

CAAV EXAMINATIONS 2019

National Written Board – Chairman’s Report by David Steel – January 2020

1. General observations and comments
 2. Question by question reports (at Appendix 1)
 3. Written Board’s top 10 tips to future candidates
 4. Thanks and acknowledgments
-



General observations and comments

- This year 132 candidates sat the two national papers (143 in 2018). The combined pass rate for 2019 papers 1 and 2 was 52% (41% in 2018). This compares favourably to the results in recent years as per the table below:

Year	Candidates (Written)	Passes	Pass Rate
2013	124	45	36%
2014	149	71	48%
2015	162	69	43%
2016	163	98	60%
2017	132	73	55%
2018	143	58	41%
2019	132	69	52%

- In Written Board (WB) we felt we had set a fair, relevant and syllabus compliant paper covering a broad range of topics, which in our view was passable by those candidates who had prepared sufficiently well.

- We were pleased that there were no comments or reactions (positive nor negative) in the immediate aftermath of the exams, from either regional examiners nor candidates – always a good sign!
- A particular effort during marking this year was made by examiners to try to write as many constructive comments and notes on the script as possible, this will particularly aid any candidates coming forward for review sessions.
- As in recent years, the ‘theoretical’ questions were generally well answered, yet in the ‘situational’ questions candidate performed less well, struggling to translate the particular question scenario into their answer. Future candidates would be well advised to focus on this i.e. relating the question and facts provided into their answer and not just providing a stock answer.
- A team of 12 of team marking for two days saw us again finish on the Monday evening i.e. 25 November. We were helped by the increasing percentage uptake of laptops – see comments later on, re use of IT by candidates.
- Question by question reports follow by examiners who either set and marked the question, or marked the majority of papers. Paper 2 question 5 was the most popular question, answered with 125 ex 132 candidates answering this (the question concerned a rural diversification project).
- In terms of script specifics, we noted several cases of candidates sadly running out of time, as well as a handful of cases in paper 1 question 1 (multi part) not answering enough parts (i.e. not 5) or indeed too many parts i.e. more than 5, and in two cases candidates answered all 8 parts ! Candidates are strongly advised to pay particular attention to this in future i.e. reading clear instructions provided.
- Similarly, in other questions, answers were all too often not structured as the question directed, with key parts of the question simply missed off by many candidates - again this is disappointing and frustrating from a marking perspective.
- In terms of IT, it was very pleasing to see that 87% of candidates chose to use a laptop this year, and the Written Board are certainly heartened to see that this is an increasing percentage uptake trend. WB’s view is that it is probably not too far away where it should be an ‘opt out’ from using laptops rather than an ‘opt in’ (for the exams in Nov 2021?).
- Many of the manuscript answers were perfectly legible and well laid out (with however at least two notable exceptions!). Candidates are however reminded not to use pencil, and not to write on both sides of the paper – again a failure to follow clear and simple instructions.
- Typed scripts were also generally well formatted, other than in a few cases where solid blocks of prose were used, which whilst thoroughly marked were not particularly welcome. Many candidates used tables to further enhance their answers where appropriate and this was also good to see. The wider page margins certainly helped script marking too, and enabled comments to be written by examiners where appropriate.
- Most importantly, Written Board’s view is that the use of laptops by candidates is delivering better thought out answers which are clearer, more concise and which avoid a manuscript brain dump on a subject area over multiple pages, which we were becoming increasingly used to seeing.

Question by question report

Question by question reports are attached at Appendix 1.



Written Board's 10 top tips to future candidates

1. **Attend one of the two written tutorials** – lots of good tips and guidance are provided at these, and you are strongly advised to attend. If in doubt speak to a recent attendee.
2. **Read the question and answer the question** – and not what you think and hope it says ! Also re read the question several times during the answering, as there may be details missed on the initial read through.
3. **Avoid 'walls of words'** – these are rarely asked for, and never welcomed by marking examiners!
4. **Don't sell yourself short** – make sure you answer all parts of the question, and don't miss out parts – you are not making life easy and immediately putting yourself at a disadvantage
5. **Less is definitely more** – some of the very best answers are also the shortest, so please don't waffle or pad. This is not needed and definitely not wanted !

6. **Match time spent to the marks allocated** – the mark allocation is a really good guide for the time to spend on each part of the question, so do try to stick to this at all times.
7. **Formatting answers will assist** – whether handwriting or using a laptop, simple formatting whilst not compulsory, will certainly help e.g. bullet points, numbered lists, headings, white space, tables etc - all of these are good to win over the hearts and minds of weary examiners!
8. **Time is precious** – know exactly how long you have for each question before the exam starts, and don't be tempted to spend longer on questions you are comfortable with – the ones you are less easy with will need just as much, if not more time.
9. **Consider a question plan** – these are not favoured by all we know, but are a good way to gather thoughts in the heat of battle, and rough out an answer (which will also be marked if you completely crash on time).
10. **Ideally use a laptop** – do think very carefully if you decide not to use a laptop, especially if your handwriting is poor. The system is well tried and tested now, and increasing in popularity. In Written Board's view the use of a laptop helps focus answers to key points, delivering well structured and succinct answers.

Thanks and Acknowledgments

- This was my second (and final!) stint in the written board chair, and it has again been a pleasure to lead such a dedicated and hard working team both in terms of the WB members setting questions as well as marking, and also the previous WB chairs who kindly came back to mark at Symonds Yat.
- The 2019 written board comprised Gareth Lay, Sarah Tyson, Charles Meynell, David Blake and Simon Brown.
- This was Sarah Tyson's last year as our Scottish exam group representative and we are extremely grateful to Sarah for her efforts over the last 5 years, and for travelling long distances to mark at Symonds Yat. She had an uncanny ability to plough through answer scripts at a particularly productive rate ! Thank you Sarah.
- This was also Simon Brown's first year ,and there is no question he will be a reliable and valued member of the team going forward.
- Various previous WB chairs came back to help mark again and as mentioned above, I was extremely grateful for their time, commitment and general good humour. They were Simon Nixon, Gareth Rowe, Jim Major, Andrew Capel, Tim Cooper and Mike Taylor. The assistance of previous chairs to plough through the marking is invaluable and without their help this task would be nigh on impossible.
- As chair, close liaison with HQ during question setting is vital, and as ever Jeremy provided a calm and guiding force as we honed questions and moderated answers (especially from a devolved government perspective), and I am very grateful indeed to him.
- A key (but often not sufficiently acknowledged) are the question and answer 'scrutineers'. I am particularly grateful to them for their robust review of what we had drafted, and the various tweaks and improvements which they identified and encouraged us to adopt. This third party review is essential in my view, in order to ensure fairness and consistency, and to eliminate any ambiguity or duplication of question topics. I am very grateful to them both.

- Last and most definitely not least, very many thanks to Dorota, who as usual, has been beyond diligent in all she has done for written board, and has been a pleasure to liaise and work with. Candidates can rest assured that absolutely no stone is left unturned in terms of checking scores and the general pass mark mathematics !

David Steel FRICS FAAV

Savills, York

January 2020

dsteel@savills.com

01904 617814

07768 953332

 **David Steel**
Rural Director at Savills in the North of England, specialising in estate managem...
1mo • 🌐

Just finished my second (and final !) stint as chair of the national written board exams for the [CAAV - Central Association of Agricultural Valuers](#)
12 examiners took a combined 193 hours to mark 657 answers from 132 candidates over 2 days.
Congratulations to all those who go on to pass, on joining an absolutely first class professional body.
[#givingsomethingbacktotheprofession](#) [#CAAV](#)
[Sarah Tyson](#) [Jim Major](#) [Andrew Capel](#) [MRICS FAAV](#) [Simon Nixon](#) [Mike Taylor](#) [Gareth Rowe](#)



80 • 3 Comments

 Like  Comment  Share

 6,261 views of your post in the feed

Appendix 1

Written Board – Examiners Report on Questions

Paper One - Question One - Multipart question

Number of candidates answering	90
Percentage passed (%)	64
Average mark (%)	68
Top mark (%)	89
Lowest mark (%)	40

- In common with other years this was a popular question with 89 candidates answering it.
- There was variation in marks but on the whole the standard was pretty high as outlined by the data in the table above.
- Frustratingly despite very clear instructions to answer 5 x 8 parts, we had two candidates 8 parts and at least one only answering 4 and a couple of cases answering 5 or 6 parts. In all cases we marked the first 5 answers but none of these candidates have helped themselves in terms of effective use of time and future candidates are again requested to read the question instructions very carefully.
- In several cases answers were too brief to secure a really good mark and having started well needed a bit more fleshing out/detailed push on to make a strong pass rather than an ok pass.
- We got several blocks of rows instead of numbered lists or a series of bullet points (e.g. on the FBT rent review options question) whilst these answers were of course thoroughly marked it would have been much more logical to provide a list or even a short table and again this should be a useful pointer for future candidates.
- In several cases it was clear candidates had spent too long on one or two sub parts and then ran out of time on the remaining part or parts. The even spreading of time between all 5 parts of this question is again strongly advised for future candidates.
- In several cases answers lacked logic, which showed the lack of a question plan we suspect, and also several answers were 'off track' completely – writing what they thought the question demanded without reading the question in detail
- Nearly all on the Red Book question missed the limitation of liability point and the need for second check signatures

Part	Number Answered	Subject Area	Comments
A	28	Definition of Natural Capital	Not many did this but those that did answered it well with a good basic understanding and application of Natural Capital.
B	84	RICS Red Book Headings	This was the most popular answered question and generally was very well executed. Several gave text book answers which was good to see. Many didn't make it clear which were the 4 headings they were providing fuller explanations of and some didn't expand at all and others expanded all headings which wasn't wanted ! Again this was poorly laid out – blocks of prose were used instead of a simple heading and short explanation after each point.

C	49	Tenant Fee Ban	Here there was a good basic understanding but lacking a bit of depth and surprisingly few candidates made a clear list of what can and can't be charged which was clearly asked in the question.
D	64	Differences between Restrictive Covenants & Overages	Again this was quite a popular choice by candidates and whilst there were a few good answers generally was not answered very well again the basics were known but there was a lack of depth of knowledge and very few again listed the differences which again was clearly requested.
E	42	4 Methods of FBT Rent Reviews	Surprisingly this was the least popular question to be answered but those that did do it generally did it justice. Here there was some box of pros with options buried within them instead of an obvious list of 4 points.
F	71	Lone Working	This was the second most popular answered question, and again the background and context was good and a few practical implications were provided but again there was a distinct lack of a clear list of measures which employers should put in place.
G	50	Residential Planning Application	Again this was popular amongst candidates and generally well answered. A lot of candidates stated clearly that it was a full planning application rather than an outline which was a logical and sensible assumption to make given this was not stated in the question.
H	58	CPO Heads of Claim	A surprising number of candidates tackled this question and again the basics were good but there was a lack of application to the situation in the question provided. There seemed to be no middle ground ie either a very good or very poor standard. Most were also not well laid out.

Paper One - Question Two - Mixed Estate Valuation

Number of candidates answering	72
Percentage passed (%)	61
Average mark (%)	66
Top mark (%)	86
Lowest mark (%)	40

Not all candidates remembered need for conflict of interest check within the firm, money laundering requirements, the firms general terms of business specifically as the advice was for intend purposes at this stage t is a Red Book exception, some candidates forget the need to advise clients of fees.

Many candidates did not run through all the practical details required for each item e.g. sizes, condition, rents under leases, land quality etc. some concentrated only on tax details/requirements for reliefs and whilst this was relevant, the answer also wanted the practical details. Good candidates covered these in a general paragraph that noted for item the need for size/condition/planning/services etc. information, which was efficient use of time, with specifics then given relating to each item. Those who copied and pasted the same list without editing to make it specific missed points and this indicated a lack of thought. Some candidates began to give advice to the clients (e.g. as to transfer to children) which is not what the question is looking for.

Most candidates knew the requirement to report the offer to the client, although many did not think to report back to the person, making the offer with answer/update and the importance of discussing the offer with the other professional advisers, especially the accountant.

Paper One - Question Three - Rural (farm) agency

Number of candidates answering	102
Percentage passed (%)	58
Average mark (%)	65
Top mark (%)	83
Lowest mark (%)	12

This was a straightforward question about the sale of a farm. Most candidates had a good knowledge of the basics and lotting was well thought through by the stronger candidates. Few considered an 'off the market' sale. The potential problems around the occupation of the cottages were recognised by most, but only a handful considered a sale or negotiated surrender with the occupiers. A few mentioned TUPE.

Disappointingly very few related their answers to the circumstances of the client, and considered the timing of the sale in the light of her health, the need to manage her tax affairs (CGT and Entrepreneur's Relief), and to emigrate.

No thought was given as to timing of the sale and potential problems with the suckler herd with TB tests etc.

Finally most mentioned the family relationship with the Managing Director, but not many referred to the need for the connection to be mentioned in the sale particulars.

Paper Two - Question One - Access to 3rd party energy scheme

Number of candidates answering	52
Percentage passed (%)	25
Average mark (%)	54
Top mark (%)	75
Lowest mark (%)	28

The question was in respect of a private company seeking to install a cable across grass fields. The inference of the company being private, is that it would not have compulsory powers.

Part 1 of the question asked for the different arrangements that might be entered into and most candidates identified wayleaves and easements and outlined the difference between the two. The best candidates also referred to subterranean leases.

Part 2 was also answered generally well with candidates acknowledging the potential of a ransom, and therefore the possibility of a higher payment to the client.

Part 3 of the question was subdivided and attracted the most marks. It is where a large number of candidates fell down in failing to identify the issues, very few identified basic items such as a record of condition, most dealt with fencing and access, but other items that were often missing included water, drainage, topsoil strip and working method, and the method of reinstatement. In the second sub-section the examiner was part was looking for such issues as restrictions on use, cable depth, restrictions on cable use, easement width, insurance and a lift and shift clause. Most candidates outlined notice for repairs and maintenance.

Part 4 was a summary of payments and this part was generally answered reasonably well, however most candidates failed to mention fees, or loss of BPS payments. The best candidates identified compound payments but virtually none considered penalty payments if the installation works overran an agreed timescale.

Generally the question was relatively straight forward, which any candidate who had dealt with claims for water or other pipes or cables should have been able to answer.

Paper Two - Question Two - AHA end of tenancy claim

Number of candidates answering	74
Percentage passed (%)	43
Average mark (%)	60
Top mark (%)	80
Lowest mark (%)	28

This question sought to examine the candidates' knowledge and approach in negotiating a tenant out of a 1986 Act tenancy and how to deal with the Tenant's Improvements and Fixtures.

Part 1 simply asked candidates to list the background information required ahead of a meeting with a client and was generally well answered. Marks were weighted towards more obvious and important items including a copy of the tenancy agreement, the current rental position and details of any rent reviews, memoranda etc. plus an understanding of the tenant's position in terms of health, successors and aspirations. Other items included copies of landlords consent, construction costs for the improvements/fixtures, details of any grants, planning permissions etc. This part of the question gave a good opportunity to score well and most candidates did so.

Part 2 was divided into three sections and focused on Tenant's Improvements and Fixtures. The majority of candidates clearly understood the difference between the two and most (but not all) could quote the statutory reference and definitions. What differentiated the better candidates from the average was the explanation of how to value improvements and fixtures, for instance explaining how to best capitalize the rental value, with the very best answers providing detailed calculations of the value. One candidate even included the Years Purchase formula together with a worked example!

The thrust of Part 3 was how to protect the tenant's interest in the farm buildings within any subsequent agreement. The answers to this element of the question were more variable with most candidates focusing on either being paid for the improvements now and this being reflected in the rent of a new tenancy or simply carrying the improvement consents forward into a new agreement. Other options such as a discounted rent to reflect the improvements or simply carrying forward the 1986 compensation provisions into a new agreement were less prominent in answers.

Part 4 of the question asked candidates to advise the tenant on their retirement options. Most candidates focused on the more obvious decision of either serving a notice to quit or trying to use their secure tenancy position to negotiate a beneficial surrender. A disappointingly low number of candidates actually explained how the surrender value (VP premium) may be determined and negotiated. The best answers included other options such as a joint venture arrangement (e.g. Contract Farming) or possibly moving out of the farmhouse into another cottage on the estate, and these candidates were rewarded accordingly.

Paper Two - Question Three - Environmental / soil & water

Number of candidates answering	26
Percentage passed (%)	50
Average mark (%)	65
Top mark (%)	95
Lowest mark (%)	30

On the whole, the question was well answered. Those that did not pass really did not understand the question and were guessing. Part (b) was the most poorly answered, simply because candidates did not understand the CS schemes.

Part (a)

Candidates were generally able to identify the key requirements of a Conservation Plan. The best candidates were able to achieve high marks by categorising the requirements of the question and recognising the base information required, how objectives could be implemented and then measured. The best answers were set out in a logical table. The poorest answers lacked the necessary information required to achieve the marks. Few were aware of MAGIC mapping and the ability to establish priority habitat areas for Environmental Stewardship. Perhaps more time spent thinking about how the scenario would be approached in practice would have been useful to many.

Part (b)

Part (b) was either answered well or badly. Those achieving high marks understood the main Environmental Schemes and were able to summarise the main scheme terms, periods for application, capital and management payments. Candidates not achieving good marks clearly did not understand the schemes and should not have opted to answer the question. Many candidates did not recognise that Higher Tier schemes were aimed at designated sites and high priority areas.

Part (c)

On the whole, most candidates were able to identify best practice measures for improving soil health e.g. min. tillage, cover crops, grass rotations etc. The best candidates were able to link these with options available under Stewardship Schemes.

Part (d)

Part (d) was similarly well understood. Good candidates were able to identify grants available for improving farm infrastructure e.g. roofing over yards, concreting and improving farm tracks. Understanding of practical measures was generally good.

Paper Two - Question Four - Development site methods to take forward

Number of candidates answering	62
Percentage passed (%)	45
Average mark (%)	60
Top mark (%)	90
Lowest mark (%)	22

The question related to the promotion of the site of a farmhouse, farm buildings and 2ha of land in a sustainable location on the edge of a village, for a residential development of 75 – 100 houses at plan review stage in 5 years' time. The remainder of the holding extending to 95ha of bare land is separated by a public highway. The question was in three parts and combined three core areas of the syllabus.

Part a) (50% of the marks) sought to examine knowledge and understanding of the alternatives available to the Landowner for promoting the property, principle terms and risks and benefits of each.

This was generally well answered with candidates noting the differences between an option with a developer who would build out the houses and a Promotion Agreement with Promoter whereby the site would be sold in the open market with the benefit of planning. The better answers set out terms in some detail and offered suggestions as to the split of the market value.

Most commented upon the issue of arriving at Market value in an option, pointing out that the developer may have better knowledge of the cost of developing a site, but few commented on the use of evidence gained from open market sales or how arriving at a price might be resolved by Expert Determination. Although the site was likely to be sold as one only a few suggested the use of a Hybrid Option to establish the market value of part of the site as a benchmark for the price at which the developer could purchase the balance.

Many identified the high risk/reward strategy of the landowner promoting the site, employing planning and other consultants. In the circumstances of this case, where there were no fundamental obstacles to development this may have been a viable alternative but would require significant investment. Some went on to suggest a joint venture with a builder; exceedingly risky with the potential for the landowner to be left with a part built site and all the planning obligations. Not to be recommended for the average Landowner.

Part b) (25% of the marks) asked for the process of marketing the site with the benefit of a residential consent, together with possible timescales and cost of each phase. Most candidates commented upon private treaty but lacked sufficient explanation of the process, particularly the consideration and negotiation of offers to seek the best offer in terms of price, conditionality and payment terms. The marks awarded indicated that rather more was required than just put up a board, produce particulars and hope.

The better answers also discussed the pros and cons of informal and formal tender whilst still favouring private treaty.

Part c) (25% of the marks) asked about the tax treatment of the receipt and options open to mitigate or reduce tax payable. Most, but not all, correctly identified the receipt as capital subject to CGT but there was confusion on the rate with many suggesting the rate should be at that applicable to the sale of a second residence. Most explained the reliefs of rollover and holdover; few identified PPR on the farmhouse. Candidates explained the potential for Entrepreneurs Relief to reduce tax to an effective rate of 10% but, apart from suggesting the remaining land should be sold at the same time, failed to consider how that land could be farmed in a new venture whilst still allowing ER on the site.

Overall the question was well understood, it was the detail required for the marks on offer that let some scripts down.

Paper Two - Question Five - Regularisation of a leisure diversification

Number of candidates answering	125
Percentage passed (%)	65
Average mark (%)	70
Top mark (%)	92
Lowest mark (%)	36

Overview

The question dealt with a proposed lease for a leisure company over agricultural land. The question did not require significant depth on legislation, but relied upon practical experience being applied to the scenario. To that end, it was generally well answered and allowed candidates to capitalise, where they may have struggled on some more technical questions.

It is unanimously agreed that typed scripts are preferred over and above manuscripts, saving time and allowing a degree of neutrality between candidates.

Part 1 – Heads of Terms

The question required candidates to list terms together with details. Most approached this well, but many failed to provide sufficient detail to support the terms. For example, many wrote 'Break Clause' with no further detail. The question required additional detail and explanation, taking into account the scenario.

Generally, this question was well answered with nearly all achieving over half marks.

Part 2 – Setting rent

The answers provided were or a wide range of standards, with some establishing the basic standard expected, but with the higher ability candidates taking into account the scenario and applying experience their proposals.

The layout was generally clear, but very few committed to presenting actual numbers or rates.

Part 3 Advantages and Disadvantages of letting on a commercial lease

This part of the question was sufficiently subjective to allow most candidates to exceed the pass rate, with the stronger ones applying the scenario of the question to their answers.

Generally, answer layouts were good, and those who set out answers in a tabular format gained additional marks. There was a good understanding of Health and Safety and biosecurity risks.

Part 4 – Professional fees

This was perhaps the most disappointing part of the answers, despite being a straight forward question. Many candidates forgot to add a quantum to the fees, which was probably lost in the haste to answer the question.

Part 5 – Taxation

Overall, this was well answered. The main observation was a lack of clear and well set out answers. The candidates who used bullet points for the main areas of tax highlighted the weaknesses of the candidates who answered in one whole paragraph.

General

The question was well answered and the marks awarded reflected the transparency of the question and subject area. The higher marked candidates had papers that were well laid out, using a clear through process, leading the marker into the answers.

Paper Two - Question Six - Estate management taking over from client in hand management

Number of candidates answering	57
Percentage passed (%)	59
Average mark (%)	66
Top mark (%)	94
Lowest mark (%)	20

This question asked candidates to consider matters they would seek to address in a meeting with a potential new management client with a small estate. The question was in four parts with the first section requiring an aide memoir

list of items to discuss with the client and which carried half of the marks. Most candidates answered this very well and came up with a long list of fairly obvious issues to consider. However the question specifically gave some information on insurances and in particular a policy premium that was low. Very few candidates commented on this.

The second part asked the candidates to consider the terms for a management agreement, most candidates got the bones of this but failed to consider anti money laundering, clients' money and banking arrangements, expenditure authority for repairs etc, complaints procedure and conflicts of interest.

The third section dealt with jobs to be included within the management contract and those which would be outside. This seemed more difficult for candidates and perhaps indicated that many had little direct experience of this.

The final section asked candidates to consider the fee charging basis. This part proved most challenging. Again I suspect this indicated a lack of experience or exposure to fee quoting or lack of familiarity with this type of work. The first part of the question only required general knowledge of the background to estate management, whilst the last two parts probably needed some specific experience. It was also clear that some candidates had run out of time as this was generally the last question they answered.

Ends/.