



**THE CENTRAL ASSOCIATION OF AGRICULTURAL VALUERS
SOUTHERN GROUP**

PRACTICAL EXAMINATION PAPER

WEDNESDAY 9TH NOVEMBER 2022

**HUNTBOURNE FARM
SOUTHEND LANE
SOBERTON
SOUTHAMPTON
HAMPSHIRE
SO32 3QB**

BY KIND PERMISSION OF MR SHANE HOUGHTON

All candidates will be deemed to have read the Central Association of Agricultural Valuers' 2022 publication "Guidelines for the Practical, Written and Oral Examinations and Tutorial Organisers Guidelines" and be familiar with the contents.

Important Notes:

1. Candidates are required to undertake all necessary disinfection of footwear on entering and leaving the farm.
2. No smoking is allowed during the examination.
3. Candidates are responsible for their own Health & Safety whilst on the farm and should make themselves aware of any hazards and take appropriate precautions.
4. No mobile phones, computers or programmable calculators may be taken into the examination.
5. Candidates are not allowed to converse with each other. A breach of this rule may mean disqualification.

NOTES TO CANDIDATES

1. Notebooks, question papers and CAAV publications for both morning and afternoon sessions of the practical examination will be handed to each Candidate at the initial briefing. All answers, calculations and any assumptions must be properly recorded in the notebook.
2. This exam paper comprises 11 typed pages plus 3 blank pages for notes plus 2 plans. While on the farm, you will be able to make and retain notes on this examination paper which can be taken into the examination room for use in the afternoon written paper. The notes for the oral question are to be made on the yellow paper provided which must be handed in at the end of the morning.
3. Whilst undertaking their valuations and inspection, Candidates must appraise the holding, taking particular note of what is to be seen on the farm as this will be of relevance to the afternoon session and to the interview.
4. Candidates will answer all questions during the morning session in the notebooks provided, in pencil. Examiners will look for an orderly format to the notebook and marks will be awarded for the Candidate's approach and for the presentation of the notebook. CAAV guidance on approaches to notebook layout has been prepared. Candidates will not be marked down for their choice of format, provided it is clear and logical.
5. Half an hour will be allowed before the end of the morning's examination for the completion of calculations and a final check on answers. The notebooks will then be collected by the Examiners at the end of the morning session.
6. No information will be provided other than that given in the questions. You should answer the morning's questions in the order the questions are presented to you. The examiners will control timing.
7. The Candidate's number and practice area should be written on the top right-hand corner of the front cover of the notebook.
8. Please prepare your notebook including a summary page and index, using the following information unless stated otherwise in the question:

Holding:	Huntbourne Farm, Southend Lane, Soberton, Southampton, Hampshire, SO32 3QB
Occupier	Mr Shane Houghton

9. Where applicable you should show any assumptions that you have made in arriving at your answers. In respect of the valuations required on a stocktaking basis, you should clearly state which alternative method of valuation (as required by HS232) has been adopted.
10. Candidates are under examination conditions and will be supervised throughout the day including during lunch.
11. **CANDIDATES MUST NOT CONVERSE WITH EACH OTHER. BREACH OF THIS RULE MAY DISQUALIFY A CANDIDATE**
12. Marks are available in each section as follows:

Practical Examination	Morning Paper	90
	Afternoon Paper	60
Oral Interview		50
Written Examination		100
TOTAL		300

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.

PRACTICAL EXAMINATION PAPER

TIMETABLE

8.10 am	Meet at Marwell Hotel, Thompsons Lane, Colden Common, Winchester, Hampshire, SO21 1JY.
8.25 am	Depart for Huntbourne Farm.
8.45 am	Introduction and briefing by the Exam Group Chairman and distribution of examination papers.
9.00 am – 12.30 pm	Inspection of items included in the practical examination papers and of property relevant to the afternoon written paper and oral questions.
12.30 pm – 13.00 pm	Completion of morning note books and separate notes for the afternoon written paper and oral interview. A covered seating area will be available.
13.00 pm	Morning note books and notes for the oral interview are collected by examiners. Return to Marwell Hotel for Lunch.
c. 14.00 pm	Afternoon written paper at Marwell Hotel answering four questions out of five from notes made during the morning inspection.
c. 16.30 pm	Completion of the examination.

MORNING QUESTIONS

1. Answers to be written in the Note Book provided.
2. Candidates should mark their Note Book and papers with their examination number but **NOT** their name.
3. 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.

ORAL QUESTION

When prompted to do so by the Examiner, Candidates should make notes for the Oral question on the yellow sheet of paper provided. These will be collected at the end of the morning session and returned to candidates in readiness for the Oral interview on the second day.

AFTERNOON QUESTIONS

The afternoon questions will be based on items seen on the farm during the morning's inspection. Candidates are advised to make their supporting notes on the additional paper provided.

MORNING PAPER

Time Allowed: 3½ hours plus an additional ½ hour for completion of the notebook

To be answered in pencil in the Note Book provided.

Please start a fresh page for each question answered and include a numbered contents page at the front of your Notebook.

The examiners will control timings and will take you to each question in turn.

You will be acting for the owner/occupier unless otherwise advised.

Answer ALL the questions in this section

QUESTION 1 (15 marks)

- 1.1 (a) Describe and value the pen of sheep. **(2 marks)**
- (b) Describe and value the pen of cattle for annual stocktaking purposes. **(3 marks)**
- 1.2 (a) Describe, assess and calculate the quantity of produce shown to you providing calculations to support your assessment. **(4 marks)**
- (b) Provide a value per tonne for the product. **(1 mark)**
- 1.3 Identify and provide the current market value in £'s per ton or £'s per kilo for the commodities shown to you labelled i - v. **(5 marks)**

QUESTION 2 (15 marks)

- 2.1 You have been instructed to make notes for the preparation of a farm dispersal catalogue. Describe and value each item shown to you labelled A – E. **(10 marks)**
- 2.2 Describe the 5 items and their use shown to you labelled I-V. **(5 marks)**
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QUESTION 3 (10 marks)

Your client, the Owner Occupier of Huntbourne Farm, has heard that building costs have increased recently and he wants to know that he is properly insured. He has asked you to assess the rebuilding cost of the building shown to you (as hatched red on Plan # 1).

- 3.1 Provide a full description of the building. **(5 Marks)**
 - 3.2 Provide a valuation figure for insurance reinstatement purposes, setting out your measurements, assumptions, and calculations. **(5 Marks)**
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QUESTION 4 (15 marks)

The Owner Occupier of Huntbourne Farm has requested a Red Book Valuation of Huntbourne Farmhouse (as outlined in red on Plan # 1) with vacant possession for tax planning purposes.

- 4.1 Prior to your site visit please confirm any information or documents that you would require in order to carry out the valuation. **(2 marks)**
 - 4.2 In bullet points, set out the key headings required for your valuation report. **(6 marks)**
 - 4.3 Describe and comment on the farmhouse and grounds from your external inspection of the property, that you will need to make reference to in your report. **(4 marks)**
NB You are not to enter the area outlined in red on Plan # 1 to carry out your inspection.
 - 4.4 In preparation of drafting your report, based on your area/region of practice, please provide a valuation figure for the farmhouse explaining your methodology and reasoning and any assumptions that you have made. **(3 marks)**
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QUESTION 5 (10 marks)

Your client, the Owner Occupier of Huntbourne Farm, has run a successful driven pheasant syndicate shoot but is now looking to retire. He has been approached by a syndicate member looking to take over the shooting rights on the farm.

- 5.1 What are the considerations your client should take into account? **(3 marks)**
- 5.2 Assess the rental value of the shooting rights (making any assumptions you need). **(2 marks)**
- 5.3 How would you document the letting of the shooting rights and bullet point the Heads of Terms to be included in such an agreement. **(5 marks)**

QUESTION 6 (10 marks)

- 6.1 Identify the Growing Crop in the field shown to you (as edged/hatched pink on Plan # 2) and provide the average yield for the crop considering the land and soil type, described on a per hectare or per acre basis. **(2 marks)**
- 6.2 Together with their associated costs (including labour), schedule the cultivations and inputs required to establish the subject crop to its current stage on either a £'s per hectare or £'s per acre basis. Assume the field was previously down to a cereal crop. **(5 marks)**
- 6.3 Provide a Gross Margin for the growing crop on a per hectare or per acre basis for harvest 2023. **(3 marks)**
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QUESTION 7 (10 marks)

Agents for EDF Energy have contacted your client, the Owner Occupier of Huntbourne Farm, to inform him that the overhead electricity line crossing the farm (shown as a green line on Plan # 2) needs to be replaced. As part of the scheme, the company intends to underground the electricity cables between the points A & B which will also incorporate a small diversion over the route coloured blue.

- 7.1 Assuming that the company will compulsorily acquire rights for a permanent easement, which statute provides the Licence Holder with its compulsory purchase powers? **(1 mark)**
- 7.2 Concentrating on the route(s) between the points A & B, inspect the site and make bullet point notes on the main practical issues that will need to be raised by your client in negotiations with the utility company. **(9 marks)**
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Morning Paper	85 marks
Presentation of the Notebook	5 marks
TOTAL	90 marks

THE ORAL INTERVIEW

The first part of the interview on Thursday afternoon will require knowledge on the current regulatory framework of a practical and professional nature with reference to a particular part of the farm.

Candidates should pay particular attention to the area shown to you and edged/hatched red on Plan # 2 including its physical characteristics, condition and uses.

Candidates should make notes on the ^{yellow}~~pink~~ sheet of paper provided. These notes will be collected at the end of the morning session and returned to candidates before the Oral interview on the second day. No other books, notes or materials may be brought into the interview. (25 marks)

In addition there will be two technical questions set nationally drawing on your relevant general knowledge of subjects within the syllabus. This will be followed by 10 quick fire questions. Candidates will also be assessed on their communication skills. (25 marks)

TOTAL

50 marks

AFTERNOON PAPER

Time allowed: 2½ hours

If you are handwriting your answers please use the A4 paper provided. Please use a fresh piece of paper for each question answered and write on one side of the paper only.

Write your CANDIDATE NUMBER ONLY on the top right hand corner of each sheet of your answer paper.

Answer 4 questions only out of the 5 questions in this section

QUESTION 8 (15 marks)

For the purposes of this question it is to be assumed that Huntbourne Farm is let on an Agricultural Holding Act 1986 Tenancy. Huntbourne Farmhouse is empty following vacation of the Tenant's parents. The Landlord has approached your client (the Tenant) indicating that they would like to sell the freehold of the Farmhouse with vacant possession. Your client no longer has a need for the house as they are housed in the nearby bungalow and doesn't see any real prospect of needing the Farmhouse again.

- 8.1 What are the practical considerations your client should consider if they were to surrender the Farmhouse? **(6 marks)**
 - 8.2 Provide a possible surrender payment calculation should the house be surrendered, giving your reasoning as to how you have arrived at the figure. **(5 marks)**
 - 8.3 Provide a possible rental adjustment if the house were to be removed from the tenancy, explaining your reasoning & how this would be documented - state any assumptions required. **(2 marks)**
 - 8.4 What alternative options might exist to the Tenant should they decide not to surrender the house. **(2 mark)**
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QUESTION 9 (15 marks)

Your client has mentioned a near miss incident in the farmyard, involving a reversing tractor driven by a member of staff and some walkers from a local walking group who were using the public footpath that runs through the farmyard (as identified by the yellow line on Plan # 1).

The incident didn't result in any injury or damage but your client knows that the secretary of the walking group is a retired barrister.

He has asked you to advise him on the steps he should take to ensure that this sort of thing doesn't happen again, but also so that he demonstrates that he has taken appropriate action to protect his position, if another near miss were to occur in the future.

Initially you recommend that the risk assessment procedure needs to be reviewed. Based on your recent visit to the farm:

- 9.1 Identify six key hazards that you observed on site and the party or parties that would be most at risk. **(3 marks)**
- 9.2 For each of the hazards you have listed above, produce a table to provide the following information:
 - a. The probability of the risk happening and an appropriate rating.
 - b. The severity of the risk and an appropriate rating.
 - c. A calculated risk rating as a result of factors a) and b).
 - d. An appropriate practical mitigation measure that could be introduced quickly, to reduce the risk rating.
 - e. The risk rating after the mitigation measure has been implemented.

(6 marks)

You have noticed that another local farmer has sold some land for development and that the new housing development required an alteration to the route of a footpath on the site. As such, you investigate the options for your client to do the same. Set out notes for your client on the following:

- 9.3 The type of application that would need to be made to divert the footpath out of the farmyard and under which Act. **(2 marks)**
 - 9.4 The type of application that would likely have been made on the neighbouring land. **(1 mark)**
 - 9.5 Three factors that the council would need to consider if an application to change the route of the footpath was made. **(3 marks)**
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QUESTION 10 (15 marks)

You have been approached by a new client, the Owner Occupier of Huntbourne Farm, to provide advice in preparation of the sale of the farm next Spring. As part of your inspection of the farm with the client, you notice that they have sited a log cabin in the farmyard (as hatched blue on Plan # 1). They mention to you that this has been let out as holiday accommodation since 2010 and it is currently advertised locally and online.

On return to the office, you have reviewed the local planning authorities' (LPA) website and understand there is no planning permission for the log cabin.

- 10.1 What is the risk to your client arising from the cabin's current planning status? **(3 marks)**
- 10.2 Provide your recommendation to the client on how to regularise this use with the local planning authority. **(2 marks)**
- 10.3 Please write a briefing note to your client, referring to any relevant planning guidance or law, outlining your advice, with specific reference to:
- (a) Time limits required to make a lawful application to the LPA;
 - (b) The process of submitting any applications required;
 - (c) Any information or evidence you may need to obtain from your client as part of your advice;
 - (d) Timescale of your application; and
 - (e) Costs. **(10 marks)**
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QUESTION 11 (15 marks)

You have been contacted by your client, who owns Huntbourne Farm Cottage (hatched green on Plan # 1). The current tenant is moving out, having served notice to leave at the end of January 2023, and the owner has no requirement for staff use of the dwelling, so would like the cottage let on the open market. You know from previous involvement in the property that there is no planning restriction to limit the occupation and that the property is not listed.

The cottage comprises three double bedrooms, central heating, modern kitchen and good internal decoration. The cottage has a mains supply of electric and water and a private septic tank.

Your client has requested your advice on what the process is for taking the cottage back from the existing tenant and then moving a new tenant in.

- 11.1 What should you do with regard to the existing tenant leaving the property? **(3 marks)**
- 11.2 Advise your client on the likely rent achievable in the open market and the initial length of term to offer a new tenant. **(2 marks)**
- 11.3 Advise your client on the necessary compliance to be completed for a new tenant taking occupation of the property. **(8 marks)**
- 11.4 Advise your client on the practical points to be completed for a new tenant taking occupation of the property. **(2 marks)**

QUESTION 12 (15 marks)

Your client is currently in a Mid-Tier Countryside Stewardship Scheme (CSS) on the area edged yellow on Plan # 2 which is due to terminate in December 2023. He is considering renewing the Agreement next year but has also asked about alternative or additional Schemes available.

In bullet point format, set out the following:

- 12.1 The options available to renew the Mid-Tier CSS Agreement. **(2 marks)**
 - 12.2 What is the Sustainable Farming Incentive (SFI). **(2 marks)**
 - 12.3 What is available to apply for under SFI in 2022 on this arable parcel? **(1 mark)**
 - 12.4 Set out the Levels available and payment rates. **(1 mark)**
 - 12.5 Set out the requirements for each Level within the Standard available. **(5 marks)**
 - 12.6 Name three key differences the SFI has against CSS? **(3 marks)**
 - 12.7 Considering this arable parcel, how may the CSS impact on the SFI if the two schemes were to be run together? **(1 mark)**
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