

THE CENTRAL ASSOCIATION OF AGRICULTURAL VALUERS

SOUTHERN GROUP

PRACTICAL EXAMINATION PAPER

WEDNESDAY 8TH NOVEMBER 2023

NONINGTON FARMS CHURCH FARM COURT HILL NONINGTON CANTERBURY CT15 4LQ

BY KIND PERMISSION OF EMMA & JAMES LODER-SYMONDS

All candidates will be deemed to have read the Central Association of Agricultural Valuers' 2023 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 12 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 <u>all</u> 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:	Nonington Farms, Church Farm, Court Hill, Nonington, Nr,
	Canterbury CT15 4LQ
Occupier	Emma & James Loder-Symonds

- 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. A 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

8.20 am	Meet at Broome Park Hotel, Canterbury Rd, Canterbury CT4 6QX.
8.30 am	Depart for Nonington Farms.
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 Broome Park Hotel for Lunch.
c. 14.00 pm	Afternoon written paper at Broome Park 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 each 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: 3¹/₂ hours plus an additional ¹/₂ 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 (10 marks)

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- 1.1 Describe the pen of sheep and provide a value for one of the animals. (3 marks)
- 1.2 What guidance would you refer to if the value requested was for stocktaking purposes. (1 mark)
- 1.3 Provide a value for one of the animals for Stock Taking Purposes. (1 mark)
- 1.4 Identify and provide the current market value in £'s per tonne or £'s per kilo for the commodities shown to you labelled *1-5* (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 **F-J** (5 marks)

QUESTION 3 (15 marks)

Agents for South-East Water Ltd have contacted your client, the owner-occupier of Nonington Farms. A new water pipe is required along the route shown by a red dashed line on Plan 1 to connect the water reservoir edged in blue on the plan with the nearby water supply network.

- 3.1 Assuming the water company will compulsorily acquire a permanent easement, which statute provides them with the compulsory purchase powers (1 mark)
- 3.2 Concentrating on the area between A and B along the red dashed line inspect the site and make bullet point notes on the main practical issues that will need to be raised with your client in negotiations with the utility company (6 marks)
- 3.3 Advise your client on the likely accommodation works (2 marks)
- 3.4 Advise your client on the likely compensation claim's heads of terms with details on what could potentially be claimed for under each (6 marks)

QUESTION 4 (10 marks)

- 4.1 Identify the Growing Crop in the field shown to you and shaded pink on Plan 1 and provide the current market value for that crop. (2 marks)
- 4.2 Together with their associated costs, bullet point the cultivations and inputs required to establish the subject crop, to its current stage, on either a £'s per acre or £'s per hectare basis.

Assume the field was previously down to a cereal crop (5 marks)

4.3 Provide an average yield of the crop shown to you and identify what factors can affect yield (3 marks)

QUESTION 5 (10 marks)

On a recent inspection of the farm, you notice a water utility van parked in the farmyard and politely enquire about their presence. They inform you that they are undertaking some improvement works to the water main underneath the road and would like to approach your Client, the owner-occupier of Nonington Farms about siting a compound and welfare unit in the area shaded orange and outlined with dashed black lines on Plan 1.

- 5.1 Please make site notes about the proposed siting of the compound and welfare unit by the contractors. (2 marks)
- 5.2 Please set out the practical points you would want to ask the contractors on behalf of your client before informing them of the proposal. (3 marks)
- 5.3 Provide your client with advice on what type of agreement you would recommend for such a use and any potential income receivable. (3¹/₂ marks)
- 5.4 Highlight any agricultural implications to your client in pursuing the compound in its current siting and list the type of items you might include in a compensation claim. $(1\frac{1}{2} \text{ marks})$

QUESTION 6 (15 marks)

Your client is the owner of the farm and has heard that building costs have increased and your client wants to know that the extended grain store is properly insured. You are asked to assess the insurance reinstatement cost of the new grain store (shaded yellow on Plan 1 for indication purposes only).

(Show all of your workings and assumptions).

- 6.1 Provide a full description of the building.
- 6.2 Provide a cost estimate for insurance reinstatement purposes, setting out your measurements, assumptions and calculations. (4 marks)
- 6.3 Estimate the storage capacity of the building in tonnes – assume a wheat crop is to be stored. (3 marks)

The grain store has been erected on the holding by the Tenant with the written consent of the Landlord. The tenant has a 40-year FBT.

6.4 Explain the basis for assessing compensation? (1 mark)

(Question continued overleaf)

(3 marks)

- 6.5 The Landlord has served a break notice, what must the Tenant do to ensure he receives compensation for the grain store? (1 mark)
- 6.6 Calculate the amount of compensation payable, show your workings. (2 marks)
- 6.7 If the landlord and tenant cannot agree the amount of compensation, what can be done and when? (1 mark)

QUESTION 7 (10 marks)

Your Client has been letting the workshop shown to you and shaded grey on Plan 1 to a local agricultural engineer for the last year without any form of written agreement. You have recommended that he formalises the arrangement with a Lease under the Landlord and Tenant Act 1954. Prepare notes on the following:

7.1	What information would	you include in the Heads of Terms?	(8 marks)

- 7.2 Your client wants you to prepare the Lease instead of a solicitor, what is the maximum Term you can grant if you were to do this? (1 mark)
- 7.3 As the tenant is a friend of your client they haven't been charging him very much rent but would now like to charge him a 'market rent'. What would you recommend the rent is set at on a £/sq ft or £/sqm basis? (1 mark)

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 hatched yellow on Plan 2 including its physical characteristics, condition and uses.

Candidates should make notes on the yellow 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: 2¹/₂ hours

Please start your answer to each question as a separate document.

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

Answer 4 questions out of the 5 questions in this section

QUESTION 8 (15 marks)

For the purposes of this question it is to be assumed that the area shaded blue on Plan 1 (including the farmhouse, cottage and paddocks) is let on an Agricultural Holdings Act 1986 Tenancy. Your client the landlord, has noticed that the cottage is being advertised to let on AirBnB and he believes that this is prohibited in the tenancy. You have not yet raised this with the Tenant but in preparation for a meeting with the Landlord please could you prepare the following:

- 8.1 A briefing note identifying any potential tenancy breaches you can identify from your inspection today (access to the farmhouse, cottage and paddock is not permitted), including why there might be a breach. Make any assumptions necessary. **(2 marks)**
- 8.2 Provide a list of potential methods to remedy the breaches identified, both practical and legal and timeframes involved (6 marks)
- 8.3 The rent was last reviewed in 2012, a Section 12 notice has been served to review the rent in March 2024. Please set out the basis of a rent review under the AHA '86 and give an indication of the likely rental value of the holding, showing your workings and making any assumptions necessary (6 marks)
- 8.4 If the cottage were to be removed from the tenancy how this would be documented. (1 mark)

QUESTION 9 (15 marks)

The owner of the farm erected the barn shaded green on Plan 1 last month without planning consent. The local authority have been alerted to the barn's unauthorised provision by a local parish councillor and are sending a planning enforcement officer to the farm tomorrow.

Prior to their visit, the owner has asked you to consider his position and the likelihood of him being able to retain the building.

9.1 Having inspected the subject building and its surroundings, what factors will be important when considering the chances of the building being acceptable in planning terms?

(5 marks)

Following his visit, the enforcement officer writes to the owner confirming that he is in breach of the planning rules and that a formal enforcement case has been opened.

9.2 What options does your client have?

(3 marks)

Having considered his position, the owner asks you to regularise the matter by seeking planning consent for the building.

9.3 What type of planning application will you need to submit and what documentation will you require in order for your application to be validated? (7 marks)

QUESTION 10 (15 marks)

Your client has been approached by their neighbours (their property is hatched purple on Plan 1) with a view to purchasing the paddock - owned by your client since 1975 (shaded purple on Plan 1) - neighbouring their house.

Your client has asked for advice on the value of the Land and other factors that they should think about when considering a sale.

- 10.1 Make notes in advance of your meeting with the client and her family to include practical and valuation issues. (6 marks)
- 10.2. Your clients subsequently agree a sale to the neighbours and their accountant has now asked you for a valuation which they say is for 'tax purposes'. Write a letter setting out the full Terms of Engagement your client will need to sign in order for you to proceed with the instruction. (7 marks)
- 10.3 Your Terms of Engagement come back signed and you have drafted the report. In order to calculate the value of the paddock, note down the valuation approach that could be employed and where you could find the relevant information. (2 marks)

QUESTION 11 (15 marks)

Your client has forwarded to you a concerning email about an incident on the public footpath - shown with a dashed green line and labelled Q11 on the attached plans - after a local resident attended A&E with minor injuries.

- 11.1 With specific reference to practical considerations on the farm, please identify the health and safety concerns you have about the footpath shown dashed green on your plans. (3 marks)
- 11.2 Your client has asked you what measures could be taken to mitigate the present health and safety concerns? (4 marks)
- 11.3 What are the options open to your client for altering the public right of way network at this location? (3 marks)
- 11.4 Could you highlight an alternative route for this footpath and set out your advice to your client about the process involved, including reference to the costs you could foresee arising? (5 marks)

(You do not need to have reference to specific figures but should list the costs).

QUESTION 12 (15 marks)

With the reduction in BPS your client is considering obtaining additional funding and income from Agri-Environment Schemes and has come to you for advice on the capital grants and the Sustainable Farming Incentive he has heard about.

12.1 Your client is interested in funding for a new fence along the route marked with a dashed yellow line on Plan 1. Set out brief notes on the following in respect of CSS Mid-Tier Capital Grants:

12.1.1	Where can fencing be located in order to be eligible under the Sc	heme? (1 mark)
12.1.2	Where can this item not be located?	(1 mark)
12.1.3	What is the payment rate per m?	(1 mark)
12.1.4	What is the deadline for applications?	(1 mark)
12.1.5	How long will your client have to undertake the works if the applic	cation is
	successful?	(1 mark)

12.2 Your client is also interested in applying for the Sustainable Farming Incentive Scheme in respect of the arable land on his holding only including the field shaded green on Plan1. Set out brief notes in preparation for a meeting on the following:

12.2.1	What is the Sustainable Farming Incentive?	(1 mark)
12.2.2	Your client advises you that the field has cropmarks from an old resettlement and wonders if this will impact his application. What do obtain to verify this?	
12.2.3	Name 6 options available to your client along with their respective rates that may be suitable for the arable parcel viewed	payment (6 marks)
12.2.4	Your client rents some of his land. On what basis can this be inclu the SFI application?	ded within (1 mark)
12.2.5	The arable parcel viewed is already in another agri-environment may this impact the SFI if the two schemes were to be run togethe	

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