



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

**PRACTICAL EXAMINATION PAPER**

**Wednesday 13<sup>th</sup> November 2013**

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

The Examination is held at Warwick House, Southam, Warwickshire and on farm at Upper Radbourne Farm, Southam, Warwickshire.

**MORNING QUESTIONS**

Answers to be written in the Note Book provided.

**ORAL QUESTION**

The Traditional Buildings and Covered Yard at Upper Radbourne Farm as highlighted yellow on Plan 1 will be the subject of the Oral Interview on Thursday 14<sup>th</sup> November. Candidates may make notes on the **yellow paper** provided. The 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 the morning's inspection. Candidates are advised to make their supporting notes on the paper provided.

## NOTES TO CANDIDATES

All candidates will be deemed to have read the CAAV Guidelines for the Practical and Written Examinations and the Interview 2013 and be familiar with their contents.

**IMPORTANT** in all cases you **MUST** show your **methods** and **calculations**. The examiners are not just looking for the answer.

Livestock and Produce are to be valued at today's value.

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.

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.

The day's timetable will be:-

8.30am	Candidates to arrive at Warwick House, Southam, Warwickshire.
8.40am <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 before handing in to examiners.
1.00pm to 1.45pm	Lunch at Warwick House, Southam
1.45pm to 4.15pm	Afternoon written paper in exam room answering four questions out of five from notes made during the morning inspection.

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.

Marks are available in each section as follows:-

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

5 of the 90 marks allocated to the morning session of the Practical examination will be awarded for presentation.

To pass, candidates will need to achieve 65% across the whole examination (that is 195 marks out of 300) with not less than 60% in any of the Written, Practical or Oral parts.

Candidates should mark their papers with their examination number but **NOT** their name.

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.

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 13<sup>th</sup> November 2013  
Morning Paper (to be answered in Note Book)**

**NO.1 AGRICULTURAL KNOWLEDGE (15 Marks)**

- 1.1 Answer the ten general agricultural knowledge questions on the separate questions sheet provided to you. (5 marks)

**Commodities**

- 1.2 Identify and give the current market value in £s/ton for all of the seven items labelled as items a-g. (7 marks)

**Agricultural Equipment**

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

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

**Livestock (4 marks)**

- 2.1 Describe and give the current market value of the following animals shown to you.
- (a) Pen X (the two black cattle) (2 marks)
  - (b) Pen Y (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 August 2013 identified to you:
- (a) Building A on Plan 1 (Note: internal dimensions of barn 30m x 12m, assume the barn is level filled to the top of the grain walling which is 2.3m high) (2 marks)
  - (b) Stack Z of bales also within the grain store, assume there are a total of 200 bales on a trailer. (2 marks)

**Growing Crops (3 marks)**

- 2.4 Describe and value as at today's date the growing crop in Field number 3881 which has a gross area of 10.38 hectares (25.64 acres), as if you were the valuer for the outgoing tenant under

the Agricultural Holdings Act 1986. Show your assumptions and workings. (3 marks)

**No 3 LANDLORD AND TENANT (10 Marks)**

The building marked B on Plan 1 is let under the Agricultural Holdings Act 1986 incorporating the repairing obligations set out under SI1973/1473 and the Tenant is quitting the holding on 24<sup>th</sup> March 2014. You are asked to prepare brief notes as follows:

- 3.1 Briefly describe the building. (2 marks)
- 3.2 A schedule of dilapidations identifying where the repairing responsibilities lies (4 marks)
- 3.3 Acting on behalf of the Landlord and clearly stating any assumptions, set out the time scale, procedures and basis of valuation for claiming dilapidations against the Tenant at the end of the Tenancy. (4 marks)

**No. 4 PROPERTY VALUATION & GENERAL REGULATION (10 Marks)**

You will be shown Building A. Your farmer client is looking at changing his insurance provider and the new insurers have asked for an estimate of the building's reinstatement cost. You are asked to prepare brief notes as follows:

- 4.1 Briefly describe the building (2 Marks)
- 4.2 Calculate the valuation of the re-instatement cost (5 Marks)
- 4.3 During your inspection you identify potential Asbestos Containing Materials (ACM's). Identify the legislative and practical requirements for managing ACM's on the farm. (3 Marks)

## **No. 5 PROPERTY AGENCY**

**(15 Marks)**

You have been approached by a potential client to sell 'Paxhall Farmhouse' as marked C on Plan 1 and 2 acres of adjoining land as outlined green on Plan 2. The property is currently vacant and is in a reasonable state of repair. Your potential client has requested you meet with him on site to advise him on the sale of the property. In note form:

- 5.1 Identify the methods available to sell the property and the positive and negatives of each method. (6 Marks)
- 5.2 Following your initial meeting you have been instructed to sell the property. Identify the key practical, legal and procedural considerations you should complete in advance of marketing the property (5 Marks)
- 5.3 Your client would also like to understand any potential implications the sale of the property could have on the retained holding. Identify what matters need to be considered and how they can be dealt with to minimise any impact on your clients retained holding? (4 Marks)

## **No. 6 COMPULSORY PURCHASE AND COMPENSATION**

**(15 Marks)**

Your client is the owner and occupier of Upper Radbourne Farm and has received a letter from Network Rail informing him that a new rail line will be constructed through the farm along the route shown Blue on Plan 2. Network Rail wants to meet with your client and you to discuss the project and potential impact on the holding. Prepare a briefing note in bullet point form covering:

- 6.1 The key matters affecting the holding which need to be discussed with Network Rail's agent in advance of the commencement of the Scheme. (4 Mark)
- 6.2 Suggest what steps might be taken to reduce the impact of the Scheme on the holding, through negotiation with Network Rail. (4 Marks)
- 6.3 Your client has asked you to prepare a draft statement of claim, with values in advance of your meeting with Network Rail. (7 Marks)

**AFTERNOON PAPER**  
**Wednesday 13<sup>th</sup> November 2013**

**TIME ALLOWED 2½ 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 ENVIRONMENTAL SCHEMES & AMENITY USES OF LAND**  
**(15 Marks)**

The owner occupier of Upper Radbourne Farm has sought your advice on the parcel of farm woodland (Field No. 3534) extending to 4.48 hectares following his recent acquisition of the farm. Please make briefing notes, stating any assumptions made, following your inspection in preparation for a meeting with your client.

- 7.1 With reference to the entire plantation, identify the species included in the planting mix, indicate the majority species planted and the approximate age of the current planting. (4 Marks)
- 7.2 Advise on the likely management operations and activities required by your client during the next 5 years, your opinion of income/expenditure which will arise and the statutory/compliance issues which need to be considered. (8 Marks)
- 7.3 Your client told you he is worried by Chalara Fraxinea in respect of this plantation. Advise him of what he needs to be aware of and comment on the possible implications in respect of this plantation. (3 Marks)

## **No 8 RESIDENTIAL LETTINGS AND PLANNING**

**(15 Marks)**

Courtyard House as marked D on Plan 1 has become vacant following 8 years of continuous occupation and your client, the Landlord, has asked you to let it.

- 8.1 Summarise in note form the practical issues, the legislative requirements and your recommended approach to securing a new tenant (7 marks)
  
- 8.2 Your client informs you that he thinks the property is subject to an Agricultural Occupancy Condition (AOC). Set out in letter form the options for securing the removal of the AOC together with any other relevant considerations you identify. (8 marks)

## **No 9 PROPERTY VALUATION**

**(15 Marks)**

Your client is the Tenant of Upper Radbourne Farm, which is let on a Farm Business Tenancy. The Landlord of the Holding has served a valid S.10 Notice on the Tenant to carry out a statutory rent review with effect from the 5<sup>th</sup> April 2014. Your client is keen to understand the implications of this Notice.

- 9.1 Draft a letter to your client explaining why the Notice has been served and how the rent for the Holding will be assessed. You should include details of the factors that will be taken into account and what will be disregarded when assessing the rent. (5 Marks)
  
- 9.2 The Holding extends to 198 hectares (490 acres) comprising 145 hectares (359 acres) of grade 3 arable land and 47 hectares (116 acres) of productive pasture let on standard repairing and maintenance terms. Also included in the Tenancy are two residential properties and The Hall where your client resides. Your client would like to meet to discuss the amount of rent that he can expect to have to pay after the rent review. Based on the details provided above and using your knowledge of comparable lettings, prepare a summary valuation of the anticipated rent for the Holding. (7 Marks)

- 9.3 Assuming the rent review is referred to an Arbitrator, briefly explain how the arbitration process is governed and the procedure. (3 Marks)

## **No 10 WAYLEAVES AND EASEMENTS**

**(15 Marks)**

Your client, the owner occupier of Upper Radbourne Farm has been approached by Western Power Distribution who wish to replace the overhead electricity cables which cross the entirety of Field No. 6708 during the last two weeks of November 2013. Your client has instructed you to act in connection with this matter and has provided you with a copy of the wayleave agreement.

- 10.1 Advise your client on what rights Western Power Distribution are likely to have to undertake such works stating any assumptions. (3 marks)

- 10.2 Your client is very concerned about the land being accessed by Western Power at the end of November 2013. With reference to the holding and specifically Field No. 6708, identify any concerns that you should make your client aware of and provide advice for how these matters may be addressed, including advice regarding likely levels of compensation where relevant. (9 marks)

- 10.3 Planning consent has recently been secured on adjacent land (immediately to the South East), owned by a 3<sup>rd</sup> party for a Solar PV installation. The developers have made direct contact with your client as they wish to connect to the grid in Field No. 6708 before Christmas. Having instructed you to act on his behalf, provide advice to you client with regard to how you would suggest he proceeds. (3 marks)

## **No 11 PROPERTY VALUATION**

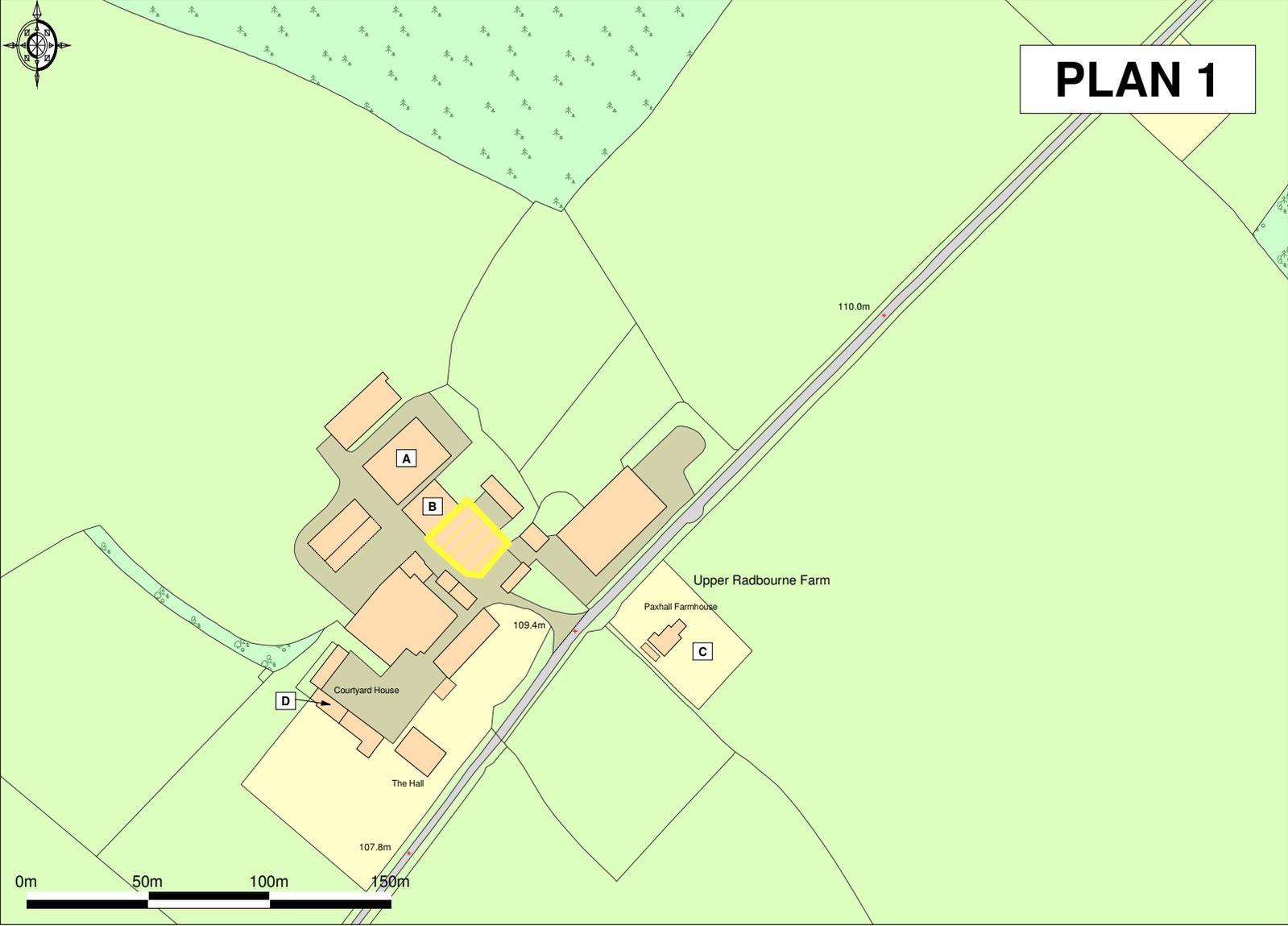
**(15 Marks)**

You have been instructed by your client's bank to prepare a valuation of field No 5224 and field No 6642, for secured lending purposes. Following your inspection of the land, in bullet point form:

- 11.1 Identify the headings you should include in your Terms of Engagement to the lender (4 Marks)
- 11.2 Prepare a valuation in note form, stating your assumptions and relevant caveats, to include your opinion of value of the property, including your valuation methodology. (8 Marks)

- 11.3 Your client is contemplating purchasing additional land. Prepare a briefing note on the sources of funding available to him to facilitate a purchase and advise on the likely interest rate level he may have to pay in the current market. (3 Marks)

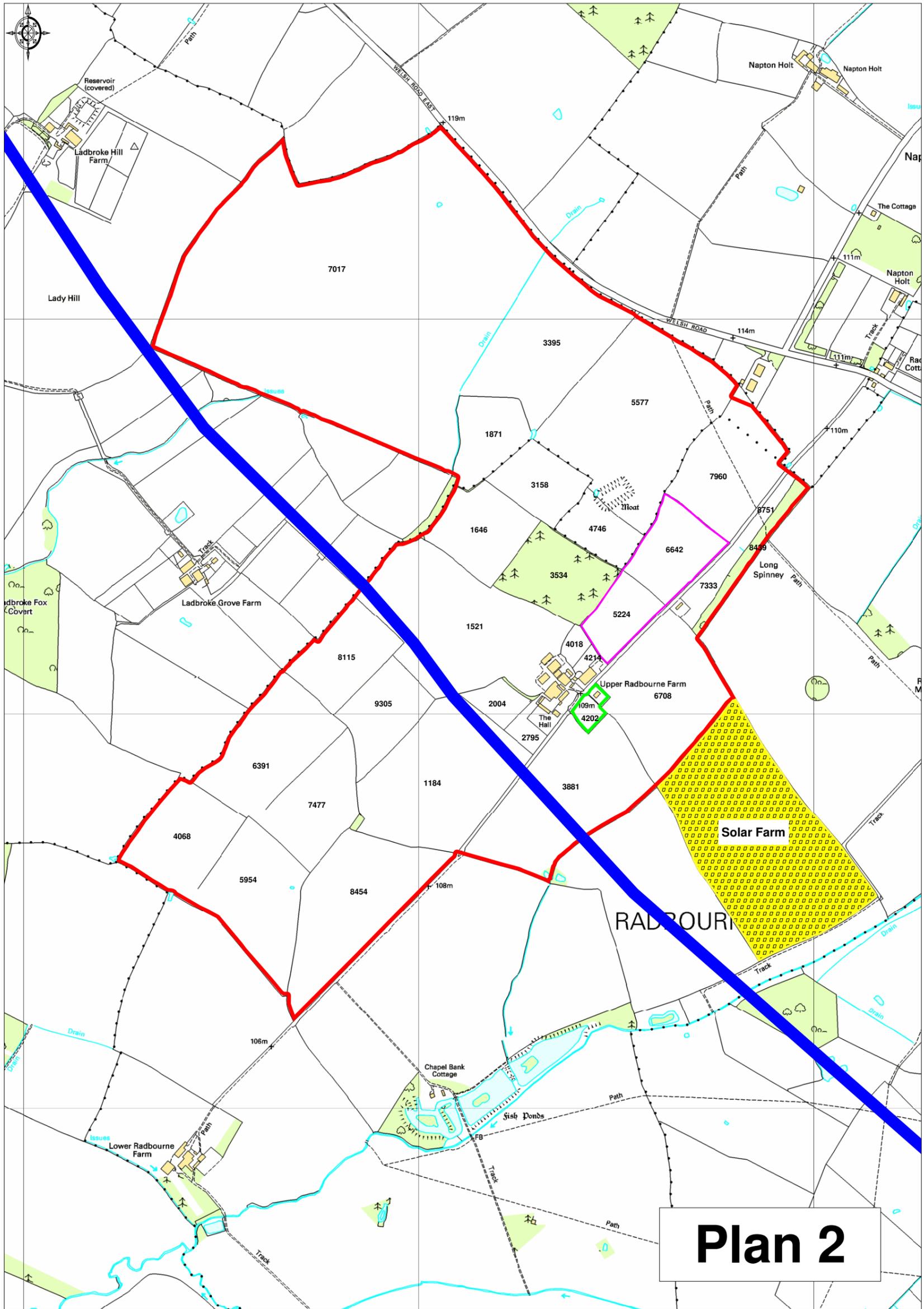
Upper Radbourne Farm



Ordnance Survey © Crown Copyright 2013. All rights reserved. Licence number 100022432. Plotted Scale - 1:2500



# Upper Radbourne Farm



**Plan 2**