

THE NORTHERN IRELAND EXAMINATION GROUP
8th & 9th NOVEMBER 2023

AT REA HOME FARM, CROSSGAR
By kind permission of Mr & Mrs David Rea

NOTES FOR CANDIDATES

1. Candidates will be accompanied by an Examiner throughout the conduct of the morning Practical inspection of parts of the farm. Candidates will be able to return to the Church Hall any time after 11.30 a.m. to write up their valuation books.
2. Candidates are recommended at the commencement of the examination to read the entire question paper before making their inspection of the farm. It will aid both candidates and examiners for notes to be written on the left-hand pages of the field books to be issued and answers on the right.
3. During the morning you are advised to make whatever notes you need to assist your answers for the afternoon questions and for the Oral Examination.
4. Please remember at all times throughout the day that no mobile phones or personal laptops are to be used. Smoking is strictly prohibited throughout the examination. Laptops will be issued for question answering for the afternoon part of the Practical examination.
5. The following introduction sets out the general background to the farm which you should assume is the case for the purposes of the examination save as subsequently qualified on a question-by-question basis.
6. Where assumptions have been made in respect to individual questions they are referred to specifically in the question.
7. A plan of the farm will be provided together with photographs for relevant questions.
8. Please exercise due care and attention whilst inspecting the farm.

Introduction

For the purposes of this exam Home Farm is owned and occupied by Mr & Mrs Rea who are in their mid 50s; Mr Rea inherited the farm from his parents. Mr & Mrs Rea have three daughters, one of whom is interested in developing a farm-based business.

Home Farm extends to approximately 250 acres of which some 230 are owned and the balance, shown cross hatched red on the attached plan, are occupied on short term arrangements. In addition, Mr & Mrs Rea occupy a further 150 acres close to Home Farm of which the majority is owned. The farmhouse at Home farm is currently vacant having previously been occupied by Mr Rea's parents, now deceased.

The principal enterprise is a self-contained herd of 250 commercial Holstein dairy cows. The rolling herd average is 8,500 litres per cow produced principally from grass silage. The farm has cubicles for approximately 300 cows together with ancillary youngstock accommodation, silage clamps for some 2,000 tonnes of silage at the main dairy farm and 1,000 tonnes elsewhere and in excess of 1 million litres of slurry storage. In addition to the dairy herd Mr Rea rears approximately 80 – 90 beef cattle per annum which are sold deadweight.

The farm is run by Mr & Mrs Rea with assistance from 2 full time members of staff.

THE NORTHERN IRELAND EXAMINATION GROUP
PRACTICAL EXAMINATION
WEDNESDAY 8th NOVEMBER 2023
9.00 A.M. TO 1.00 P.M.

8.45 am – 9.00 am Introduction by Examination Secretary / Chief Examiner

9.00 am – 1.00 pm Inspection and Exam

ANSWER ALL QUESTIONS		Marks
1	Farm Buildings The farm insurance is due for renewal. a) Describe the building shown to you which was constructed in 2021 and comment on its suitability for its current use. b) Assess the replacement cost for inclusion in the insurance schedule. <i>N.B. Please exclude the cost of construction of the underground tank from your calculations.</i>	 5 5
2	Farm Buildings Describe and value the livestock shown to you assuming Market Value as at today's date. a) Livestock A b) Livestock B c) Livestock C	 2 2 2
3	Farm Buildings Describe the three items of machinery shown to you for an Auction Catalogue and assess the value based on an auction sale on the farm today. a) Item a b) Item b c) Item c	 2 2 2

<p>4</p>	<p>Farm Buildings</p> <p>a) Identify the commodity and assess the quantity showing your workings and indicate the market value per tonne.</p> <p>b) Comment on the quality of the storage facility</p> <p>The overall dimensions of the clamp are 30.5m x 10m x 3.m (100ft x 33ft x 10ft) average (to the top of the walls)</p>	<p>5</p> <p>5</p>
<p>5</p>	<p>Farm Buildings – Calving house</p> <p>The Rea’s are proposing to demolish the calving house and replace it with a modern building extending to approximately 500 square metres (5,380 sq ft) and have sought your advice.</p> <p>Prepare a briefing note on the practical considerations and comment on any regulatory and planning considerations which may arise</p>	<p>8</p>
<p>6</p>	<p>Farm Buildings</p> <p>Mr & Mrs Rea’s daughter has recently graduated from university with a degree in Food Science and is interested in developing an ice cream business on the farm to add value to part of the milk produced.</p> <p>She is considering whether the traditional buildings cross hatched green on the plan could be refurbished to provide the necessary factory and storage space.</p> <p>In advance of a meeting with the family to discuss the proposal:</p> <p>a) Write short notes on the building and immediate surroundings.</p> <p>b) Set out the principal practical considerations which might arise with the project.</p> <p><i>Please rely on an external inspection only and confine your notes to the exterior of the building.</i></p>	<p>5</p> <p>5</p>

7	<p>Farm Buildings</p> <p>As part of the Insurance Renewal Mr & Mrs Rea have been asked to confirm that they are complying with relevant Health & Safety and Environmental regulations.</p> <p>The local insurance agent has asked in particular about the area shown to you (cross hatched blue on the plan)</p> <p>Draft a brief risk assessment note for the Rea's to send to the insurance agent commenting on the area involved.</p>	5
8	<p>Fields 1 – 6 cross hatched red on plan</p> <p>The Rea's farm six fields on the eastern side of the farm (as shown cross hatched red) they have farmed the land on an informal basis without agreement for many years.</p> <p>The owner has passed away and the land has been inherited by his niece, Miss Compton, she is happy to continue the arrangement for the time being but has asked you to formalise the occupation.</p> <p><i>For the purposes of this question assume that you are advising Miss Compton.</i></p> <p>a) Prepare a brief inspection note of Field 1 only (on the basis that it is representative of the rest of the land) noting any issues which you would refer to in the agreement.</p> <p>b) Give an indication of the likely Conacre rent with relevant supporting notes.</p> <p>c) What alternative arrangements might be available to Miss Compton if she decided to continue with this arrangement and what might be the merits?</p>	<p>4</p> <p>3</p> <p>3</p>
9	<p>Fields 15 & 16</p> <p>The Rea's are interested in enhancing the natural capital on the farm and have been considering the prospects of some sort of environmental enhancement to these fields.</p> <p>a) Write short notes on the land setting out the principal characteristics which might make it more suitable for environmental use than other areas of the farm.</p> <p>b) Comment on any grant schemes which might be suitable for these fields and the potential level of support available.</p>	<p>4</p> <p>6</p>

<p>10</p>	<p>Former Railway Track</p> <p>The Rea's own the former railway line between the points marked 'A' and 'B' on the plan.</p> <p>The local authority, Newry, Mourne and Down District Council, are contemplating restoring the route of the railway to a multi-purpose 'greenway' with access for walkers, cyclists and riders. They have approached Mr Rea asking to discuss the project and he has asked for your advice.</p> <p>In advance of a meeting with your client and the Council's agent, prepare site notes on the track between points 'A' and 'B' and comment on the practical implications of the proposal for the farm.</p>	<p>10</p>
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This section of the exam finishes at 1.00 pm when Candidates will hand in their completed valuation books. Lunch will be taken immediately after the end of the morning exams. Candidates are reminded exam conditions still prevail.

AFTERNOON QUESTIONS
ESTIMATED START TIME 1.45 PM - TWO AND A HALF HOURS ARE ALLOWED FOR
COMPLETION OF THE PAPER

ANSWER FOUR OUT OF FIVE QUESTIONS		Mark
11	<p>Fields 1 – 6 cross hatched red on plan</p> <p>Miss Compton has decided that she no longer wishes to retain the land beyond 2024 and she has approached Mr & Mrs Rea asking if they are interested in buying the land privately rather than her instructing an agent for a public sale.</p> <p>Miss Compton has indicated that were any sale to proceed she would like to include some conditions on the use of fields 1 and 6 which adjoin the farmhouse and yard which she inherited with the land, particularly over the spreading of slurry and the length of the grazing season.</p> <p>The Rea's are interested but would need to raise finance for the purchase and have asked you to prepare a valuation of the land to assist both in deciding what they should offer and in discussions with their bank.</p> <p>a) State the principal matters that need to be included in the valuation report as bullet points with relevant commentary.</p> <p>b) Give an indication of the likely Market Value of the land with appropriate market commentary.</p> <p>c) Comment on how any restrictions on the use of fields 1 and 6 might be documented in practice and the extent to which they impacted on your approach to the valuation.</p>	<p>7</p> <p>5</p> <p>3</p>
12	<p>Beef Yard – Enclosure 14</p> <p>One of the buildings and part of the open yard at the Beef Unit is being used by a local engineer to fabricate and store gates and fencing material. The occupation started relatively recently and to date no rent has been demanded or paid.</p> <p>Whilst Mr & Mrs Rea still wish to use the rest of the Beef unit, they are happy with the arrangement but would like to see it put on a more formal basis.</p> <p>a) Prepare a note of the current situation on site and advise Mr & Mrs Rea on the key practical considerations of any letting.</p> <p>b) Set out the principal issues to be decided for any such letting with your recommendations.</p> <p>c) Give an indication of the rental value of the site showing your calculations.</p>	<p>7</p> <p>5</p> <p>3</p>

13	<p>The Farm</p> <p>The Rea's are interested in diversifying the business activity on the farm and have been contemplating some form of renewable development.</p> <p>a) Drawing from your inspection of the farm, comment on opportunities for renewable development and those which might be particularly suitable for the farm.</p> <p>b) Comment on any particular constraints to renewable development on the holding</p>	<p>10</p> <p>5</p>
14	<p>The Former Railway Track</p> <p>The meeting referred to in Question 9 above has now taken place and the council's agent indicated very firmly that they would be seeking compulsory powers to promote the project if they could not reach agreement. Mr Rea has asked you to prepare a draft claim so that he can understand the potential financial settlement.</p> <p>a) Set out a draft claim indicating the likely quantum of the principal Heads of Claim. Support your claim with relevant calculations and supporting commentary and set out any assumptions which you have made.</p> <p>b) Prepare a schedule of Accommodation Works to be agreed with the acquiring authority prior to entry.</p>	<p>10</p> <p>5</p>
15	<p>Former Farm Dwelling</p> <p>The Rea's own a former farm dwelling on a site between fields 25 and 26 as shown edged red on plan 1.</p> <p>They are wondering what to do with the site and have sought your advice on the prospects of selling the site to raise funds for investment in the farm.</p> <p>Write a briefing note prior to a meeting with Mr and Mrs Rea to discuss the property covering:</p> <p>a The key practical considerations involved in optimising the value of the site and achieving a successful sale.</p> <p>b Your recommendations on the extent of the property that might be offered for sale with the site and the rationale for those recommendations.</p> <p>c The key steps involved in taking the property to the market with an indicative timetable between instruction and completion.</p>	<p>7</p> <p>4</p> <p>4</p>

ORAL QUESTION THURSDAY 9th NOVEMBER 2023 - PM

The oral question in the examination to be held on the Thursday afternoon will involve approximately a 10/15-minute discussion on the following area:

The farmhouse at Home Farm was previously occupied by Mr Rea's parents who have passed away. It is structurally sound but in need of some modernisation. The family are seeking your advice on the future of the dwelling.

The remainder of the oral examination will comprise two brief discussion questions and ten short questions drawn from questions set nationally on relevant general knowledge.