



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

PRACTICAL EXAMINATION PAPER

WEDNESDAY 12 NOVEMBER 2014

**MIDDLE FARM
TOCKENHAM
ROYAL WOOTTON BASSETT
WILTSHIRE
SN4 7PW**

**BY KIND PERMISSION OF
MESSRS J WEBB & D PALMER**

All candidates will be deemed to have read the Central Association of Agricultural Valuers 2014 publication "Guidelines for the Practical, Written and Oral Examinations" and be familiar with the contents.

Important Notes:

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

NOTES TO CANDIDATES

1. Notebooks, question papers and CAAV publications for both morning and afternoon sessions of the practical examination will be handed to each Candidate at the initial briefing. All answers, calculations and any assumptions must be properly recorded in the notebook.
2. This exam paper comprises 10 typed pages plus 2 blank pages for notes plus 1 double sided plan. While on the farm, you will be able to make and retain notes on this examination paper which can be taken into the examination room for use in the afternoon written paper. The notes for the oral question are to be made on the yellow paper provided.
3. Whilst undertaking their valuations and inspection, Candidates must appraise the holding, taking particular note of what is to be seen on the farm as this will be of relevance to the afternoon session and to the interview.
4. Candidates will answer all questions during the morning session in the notebooks provided, in pencil. Examiners will look for an orderly format to the notebook and marks will be awarded for the Candidate's approach and for the presentation of the notebook. CAAV guidance on approaches to notebook layout has been prepared. Candidates will not be marked down for their choice of format, provided it is clear and logical.
5. Half an hour will be allowed before the end of the morning's examination for the completion of calculations and a final check on answers. The notebooks will then be collected by the Examiners at the end of the morning session.
6. No information will be provided other than that given in the questions. You should answer the morning's questions in the order the questions are presented to you. The examiners will control timing.
7. The Candidate's number and practice area should be written on the top right-hand corner of the front cover of the notebook.
8. Please prepare your notebook including a summary page and index, using the following information:

Holding:	Middle Farm, Tockenham, Royal Wootton Bassett, Wiltshire, SN4 7PW
Owner	Reginald Brockenworth
Occupier	Messrs J Webb & D Palmer

9. Where applicable you should show any assumptions that you have made in arriving at your answers. In respect of the valuations required on a stocktaking basis, you should clearly state which alternative method of valuation (as required by BEN19) has been adopted.
10. Candidates are under examination conditions and will be supervised throughout the day including during lunch.
11. **CANDIDATES MUST NOT CONVERSE WITH EACH OTHER. BREACH OF THIS RULE MAY DISQUALIFY A CANDIDATE**
12. Marks are available in each section as follows:

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

To pass, candidates will need to achieve 65% across the whole examination (that is 195 marks out of 300) with not less than 60% in any of the Written, Practical or Oral parts.

PRACTICAL EXAMINATION PAPER

TIMETABLE

8.00 am	Meet at The Wiltshire Hotel, Vastern, Royal Wootton Bassett, Wiltshire, SN4 7PB
8.20 am	Depart for Middle Farm, Tockenham
8.45 am	Introduction and briefing by the Exam Group Chairman and distribution of examination papers
9.00 am – 12.30 pm	Inspection of items included in the practical examination papers and of property relevant to the afternoon written paper and oral questions.
12.30 pm – 13.00 pm	Completion of morning note books and separate notes for the afternoon written paper and oral interview. A covered seating area will be available
13.00 pm	Morning note books are collected by examiners. Return to The Wiltshire Hotel for lunch.
c. 13.45 pm	Afternoon written paper at The Wiltshire Hotel answering four questions out of five from notes made during the morning inspection.
c. 16.15 pm	Completion of the examination. Having handed in all papers and documents (with the exception of your notes for the oral examination which you may keep and take into the oral interview) candidates are then free to leave.

MORNING QUESTIONS

1. Answers to be written in the Note Book provided.
2. Candidates should mark their Note Book and papers with their examination number but **NOT** their name.
3. Candidates should indicate on the inside cover of their Note Book the general geographical area they work in and similarly on the first page of their afternoon answers.

ORAL QUESTION

Candidates may make notes on the **yellow paper** provided. These notes will be retained by the candidate and brought to the Oral Interview. No other books, notes or materials may be brought into the Interview.

AFTERNOON QUESTIONS

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

MORNING PAPER

Time Allowed: 3 ½ hours plus an additional ½ hour for completion of the notebook

To be answered in pencil in the Note Book provided.

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

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

You will be acting for the Tenant who occupies Middle Farm on an Agricultural Holdings Act 1986 Tenancy with Model Clauses unless otherwise advised.

Answer ALL the questions in this section

QUESTION 1 (10 marks)

- a) Machinery & Equipment
Select five items of machinery from the items shown to you labelled A - G and value them on a market value basis. (5 marks)
- b) Commodities
Identify and give the current market value in £/t or £/kg for each of the five items shown to you and labelled 1 – 5 (5 marks)
-

QUESTION 2 (10 marks)

Your client is keen to make sure his own farm buildings are not under insured and has asked you to assess the rebuilding cost of the building which is a Tenant's fixture shown to you and hatched Blue on Plan 1 which has been missed from the insurance schedule.

- a) Provide a full description of the building (6 marks)
- b) Provide a full valuation figure for insurance reinstatement purposes showing the calculations you would make and noting specific issues that would apply to this valuation (4 marks)
-

QUESTION 3 (15 marks)

Your client is considering letting out the building hatched Red on Plan 1 for general storage.

Ahead of a meeting with your client, make notes on:

- a) The likely practical issues your client will have to consider if they are to let out this building (10 marks)
- b) The likely legislative issues your client will have to consider if they are to let out this building (5 marks)
-

QUESTION 4 (15 marks)

Mr Smith the herdsman has decided to retire after 30 years working at Middle Farm at the end of the year. He currently lives in the 4 bedroom bungalow on the farm drive, hatched Green on the Plan 1. The house is not subject to an agricultural occupancy condition.

- a) Advise on the current and future legal rights of both Mr Smith and our client (4 marks)
- b) Advise your client on the likely rental value of the property assuming Mr Smith continues to occupy the property and how will this be calculated. The property has a separate kitchen, dining room and living room. Two of the bedrooms have en-suite and there is a large bathroom. The property amounts to 185m². Please list the points that would be excluded in this calculation

Assuming the rent is agreed how often can the rent be revised?

- c) Your client needs to recruit a new farm worker and imagines he will need to provide accommodation. Advise your client on his options (6 marks)

QUESTION 5 (10 marks)

- a) Livestock
Describe and value the 2 dairy cows shown to you on a market value basis (3 marks)
- b) Livestock
Describe and value the 2 calves shown to you for annual stocktaking purposes (3 marks)
- c) Harvested Crops
Identify and value on a £/t basis the harvested crops shown to you and labelled W, X, Y and Z (4 marks)

QUESTION 6 (15 marks)

Wessex Water has served notice for a new water main as shown as a Blue line on the Plan 2.

- a) Make bullet point notes for a meeting with your client, the Tenant farmer, identifying the main practical issues that will need to be raised in negotiations (8 marks)
 - b) What is the relevant legislation and what is the normal notice period? (2 marks)
 - c) What are the Tenant's heads of claim for compensation? (2 marks)
 - d) What would the Landlord's main head of claim be? How is this typically calculated? (3 marks)
-

QUESTION 7 (10 marks)

The Landlord has offered your client the field hatched Brown on Plan 2 on a 5 year Farm Business Tenancy agreement commencing with immediate effect.

- a) Identify the crop in the field (2 marks)
- b) Advise your client on the likely rental value per acre assuming that the entitlements for the Basic Payment Scheme will be leased to the Tenant for the duration of the tenancy (1 mark)
- c) Your client has agreed with the outgoing Tenant to reimburse them the costs of establishing the current crop on a per acre basis. Undertake a valuation of the growing crop on the assumption that the valuation is of today's date showing likely cultivations and costings and costs of inputs supplied (7 marks)

Morning Paper	85 marks
Presentation of the Notebook	5 marks
TOTAL	90 marks

THE ORAL INTERVIEW

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

Candidates should pay particular attention to the area shown to you and shaded yellow on Plan 1 including its physical characteristics, condition and uses.

Candidates should make notes on the **yellow paper** provided and take them away at the end of the first day's examination. **Candidates are permitted to bring these notes to the interview.** No other books, notes or materials may be brought into the interview. *(25 marks)*

In addition there will be two technical questions set Nationally drawing on your relevant general knowledge of subjects within the syllabus and 10 quick fire questions again set Nationally *(15 marks)*

The candidate's oral communication skills will also be tested across the whole of the oral examination (10 marks)

TOTAL

50 marks

AFTERNOON PAPER

Time allowed: 2 ½ hours

To be answered on the A4 paper provided. Please use a fresh piece of paper for each question answered

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

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

QUESTION 8 (15 marks)

Terms have been agreed and consent granted by the Landlord allowing the Tenant to build a new farm workers dwelling subject to planning permission in the field opposite the existing bungalow and grain store in the area hatched Orange on Plan 1.

Following your initial site meeting draft a letter in answer to the following queries raised during your meeting in order to proceed with an application:

- a) Explain the process detailing timescales, costs, documents and reports required for a submission highlighting all practical issues that should be considered (8 marks)
- b) What information you require from the Tenant to justify an essential need for a rural worker to live permanently onsite (5 marks)
- c) Any additional information that you would send with your letter that is relevant to your instruction (2 marks)

QUESTION 9 (15 marks)

A footpath crosses through Middle Farm as shown as a Pink line on Plan 2. Your client, the Tenant of the farm, has asked for the following advice:

- a) What are his responsibilities for maintenance of the footpath for the extent shown Pink, and for any health and safety measures required taking into consideration the route across the farm? (5 marks)
- b) Your client would like to move the route of the footpath to a more convenient route shown as a dotted Pink line on Plan 2. How might this be achieved? (10 marks)

Please prepare bullet point notes ahead of your meeting.

QUESTION 10 (15 marks)

Your client has read in the Farmers Weekly about the new Common Agricultural Policy and has asked your advice about the changes to the Single Payment Scheme and what he needs to do to comply with the new regulations.

Your client has informed you that Middle Farm comprises the following:

27 Ha Permanent Pasture

17 Ha 3 year ley

20 Ha Maize

1 Ha Trees and tracks

In advance of a meeting with your client to discuss this prepare notes on the following:

- a) Taking into account your clients farm, the topography and the current management regime set out the basic requirements of the new Scheme that will apply to your client (5 marks)
- b) Prepare the calculations required to advise your client on what practical changes he needs to do to comply with the new requirements and set out your recommendations in this respect (10 marks)

QUESTION 11 (15 marks)

Your client, the Tenant, has informed you that he has recently purchased an additional 50 dairy cows. He has asked to meet with you to discuss the impact that this increase in cow numbers will have on his compliance under the Nitrate Vulnerable Zone (NVZ) Regulations.

- a) Under the NVZ regulations what calculations will he be required to update and what are the steps in preparing these calculations? (you are not required to quantify the calculations) (4 marks)
 - b) The existing slurry tank will not have the capacity for the increase in cow numbers and your client believes he will need additional capacity. What are his options under his agricultural holding act 1986 tenancy agreement? (5 marks)
 - c) What are the practical issues your client will have to consider before constructing the additional slurry storage? (4 marks)
 - d) What are the legislative issues your client will have to consider before constructing the additional slurry storage? (2 marks)
-

QUESTION 12 (15 marks)

Your client is considering a Ground Mounted Solar PV installation on the farm in the area hatched Grey on Plan 2. The proposed system will be paid for, and operated by your client. This will not be a developer led, Large Scale Solar Farm.

- a) Make site specific notes on the implications of your clients chosen location (5 marks)
 - b) Make notes detailing the basis of a likely income stream, and how this relates to the existing farming business (5 marks)
 - c) Make notes briefing your client on the operation of the government incentive scheme (5 marks)
-