernllwyd Farm.

- The process of obtaining planning consent for the building.
- The information/documents/supporting evidence that will need to be provided to
- The local planning authority in order for them to determine the application.
- Any relevant planning policy that would be applicable to the application.
- Advice as to how to deal with the public footpath issue.

9. LICENCES (15 MARKS)

The canal highlighted in orange on the attached plan is owned by The Canal and River Trust (the Trust). The farmland on either side of the canal forms part of Wernllwyd Farm.

The canal overbridge at location 'A' is in poor condition and needs repairing. To do this, the Trust wish to close the bridge temporarily and set up a temporary compound in the adjoining field (area hatched in orange on the attached plan) to facilitate the repair works.

The owner of Wernllwyd Farm has asked you to attend site to meet the Trust's agent, to discuss the Trust's requirements for access etc.

- a) Write briefing notes on five practical considerations that need to be discussed at the initial meeting. **(5 marks)**
- b) The details of the Trust's temporary occupation are to be contained in a Licence Agreement. Set out and comment on the headings you would expect to see contained in such a Licence Agreement. **(10 marks)**

10. SALE OF WOODLAND (15 MARKS)

You are instructed by your client, the freehold owner occupier of Wernllwyd Farm. He is considering selling Wernllwyd Wood, an area of deciduous woodland which extends to approximately 5.8 hectares, situated to the north west of the canal. He wishes to sell in order to raise capital to fund additional livestock buildings; he purchased the farm, including the wood in 1980.

Prepare briefing notes for a meeting with your client, where you will discuss the following:

- a) Potential issues with any environmental or financial regulations relevant to your locality of practice. **(5 marks)**

- b) Management implications for the remainder of the farm resulting from the sale of the Wood **(3 marks)**
- c) The potential impact of Capital Gains Tax (CGT). Give your opinion of the likely sale price achievable. Outline the information and valuation elements required to establish any potential liability to CGT, and comment on any reliefs applicable. A detailed computation is not required. **(7 marks)**

11. NITRATE VULNERABLE ZONES (15 MARKS)

Your client is the tenant of Wernlwyyd Farm. The Holding is let on an Agricultural Holdings Act 1986 tenancy which contains the model clauses. The entire farm is in an area that was recently designated a Nitrate Vulnerable Zone (NVZ). You have been asked by your client to advise them on the implications of the land being designated.

- (a) Using your knowledge of the farm following your visit this morning, prepare notes in preparation for a meeting with your client to explain the record keeping requirements and restrictions imposed by the NVZ designation. **(9 marks)**
- (b) Assume that some addition is required to the fixed equipment, on the holding, to meet the requirements of the NVZ. What, as a tenant, are the routes available to your client to bring about the provision of the additional fixed equipment assuming an uncooperative landlord? Provide brief notes on the procedure for each option. **(6 marks)**