

Central Association of Agricultural Valuers

Northern Group Practical Examination

Wednesday 9th November 2022

Morning Paper

8.45am – 1.30pm

FARM INSPECTION/COMPLETION OF NOTEBOOK

Important Notes

1. You are required to answer **ALL** questions on this paper.
2. **20 marks are allocated to Question 1, 15 marks are allocated to Question 2 and 10 marks to each of the remaining 5 questions.**
3. In addition, 5 marks are available for presentation of the notebook.
4. Answers to all questions on this paper should be completed in the Notebook provided. (These books will be taken from you for marking at the end of the morning session. Therefore any additional notes you wish to make to assist with the afternoon paper or the oral interview should be made on separate paper provided).
5. In answering the questions show all workings, any assumptions, and basis of valuation where applicable.
6. Your attention is drawn to the afternoon paper and the note regarding the oral interview. Your observational powers will be tested.
7. All candidates must answer the questions on the basis of English conditions/law.

YOU NEED TO READ BOTH PAPERS AT THE COMMENCEMENT OF THE EXAMINATION, MAKE WHATEVER NOTES YOU NEED TO ASSIST YOUR ANSWERS FOR THE AFTERNOON PAPER DURING THE MORNING.

QUESTION 1

Note: All produce is from the 2022 harvest,

- a) Describe and value the item of machinery marked 1 (4,250 hours) **(2 marks)**
- b) Describe and value the item of machinery identified 2 **(2 marks)**
- c) Describe and value the two (2) items of equipment identified 3 **(2 marks)**
- d) Describe and value the item of machinery identified 4 **(2 marks)**
- e) Describe and value the item of machinery identified 5 **(2 marks)**
- f) Identify and value the heap of produce marked A, the dimensions of the produce are 8.8m x 5.0m x 1.8m **(2 marks)**
- g) Describe and value the one hundred and eighty (180) bales of produce marked B **(2 marks)**
- h) Describe and value the one hundred and fifty (150) bales of produce marked C **(2 marks)**
- i) Describe and value twelve (12) bales of produce marked D **(2 marks)**
- j) Describe and value the animals in the pen marked E. The examiner will confirm their age in months. Do not enter the pen. **(2 marks)**

(Total 20 marks)

QUESTION 2

Your client is the Landlord of Grange Farm, which is let on an Agricultural Holdings Act 1986 tenancy. The tenant has been asking your client for some time to repair the landlord's elements of Building A on the plan, including the provision of a drain to take away the rain water.

Your client has not carried out any repairs as they thought that the building was redundant for agricultural purposes. The tenant says that the building provides useful storage space and has now threatened to serve a repairs notice on your client.

Your client thinks that the tenancy agreement mentions model repairs, but they don't really know what that means. They also mentioned that over the years the tenant has chosen to do external painting and to repair doors and windows on the buildings from time to time.

Your client has asked you to look at Building A, and also to have a general look at Building B (Do not go up the staircase in Building B). Based on your inspection of the buildings, make notes on the following, in expectation of a meeting with your client:

- a) to what legislation does the phrase "model repairs" usually refer, and in which two situations do "model repairs" apply? **(1½ marks)**
- b) In your opinion, how are the respective liabilities of the parties affected by the fact that the tenant has carried out works to the doors and windows? **(½ mark)**

Assume for parts C to G that the current version of the model clauses regulations apply to the tenancy,

- c) For Building A - list i) four items of disrepair that are apparent to you, ii) the most likely cause of each and iii) who is responsible for the repair of each item **(6 marks)**
- d) your thoughts as to the alleged redundancy of the building **(1 mark)**
- e) your comments re the requested drainage repair **(1 mark)**
- f) List two landlord's disrepairs that you can identify to Building B, and state what remedial works you consider necessary for each. **(2 marks)**
- g) In the event that a notice to repair is received from the tenant, what procedure is available to your client to challenge the notice, and what could the tenant do if your client does not contest or carry out repairs that are her responsibility? **(2 marks)**
- h) In the event that access is needed to the neighbouring property to carry out any external repairs to the east wall of building B, i) what is the primary source of information regarding any right of access, and ii) what piece of legislation might be helpful if the neighbour owner is not co-operative in allowing access? **(1 mark)**

(Total 15 marks)

QUESTION 3

Please inspect the growing crop in field 2551 (11.91Ha) shown on Plan 2. The previous crop was Winter Wheat.

- a) Briefly describe the soil type (1 mark)
- b) Identify the growing crop (1 mark)
- c) How did you identify the crop (1/2 mark)
- d) What seed rate (kg/Ha) would you expect the crop to have been drilled at (1/2 mark)
- e) What is the likely seed cost per tonne (1/2 mark)
- f) List the field operations likely to have been carried out in establishing to crop to date along with costs per Ha (2 ½ marks)
- g) What is the likely total nitrogen fertiliser application rate (kg/Ha of N) up to harvest 2023 (1/2 mark)
- i) What is the estimated likely cost of UK produced 34.5% Nitrogen fertiliser per tonne at today's date (1/2 mark)
- j) What is the likely total chemical cost per hectare up to harvest 2023, and state whether that includes products to control blackgrass and other invasive grass weeds (1 mark)
- k) Estimate the average yield per hectare of the growing crop (1 mark)
- l) What price per tonne could you sell the harvested crop for today for movement ex-farm in November 2023 (1 mark)

(Total 10 marks)

QUESTION 4

Your client is the owner occupier of Grange Farm.

He has contacted you to discuss alternative sources of income incorporating environmental and wildlife benefit. Regarding only field 2551, 5145 and 3226 which are in arable rotation:

- a) Prepare notes for a meeting with your client outlining the basic aims and objectives of The Sustainable Farm Incentive (SFI) **(2 marks)**
- b) What practical actions are required to integrate SFI into the management of the 3 fields observed, please also give an indication of the likely remuneration for taking such actions. **(6 marks)**
- c) Give some other examples of Public Goods and other standards which may be introduced in the future which might be delivered on the land observed **(2 marks)**

(Total 10 marks)

QUESTION 5

Your client, the owner of Grange Farm, has been approached by an entrepreneurial dog walker from Colton who would like to rent somewhere to establish a dog exercise area. They have identified a potential site in Field 4172 which is shown hatched red on Plan 2.

Produce a briefing note in preparation for a meeting with your client to cover the following:

- a) Identify any planning issues that need to be considered **(2 marks)**
- b) What practical issues should be considered by your client **(3 marks)**
- c) What practical issues should be considered by the potential occupier **(3 marks)**
- d) Are there any other uses / issues which your client may wish to consider **(2 marks)**

(Total 10 marks)

QUESTION 6

Your client is the owner occupier of Grange Farm and has called your office to inform that they have received a notice from Yorkshire Water Plc. The notice states that Yorkshire Water intends to install a new mains sewerage pipeline measuring approximately 385m in length between the points marked X and Y on Plan 2 and illustrated with a 'Blue Line'. Point X is the location of an existing mains Sewerage Plant which facilitates the adjacent village.

Having inspected the approximate route of the pipeline, and in anticipation of a meeting with your client, make bullet point notes regarding the following:

- a) Detail the notice you would expect Yorkshire Water have served (including the relevant 'Act'), and detail the required period of notice. **(1 mark)**
- b) Detail the practical matters and likely accommodation works arising from the proposed works that you will want to discuss with your client. **(4 marks)**
- c) Provide an estimated value for the potential 'Easement Payment' (show your workings). Detail any case law often used to establishing such payments. **(2 mark)**
- d) Detail any additional heads of compensation that may be due to the client following work completion (no figures required). **(2 marks)**
- e) Detail the likely basis for which your agent's professional fees will be calculated. You understand your client is VAT registered. **(1 mark)**

(Total 10 marks)

QUESTION 7

Your client, the owner occupier of Grange Farm, has been approached by the owner of the local village pub; 'Ye Old Sun Inn' as he is looking to expand the business by way of the manufacturing and supply of craft beer through a micro-brewery. As such, he has identified the buildings marked B and C on Plan 1 as a suitable premises and will undertake the necessary alterations to the building. Your client has asked for your advice before he discusses it further with him.

Prepare a briefing note ahead of your meeting with your client outlining:

- a) Practical and physical considerations in converting the building including a note on any relevant health and safety legislation **(3 marks)**
- b) The likely type of agreement required for the proposed letting and why **(1 marks)**
- c) The main heads of terms for the required agreement in bullet point form **(5 marks)**
- d) The level of rent you feel appropriate for a commercial letting showing your calculations **(1 mark)**

(Total 10 marks)