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1. Question setting - Reflection on moderation commentary

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. This was particularly relevant to the planning of the suggested answers and then the marking process. Examiners were aware of the limitations that Covid has placed on the candidates in gaining experience and as in 2020, many questions were based around situational scenarios. Key aspects included;

- Removal of irrelevant question background/pre-amble
- Consistency of allocation of marks across questions
- Active moderation during the marking process
- Introduction of an additional question on each of the two papers
- Sense checking to ensure no 'hidden' themes
- Being mindful of marking within a target range
- The potential of limitations of not gathering in an exam centre (should covid restrictions apply)

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. Many of the questions were situational, testing the candidates experience and ability to understand the scenario set.

The marking session took place in person on the 21st and 22nd of November in a secure setting at The Old Court Hotel in Symonds Yat. Specific measures were put in place to mitigate any COVID risks. These included individual desks for each of the markers; PPE and advance electronic briefings for the marking processes.

2. General observations and comments

- This year 114 candidates sat the two national papers (90 in 2020). The combined pass rate for 2021 papers 1 and 2 was 63% (29% in 2020). 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%

- The written marks average 66.08% which is marginally above the 10-year average being 62.39%.
- 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 reduced the level of physical contact and minimised the time spent at the marking venue.
- Examiners were briefed at 10.30 am on Sunday 21st 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.

- The majority of papers were completed by around mid afternoon on Monday 22nd November. At that point, the papers and marking schedules were validated by Samantha Martfell and Dorota Szmit from CAAV. This followed a briefing from the CAAV president, Andrew Coney.
- 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 noted, 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 this 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 additional time and focus for examiners.
- 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.
- It was surprising to see that paper II Q 6 (Nutrient Management/Farm Waste etc) was only answered by 9 candidates.
- 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.
- 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.
- 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.

- Most importantly, Written Board's view is that the use of laptops by candidates is delivering better thought out answers which are clearer, more concise and which avoid a manuscript brain dump on a subject area over multiple pages.
- 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 2022. 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.

Thanks and Acknowledgments

- After three years as a written board examiner and 6 years prior as a practical examiner, this was my second 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.
- 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.
- The 2021 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, David Blake and Andrew Capel.
- I have been very grateful for the support from David Steel. David continues to provide support the board with his thorough and efficient marking approach.
- This was first year on the WB for Matt Stuart. In particular Matt has assisted with the devolved legislation associated with the Northern Irish Papers in readiness for 2022 applications. There is no doubt he will be a valued member of the team going forward.
- 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 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	76
Percentage passed (%)	67.10
Average mark (%)	67.51
Top mark (%)	89
Lowest mark (%)	38

A total of 76 candidates sat this part of the question, which offered 8 questions on a broad range of areas with a requirement to answer five of those eight.

The questions covered the following (number of answers in brackets);

- A. Telecoms (37)
- B. Dilapidations (45)
- C. Permissive Rights/Trespass (43)
- D. EPC (70)
- E. SDLT (37)
- F. Marriage Values (45)
- G. Uplift Clauses (58)
- H. Nitrogen Prices (44)

Each question had at least two key parts.

There were no stand out 'poor' answers, with all average marks being over 60%.

The broad spread of answers demonstrated that the spectrum of subject areas were suitable for all regions.

Some subject areas were possibly a little too narrow (i.e EPCs) where candidates were limited in the depth and content of their answers.

It appeared that Candidates were picking up the commentary from the workshop and tutorial sessions.

Answers in general were concise, but in many cases lacked depth, such as dates and legislation. Some appeared to run short on time.

The use of sub headings and separate lines for answers was preferable. Many candidates did not structure their answers in a clear format in the same order as requested within the question. There were some candidates who were very economical with their answers; perhaps a lack of time; or perhaps a lack of knowledge.

On the whole, the standard was high, which reflected the broad nature of the questions and the ability to choose subject areas which suited the candidates' areas of practice.

Paper One - Question Two – Valuation – IHT Issues

Number of candidates answering	88
Percentage passed (%)	50
Average mark (%)	68.78
Top mark (%)	92
Lowest mark (%)	23

Part 1

Candidates had generally learnt a good list of report items which they readily reproduced.

The best gave some brief commentary on the report items in order to demonstrate that they knew and understood the items and related it to the situation within the question – a probate valuation. For example rather than just stating Date of Valuation they added it would be the Date of Death.

Many failed to mention that the valuation was to be in accordance with the RICS Red Book procedures as it was for taxation purposes. The best gave the full definition from the Inheritance Act 1984.

Many failed to comment on pollution and contamination items at all and missed the fact that there was a very strong likelihood that the older livestock yard constructed in 1955 would very likely contain asbestos bearing materials.

Many detailed how they would go about the collection of information and who they would ask and where they might look to carry out further research. The best gave brief source information either of possible individuals to ask or for web based research.

Part 2

The assumptions given were generally sound and sensible. Some candidates made very sweeping assumptions which perhaps made their life easier in some respects but also meant that they missed the opportunity to discuss some elements and demonstrate their knowledge.

Methodology was generally well approached and sensible. Many simply said that they would use comparable method of valuation for most elements but the best stated that they would seek comparables, but then adjust them to make them as relevant as possible and use a hierarchy of information available.

Some candidates got confused concerning the cottage and having made an assumption as to its occupation took a different approach when it came to valuation.

The best candidates communicated the information by way of a table detailing the description, assumptions made and then market value and agricultural value. The values used were generally credible and a wide range was deemed acceptable to reflect the geographical area of practice of the candidate. Regrettably, many candidates failed to put in figures for agricultural value, although this was clearly requested within the question. Not only did

they lose marks for this but lost the ability to demonstrate the knowledge they had by comparing and contrasting the two values.

While most values used were credible, at times some of the candidates were confused and some stated that agricultural value would be above market value. Where candidates did identify there was a difference between Market Value and Agricultural Value for the period house many said this was a deduction of 30%. The best candidates correctly stated that was the percentage settled upon in the Antrobus case but that the percentage could vary in different scenarios.

The question gave a clear breakdown of the different elements of the holding but some candidates then grouped elements together – particularly the buildings. Given that there was the possibility that the traditional buildings had some hope value which would then have translated through to differences in market value and agricultural value and the agricultural property relief/business property relief application has meant that they failed to score well.

Part 3

The best candidate stated that Agricultural Value was a value with an assumption that there was a perpetual covenant that the land was used for agricultural purposes only. The best candidates stated relevant case law including McKenna and Antrobus and applied it to the question. This meant that they commented on the use of the house for agricultural meetings and its proximity to other elements of the holding – particularly livestock buildings. Many just wrote notes on what they knew about agricultural property relief and business property relief but failed to apply this knowledge to the question.

Paper One - Question Three – Environmental Management options

Number of candidates answering	44
Percentage passed (%)	41
Average mark (%)	63.49
Top mark (%)	100
Lowest mark (%)	28

PART A – 4 MARKS

Candidates were aware of proposed changes to BPS in terms of phased reductions accordingly to claim size over the period to 2028. Some candidates missed de-linking and lump sum payments for retiring farmers.

Most candidates recognised the concept of public money for public goods and the move to ELMS, including an understanding to the three parts making up this scheme.

Good candidates made reference to pilots and other measures of support (innovation and technology)

Scottish candidates generally recognised that the current scheme is to remain to 2024, but there are currently no set proposals in relation to how support will change thereafter. Most understood that it is likely to follow a similar direction to England. Some recognised and referred to consultations currently ongoing.

No Welsh candidates sat this question.

Average mark achieved 73%

PART B – 8 MARKS

Part B was the poorest part of the question in terms of quality of answers and award of marks. Those that struggled failed to provide details of the main opportunities for support. In a number of cases, candidates did not demonstrate a clear understanding of the key elements of CS and the different 'offers' available. Woodland Creation Grants were missed by many.

To achieve high marks, candidates needed to demonstrate an understanding of the workings of the CS scheme to clearly convey the opportunities available. It may be that the question needed to direct candidates to provide more details on the 'key' scheme terms (as originally drafted).

Few candidates recognised that carbon has a 'market' and how this might provide an avenue for funding.

Some candidates used this section to present management options for the farm. Where this occurred, marks were awarded in Part C if the option was relevant and did not result in duplication of marks.

Scottish candidates, in particular, failed to demonstrate an understanding of the AECS scheme.

Average mark achieved 54%

PART C – 8 MARKS

Most candidates were able to pick up a reasonable number of marks in this section. In general, candidates had a good understanding of practical measures needed address all three elements required by the question. Most were able to link options with funding.

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 to present their answer.

Average mark achieved 68%

Paper One - Question Four - Termination of Tenancies

Number of candidates answering	19
Percentage passed (%)	26.31
Average mark (%)	56.45
Top mark (%)	80
Lowest mark (%)	40

The question required candidates to provide headline advice to their client who was considering the future of the farm they rented from their landlord. The question directed candidates to the following:

- *the client was actively thinking about retiring*
- *there was no expected successor*
- *they needed financial security*
- *if possession was obtained the landlord was likely to sell the farm.*

Q 4.1

This required candidates to simply outline the options available for consideration. On the whole this was answered competently with a range of options set out. Those that were set out in table form with advantages and disadvantages were generally well thought through and scored pass and above. A number of candidates (surprisingly) advised as an option sub-letting without any qualification about whether the lease permitted this. Otherwise the options generally covered what was required. However the question hinted strongly at the option to negotiate a surrender in return for a capital payment (financial security) with the likelihood the farm would be sold.

Too many candidates got as far as serving retirement notices, but failed to address the opportunity to negotiate a surrender payment. Those that did were marked up. If candidates scored well on this question it provided them with a good platform to achieve a pass.

Marks available %	Range	No passed ⁱ	% passed
40%	15% - 30%	11	58%

Q 4.2

This required the candidate to consider what actions were required to protect their clients interest. Candidates were well rehearsed about tenant improvement and fixtures and the need to record. Some candidates went onto advise the client around ensuring the terms the lease were complied with and they attracted additional marks. Scottish candidates on the whole referenced Tenant Amnesty records appropriately.

Marks available %	Range	No passed	% passed
20%	10-15%	8	42%

Q 4.3

This required some advice around the counter measures a landlord could take. Again on the whole adequately answered with references to dilapidations. Where this wasn't referenced it was difficult to attract a meaningful score

Marks available %	Range	No passed	% passed
15%	3-10%	13	68%

Q 4.4

This presented candidates with some challenge and attracted 25% and proved to be the stumbling block for some.

Had candidates worked out in Q1 that there was a premium to be negotiated for a surrender they would have arrived at the methodology for the term and reversion valuation. Those that arrived at this point were slightly muddled with their methodology which held them back. Too many candidates only set out the methodology for valuing the tenant improvements which had they thought about it would be unlikely to meet their clients objective of financial security. One candidates failed to address this question.

Marks available %	Range	No passed	% passed
25%	0-20%	2	10%

Paper Two - Question One - CPO inc Blight

Number of candidates answering	31
Percentage passed (%)	51.60
Average mark (%)	63.71
Top mark (%)	89
Lowest mark (%)	30

A question on Compulsory Purchase in three parts involving a lifestyle property with house, outbuildings, stables and a general purpose store set in 14 acres with a further 10 acres a short distance away. A draft CPO indicates the main parcel and access will be severed by a new road on embankment within 100 yards of the house which takes half the acreage; the separate block is unaffected.

Part 1 sought knowledge and understanding of the principal legislation and procedure, which was generally well answered although some scripts cited process from concept rather than from draft Order stage. The question then required understanding and experience in the heads of claim with indicative figures and workings. Most answers provided a good summary of the heads but some were very brief on detail and confused about the difference between severance and injurious affection. A few thought that compensation would be paid for accommodation works rather than the AA incorporating them into the scheme to mitigate loss. The best answers demonstrated good understanding and provided clear figures and workings.

Part 2 invited advice as to maximising value when moving before the scheme commenced. Many commented on possible potential for planning, lotting and sale but missed the point that full value was unlikely due to the draft Order. The question sought knowledge of Blight which was overlooked by some and well answered by a few. Although not specific the question invited advice on process, clarifying the valuation would be the full unblighted value of the property and the different heads of terms that apply, such as Home Loss Payment, SDLT and fees towards purchase of a new property, removal costs and the like.

Part 3 enquires as to the remedies available to facilitate settlement. Most cited a range from negotiation, Expert determination and mediation but some overlooked the Upper Tribunal (Lands Chamber) is the principal point of reference within six years of entry. Many suggested arbitration rather than mediation, the latter being better suited to CPO and usually required before the case reaches Tribunal.

Overall the question was well answered but some lacked detail in order to obtain a high pass. Those that did probably practice in this area and demonstrated their understanding and experience.

Paper Two - Question Two - Residential letting

Number of candidates answering	95
Percentage passed (%)	51.57%
Average mark (%)	64.24
Top mark (%)	84
Lowest mark (%)	33

- Unsurprisingly this was a popular question amongst candidates -it was centred on residential tenancy management - a core subject area, well suited to Paper 2, and no doubt a common work area of candidates
- It was broken down into 5 parts with a fairly even spread of marks
- A common 'error' though was that several candidates didn't spend enough time on parts 2a and 2b, which between them were worth 50% of the marks, instead focussing on parts 3 and 4 (worth 30%)
- Generally, answers were well laid out with only a few opting for blocks of prose and instead making good use of numbered or bullet pointed lists, which the questions were well suited to
- Overall, the best answers were those which gave a carefully considered practical and logical run through of the sequence of events and matters of relevance, rather than simply a 'brain dump' of all they knew about residential tenancy management and property compliance.
- There was no sign of any question planning, but maybe deemed not necessary

- There was the usual wide spread of quality of scripts, with several really excellent answers, to many which referenced many of the key areas sought, but just did not go on to give the required level of detail thus turning an average pass into a really good pass.
- Part 1 re on boarding the client was generally answered – but many didn't mentioned conflict of interest checks needed, or how the property portfolio ownership was held and hence who the client actually was
- Part 2a – (as mentioned) was worth 25% of the marks, but often didn't seem to have 25% of the time and effort spent on it. Many gave an impressive and comprehensive list of every tenancy type for the last 50 years but this wasn't really necessary/asked for. The best answers were a list of practical questions you would need to cover off from the current managing agents, and what you would want and need from them (eg hard and soft copy files, plans etc)
- Part 2b – re the portfolio meeting the required standards of property compliance was on the whole well answered – with most of the key areas covered – the best answers were those which firstly stated the legislation/policy – then went on to relate this to the practical application on the ground ie what was needed to be done when and by whom
- Part 2c – whilst only 10% of the marks, matters re rent deposits and how they needed to be dealt with was well covered off, but collection of rents was often light on detail (client accounts set up, S/O mandates, rent arrears, balances on tenant ledgers, payment plans etc)
- Part 3 – asked re formalising the client relationship - too many simply focused on the terms of engagement (which whilst of course key) then didn't go on to cover matters such as ending the contract with the current agent, the scope of services to be executed, handover of files etc, client accounts, professional indemnity, reporting, remitting rent monies etc
- Part 4 – what you did next re the tenants was on the whole also well answered, from writing with contact details, sorting rent payment bank details, tenancy deposit transfers/certificates, and arranging property inspections as well as other matters including GDPR and emergency contact details etc

Paper Two - Question Three - Disposal of Property with CGT implications

Number of candidates answering	53
Percentage passed (%)	66
Average mark (%)	68.21
Top mark (%)	96
Lowest mark (%)	34

Question was generally formulaic and it was expected that candidates should have revised this topic and completed example calculations as it is a question often set.

53 candidates took the question, highest score was 96/100, lowest score was 34/100. 36 scored 65 or over amounting to a 67.92% pass rate.

Those who answered the question well had a broad grasp of the matter and were able to accurately and concisely detail all the key issues relevant to CGT, provide a generally accurate and correct computation, followed by brief but reasoned advice as to which reliefs might apply and any practical thoughts and views as to how your client could alter approach to benefit from reliefs, taking a reasonable view on the benefit it might offer. Most of the question could be answered by recalling factual information and whilst there was limited interpretation, the best answers neatly linked the two together in bullet point form.

Candidates who answer the question poorly appeared to either not know enough about the subject and as a result either became confused or made errors. Many of the poorer candidates either appeared to run out of time, had poor exam technique or simply did not know enough to write down a sufficient number of relevant, accurate points to be awarded sufficient marks.

It was relatively common that candidates identified the incorrect rate of taxation, more often than not confusing it with the rate for residential property, which did not apply in this case - limited marks were lost for this as marks were awarded for the computation process even if the actual figure was significantly incorrect.

It was common that potential eligible deductions to the chargeable gain were not noted, resulting in a higher taxation liability to be recorded than would be due.

Some elements of the answer were altered by the budget delivered two weeks prior to the exams. Most candidate did not appear to have picked up on these points, albeit they were small part of the overall score. It shows that candidates need to remain aware of current issues up to the date of the exam and onwards in their professional careers and not simply rely on text books and notes prepared previously – we live in a fluid world!

Paper Two - Question Four - Farm Letting. Tender exercise

Number of candidates answering	93
Percentage passed (%)	70
Average mark (%)	68.65
Top mark (%)	89
Lowest mark (%)	45

Most candidates had a good grasp of this question and were able to list the basic details needed for a farm letting brochure.

Fewer chose to set their answers out as requested with section and sub-section headings. Only a handful of candidates appreciated the potential pitfalls of drafting letting details as underlined by Crown Estate Commissioners -v- Wakley and accordingly very few thought to include any disclosures or to draw attention to Health & Safety requirements or safeguards. Concepts such as ingoing valuations, holdover and early entry were not considered by many, but generally this part of the question was well-answered.

Disappointingly a considerable number of candidates did not ask an applicant to disclose their financial standing with a list of assets and liabilities or accounts from their existing business (or at least make them available if short-listed). A considerable number did not expect to have any references.

The third part of the question could be answered in a number of ways and marks were gained by candidates who approached the issue in a considered way and looked at the issue from both the landlord's and tenant's viewpoint and how their investment may be rewarded/compensated in the light of the length of term.

Paper Two - Question Five – Diversification for holiday lets

Number of candidates answering	38
Percentage passed (%)	58
Average mark (%)	67.57
Top mark (%)	93
Lowest mark (%)	21

A relatively straight forward question provided candidates both read the question and answered accordingly.

Question asked for notes which enabled short answers but 2-3 word answers do need some further explanation in order to gain the marks.

Some candidates were astute enough to state their assumption as to the nature and term of the tenancy and demonstrate a practical and sensible understanding of the unknown.

Part A

Most candidates could consider the practical considerations and associated financial considerations. Most candidates answered at length but some answers were short for 25% of the marks and did need some detailed explanations.

Whilst candidates were not expected to be precise in letting charges, fees, etc some financial indication showed that they understood the market place and particularly key elements such as low and high season and potential voids.

Practical considerations also included impact on the farming business. More experienced candidates also commented on the standard of the accommodation, facilities provided, etc and impact on income.

Part B

Some candidates struggled to identify legislation – the obvious one being planning permission and/or missed the opportunity to provide relevant explanation of the potential for Class Q Development (England) and Scottish equivalent. This was opportunity to demonstrate practical useful information the client would need in the context of the question and these planning opportunities.

Candidates also commented on EPC (i.e. potential application for future residential use as opposed to just holiday lets), electrical and gas appliance safety requirements, furnishing fire requirements, etc. However once listed these did not give the same opportunities to show knowledge as comment on the planning situation.

Whilst most candidates referred to business rates and V.A.T. (with some candidates also commenting on the impact on income tax), unfortunately too many candidates saw this opportunity to comment on CGT and IHT implications for the Landlord / owner occupier without remembering that they were acting for the Tenant. Whilst these taxation implications may be relevant for Part C, in Part B it appeared to demonstrate that candidates were just “dumping” information without applying their answer to the question and it did not help gain marks.

Part C

There was a mixture of answers in this section with not all candidates demonstrating an understanding of negotiations with the Landlord to obtain consent to change buildings and use for a non-agricultural use, specifically to approach the issue of how the Tenant's investment was to be treated e.g. written consent as an improvement with compensation or indeed whether the Landlord would invest and the implications for sharing of income / overall impact on the farm rent.

This was the part of the question to consider the implications for the Landlord's tax position particularly IHT as this change of use would impact on the Landlord's APR.

Astute candidates did often make comment in part regarding the status and term of the tenancy in the context of what was the potential return for the Tenant during the tenancy versus the future improved capital value for the Landlord at the end of the tenancy.

Part D

Quite a few candidates appeared to be rushing this part and therefore gave too generalised answers. It was not a difficult part of the question. Although candidates had previously commented on income rates they did also need to include this in the context of assessing viability as well as the running costs previously referred. This would have made it easier for the candidate as they had already thought of these aspects earlier in the answer.

Astute candidates also considered the cost of finance as well as any additional rent to the Landlord. Poorer candidates simply listed a few headings for a general assessment of viability without relating it to the actual project.

Part E

Unfortunately few candidates considered the practicalities of managing a building project, obtaining a quote from a detailed specification and considering the funding of the building works and ensuring that the project sticks to a timescale. Most candidates were aware of CDM Regulations and the need for Health and Safety Assessments. There were practical suggestions about managing deliveries to the farm, etc but less acknowledgement of the need to manage finance timelines to ensure that the project was delivered in accordance with the budget and on time.

Paper Two - Question Six – Nutrient/Waste Management

Number of candidates answering	9
Percentage passed (%)	55.55
Average mark (%)	57.22
Top mark (%)	73
Lowest mark (%)	22

This was a topical farming question looking at the environmental impact of expanding a dairy enterprise and establishing a farm scale anaerobic digestion plant. It was broken down into six parts and was answered by 9 candidates.

Part (a) related to statutory and regulatory controls and was generally well answered. Most candidates were able to identify NVZs, Farming Rules for Water, SSAFO regulations and SMR1 (Cross Compliance) and were able to identify compliance criteria within those controls.

Part (b) was less well answered with too few candidates actually applying the controls they had already outlined, to the farming scenario set out in the question. There were very few specific references to the implications of the regulatory framework on the water course running through the farm and the important wetlands further downstream. For example, most references to buffer strips were just of a general nature and did not provide focussed advice to the client.

In part (c) candidates were asked to assess the capacity of the farm to store and spread nutrients and there was a mixed understanding of this with a surprising number of candidates not mentioning livestock numbers or rainfall and simply restating the statutory and regulatory criteria. This continues the theme of demonstrating knowledge but not applying it to the case in question.

The largest number of marks were awarded to part (d) and it was well answered, with most candidates demonstrating a good knowledge of the appropriate measures and funding streams under Countryside Stewardship (Capital Grants), Catchment Sensitive Farming and the future Slurry Investment Fund. Common items included various forms of buffer strips and covering slurry stores.

Not surprisingly, most candidates were well-aware of efficient slurry spreading systems and machinery (part (e)) such as injection equipment and trailing shoes, as well as slurry store covers. Only a few candidates mentioned the benefits of maintaining and repairing rainwater systems and ensuring that roof water and clean yard water was directed away from effluent stores.

Part (f) was less well answered, with only a few candidates demonstrating knowledge and understanding of the Annual Investments Allowance and the ability to write off up to £1 million against income tax in the year of acquisition.

Paper Two - Question Seven – Estate Contract

Number of candidates answering	23
Percentage passed (%)	39
Average mark (%)	59.57
Top mark (%)	72
Lowest mark (%)	37

This question sought to examine candidates' knowledge and understanding of preparing a Management Agreement for a newly won estate management instruction, as well as explaining the statutory and regulatory framework against which the Management Agreement was to operate and comply. It was answered by 23 candidates.

Part (a) was reasonably well answered with most candidates identifying the need for terms of business, to see and have copies of tenancy agreements and to check residential letting compliance (gas safety certificates, EPCs, carbon monoxide alarms etc). The better answers talked about Employers' and Occupiers' Liability insurance, data protection and tenancy deposit scheme. Only one candidate raised the possibility of TUPE being something to consider.

Part (b) was broken down into two parts: What should the agreement cover; and What should the fee basis be?

Many candidates struggled with the former part of the question with too many simply quoting RICS requirements such as anti-money laundering, client accounting and terms of engagement. The better answers also referred to rent collection systems and services, instructing contractors, health and safety policies and implementation, as well as limiting liability.

Conversely, the issue of fees was very well answered, sending a clear message of commerciality! Most answers included a combination of fee basis including a percentage of rent roll, hourly rates and fixed fees. The best answers identified which parts of estate management work the different fee bases were most appropriate for, with the best answers quantifying what those rates might be.

The last part of the question looked at regularising an informal letting, which most candidates assumed to be a commercial unit. The question was divided into two parts and asked for an explanation of the process and the reasons why you would want a formal agreement. Virtually all candidates were aware of the issues of security of tenure under the LTA 1985 and explained in great detail the statutory renewal provisions and how to contract out of these. Only a few candidates looked more widely at the difficulties thrown up by informal agreements in terms of rent reviews, repairing liabilities, dispute resolution etc. In terms of the process of putting in place a formal agreement, the majority of candidates demonstrated a good knowledge and understanding of engaging and negotiating with the tenant, preparing Heads of Terms and instructing solicitors.

Ends.