

PAPER I Q 1

You have received a telephone call on 11 November 2008 from Mr Lucky. His maiden aunt, Miss Annabel Frugal, owned and occupied Manor Farm, Weston Blossomville. This is a 400 acre holding with 300 acres of arable, 100 acres of pasture, a modest farmhouse, and both traditional and modern buildings. Miss Frugal ran the farm herself for many years as a sole trader in the name of Annabel Frugal.

The majority of the arable work was carried out by contractors under Miss Frugal's direction. On the pasture land she ran a pedigree herd of Belted Galloway cattle that were her pride and joy. Sadly Miss Frugal has died unexpectedly. Mr Lucky is her sole executor and beneficiary. He has no farming knowledge but, a stockbroker, is keen for a change in career and to start farming in his own name.

Mr Lucky has found in the large stack of Miss Frugal's post a receipt from the Rural Payments Agency/Welsh Assembly Government headed Application for the Single Payment and dated 10 May 2008. There were also letters with references to Environmental Stewardship Scheme, Entry Level Scheme/Tir Cynnal. Mr Lucky has asked for your advice on what he should do with these papers. He is going to call to see you to discuss them.

Prepare your **notes** in advance of the meeting, stating which part of the UK you practise, to cover the following points:

- a) Brief explanation of the Single Payment Scheme **4 marks**
- b) What is the receipt Mr Lucky has found? What other information should Mr Lucky be looking for amongst Miss Frugal's papers and why? **4 marks**
- c) Mr Lucky has picked up the phrase "cross compliance" from somewhere in the papers. Detail 5 examples to outline to him. **5 marks**
- d) Give an indication of likely payment and when this will be received. **2 marks**
- e) Timetable of action required within the next 18 months. **5 marks**

PAPER I Q 2

You have been acting for your client, the Hon. Arthur Shilling of Pennypinch Estate, in the rent review of Crumbling Farm, where Mr Brownfield has been the tenant since Michaelmas 1982.

It is a 200 acre livestock unit with a four bedroom traditional stone and slate farmhouse. The farm buildings consist of:

- a range of traditional barns,
- a hay barn (75ft x 35ft) and a covered yard (75ft x 60ft), both landlord's improvements
- an open fronted cattle shed (45ft x 30ft) and a covered livestock building (45ft x 45ft) both tenant's improvements

All the farm is down to grass with approximately half of the acreage being rotational pasture through the use of forage/catch crops and the remainder being permanent pasture.

The current rent is £9,000 per annum. It has not been reviewed since 1998. The Hon. Arthur Shilling feels that, with rising livestock values (and increasing landlord's costs), it is now time to review the rent. You had served a s.12 notice in time last year.

Increases in input prices mean that Mr Brownfield disagrees with your client's point of view. Two weeks before the anniversary of the tenancy, negotiations have totally broken down.

1. Prepare a **briefing note** in readiness to advise your client how the arbitration process will proceed, together with any time limits or other factors that have to be borne in mind. **10 marks**
2. The Arbitrator has asked for the Landlord's Statement of Case as a precursor to the hearing. Please set out, **as bullet points**, the appropriate Heads of Terms to be included in your Statement of Case. **10 marks**

PAPER I Q 3

You act for Lord Broke, owner of Greatworth Park, a 4,000 acre estate with a principal house, 500 acres of woodland, 1,500 acres of let farms and a 2,000 acre in-hand farm. He has had short term credit problems with his bank and has decided it is time to sell some of his assets. He would like to achieve this quickly and with minimum publicity.

Mr N Ronn, a retired hedge fund manager aged 40, has a large property neighbouring Airfield Farm, an in-hand farm on the edge of the estate. Airfield Farm comprises 330 acres of Grade 3 land, 30 acres of concrete wartime runways, 20 acres of woodland containing the remains of wartime structures, 20 acres of ridge and furrow pasture, a five bedroom Grade 2 listed house (unoccupied and in poor condition) and a 2,000 tonne grain store constructed in 1995.

Mr Ronn met Lord Broke at a drinks party recently and expressed an interest in buying Airfield Farm in order to safeguard his view if Lord Broke was willing to sell. Lord Broke is interested as Mr Ronn said he would “give him a fair price for it”.

1. Prepare briefing notes on
 - a) information required from Lord Broke regarding Airfield Farm. **6 marks**
 - b) outline the options available to him for disposal. **3 marks**
 - c) likely values **3 marks**
 - d) other matters you think pertinent **3 marks**
2. Assuming Lord Broke wishes to pursue a private deal with Mr Ronn,
draft a letter to go to Mr Ronn. **5 marks**