

CAAV EXAMINATIONS 2008 – ORAL QUESTIONS

CAAV EXAMINATIONS – NOVEMBER 2008

National Oral Questions

Note – Each Examination Centre should select three of these six questions for use. Those three chosen questions are to be asked of all candidates attending the Oral. Each question carries 5 marks and so this section of the Oral carries 15 of the 50 marks with the remaining 35 marks turning on the topic.

Centres with candidates whose experience is in Wales or Scotland should consider this when selecting the questions and marking any points arising from that practice which may be given in their answers.

CAAV EXAMINATIONS 2008 – ORAL QUESTIONS

QUESTION 1

What national strategies are in place to contain Bluetongue?

AI. Background - Since Bluetongue Virus (BTV) arrived in the UK in August 2007, the measures taken by DEFRA, the Welsh Assembly and the Scottish Executive have been governed by the BTV Control Strategy, devised under EU regulations and applying to Great Britain.

Once BTV was identified as circulating, no state compensation for animals destroyed was then available. Compulsory slaughter is not being used as the disease is not spread from animal to animal but by midges. Responding to the disease is now purely an animal welfare responsibility of the farmer. As a notifiable disease, cases must be reported.

The Core Measures - Since then, policy has relied on:

- area-based movement controls
- promoting vaccination – now the key policy
- continued surveillance

Area Controls - DEFRA initially established a Bluetongue Temporary Control Area 20 km around infected sites under the BTV Control Strategy. As infection spread, the areas became larger and under EU rules soon became:

- an inner **BT Protection Zone** with a boundary broadly 100 km around infected sites. While susceptible animals can be moved within the PZ, they may not be moved out of it save
 - to slaughter, or now
 - if certified as vaccinated (see below).
- beyond that a **BT Surveillance Zone** extending roughly a further 50 km.

As BTV spread in England, so Wales initially operated a Restricted Zone in south east Wales but this has also been enlarged to give an all Wales Protection Zone, easing vaccination and movement.

Vaccination - Once vaccines for the strain BTV-8 were developed and produced in sufficient quantities, DEFRA and the Welsh Assembly have made them available on a rolling programme within the PZ, working outwards from the areas of greatest apparent infection. As EU rules only allow vaccination within the PZ its boundaries were then progressively extended so it now includes all of England – with a similar provision in Wales.

The policy has been to promote vaccination on a voluntary basis. DEFRA and WAG ordered large volumes of the vaccine to encourage the manufacturers. These have then been made available for farmers and vets to buy and use. For a variety of legal and operational reasons, compulsory vaccination of stock was thought to be less effective in practice. Cattle need two doses, a month apart; sheep only one. Booster injections will be needed a year later.

Animals may now be moved out of the PZ where they:

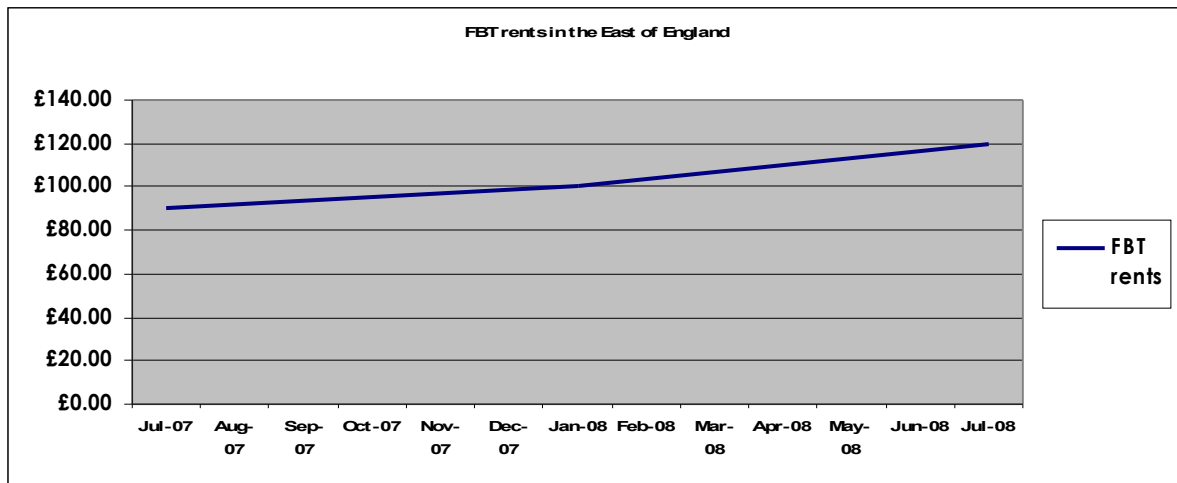
- were vaccinated more than 60 days earlier (but within the period of immunity conferred by the vaccine)
- have been PCR tested with negative results 14 days after the vaccine would have given immunity.
- were kept in the vector free period more than 60 days before vaccination and after the date the vaccine would give immunity.

CAAV EXAMINATIONS 2008 – ORAL QUESTIONS

QUESTION 2

Give a very brief overview of the trend in FBT rents over the last twelve months.

A2. Very much dependent on the area of the country, there has been a gradual increase in FBT rents across the country. In the East, for example, the rise is as shown below. Examiners should know their own areas and elicit some hard facts from the candidates to see how much they know of their local FBT rentals. Some offers can completely buck the trends, of course, and these are where demand is particularly fierce.

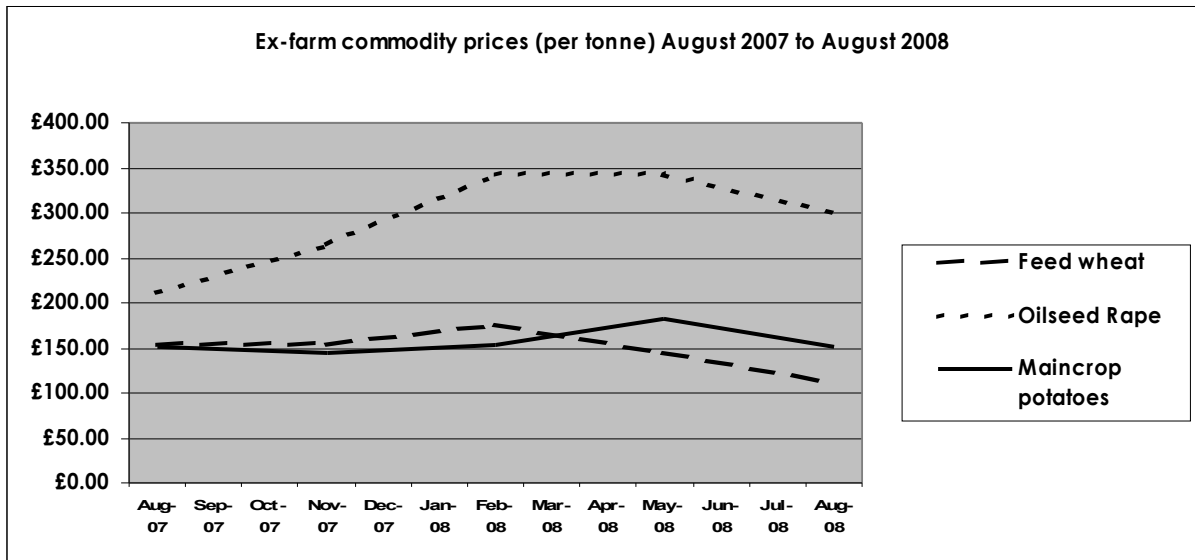


CAAV EXAMINATIONS 2008 – ORAL QUESTIONS

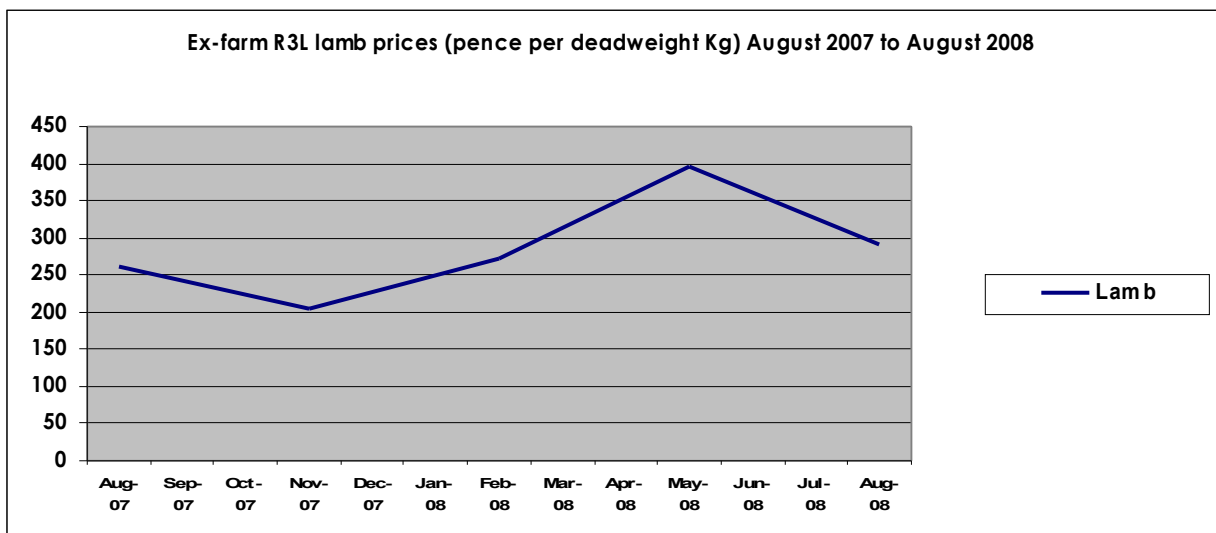
QUESTION 3

What has happened to ex-farm product prices over the last year, particularly in respect of feed wheat, oil seed rape and potatoes/lamb*? (*choose one or the other)

A3. The national picture is as per the attached graph for wheat, oil-seed rape and potatoes (it may be a slightly different set of results for the area in which each examination is set but will normally follow the same general trends).



Lamb is slightly more complicated – see the graph below. A broad following of this trend by the candidate would suffice. Significantly different answers, as long as there is good justification (specific evidence), will be allowed.



QUESTION 4

What are EPCs and what effect will they have on buildings within a farm holding over the next few years?

A4. What are EPCs? EPCs are Energy Performance Certificates, required by EU law to report energy ratings for buildings. The certificate provides a rating between 'A' and 'G' for a building, with 'A' being the most energy efficient and 'G' being the least, with the average, up to now, being 'D'. There is a list of approved energy assessors for this work. An EPC is valid for 10 years.

In principle, an EPC is required when a building or dwelling is:

- *built or substantially reconstructed*
- *is to be sold or leased when it the responsibility of the prospective vendor or landlord to make the EPC available free of charge to the purchaser or tenant, at the latest before they enter into a contract to buy or rent the property.*

EPCs for dwellings are now a generally compulsory element of Home Information Packs (HIPs) – but do not apply when the dwelling is sold with more than 5 ha of land.

***EPCs and Buildings.** From 1st October 2008 EPCs are required by law whenever a qualifying building is built, sold, rented out or subject to major reconstruction. Earlier in the year, it only applied to larger buildings. EPCs are not required where property changes hands on the extension of a lease, the termination of a lease or compulsory purchase.*

For an EPC to be required, a building must:

- *have a roof and walls; and*
- *use energy to condition the indoor climate. This is the case where the building has fixed heating, mechanical ventilation or air conditioning services that “condition” the air.*

If an industrial or agricultural building has a “low energy demand” because it does not “condition” air, as opposed to the heat that may be used in an industrial process, it will not need an EPC. Dutch barns, cattle sheds, machinery stores and milking parlours would be exempt. We are still waiting for confirmation that this would mean grain driers do not need EPCs and as to the position for chilled vegetable stores. Intensive pig and poultry buildings with controlled internal climates (whether heating, mechanical ventilation or air conditioning) would need an EPC.

Indicative costs of an EPC for a commercial building are in the range £0.70 to £2.00 per m².

The penalty for not providing an EPC for a building when one is required is 12.5% of its rateable value but not less than £500 and not more than £5000. However, as most agricultural buildings are not rated the default figure of £750 would apply.

CAAV EXAMINATIONS 2008 – ORAL QUESTIONS

QUESTION 5

Acting for the Landlord what are the key terms you would expect to include in a lease for a site for a telecoms mast?

A5. Key terms would include:

- *Rent*
- *Rent review procedures*
- *Term and Break clauses*
- *Assignment & alienation*
- *Restriction on site sharing and use*
- *Provision for share of income from sub-letting where appropriate*
- *Provisions for removal and reinstatement of equipment on termination*
- *Provisions for replacement of equipment during the term*
- *Insurance*
- *Access for construction/development*
- *Subsequent access for maintenance, etc*

CAAV EXAMINATIONS 2008 – ORAL QUESTIONS

QUESTION 6

Your client, a landlord, has agreed in principle to re-let a farm to the son of the existing tenant on a 10 year FBT. Both parties are concerned at the potential difference in rent levels between the two codes and the impact at review. What advice would you offer to ease this concern?

A6. *There are opportunities for the parties to agree a fixed rent for the term or reference to an index which they agree, provided that doesn't involve interpretation.*

Prior to TRIG parties might have constructed a proxy for AHA rents by reference to a "control" field let under an AHA agreement or some other means of referring to levels or movements of other AHA rents. However, post-TRIG the parties can now incorporate AHA (or other) terms into an FBT agreement and that would seem the obvious approach in this case.

All these alternatives require care over the drafting of the relevant clauses.