

Central Association of Agricultural Valuers

Northern Group Practical Examination

Wednesday 13th November 2019

Morning Paper

8.45am – 1.30pm

<u>FARM INSPECTION/COMPLETION OF NOTEBOOK</u>
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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 3 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

- (a) Describe and value the six bales of produce marked 'A'. (2 marks)
- (b) Describe and value the four animals in the pen marked 'B'. They are approximately 22 months of age. Do not enter the pen. (2 marks)
- (c) Describe and value the four bags marked 'C'. (2 marks)
- (d) Describe, estimate the tonnage, and value the 130 bales of produce marked 'D'. (2 marks)
- (e) i Identify the produce marked 'E'.
The dimensions of the produce are 8.82m x 4.26m x 1.52m
- ii Calculate the tonnage of the produce (show your calculations)
- iii Estimate the total value of the produce (show your calculations) (2 marks)
- (f) Describe and value the machinery marked '1'. (2 marks)
- (g) Describe and value the machinery marked '2'. (2 marks)
- (h) Describe and value the machinery marked '3'. (2 marks)
- (i) Describe and value the machinery marked '4'. (2 marks)
- (j) Describe and value the machinery marked '5'. (2 marks)
(3,660 hours)

(Note: All produce is from the 2019 harvest)

(Total 20 marks)

Question 2

Your client, the owner occupier of Grange Farm has been approached by one of his friends who lives in the village and is wishing to relocate his vehicular repair and MOT business. He has identified building "A" on Plan 2 (18.0m x 11.5m) as suitable for his needs and would make any necessary alterations to the building. Your client has asked for your independent advice before he discusses it further with his friend.

Ahead of your meeting:

- (a) List the physical and practical issues you may think relevant to the proposal. **(4 marks)**
 - (b) Advise your client what type of agreement the tenant is likely to want and why. **(2 marks)**
 - (c) List in bullet points, the main heads of terms for the required agreement. **(3 marks)**
 - (d) State what approximate level of income your client could expect for a commercial letting and show your calculations. **(1 mark)**
- (Total 10 marks)**

Question 3

Your client, the owner occupier of Grange Farm, has been approached by Yorkshire Water to negotiate the purchase of an area of land in the area marked Y on Plan 1, for the construction of a Sewage Treatment Works, measuring 50m x 20m. They also require a temporary compound area to facilitate the works.

After inspecting the site, set out notes on the following in preparation for a meeting with your client:

- (a) The factors you would consider when valuing the land and what is the value of the land. **(4 marks)**
 - (b) What are the practical arrangements in relation to the sale of this area of land, including the impact on the retained land. **(4 marks)**
 - (c) The Statutory Powers available to Yorkshire Water for the acquisition of the land and in the event of a compulsory purchase, what are the statutory rules of compensation. **(3 marks)**
 - (d) Prepare bullet points for the heads of terms for a licence for the compound area. **(4 marks)**
- (Total 15 marks)**

Question 4

Your client is the occupier of Grange Farm, Colton, and has asked for your advice re his Basic Payment Scheme application.

Standing at Point B on Plan 2 and looking around you, make notes in anticipation of a meeting with your client regarding:

- (a) What potential Ecological Focus Areas are visible in parcel 2551, and how would you calculate how much of each may be required for a successful claim? **(3 marks)**
 - (b) After a remote sensing image, the RPA is seeking to deduct a number of Permanent Ineligible Features, in addition to the buildings. Looking at Plans 1 & 2 as well as the site, what are your observations regarding possible PIFs in parcel 4172? **(3 marks)**
 - (c) What grant scheme is currently available to farmers to improve/manage environmental features, and what objectives qualify for payment? **(3 marks)**
 - (d) Identify the species of tree at Point C, and state one of the main uses of its wood. **(1 mark)**
- (Total 10 marks)**

Question 5

Your client is the owner occupier of Grange Farm. After reading some recent articles he is concerned about Health & Safety on the farm for both himself, his employee and contractors. By reference to those areas of the farm visible from the point marked D on Plan 2:

- (a) List 6 specific items which you would advise may need your client's attention due to potential risk associated with their presence or use. **(3 marks)**
- (b) For the items identified in (a) advise your client how he may minimise the risk. **(6 marks)**

Whilst you are there he has also heard about some new septic tank legislation, as his farmhouse is still served by a septic tank which discharges to a ditch, and he would like to query the regulations with you:

- (c) What is the legislation and what may your client have to do to comply? **(1 mark)**
- (Total 10 marks)**

Question 6

Please inspect field OS number 2551 indicated by the Examiner.

The previous crop was winter oilseed rape.

Please answer on a per hectare or per acre basis only where appropriate.

- (a) Provide a brief description of the soil type and indicative quality grade. (1 mark)
 - (b) What crop is likely to be planted and why. (1 mark)
 - (c) Provide a summary of the variable input costs for growing the crop. (3 marks)
 - (d) Based on CAAV Contractors charges provide a full summary of cultivations and operational costs for the full growing season including harvest. (3 marks)
 - (e) Assuming the crop is planted by the end of November estimate the harvest yield and briefly explain your reasoning. (1 mark)
 - (f) Based on your answers to parts (c), (d) and (e) estimate the cost of production on a £ per tonne basis. (1 mark)
- (Total 10 marks)**

Question 7

For the purpose of this question only, assume that Grange Farm is vacant.

The owner of Grange Farm has asked for your advice in connection with letting the farmhouse separately from the land and buildings.

- (a) Based on your brief inspection of the immediate surroundings of the house, describe the extent of curtilage that you would recommend including in the letting, with reasons. (3 marks)
 - (b) List the safety equipment necessary and the information that the client will be obliged to provide to the tenant on or before the commencement of the residential tenancy. (2 marks)
 - (c) Based on an inspection from the west and north sides of the house, list the items of disrepair that are visible, their likely causes, and any works that you would recommend your client to undertake prior to letting. (4 marks)
 - (d) Assuming that the house has 3 bedrooms and is in good condition inside, what monthly rent would you seek? (1 mark)
- (Total 10 marks)**