

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

PRACTICAL EXAMINATION PAPER

Wednesday 9th November 2022

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

The Examination is held at Bosworth Hall Hotel, Market Bosworth and on farm at Fomer Farm, Shenton, Warwickshire.

MORNING QUESTIONS

Answers to be written in the Note Book provided.

ORAL QUESTION

The building shown marked **E** on **Plan 1** will be the subject of the Oral Interview on Thursday 10th November. Candidates may make notes on the **yellow paper** provided. The notes will be handed back at the end of the morning to be returned just ahead of 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 areas seen on the farm during the morning's inspection. Candidates are advised to make their supporting notes on the white 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 2022 and be familiar with its contents.

IMPORTANT: in all cases you <u>MUST</u> show your <u>methods</u> and <u>calculations</u>. 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 Notebook is prepared, the field work set out, general agricultural knowledge, conduct and professionalism.

The day's timetable will be:-

08.30	Candidates to arrive at Bosworth Hall Hotel
08.35 Prompt	Introduction and exam briefing by Exam Group Chair and reading paper
09.00 to 12.30	Inspection of farm and answering of morning session questions in notebooks
12.30 to 13.00	Examination Room – completion of notebooks before handing in to examiners.
13.00 to 13.45	Lunch at Bosworth Hall
13.45 to 16.15	Afternoon written paper in exam room answering four questions out of five from notes made during the morning inspection.

Notebooks 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. Notebooks will be collected in at the end of the morning session.

Marks are available in each section as follows:-

Practical exa	mination –		
	Morning Paper	90	
	Afternoon Paper	<u>60</u>	150
Oral interview	,	50	
Written exam	nation –	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 $\ensuremath{\text{NOT}}$ 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.



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PRACTICAL EXAMINATION PAPER

Wednesday 9th November 2022 Morning Paper

No. 1 AGRICULTURAL KNOWLEDGE

(15 MARKS)

Com	modities	
1.1	Identify and give the current market value in \pounds/t for all of the six items labelled as $A - F$.	(3 marks)
Agric	cultural Equipment	
1.2	Identify the six items labelled as G – L .	(3 marks)
Imple	ements and Machinery	
1.3	Select <u>three</u> items of machinery from the items shown to you referenced M – Q 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. 	(9 marks)

No. 2 LIVE AND DEADSTOCK INCLUDING GROWING CROPS

NO. 2	LIVE AND DEADSTOCK INCLUDING GROWING CROPS	(20 MARKS)
Livest	ock	
2.1	Describe and estimate the weight of the following animals shown to you in Pen X .	(2 marks)
2.2	Describe and give the current market outlets of the animals in Pen Y.	(2 marks)
Harve	sted Crops	
2.3	Describe and assess the quantity and give the current market value of the produce harvested in August 2022 identified to you:	
	a) The silo marked A on Plan 1 .	
	Note: Assume the silo is filled to the top and the internal dimensions are 5m high and 4m diameter; with the cone 2m high	(2 marks)
	b) 10 No. bales	(2 marks) (2 marks)
Grow	ing Crops	
2.4.1	Describe and value as at today's date the growing crop in Field B on Plan 2 which has a total area of 7.140 hectares (17.64 acres). The previous crop was Oil Seed Rape.	(2
	Show your assumptions and workings.	(3 marks)
2.4.2	In note form, describe the nature and character of the soil.	(2 marks)
2.4.3	Identify four cross compliance measures the farmer must adhere to for this crop.	(2 marks)
2.4.4	Your client has struggled to grow oilseed rape in his rotation and has asked your advice as to alternative break crop	

	options. Briefly note why they might be struggling to grow oilseed rape, suggest two alternative break crops, and explain why break crops are necessary in a rotation.	(3 marks)
2.4.5	Cost out a replacement of the boundary along the line marked C on Plan 2 , to create a stockproof fence. Assume it is 50m in length.	(2 marks)

No. 3 VALUATION

(15 MARKS)

Smith Developments have recently agreed a purchase of the barns and immediate surrounding area marked **D** on **Plan 2**. The buildings have planning consent for conversion to two dwellings with parking and enclosed gardens to the rear. Smith Developments require bank finance in order to complete the purchase and fund the development.

3.1	Set out, in bullet point form, your site inspection notes and list what additional information you would require in order to undertake your valuation.	(4 marks)
3.2	Set out your valuation calculations for the site value in its current condition and explain how you would sense check this.	(7 marks)
3.3	The bank have asked you to provide a valuation for insurance purposes a. Please show your calculation for this, including assumed costs, and detailing all relevant factors	(3 marks)
	b. What limitations are there in you providing this calculation?	(1 mark)

No. 4 ALTERNATIVE USE OF RURAL ASSETS

(10 MARKS)

The red brick building and surrounding land, shown **E** on **Plan 1**, is currently let as part of the AHA tenancy of Fomer Farm. The Landlord, your client, has been approached by Miss Pamplemousse, who is wanting to open a restaurant in the local area.

Your client is keen to support local businesses and believes the building could make an excellent location for a restaurant. The plan would be to renovate the 65m2 red brick building before letting it to Miss Pamplemousse on a business lease.

4.1	Explain how your client could secure vacant possession?	(2 marks)
4.2	Outline in bullet point form, the practical, regulatory and financial considerations of the proposal.	(4 marks)
4.3	Before instructing a contractor to undertake the conversion works, what steps would you advise to ensure their suitability?	(1 mark)
4.4	Assuming the restaurant will open in Autumn 2023, explain the impacts of the Minimum Energy Efficiency Standards and likely future considerations.	(2 marks)

4.5	Advise how your client could prevent Miss Pamplemousse from	
	gaining security of tenure	(1 mark)

No. 5 PLANNING

(10 MARKS)

Your client has approached you about the construction of a new farm building. The proposed location is shown marked **F** on **Plan 1**.

The specification is for livestock loose housing and the building will be approximately 40m x 20m and 5.5m to eaves.

5.1	Having regard to the proposed location, use and likely size of the new building, what type of planning application would you recommend your client submits to authorise the development and what particular factors would dictate this?	(4 marks)
5.2	In bullet point form, set out the headings required for a Design and Access statement, and having regard to this proposal, the likely content you would include under each heading.	(6 marks)

No. 6 LANDLORD AND TENANT

(15 MARKS)

You have been instructed to act for the executors of Mr Brown who was the tenant of the holding. He held a tenancy commencing in March 1995. The building marked **G** on Plan 1 was erected in 2005 without any formal consent from the Landlord. The appropriate notices have been served and the tenancy will terminate the term date in 2023. You have been asked to prepare a briefing note on the following:

6.1	Provide a brief description of the building.	(2 marks)
6.2	Outline and explain the procedures and legislation that will	
	need to be followed by both Landlord and Tenant at the end	
	of the tenancy.	(4 marks)
()	Sat aut the basis of your claim, including yorkings, and provide	
6.3	Set out the basis of your claim, including workings, and provide your opinion of value for the building at the end of the	
	tenancy.	(3 marks)
6.4	How would the basis of claim differ if consent had been given	
	by the Landlord? Set out a valuation including workings.	(3 marks)
6.5	How would a claim for a building both with and without	
	consent differ if Mr Brown had a tenancy with a term date of	
	September 1998?	(3 marks)

AFTERNOON PAPER Wednesday 9th November 2022

TIME ALLOWED 2¹/₂ 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 POLLUTION CONTROL AND HEALTH AND SAFETY

(15 MARKS)

Your client, Mr D Hazard, is the owner occupier of Fomer Farm and employs a full-time worker and a lad from the village who helps at weekends and holidays.

He has recently heard of a neighbouring farmer who has received fines following an accident on the farm which has worried him. He also mentioned concerns about pollution control as it is nothing he has ever given much thought to.

You are due to meet him shortly to advise him accordingly. Prepare brief notes in advance of the meeting:

7.1	 Outline: The key legislation governing Health and Safety; The regulatory body; and, 	
	The penalties for non-compliance	(2 marks)
7.2	Identify the key Health and Safety (H&S) issues specific to the holding and comment on the action needed to mitigate or manage them.	(7 marks)
7.3	 Outline: Key legislation governing pollution; The regulatory body; and, Outline the penalties for non-compliance 	(2 marks)
7.4	Identify key pollution issues specific to the holding and comment on the action needed to mitigate or manage them.	(4 marks)

No. 8 COMPULSORY PURCHASE AND COMPENSATION

Your client, National Highways Limited, has asked you to arrange a meeting with Mr Thomas Taylor, the landowner of Fomer Farm. The meeting is to discuss the construction of a new bypass crossing through field **H** on **Plan 1**. This is part of a new 35km road scheme being consented by a Compulsory Purchase Order (CPO).

Your client requires a 75m working width shown red on the plan, together with rights to purchase the land over which the bypass will be constructed (7.5m in width). The length of new road shown on the plan is 322 metres.

It is likely access for long term maintenance will also be required through Mr Taylor's retained land. Your client is hoping to start works on 3rd January 2023.

Making all assumptions clear, write a file note for your meeting outlining the following:

8.1	Your client will require access for surveys and then construction. In bullet point form, summarise the legal framework, associated notices and timescales.	(4 marks)
8.2	How would your client value and formalise future access requirements for ongoing maintenance?	(2 marks)
8.3	Provide an indication of the compensation the landowner may receive indicating: a. Heads of Claim b. Calculation methods c. Governance for each Head of Claim Note – calculations are not required	(7 marks)
8.4	What are the options, including timescales, open to either party if there is a dispute as to compensation?	(2 marks)

No 9. PROPERTY AGENCY

(15 MARKS)

Your client, Mrs Helen Hywater, who is the owner of Fomer Farm, has been approached by her neighbour who is keen to buy a small area of land extending to about 0.1 acres on the edge of the farm – shown outlined **purple** on **Plan 2**.

Your client is keen to explore this opportunity and has asked you to advise her.

9.1	Outline the typical methods of sale available for the sale of farmland in the area. Include an advantage and disadvantage for each.	(1 mark)
9.2	Outline the steps that you would take prior to acting for your client.	(2 marks)
9.3	Prepare notes in bullet point format of the key issues to discuss with your client ahead of your meeting with the neighbour.	(6 marks)

9.4	What options are available to your client to control or limit the future use of the land and its impact on the retained land? List	
	the advantages and disadvantages.	(4 marks)
9.5	Outline the tax implications of this sale for your client.	(2 marks)

No. 10 ESTATE MANAGEMENT

(15 MARKS)

Fomer Farm is a 200-hectare mixed holding comprised in a ring fence. The farm includes the 5-bedroom farmhouse on the property as well as the range of buildings and land.

The landlord, Mr Bean, has been approached by the tenant who wishes to surrender his tenancy to take effect from Spring 2023. He has sought your advice on re-letting the holding. Prepare meeting notes on the following:

10.1	What are the advantages and disadvantages of letting the farm with the farmhouse included in the tenancy?	(4 marks)
10.2	Set out the key information that you would expect to receive in a tender submission.	(4 marks)
10.3	Based on your observations on the farm, what practical factors would future tenants consider before they submit a tender.	(5 marks)
10.4	Advise your client as to the rent you would hope to achieve showing your workings	(2 marks)

No. 11 GRANTS, SUBSIDIES AND SCHEMES

(15 MARKS)

Your client Mr Levy Tate is purchasing Fomer Farm which extends to approximately 50ha of land, including the farmyard, with vacant possession. He does not farm any other land.

11.1	Your client has asked the following: a) What market value did entitlements have for the 2022 claim and how is this expected to change for the 2023 claim?	(1 marks)
	b)Your client is aware of changes to the Basic Payment Scheme. Set out these changes and likely future consequences.	(4 marks)
11.2	Mr Tate is keen to improve efficiency and deliver environmental benefits. He is aware some grant schemes are closed but, on the assumption further rounds will be available:	
	a. Name three grant schemes that support capital investment with a brief explanation and an example of what each might support	(6 marks)
	b. For one of these, outline the steps to apply and claim	(4 marks)