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1. Question setting – being reasonable with balanced papers

The second year of careful moderation saw higher candidate numbers than the previous year (122 in 2022, with 114 in 2021). Throughout the question setting process, the written board (WB) examination team were acutely aware of the feedback from the moderation reports and presentations which provide for a more transparent process across all parts of the WB. The WB were mindful of preparing a paper that was suitable for a range of experiences but has an achievable pass level.

Some of the key aspects (re-iterated from 2021 moderation comments) were;

- Removal of irrelevant question background/pre-amble
- Consistency of allocation of marks across questions
- Active moderation during the marking process
- Second year of additional question on each of the two papers
- Sense checking to ensure no ‘hidden’ themes
- Being mindful of marking within a target range
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During the question setting process WB allocated a great deal of time to take a ‘stand back’ approach when reviewing the paper as a whole. The WB and Central wanted to continue to undertake the assessments in a fair and consistent manner to take into account all of the above to give all candidates the ability to apply for Fellowship in the format which is set out in the examination guidelines. The key message from the moderation panel was *‘...the impact will be more evident in the design of questions than necessarily in variations to the marking process’*

Questions were set in the late summer and scrutinised, amended and adapted to so that they presented a balanced test of knowledge and experience, as required by the guidelines. This was the second year where an additional question in each paper was given, providing candidates with greater choice.

The marking session took place in person on the 20th and 21st of November 2022 in a secure setting at The Old Court Hotel in Symonds Yat. A recently refurbished room gave us improved lighting and more pleasant surroundings.

The increase in number of candidate (over 2021) was noticeable.

Examiners were allocated questions and co-markers in advance, saving time on the day.

2. General observations and comments

- This year 122 candidates sat the two national papers (114 in 2021). Candidates averaged 67.1% in paper 1 and 56.95% in paper 2. The results can be observed over the last 10 years when reviewing the table below:

Year	Candidates (Written)	Passes	Pass Rate
2009			55%
2010			18%
2011			41%
2012			40%
2013	124	45	36%
2014	149	71	48%
2015	162	69	43%
2016	163	98	60%
2017	132	73	55%
2018	143	58	41%
2019	132	69	52%
2020	90	26	29%
2021	114	72	63%
2022	122	47	38%

- In terms of pass rates, 60.65% (74/122) achieved 65% in Paper 1 and 24.60% (30/122) achieved 65% in Paper 2. The divergence in results from paper 2, do raise some concerns and should form the basis of future review.
- There appeared to be greater number of borderline candidate, when on review, their combined marks (with practical and oral) meant that they went on to fellowship.
- As noted above, the written board comprised a team of 12 of team marking for two days. One examiner was not able to join us, but was available throughout the process.

- Those examiners who set questions were allocated a fellow marker prior to the marking session, and were asked to liaise with that person prior to meeting so that they could set their marking standards and model answers in advance. This minimised the administration time spent at the beginning of the marking session.
- Examiners were briefed at 10.30 am on Sunday 20th November in order to reiterate points from the examination guidelines, note the format of the marking session and to be clear about the process of marking scripts taking into account dynamic moderation.
- As in previous years the majority of papers were completed by around mid afternoon on Monday 21st November, but only after a long shift on the Sunday evening. There were a couple of more challenging questions where the marking went on into Monday evening. Once papers were marked, the papers and marking schedules were validated by Samantha Martfell and Dorota Szmid from CAAV. This followed a briefing over dinner from the CAAV president, and former E&E Chairman Simon Alden.
- Written Board (WB) felt we had set a fair, relevant and syllabus compliant paper covering a broad range of topics, which in our view was passable by those candidates who had prepared sufficiently well.
- Consistent with previous years, a particular effort during the marking was made by examiners to try to write as many constructive comments and notes on the script as possible, this will particularly aid any candidates (and examiners) coming forward for review sessions.
- It was suggested that during the WB Tutorial, future candidates would be well advised to focus on relating the question and facts provided into their answer and not just providing a stock answer. Many of the questions were geared toward specific situations, and the provision of stock answers led to poorer marks from some candidates who failed to fully check the question background.
- Whilst there was examiner representation from the devolved regions, the 'devolution checking' process does add significant additional time and focus for examiners. In particular, 2022 seem to be more challenging than ever, as 4 Northern Irish Candidates sat.
- As with previous years, there appeared to be a small number of candidates who ran out of time, as well as a handful of cases in paper 1 question 1 (multi part) answering too many parts i.e. more than 5. Candidates are strongly advised to pay particular attention to this in future i.e. reading clear instructions provided.
- Questions concerning residential and estate management once again proved popular.
- There were many instances where candidates did not provide an answer that was commensurate with the number of allocated marks. This may be because they ran out of time, but examiners remind candidates to be mindful to expand their answers requisite to the marking structure.

- In many cases, answers were often not structured as the question directed, with key parts of the question simply missed off by many candidates - again this is disappointing and frustrating from a marking perspective.
- There were two hand written papers. In terms of IT, it was very pleasing to see that nearly all of candidates chose to use a laptop this year, and the Written Board unanimously agree that this offers a consistent approach to marking and feedback sessions (where required) and it allows for more efficient marking.
- Typed scripts were generally well formatted. Many candidates used tables to further enhance their answers. But many candidates could do better.
- It was encouraging to see that all examiners took the time to make detailed annotations against each paper regardless of the standard of paper. This particularly assists in the review of borderline candidates which followed the WB marking session.
- From the early planning stages, we wanted to provide candidates with a sufficiently robust approach in the route to Fellowship. Whilst some candidates may not have attained the necessary marks to pass, we take an open and transparent approach to the marking so that we can support them in the process in 2023. It is often the case that candidates have dropped their paper averages on only one question, and on careful reflection, they can often learn from the questions that were poorly answered, so that they can achieve Fellowship in subsequent years.

3. Question by question report

Question by question reports are attached at Appendix 1.

4. Written Board's 10 top tips to future candidates

1. **Attend one of the two written tutorials** – lots of good tips and guidance are provided at these, and you are strongly advised to attend. If in doubt speak to a recent attendee.
2. **Read the question and answer the question** – and not what you think and hope it says! Also re read the question several times during the answering, as there may be details missed on the initial read through.
3. **Avoid 'walls of words'** – these are rarely asked for, and never welcomed by marking examiners!
4. **Don't sell yourself short** – make sure you answer all parts of the question, and don't miss out parts – you are not making life easy and immediately putting yourself at a disadvantage
5. **Less is definitely more** – some of the very best answers are also the shortest, so please don't waffle or pad. This is not needed and definitely not wanted!
6. **Match time spent to the marks allocated** – the mark allocation is a really good guide for the time to spend on each part of the question, so do try to stick to this at all times.

7. **Formatting answers will assist** – whether handwriting or using a laptop, simple formatting whilst not compulsory, will certainly help e.g. bullet points, numbered lists, headings, white space, tables etc - all of these are good to win over the hearts and minds of weary examiners!
8. **Time is precious** – know exactly how long you have for each question before the exam starts, and don't be tempted to spend longer on questions you are comfortable with – the ones you are less easy with will need just as much, if not more time.
9. **Consider a question plan** – these are not favoured by all we know, but are a good way to gather thoughts in the heat of battle, and rough out an answer (which will also be marked if you completely crash on time).
10. **Not all questions require detailed legislation** – do not assume that the examiners simply want you to trot off every piece of legislation relating to that subject. In some questions they are asking for your opinion or understanding of the wider rural economy. Re read the question to better understand the background.

Written Board Chairman's 5 top tips to Examiners

1. **Take careful note of the syllabus** – don't be afraid to have similar questions to previous years.
2. **Prepare robust suggested answers** – be prepared to adjust these suggested answers. Remember some candidates only have 24 months of experience.
3. **Be dynamic during the marking process** – review the overall answer and adjust marks accordingly
4. **Liaise carefully with a fellow marker** – Share marking where possible and regularly benchmark
5. **Submit proposed answers early** – this will allow the scrutineer team and WB chairman to review in advance of finalising questions.

5.0 Thanks and Acknowledgments

- After Four years as a written board examiner and 6 years' prior as a practical examiner, this was my third year as Chair of the WB. I am very grateful for the continued contribution and commitment from the examiners who have given up their time to aid the process. Their support is integral to the whole examinations process. I thoroughly enjoy the process and find it hugely rewarding to come across well-structured and knowledgeable answers.
- The board were particularly fortunate to have the support of the Old Court Hotel, Symonds Yat, who continue to provide safe and comfortable accommodation for us during the marking process, whilst keeping us well fed and watered.
- The 2022 written board comprised Gareth Lay, Chris Anderson, Mark Fogden, Charles Meynell, Matt Stuart and Simon Brown.
- The board were supported in the marking process by Simon Nixon, Gareth Rowe, David Steel, Ellie Allwood, and Andrew Capel.
- I have been very grateful for the support from David Steel. David continues to provide support the board as Chair of E&E.

- I have been very grateful for the consistent support in the question setting process, and particularly regular reviews from Jeremy Moody. He has yet again provided expert advice with a careful eye over the moderated answers (especially from a devolved government perspective), and liaised with scrutineers. I am very grateful indeed to him.
- Often overlooked in the process are the question and answer 'scrutineers'. I am particularly grateful to them for their robust review of what we had drafted, and the various tweaks and improvements which they identified and encouraged us to adopt. This third party review ensures fairness and consistency, and to eliminate any ambiguity or duplication of question topics. I am very grateful to them.
- Finally, I want to thank Dorota and Sam for their unflappable approach and support throughout the process. They have worked tirelessly to manage the processes to maintain the high standards that is expected from members and candidates.
- Not only is this a significant event for the candidates, but requires a mammoth effort from Central and Members from all corners of the United Kingdom. I am proud to play a small part in upholding the very high standards that are expected to become a Fellow of the Central Association of Agricultural Valuers.

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Written Board – Examiners Report on Questions

Paper One - Question One - Multipart question

Number of candidates answering	67 (76)
Percentage passed (%)	46.26
Average mark (%)	63.54
Top mark (%)	89
Lowest mark (%)	38

A total of 67 (76 in 2021) candidates sat this question, which offered 8 questions on a broad range of areas with a requirement to answer five of those eight.

General

- On the whole parts lacking in detail on top of the basics which was a shame
- The additional layer of detailed sent 'just a pass' to a 'good pass'
- Generally well laid out in bullet point form listed under each part answered - as expected
- Still some blocks of prose - not marked down, but not making it easy for candidate/examiner
- Some answers re typed the question almost word for word at the start - not needed
- Layout wise – helped when a short bold heading at the start of each new part
- 2 candidates only answered 4 parts and not the required 5
- Most answers were between 1.5 and 2 pages of typed text to deliver a good pass

Part A – restrictive covenant

- Qu had 3 sub parts in effect – what – how to document, and how to lift (not all spotted this)
- Good knowledge re removal via Upper Tribunal which was encouraging

Part B – wayleave/easement

- Popular part and on the whole pretty well answered
- A table would have been a good way to answer this but not many adopted this approach

Part C – Money Laundering

- Generally well answered and good detailed knowledge
- Less good at application to typical ag valuers area of work

Part D – cereal volatility

- Generally well answered, & candidates up to speed with trends and how to combat volatility

Part E – farm diesel price

- Again well answered, and clearly most had read the most recent FW re diesel prices !
- Less good at the application to the practical impacts of these price changes

Part F – lime application

- Not very many attempted this part, but those that did on the whole were pretty good

Part G – farm cottage and business rates

- Again not that many attempted this part, but was pretty well done
- Only the much better answers went on to describe available reliefs

Part H – biodiversity receipts

- This tended to be a bit of a ‘brain dump’ on all grants at all sorts of different levels !
- Really wanted more on BNG and Environment Act 2021
- Best were where they had different headings for ‘public’ and ‘private’ areas of receipts

Paper One - Question Two – Farm Tenancy Tender

Number of candidates answering	20
Percentage passed (%)	20
Average mark (%)	55.70
Top mark (%)	82
Lowest mark (%)	32

The question posed a typical scenario of a farm being offered to let by tender. Much of it was productive land but there was some less agriculturally productive land in the form of some peat, woodland and riverbanks. You were also advised that the tenants ingoing would include 3,000 tonnes of silage and fixtures taken over from the outgoer.

1. *What aspects of the management of the holding might you consider are important to the landlord and how would you address them in your tender.*

(8 marks)

Comments

The simple way to identify what the landlord was seeking was to ask him. There would most likely be a viewing day or an opportunity to engage with the landlord/landlords or their agents to ascertain this. What was the estate’s “vision” for the holding and how did this fit in with the surrounding holdings.

Suggested areas could include the skills of the tenant to run the holding efficiently and productively in order to afford to pay the rent. Whilst the affordability of the rent is a measure it was also likely the landlord was looking for soil management and improvement environmental enhancement contribution to the whole estate landscape and how the holding would be sustainably managed.

Typically, these would involve farming the productive areas but using the areas of peat, riverbanks and spinneys to enhance the estate. In addition, any hedgerow or margins may be included to link into an overall estate network.

Soil enhancement and management to fit in with the NVZ rules together with cultivations programmes and timing would reduce compaction. Correct stocking would reduce poaching.

2. *How would you approach the calculation of your rent tender so as to be sustainable for the business and specifically how would you address the future of BPS, the uncertainties about the prices of inputs and commodities prices and the availability of labour. Note – detailed gross margins are not required.*

(10 marks)

Comments

The holding as described within the question was very clearly a dairy holding with modern buildings and facilities to match.

Some candidates ignored the dairy element and changed the scenario to be an arable farm or beef. Some suggested diversifying to holiday lettings which seemed an unlikely direction given the presence of silage clamps and slurry storage.

The question asked about the approach to the calculation for the rent tender. Whilst candidates were asked specifically not to give detailed gross margins a simple whole farm budget would have been a good way to demonstrate the figures and what the farm could earn. It would also demonstrate the costs structure for fixed costs and therefore leave the bottom line profit figure. Consideration could then have been given to how that figure might have been divided between landlord and tenant and variations given uncertainty in inputs and commodity prices.

Many candidates mentioned the Basic Payment Scheme system and that it would cease in 2027 however most failed to identify that it would only be available to their client for one year in 2023 due to the de-linking arrangements.

Candidates talked about replacement of BPS with environmental schemes – Countryside Stewardship and Sustainable Farming Incentive and some suggested a joint venture with the landlord. Few suggested a base rent and then a “top up” to the landlord based on the milk price related element or profitability of the holding. The best candidates talked about robotics to reduce reliability on labour and boost margins.

Not all candidates suggested figures for rent and some who did were not within the credible range. One candidate referred to milk quota which was ineffective since 2003 and was finally abolished in 2015.

3. *What might you offer the landlord as additional security behind your tender.*
(2 marks)

Comments

The obvious areas were if there was any synergy between the prospective tenant's father's existing holding in terms of use of use and sharing of machinery and labour.

The best security from the landlord's point of view might be to ask for the prospective tenant's father to act as guarantor – at least for an initial period of say, 10 years.

Paper One - Question Three – Sales and Agency with planning

Number of candidates answering	61
Percentage passed (%)	62.29
Average mark (%)	65.91
Top mark (%)	82
Lowest mark (%)	42

On balance, this question was well answered. Most candidates were able to pick up above average marks. In general, candidates had a good understanding of practical measures needed address all three elements required by the question. Most were able to link the various aspects of the question.

In marking, half a mark was generally awarded for a valid point supporting by understanding of the measure recommended, with quarter mark given for identification only.

The best candidates used tables and bullet points to present their answer.

Paper One - Question Four - IHT and Valuation

Number of candidates answering	96
Percentage passed (%)	76.04
Average mark (%)	72.73
Top mark (%)	100
Lowest mark (%)	35

The question centred upon a small farm run by the deceased a 78-year-old farmer. The daughter is the beneficiary with no intention to farm on afterwards. There was no spouse mentioned within the question.

The requirements of the question were to:

1. Accept instructions to complete a probate valuation setting out all the vital information for the valuation and the client/valuer relationship in a letter and terms of business format.
2. Advise the clients/the executors of the late farmer in IHT reliefs.

The question required reliefs to be identified and applied to the question scenario and to any assumptions the candidates had made where information was not provided.

Any advice given must be backed up by case law and statute where applicable to arrive at the correct solution and level of relief.

3. It was necessary to provide arguments to support the reliefs and levels of relief which would apply.

Candidates were required to look at the base evidence and indicate what levels of evidence and types of evidence were required to put forward a reasonable case to HMRC.

The question itself was in three parts and gave a good opportunity to accumulate points as can be seen from the average mark recorded overall, however:

- a. Some candidates confused B & C and answered either in a joint submission or repeated points in the two sections (B & C).
- b. A large number of candidates did not structure answers well as indicated above and in particular confused Market Value and Agricultural Value and the availability of relief relative to those two valuation definitions i.e., agricultural property relief and the agricultural value and business property relief depending upon the "on ground circumstances" or assumed circumstances also being used for the remaining overvaluation beyond agricultural value if the land is used for business purposes.
- c. The rates you quoted for the taxation and the application of those rates, together with the type of tax i.e., Capital Gains Tax was referred to in several drafts and therefore there was considerable variation in understanding.

3 candidates unfortunately referred to case law completely unrelated to the question and also referred to Capital Gains Tax as opposed to Inheritance Tax.

- d. A number of candidates referred to BADR and not BPR and mixed up their arguments accordingly.

There was a near perfect answer which does restore confidence in the question itself, the lack of structure could be largely due to a limited number of candidates providing a question plan. Such a plan would have avoided repetition and given opportunity to consider the taxation and allowances/reliefs dealing with matters perhaps far more cogently between points between questions B & C. Criticisms aside, the question was answered well by most people although in a variable fashion through lack of planning, which enabled them to score points which reflected in the average mark of 72.87% of all people who took the exam as an average pass mark.

For those who failed and who are unfortunately required to try again, given the subjects importance as a core topic. I strongly recommend in future that before answering such questions which are potential involved and which will require some assumptions to be made, for a plan to be drawn up prior to the question being answered, even at the expense ultimately of not completing the question. Most examiners understand fully that time is a factor and if there is a cogent plan which is provided at the start of the answer, even if the question is not finished it lets the examiner know that the candidate has the knowledge necessary by virtue of that initial plan.

Well done to those who have passed, good luck in the future for those who have to try again.

Paper Two - Question One - Contract/Share Farming

Number of candidates answering	51
Percentage passed (%)	19.23
Average mark (%)	56.60
Top mark (%)	85
Lowest mark (%)	25

The question required candidates to demonstrate a fundamental understanding of the principles of Contract Farm (CF) and Share Farming (SF) arrangements.

As ever there was a clear distinction between those candidates who can those who cant

51 candidates answered the question with a score range between 35% and 85%

Score Range	No of candidates	%	Comment
60% to 85%	22	43.1%	Pass
55% to 60%	6	11.8%	Marginal but wrong side of a pass
35% to 55%	23	45.1%	Clear fail

Q 1.1 (40%)

This required candidates to simply outline the advantages and disadvantages between a CFA agreement and letting land under a lease as well as outlining the different tax treatment.

When a question requires a candidate to set out both advantages and disadvantages this points to a table format and those who adopted this approach tended to have clarity of thought and scored well. It was interesting (perhaps surprising) to note that candidates when stating an advantage or disadvantage under one style of agreement often failed to state the alternative position under the alternative agreement.

Good answers addressed active farmer status for the landowner, releasing working capital requirements in machinery, being able to react to markets both the upside and downside. Likewise certainty of rent under a lease, less flexibility, non-active status etc. At the other end there was confusion around roles and responsibilities of the parties and some surprising references to rent under CF agreements. Some surprising comments around disadvantages of a CF related to contractors being lazy and agreements being too complicated to consider.

A common theme across the majority of answers was candidates concentrated on capital tax reliefs but failed to address income tax differences (trading versus unearned).

It is also worth noting that there was a correlation between those who passed and the arable areas where CF agreements are clearly being used.

Q 1.2 (35%)

This required candidates to demonstrate knowledge of the difference between a CF and SF agreements.

The question attracted 35% of the marks and is probably the question that dragged scores down for many of the candidates with one candidate scoring 0 and another 5. It is hard to score when candidates give too little to go on.

The good answers again were able to articulate the relationship of Farmer and Contractor for CF and Farmer and Farmer for SF, comment on the different banking/accounting arrangements and how the rewards flow through to the parties. The poor candidates were simply muddled and in a number of cases got in the wrong way round. Some interesting contracting rates (£/acre) were expressed but the candidate was not marked down for these as the question was more interested in the structural differences.

Q1.3 (25%)

Lastly candidates were asked to choose either CF or SF and set out draft Heads of Terms. It was interesting to note that out of 51 candidates only one or 1 or 2 chose SF with every other candidate choosing CF Heads.

Good answers adopted a table format with a number who provided detailed heads with assumed parties. It was evident that some candidates pulled Landlord and Tenant heads adapting these to meet the circumstances, often unsuccessfully.

- a number of candidates still managed to express Farmers Basic Return as a rental equivalent
- some failed to refer to Farmers Basic Return altogether
- there was confusion between definitions of farmer, contractor and who provided what under the Heads. One candidate managed to suggest that the contractor provided land, buildings, labour, machinery etc which questioned whose farm was subject to the CF!
- very few referred to banking/accounting/VAT/ arrangements
- Few heads set out the meeting reporting, record keeping responsibilities
- ADR was generally addressed suggesting the message is getting through
- None of the Heads addressed costs

Paper Two - Question Two - Succession and Tenancies

Number of candidates answering	81
Percentage passed (%)	31.14
Average mark (%)	54.73
Top mark (%)	92
Lowest mark (%)	8

The first part of the question (50% of the marks) required notes on both the legal position and the important terms of the tenancy together with specific comment on the rules that would govern a succession. However, it was noted that many candidates made little, if any, comment on the legal position in terms of the tenancy and, instead, focused solely on succession. Therefore, the examiners applied some discretion. If candidates had clearly commented on the legal position and important terms as well as on succession, then the time constraints would limit detailed comment on succession provisions and, therefore, less detail was expected on the succession provisions. If, however, candidates had focused on succession provisions with little or no other comment on other tenancy terms, then the greater detail and accuracy was required for the succession notes.

Candidates which addressed the legal position and principal terms, in the main, dealt with this element of the question well – as they should have done as it was very straight forward. With regard to the succession provision, most candidates understood the close relationship eligibility rules. Very few candidates accurately referred to the principal source of livelihood but instead referred to income albeit those who had correctly explained “livelihood”, were not penalised. Many candidates did not demonstrate that they understood that the source of the livelihood is the wider agricultural unit not just the subject holding.

Many candidates clearly misunderstood what the commercial unit of production test refers to. Even though most knew this test will shortly be removed, many candidates recreated this rule to make it a far more difficult test to pass than it actually is – by stating that the subject holding itself had to be a commercial unit to produce a commercial income for the tenant.

Most candidates understood the remaining other current suitability tests.

Most candidates understood that the succession rules were changing albeit most assumed that the age limit for retirement would not be removed until 2024 (it is already removed) and there was confusion about the new business test that will be introduced. Some candidates also explained the further change of introducing the “short list of applicants” assessment of succession applicants.

In summary, many candidates did not fully understand the succession rules and those which gave blatantly wrong “advice” were not able to pass this part of the question which had a knock on affect on their ability to pass the whole question.

In Part 2 of the question, applicants were specifically asked to advise how much Mr Smith (the current tenant) would pay for the farm. Many candidates referred to valuing the farm on the basis of freehold vacant possession then some referred to valuing on the basis of a term and reversion approach but few candidates either compared and use the two basis of valuation to produce a suggested asking price. Often candidates appeared to wished to apply a comparable basis of valuation but many did not recognise the need to apply some form of discount. Those who did tended to apply 20% to 50% but unfortunately did not relate their chosen discount to the strength of Mr Smith’s bargaining position with a potential successor or indeed the possibility that Mr Banker would accept a lower price simply to be able to cash in the tenanted value of the freehold. Many candidates tried to answer this question solely as a valuation question with very detailed

descriptions of the elements of the farm when in reality all that was needed was an identification of the different elements with the briefest of description then the focus should have been on the process and valuation approach towards identifying the value for Mr Smith to pay. Unfortunately, in many cases the candidate appeared to assume that the farm had vacant possession or that Mr Smith would be prepared to pay full vacant possession without discount.

In Part 3 of the question, candidates' answers were quite wide ranging and, provided that they were logical, marks were given where the candidates made appropriate comments. Unfortunately, whilst many candidates recognised development opportunities, they did not comment on the need to serve a Notice to Quit or pay compensation to the tenant. Better candidates did recognise the opportunity to agree a surrender, part surrender and did not always recognise the need to make a surrender payment. Some candidates seemed to believe that the tenant, Mr Smith, would willingly give up an AHA with succession rights in return for a shorter term FBT at a full market rent! They did not score points for this suggestion!

Generally, there was a wide range of marks for this question between X and Y. A lot of candidates attempted this question without AHA succession knowledge - perhaps because they thought that Part 2 was solely a descriptive valuation question without recognising the significance of sale to a sitting tenant.

Paper Two - Question Three - CPO Matters

Number of candidates answering	37
Percentage passed (%)	28.57
Average mark (%)	52.89
Top mark (%)	95
Lowest mark (%)	19

Review

The question was a combination of technical expertise and knowledge (parts 1 and 2a, score of 9), combination of technical knowledge and market knowledge (part 2b, score of 5) and wider client care linked to topic (part 3, score of 6).

Many candidates were particularly strong on one part of the other, but letting themselves down on the other. There were very few candidates who combines good knowledge on both parts, where they did they scored well (over 90). 2 candidates who scored over 90, but below them the next highest score was 69, and the range of scores gradually dropped off from this level, resulting on a low pass rate of approximately 26%

The first part was a text book answer, candidates being asked to outline the possible avenues by which the land could be acquired, including the legal basis for these avenues and the process each option would follow. Many candidates simply omitted some avenues, some only commented on small parts of the ones they did mention, such as the final acquisition of land element. Not that many outlined the process from inception of project to completion of construction and those that did, only the best knew the correct terminology of the processes.

Many candidates used scatter gun approach to wrote down all technical terms they knew in relation to compulsory purchase with out much thought or order, marks were awarded for the mentioning of correct terminology and acts where applicable but naturally these answers did not score highly. Many simply did not know enough or write enough to score highly.

The best answers briefly outlined the potential routes available, making concise comment on the process, relevant acts and statues, and noting educated comments as each part affected the scenario.

The second part asked for the rules governing the calculation of compensation. This was a simple regurgitation of the rules, many candidates had seemed to have revised these and many scored well, many scoring full marks, it was a relatively easy part of the question.

The third part asked for a heads of claim. It simply needed the heads of claim to be recorded, one or two sensible comments/assumptions/explanation to be given and then an indicative figure provided based on the scenario for full marks. Table format was ideal for this part of the question and was used to good effect by the better candidates. A logical layout and a methodical working through the heads resulted in good marks being scored, those who didn't follow this process losing easy marks.

The last part was primarily an information gathering exercise of all relevant factors and points that would impact how you would act for your client in this situation, and wider issues as they may affect your client. The list of points was almost endless. Some candidates (assumed to be those that have carried out such work in practice before) knew what information you need as part of compulsory discussions, noting a good number of points and scoring well. Many candidates only put down one or two points and as a result it was not possible to award high marks. Seeing as this was approximately 1/3 of the question, candidates didn't seem to give it the time needed and unnecessarily lost marks as a result.

I was generally surprised at the relatively high number of candidates who answered the question – compulsory questions usually attracting a low number, and it was clear that not all candidates had the experience or had revised sufficiently, resulting in a disappointing pass rate and scores.

Paper Two - Question Four - Net Zero Farming

Number of candidates answering	25
Percentage passed (%)	65.38
Average mark (%)	67.81
Top mark (%)	100
Lowest mark (%)	30

Question 4 sought to assess candidates on their knowledge and understanding of the developing area of establishing the net position in respect of farm business carbon emissions, how that position could be reached, what could be done to improve the overall position and the business opportunities arising.

The question sought to ensure that candidates were aware of the online calculators and also the ability to engage specialist firms to carry out the necessary calculations to establish the net position, but that ultimately at the core of this exercise is the gathering of relevant and detailed information. The question clearly set out details of the holding which was intended to provide candidates with opportunities to present suggested practical improvements which would see the net position improved, whilst the final part of the question sought to assess the candidate's appreciation of the business opportunities that implementing these measures would deliver.

As a general overview the question was one of the least challenging questions as the subject area was not technical by nature. Candidates with a good understanding of this area stood a chance of scoring well but the question also provided candidates with more sophisticated understanding of the subject, and appreciation of the risk of the emerging market for carbon credits to gain extra marks.

Overall the question was generally answered well but those who really appreciated and understood the topic tended to be far more detailed and comprehensive in their answer and indeed set out their answers in a far more comprehensive and professional

way. I felt that too many candidates simply took the approach of slotting in one opening line/sentence before reeling off bullet points which carry little explanation or description, and therefore demonstration of true understanding and application. Those candidates who scored best were those who clearly showed that they understood why, for example, they recommended certain practical steps. If a similar question was to be repeated in the future it might be better to state the format of the advice/response that the candidate is required to give i.e. in letter form.

My general observations were as follows:

- (a) Many candidates missed the opportunities presented by the Peatland Code – whilst many referred to the option to restore the peatland they appeared to have missed the carbon credit opportunity and the opportunity to secure grant income to help cover the costs of these restoration works through the Peatland Code.
- (b) Under the Business opportunities it was quite remarkable to see how many missed the opportunity presented by renewables – many highlighted that the adoption of renewables in part 2 of the question as a practical step towards achieving a net zero position, and to me it was therefore a given that this would then flow into being a business opportunity (in the form of revenue generation from energy sales and also cost savings through the use of energy on site).
- (c) The answers were overall quite short in general (I refer to my bullet point listing issue above) which gave me some concern that the question was too simplistic and not suitable in terms of assessing eligibility for Fellowship.
- (d) Candidates did not appear to be keeping the characteristics of the holding in mind when considering their responses in giving their advice – some answers clearly didn't see candidates apply their knowledge to the particular characteristics of the farm, instead merely listing off any old practical steps.
- (e) The best question overall in terms of presentation and also the contents of the answer themselves was Northern Ireland (NI2). This gave me some confidence that the question was appropriate because this candidate answered the question with depth and with advice. It was notable that the answers were presented in a much more 'professional' manner. One candidate (MC9) stated in their answer that they had ran out of time and that they were therefore giving their answer in "note form" – this suggests an understanding (certainly from that candidate) that more than notes were expected, otherwise that caveat would not have been volunteered.
- (f) The inclusion of 100 acres of maize in the question as included initially with a view to them spotting the opportunity to establish an anaerobic digester on the farm, however in fact many of the candidates saw the maize as a problem due to the intensity surrounding its establishment, and also the impact on soils during harvesting. One candidate suggested undersowing and very few referred to AD potential but those who did highlighted that digestate was a source of sustainable, inorganic nutrient.
- (g) A few candidates mentioned mob grazing.

Overall my principle concern with the question, which ultimately made it quite difficult to mark with a degree of consistency, was that there were a wide range of 'correct' answers, particularly for Part B. Whilst the model answer set out a number of practical steps, many of the candidates advocated steps which were not in the model answer and the marker is then faced with the position of either detracting marks because it wasn't within the model answer, which wouldn't have been appropriate if the steps were indeed appropriate, or awarding marks – the net (marking!) position was that scores were consistently high and I noted that as the session went on that many candidates who scored quite low in other, more technical, questions were able to score highly on this one so again I question its appropriateness in the context of the wider assessment, and that is something I would welcome feedback on.

Towards the end of the session, having completed my own question, I moved on to marking Mark Fogden's Paper 2, Question 7. For future reference I would advise that anybody coming into these marking sessions for the first time, such as myself, would benefit from co-marking another examiner's question first. Mark Fogden took me through his question and explained what he

was looking for, and after marking a few papers I then reviewed my approach with Mark to make sure it was consistent with how he was approaching it - this was very helpful in giving me the confidence that I was, I hope, marking the papers correctly but it also give an insight into the need to take a nuanced/balanced approach across all sections of the question to arrive at an overall score reflective of the candidate's ability. The concern with my Question 4 was that the marking was not sufficiently nuanced enough, in part because the question is so open and subjective. A tighter model answer might have helped in this regard but having said that the nature of the topic does not lend itself to that and if, upon review of this question, it is decided that it was problematic in any way it may be best to steer away from this topic at all unless a tighter, perhaps more technical, model answer can be developed which would allow a more consistent and objective criteria to mark against. I found it easier to mark PII Q7 than I did to mark PII Q4 given that PII Q7 was capable of being more tightly framed i.e. there are not too many options to raise funds other than those Mark had set out in his model answer to Part 1, and in terms of Parts 2 and 3 there are established protocols/documentation/RICS valuation standards etc framing the answers to those questions and against which was therefore easier to mark candidates responses.

Paper Two - Question Five – Diversification

Number of candidates answering	49
Percentage passed (%)	38.77
Average mark (%)	55.36
Top mark (%)	90
Lowest mark (%)	27.5

PART 1

Generally, this part of the question was reasonably well answered. Candidates were able to identify practical and technical issues relevant to the proposed solar development. Some candidates missed the basic factors affecting the performance of PV panels, such as shading. There was also the tendency to assume that a 100 kw array would take up a substantial part of the farm, and as such, only be of interest to a large commercial operators, rather than being a scheme developed to reduce the energy needs of the farm, meaning that candidates became side-tracked with possible terms to be agreed with a commercial operator.

Some candidates opted for the use of a table to try and differentiate between practical and technical issues. This was not relevant and probably reflects general encouragement to use tables - candidates need to consider whether a table is appropriate.

Average mark = 60% of available marks.

PART 2

The section was the most poorly answered. Many candidates just repeated answers to Part 1 rather than reading the question and providing information needed to assess viability and then demonstrate how viability might be assessed. Candidates really struggled to demonstrate knowledge of simple investment appraisal techniques such as payback period and return on investment. Simply assessing the income from the scheme and savings on electrical costs was not well done. The equivalent cost of producing electricity from the array was not explained.

One of the better answers used indicative costs and income figures to demonstrate viability.

Average mark = 47% of available marks.

PART 3

Some of the factors to be agreed with the landlord had been referred to in Part 1. Where this occurred, the examiner awarded marks and added them to the relevant part of the question.

Assessment of rent and general treatment of the array as either an improvement or fixture was not well articulated, although most were aware of the key issues.

Average mark = 58% of available marks.

Paper Two - Question Six – Rural Workers Dwelling

Number of candidates answering	79
Percentage passed (%)	46.83
Average mark (%)	59.91
Top mark (%)	89
Lowest mark (%)	31

The question sought advice on the requirement for additional housing on a dairy farm to accommodate succession within a farming partnership. The scenario, which was clear and generally understood by most, sought to examine learning, knowledge and experience.

As a planning-based question marking had regard to the candidates place of work and was adjusted to reflect statute and policy across the Devolved governments, with special interpretation in Northern Ireland where the planning regulations are more flexible. For England the basis of advice stems from NPPF paragraph 80, where there is provision for an essential need to house a rural worker, including those taking majority control of a farm business, to live permanently at or near their place of work in the countryside. Similar provisions are covered in Wales by TAN6 and in Scotland by NPF3 (now being replaced by NPF4). Northern Ireland policies stem from PPS21 Sustainable development in the Countryside and specifically Policy CTY10 for farm dwellings. Most candidates recited other legislation, such as the Town & Countryside Planning Act but did not drill into the specific Frameworks and Guidance.

The question indicated consideration of the conversion of existing buildings; in England of Use Class Q (Scotland Part 18B, Northern Ireland CTY 4). Too many candidates gave a lengthy recital of DP Rights rather than applying them to the case. The office was too small and, being open side, the Dutch Barn was a non-starter; few quoted the Hibbert case.

In all cases the question sought commentary upon factors that supported both functional and financial need i.e., why Anne Jones needed to be onsite 24/7 and how do you demonstrate that. The best candidates understood the crux of the question (possibly demonstrating they had been involved in such an application), others were too vague and lacked focus for the marks available.

Whilst most candidates identified the LPA would impose an agricultural occupancy condition, few considered whether the existing house would also be made subject to such a condition nor considered the likelihood that there may be a S106 Agreement to bind the unit the subject of the justification for the application. In that case the sale of off lying parcels of land would not possible as the holding would have to remain as a whole.

Easy marks were on offer for providing an estimated build cost for a house of 1500ft². Marking permitted a range to allow for local variation and uncertainty over current build costs. However, some candidates confused ft² with m², resulting in prices from £12,500 to over £2.6m. Just a moment to sense check would have indicated those extremes could not possibly be correct.

Funding by a conventional mortgage was often mentioned but there are very few lenders who will consider this due to the AOC; funding would most likely come through the main lending banks, AMC or specialist Farm finance lenders with all requiring security over the majority of the holding.

At 89/100 the top mark clearly demonstrated knowledge and experience.

Paper Two - Question Seven – Farm Finance

Number of candidates answering	44
Percentage passed (%)	34.10
Average mark (%)	57.25
Top mark (%)	80
Lowest mark (%)	27

The question required candidates to consider potential options available to a farmer to undertake some dairy improvements and how this ultimately flowed through to a draft offer of finance and a subsequent valuation to support the terms offered.

The question was felt to be suitably wide ranging offering candidates a good opportunity to score. Having reviewed the answers, on reflection the candidates were perhaps seeking more direction, most notably with regard to Q7.2.

Notwithstanding this there was a clear distinction between those candidates who undertake this type of work and those who don't.

44 candidates answered the question with a score range between 27% and 80%

Score Range	No of candidates	%	Comment
60% to 85%	24	54.5%	Pass
55% to 60%	5	11.4%	Marginal but wrong side of a pass
35% to 55%	15	34.11%	Clear fail

Q 7.1 (25%)

The question invited candidates to think beyond the obvious and to think as wide as possible about potential options for funding a proposed investment in dirty water management on a dairy farm. Those who scored well (22 No) potentially set themselves up to score well in the rest of the question.

Good answer covered grants, finance (fixed term/overdraft/private finance), disposal of assets not just land but other potentially available assets, reducing livestock numbers to value engineer the solution. On the whole if candidates provided four or more options they scored well.

Those candidates who scored below half marks simply didn't provide the examiner with sufficient material.

Q 7.2 (25%)

The question required candidates to outline the terms they might typically expect a bank to offer.

Whether the question was badly worded or candidates failed to read the question is not clear, but the question was not particularly well answered..

A good answer was expected to cover the following:

- Loan amount
- Offer subject to satisfactory valuation of the subjects
- Term of loan – early repayment charges
- Security offered and loan to value
- Interest only or capital and interest loan
- Interest rate
- Minimum repayment amounts
- Borrow to pay costs; valuation and legal fees

Sadly too many candidates simply commented on interest rates that might be applied. Very few candidates in their response identified; the loan amount, that the offer would be subject to satisfactory security (valuation) and the borrow to pay costs. A number of candidates adopted challenging language which simply confirmed a lack of knowledge in the subject area.

Q1.7 (40%)

Lastly, candidates were asked to set out the principle terms expected to be covered by the valuation .

The majority of candidates answered adequately, with a 'cut and paste' of valuation report headings, but to achieve a good score candidates were expected to have included reference to RICS Global standards, an opinion on the suitability of the property for secure lending purposes, market commentary and risk (volatility) and reinstatement value.

29 No candidates scored 50% and above on this answer.

-ENDS-