



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

**P R A C T I C A L E X A M I N A T I O N P A P E R**

**MORNING PAPER**

**Wednesday 9<sup>th</sup> November 2016**

**Answer all the questions in this section in the Note book**

**No 1 AGRICULTURAL KNOWLEDGE (13 MARKS)**

- 1.1 General Knowledge (6 marks)  
Answer the general agricultural knowledge questions on the separate sheet provided.
- 1.2 Commodities (7 marks)  
Identify and give the current market value in £s per tonne of the 7 items labelled A – G.

**No 2 LIVESTOCK 12 MARKS)**

- 2.1 Describe and value the pen of cattle. Assume they are commercial.
- 2.2 Describe and value the pen of cattle. Assume they are commercial.
- 2.3 Describe and value the pen of sheep. Assume non pedigree.

**No 3 HARVESTED CROPS (8 MARKS)**

- 3.1 Describe and value the quantity of produce shown to you.
- 3.2 Describe and value the quantity of produce shown to you.

**No 4 IMPLEMENTS AND MACHINERY (8 MARKS)**

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

- (a) Identify the item 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

**No 5 END OF TENANCY COMPENSATION (7 MARKS)**

For the purposes of this question only, you are to assume that the Tenant has farmed the holding since Lady Day 1982. The grain bin shown to you was erected by the Tenant without any landlord's consent. The Tenant is vacating the farm as at Lady Day 2017.

Outline the options that are available to the Tenant (with reference to statute, notices and time limits)

Assuming the Landlord has elected to acquire the grain bin, assess the amount of compensation due to the tenant, clearly stating any assumptions you have made

**No 6 TENANT'S IMPROVEMENT (7 MARKS)**

The outgoing tenant has farmed the holding since 1996 under a Farm Business Tenancy. The farm extends to 160 hectares and comprises Beef, Sheep, Arable and Cider Apple production.

In 1999 the tenant received Landlord's written unconditional consent to erect a building at a cost of £18,000 marked 'X' as shown on Plan A.

- i) Describe the building and its possible uses **(3 marks)**
- ii) Confirm the basis of valuation for end of tenancy compensation and prepare a valuation of the building as an improvement under the Agricultural Tenancies Act 1995. **(4 marks)**

**No 7 RISK ASSESSMENT (10 MARKS)**

The roof of building 'Y' shown hatched orange on Plan A is to be completely re-clad with new roofing sheets which will involve the removal and replacement of any asbestos cladding. Your client is making preparations for this work and as part of those preparations has instructed you to provide them with a risk assessment for the proposed works setting out what you perceive to be the risks arising from the work and the possible mitigation measures that could be employed to reduce the risks identified.

**No 8 GROWING CROP (10 MARKS)**

You have been instructed to complete an end of tenancy valuation under the Agricultural Holdings Act 1986. Your client has shown you field 7033, which has a gross area of 2.88 hectares. The field is scheduled as arable within the tenancy agreement and your client tells you that he only recently re-established the crop.

- (i) Describe the crop and field taking account of the factors you should consider in assessing its value. Note any questions you may have for your client. **(5 marks)**
- (ii) What is the basis of valuation you should consider? **(1 mark)**

- (iii) Provide a valuation assuming no crop off. (4 marks)

**No 9 COMPULSORY PURCHASE (10 MARKS)**

Worcester County Council are to widen the lane fronting your client's farm. The scheme requires the acquisition of the land shown outlined in red on the attached Plan B. They have served on your client, a Notice to Treat and a Notice to Enter in order to acquire their interest in 0.3 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.



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AFTERNOON PAPER

Wednesday 9<sup>th</sup> November 2016

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

No 10 PLANNING (15 MARKS)

PLEASE NOTE: DO NOT ENTER THE FARMHOUSE GARDEN AND ONLY VIEW FARMHOUSE FROM THE DRIVEWAY

Your client built the farmhouse in 1972, the planning permission was subject to an agricultural occupancy condition (AOC). He is considering selling the farm, but has been unable to find a copy of the planning permission and neither can his solicitor. Before he approaches the Council planning department for a copy, your client has requested your advice on the likely effect of the restriction and how it might be lifted. It is the only dwelling on the farm and has been occupied solely as the farmhouse since construction. Write a letter to your client covering the following points:

- a) Briefly set out the current legislation and planning policy guidance applicable to such restrictions in your area of practice. Include for your client the typical current 2016 wording of an AOC. (5 marks)
- b) Explain the procedure that has to be gone through to attempt to remove the AOC, and give your view on the prospects of success. (5 marks)
- c) Advise your client of the reasons behind the effect on the value of the farmhouse of the AOC, and provide your opinion of the range of difference in percentage terms between the value of the farmhouse with, and without, the AOC in your area of practice. (5 marks)

### **No 11 COMMERCIAL LETTING (15 MARKS)**

Your client is wishing to diversify and is considering letting out the southern two bays of the building marked 'P' on the attached plan.

- a) Set out in brief notes the different options available to the client for the letting of the building together with reasoning for each **(5 marks)**
- b) Using one of the options identified in a), draft brief heads of terms for the letting, taking into account the practical and site specific issues **(5 marks)**
- c) Explain to your client the process that needs to be gone through to enable the building to be let for a 4 year term **(5 marks)**

### **No 12 RENEWABLES (15 MARKS)**

Your client is investigating possible alternative sources of energy for the farm and business. A number of alternatives have already been looked at but the client is now asking you for your advice as to the possibility and practicability of installing solar panels onto the roofs of the livestock buildings at Strangwood Farm marked 'Z' and hatched green on Plan A. Write a letter to your client setting out all the factors that you consider relevant for the client as they make a decision as to whether to proceed further with this proposal.

### **No 13 BASIC PAYMENT SCHEME (15 MARKS)**

A new client has approached you for assistance with the Basic Payment Scheme claim for 2017. Your client's father, who sadly died last year, had always done the work and your client has decided to seek professional advice rather than attempt the claim this time.

Your client intends to make some changes to the farming system. The farm has always been permanent grass although field 7033 (2.80 hectares) was used to grow winter barley until it was re-seeded in summer 2016.

Your client plans to conventionally grow around 36.42 hectares (90 acres) of cereals each year. He has told you he has already established 24.20 hectares (59.80 acres) of winter wheat but is still undecided about 12.22 hectares (30.2 acres) and thinks he could put this into a late winter wheat crop too.

You are asked to advise on the claim greening requirements and how best to manage cropping to maximise the 2017 Basic Payment scheme claim.

Candidates should answer with reference to the scheme rules they are most familiar with.

- (i) In order to prepare your advice make brief notes on what the relevant greening requirements are under the Basic Payment Scheme? (8 marks)
- (ii) What will your client need to consider in order to satisfy them? Candidates should explain application and options here rather than detailed management prescriptions. (7 marks)

#### **No 14 USE OF FIELD FOR FESTIVAL (15 MARKS)**

Your client is the owner occupier of Strangwood Farm. He has been approached by 'Car Fest West' who are looking to create a new site to complement their other festivals.

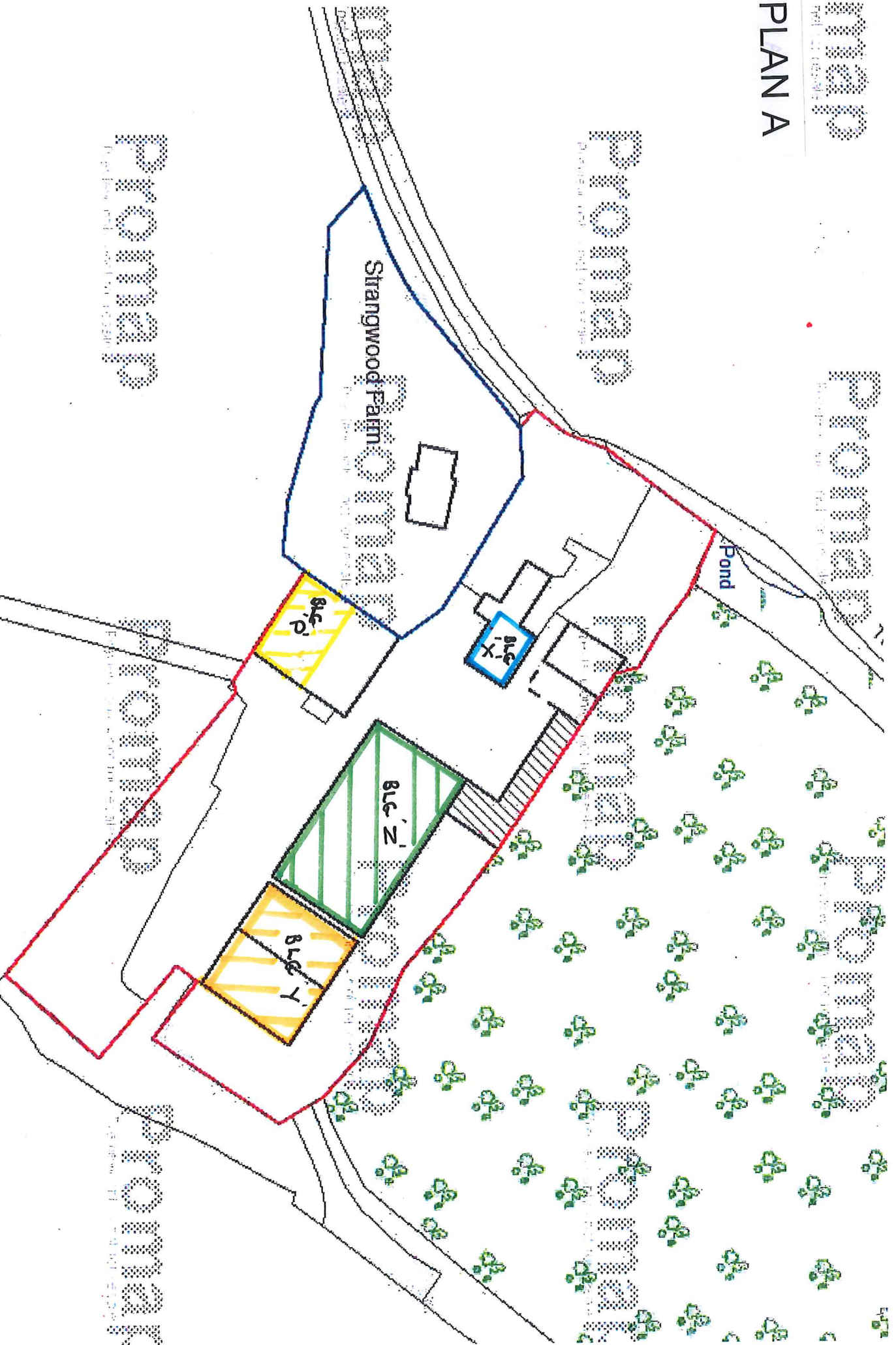
They have identified the farm as being in a suitable location and more particularly field pt9133 (3.50 hectares) edged orange as shown on Plan C estimated suitable for their needs. It is anticipated that the event will be held at the end of July 2017. Your client collects classic cars and would like the festival to happen on his farm.

Make briefing notes on a bullet point basis to highlight all the issues you consider your client will need to take into account in order to advance his proposal to a stage at which he could make a decision as to whether or not to proceed, and which will form the basis of Heads of Terms.

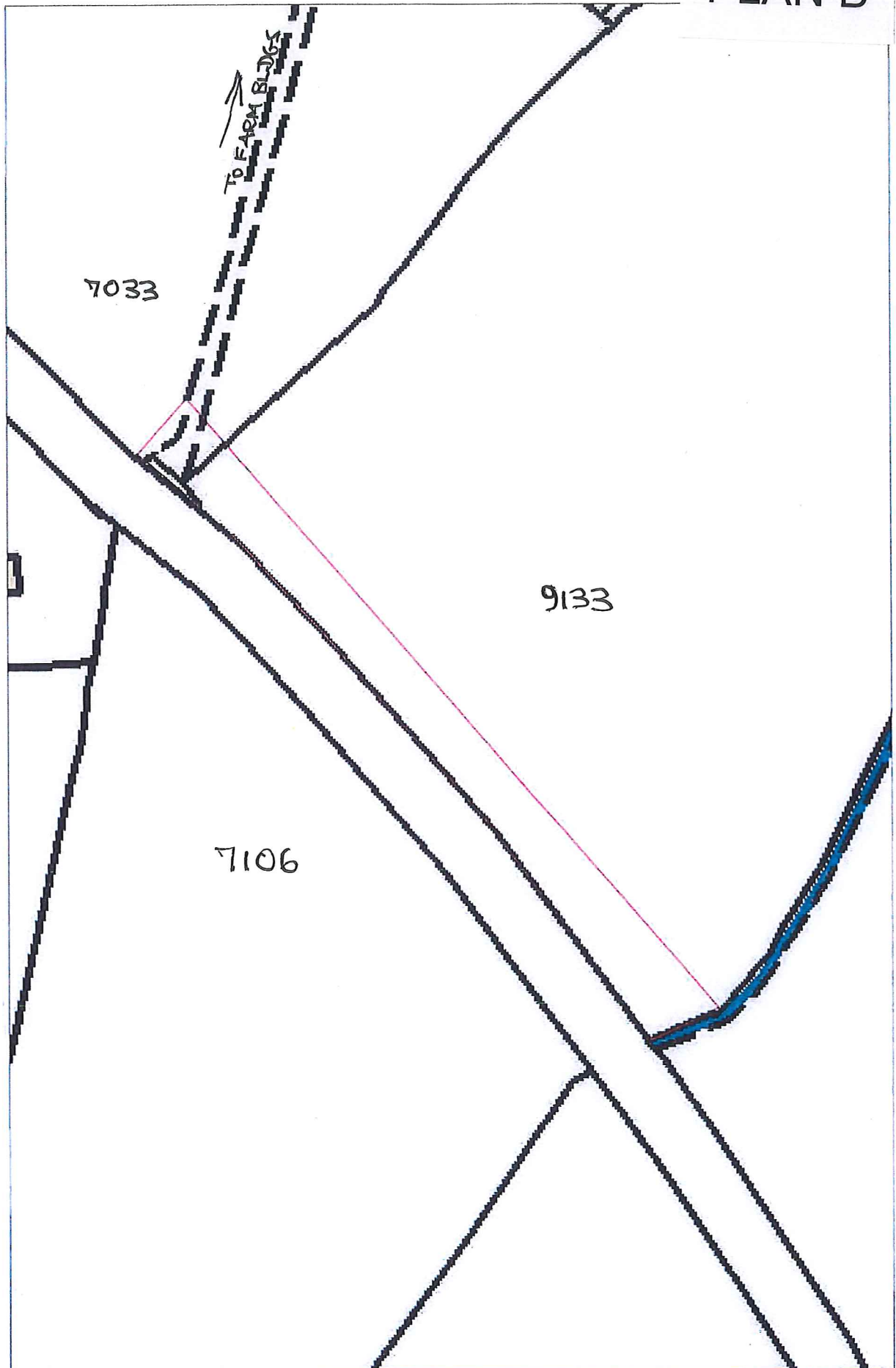
Please group your bullet points logically under appropriate headings.

map

PLAN A



# PLAN B



Plan title: CPO question plan

QUESTION 9

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Date: 3/10/2016

DM sequence no:

Scale: 1:1250



