



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

PRACTICAL EXAMINATION PAPER

MORNING PAPER

Wednesday 8th November 2017

Answer all the questions in this section in the Note Book

No 1 AGRICULTURAL KNOWLEDGE (12 MARKS)

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

No 2 LIVESTOCK (12 MARKS)

- 2(a) Describe and value the pen of cattle. Assume they are commercial.
- 2(b) Describe and value the pen of cattle. Assume they are commercial.
- 2(c) Describe and value the pen of sheep. Assume non-pedigree

No 3 BUILDING DILAPIDATIONS – (10 MARKS)

Prepare for the landlord, a schedule of dilapidations for Building 'A' (internally and externally) which is outlined in red on Plan 1 following the tenant's imminent departure from the holding. The Farm Business Tenancy Agreement required the tenant to "keep and put into repair the building". Please note that a costed schedule is **NOT** required.

No 4 HARVESTED CROPS (8 MARKS)

- 4(a) Describe and value the quantity of produce shown to you.
- 4(b) Describe and value the quantity of produce shown to you.

No 5 TENANT'S BUILDING (7 MARKS)

For the purpose of this question only, you are to assume the farm is let under the terms of a Farm Business Tenancy which commenced on 1st April 2003. The tenant is vacating the farm at the end of March 2018.

The Building 'C' outlined in red on the attached Plan 1 was erected by the tenant in 2014, with the landlord's written consent. The tenant has served a notice on the landlord, stating his intention to make a compensation claim for the building at the end of the tenancy.

- a) Describe the building.
- b) State the legal basis for the valuation of the building.
- c) Assess the amount of compensation due to the tenant at the end of the tenancy, stating any assumptions you make.

No 6 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 7 TENANT'S PASTURE & GROWING CROP (8 MARKS)

(a) Tenant's Pasture (4 marks)

You have been instructed by the outgoing tenant who occupies Woofields Farm under a 1986 Agricultural Holdings Act Tenancy.

You have been instructed to advise on making a claim for tenant's pasture on the eastern half of field 5216 (4.36 ha) edged orange on the attached Plan 2.

- (i) What factors would you take into account when assessing the tenant's pasture in this field?
- (ii) What would your advice be about making a claim for the tenant's pasture?

(b) Growing Crop (4 marks)

Your client is an outgoing tenant who has a 1986 Agricultural Holdings Act Tenancy of Woofields Farm.

You have been instructed to assess compensation at the end of the tenancy of the growing crop in field 6333 (1.48 ha).

- (i) Identify any relevant factors in assessing its value.
- (ii) Confirm the basis of value to be adopted and prepare a valuation of the Tenant's growing crop showing your calculations.

No 8 PIPELINE COMPENSATION (10 MARKS)

National Grid plc has already served notice using their powers under The Cardiff to Birmingham Gas Pipeline Development Consent Order 2016, on the owner occupier of Woofields Farm to lay a high pressure gas main across the farm. The pipeline will run across field No 7123, across the farm drive and into a chamber at the point marked 'Y' on the North West side of the farm access drive. The route of the pipe is coloured red on the attached Plan 2. The pipe diameter will be 1.2m, pipe depth 1.5m and the easement width to be compulsorily acquired will be 20m. The notice states the company's intention to take entry on 1st May 2018.

You have been instructed by the owner occupier of Woofields Farm to act on their behalf in connection with this pipeline. Identify the heads of claim that you would anticipate claiming on behalf of your client. State also any additional information you require.

The general valuation basis should be outlined, but a priced claim is not required.

No 9 RENT REVIEW (10 MARKS)

You have been instructed to complete a rent review on behalf of your Landlord client of field SO7142 7123, which extends over the area shown outlined in blue on the attached Plan 2. The tenancy is silent on any rent review provisions. The Tenant is the neighbouring farmer, who owns Woofields Farm including the property edged green adjoining the field. The land was originally let to the Tenant for a term of 3 years under a farm business tenancy in 2008 and was used initially to graze sheep. The rent has never been reviewed and continues to be paid annually in advance each March, rent currently standing at £400 per annum.

- (a) Describe the field taking account of the factors you should consider in assessing its rental value. Note any questions you may have for your client. (6 marks).
- (b) What is the procedure and basis of valuation you should consider? Provide notes in preparation for presenting your recommendations to your client (4 marks)



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AFTERNOON PAPER

Wednesday 8th November 2017

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 VALUATION (15 MARKS)

You have been asked to undertake an RICS compliant red book valuation of the bungalow and garden shown to you and edged green on the attached Plans 1 & 2, for the purposes of establishing market value.

Make clear file notes and set out the headings required in readiness for preparing the valuation. State your methodology of how you would arrive at and justify a valuation of this bungalow. A full report and an actual valuation figure are NOT required.

No 11 RESIDENTIAL LETTING (15 MARKS)

Your client is considering letting out Building 'E' edged red on Plan 1 for residential purposes.

- a) Advise your client by listing the works required to bring the property up to a standard that it could be let as residential accommodation. (4 marks)
- b) Advise your client in bullet point format of any practical considerations that should be highlighted before proceeding with a residential let. (5 marks)
- c) Prepare a draft set of letting particulars for the property for discussion with your client. (6 marks)

No 12 BUSINESS LEASE (15 MARKS)

Your client has been approached by a local agricultural engineer who wants to use the farm workshop (Building 'D' edged red on Plan 1) to base his business for the repair and servicing of agricultural machinery. The engineer has previously been employed by a local dealership and is setting up business on his own account. He is looking for a location for his new business long term. The building has previously been used by your client as the farm workshop.

- (a) Set out in brief notes the heads of terms for the letting, taking into account the practical and site specific issues. (12 marks).
- (b) Explain to your client the process that needs to be gone through to enable the building to be let for a 6 year term. (3 marks).

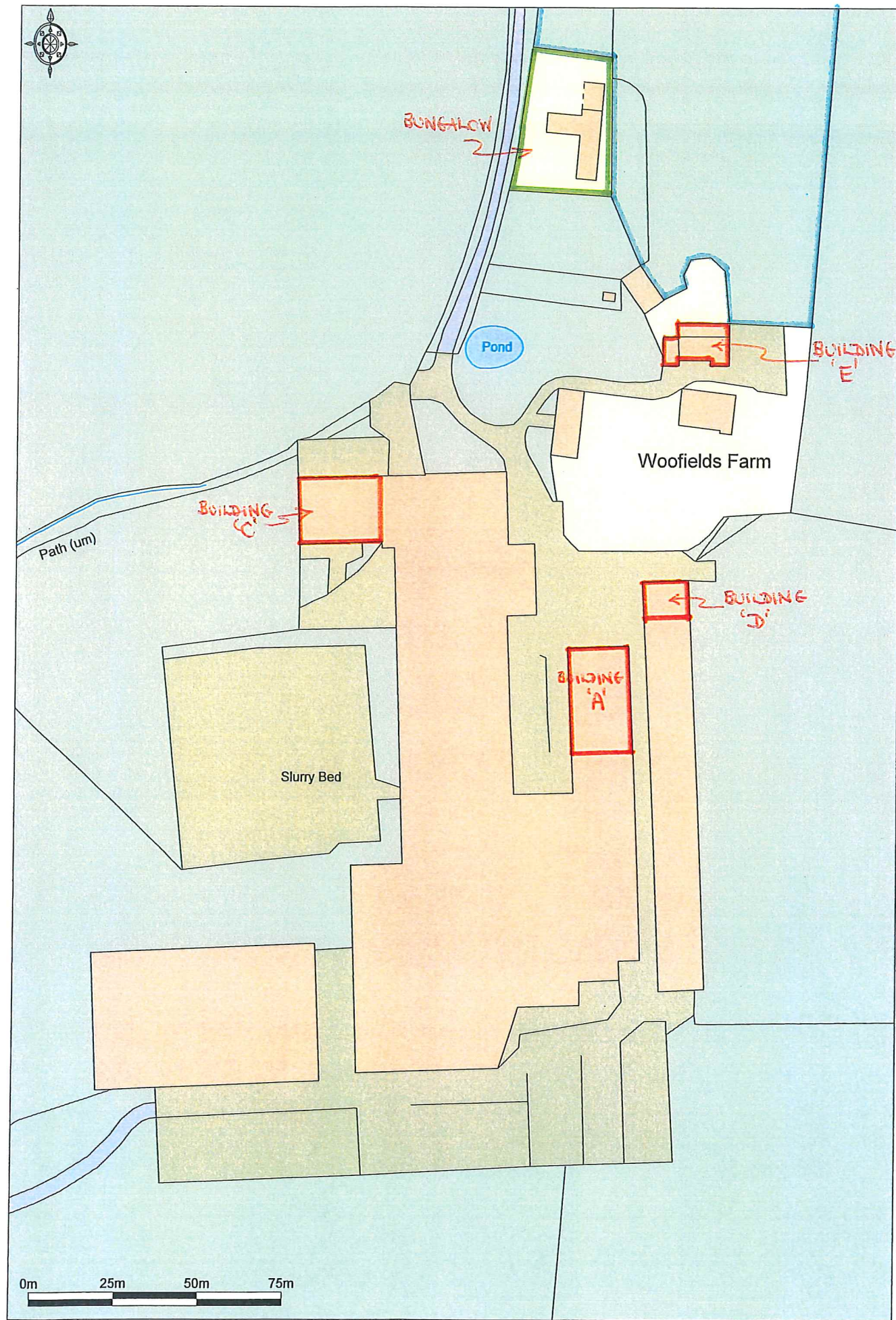
No 13 WASTE MANAGEMENT (15 MARKS)

The owners of Woofields Farm are undertaking a review into the management of waste on the farm. Following your inspection of Woofields Farm this morning, write to Mr Simcock outlining the requirements that the law places on him in relation to the operations that you have seen on the farm during your inspection and any potential implications for the farm that you have inspected.

No 14 HEALTH & SAFETY & RENEWABLES (15 MARKS)

Your client has recently erected a new calf house (Building 'C' edged red on Plan 1 attached) and would like to build in a renewable energy technology but he is unsure of the options and which would be most suitable. He has a budget of about £30,000.

- (a) Provide notes on the site that will assist in your answer and a proposed health and safety risk assessment (6 marks).
- (b) Provide a list of renewable energy technologies available to farm businesses and recommend which is likely to be the most suitable in the circumstances. You should outline how you would go about selecting the chosen option in line with the budget. (6 marks)
- (c) Provide a brief summary of the current subsidy regime for farm renewable energy generation in England and Wales (3 marks).



0m 25m 50m 75m

