

**WRITTEN EXAMINATION**

**PAPER I**

**15 NOVEMBER 2012**

**9.00am – 10.30am**

**Time Allowed – 1½ Hours**

**Instructions to Candidates:**

1. Complete the Green Examination Information Sheet by stating your examination candidate number (not your name) together with the area in which you are practising and the local Association of which you are a member. Attach the green sheet to the top of your answer pad and ring the numbers of the **two** questions that you have answered.
2. Write your candidate number, the number of the question and the page number in the top right hand corner of each page.
3. Write on one side of the paper only, leaving the margin on the left- hand side.
4. Start each answer on a separate sheet and place your answers in numerical order.
5. Time has been allowed for you to read through the Question Paper **and plan** your answers.
6. You should attempt to answer **two** out of the three questions, ringing their numbers on the green sheet. Where relevant state whether you are answering for England, Wales or Scotland.
7. All questions carry equal marks: 20 each.
8. Questions are framed so as to minimise the need to make assumptions but state clearly any that you do make and the reasons for them.
9. Where appropriate, you will be expected to state the relevant Act, Statutory Instrument or case upon which you have based your answers.
10. You may use imperial or metric measurements in your answers. Please indicate which units you are using.
11. The presentation and clarity of your answers is important.

## PAPER 1 Q1

Please make **brief notes** on **5** out of the following **8** subject areas:

- 1) Planning – *one of the following*:
  - (a) The National Planning Policy Framework (England)
  - (b) TAN 6 (Wales)
  - (c) SPP15 (Scotland)
- 2) What facts do you need to check to ascertain if land is eligible for the Single Payment Scheme?
- 3) Explain in the context of a let farm what you understand by the terms ‘term & reversion’ and ‘vacant possession premium’.
- 4) Entrepreneurs’ Relief – what is it and how does it work?
- 5) General Permitted Development Orders relating to a client’s agricultural unit of 20 hectares – what is permitted and what is not ?
- 6) Severance and Injurious Affection – explain what these terms mean, their application and statutory references.
- 7) EITHER - *For England and Wales Candidates*
  - (i) Explain the procedures to exclude security of tenure from a Landlord and Tenant Act 1954 tenancy.OR - *For Scottish Candidates*
  - (ii) Explain the rules for terminating a Limited Duration Tenancy and what happens if they are not followed.
- 8) Explain what Feed in Tariffs are in relation to solar pv installations. How they work and how much you would receive.

**4 marks per subject – 20 marks in all**

## PAPER 1 Q2

Your firm has been asked by the owner of a farm if you could provide his bank with a security valuation of his property because he is moving banks and he needs to give security over his land to the new bank to cover his borrowings. He doesn't know much about valuations and asks for your advice about what is involved.

Set out in **note form** your advice to the firm's client on the following matters:

- 1) What sort of valuation does he need?  
(1 mark)
- 2) Briefly explain the basic standards, rules and guidance governing this type of valuation, covering in particular:
  - i) Who administers the rules and where are they to be found?  
(2 marks)
  - ii) What types of assets are covered by these rules?  
(1 mark)
  - iii) What type of valuations are **not** covered by these rules  
(2 marks)
  - iv) There are 6 valuation standards given in these rules. One covers valuation reports and is referred to in Part 3 below. Give details of 3 of the other standards  
(6 marks – 2 each)
- 3) Assume your firm has now been instructed to carry out the valuation. Set out in the form of **headings** an outline for the valuation report briefly describing the minimum information and content required in the valuation as set out in the standards.  
(Note: no description of the property or assumed valuation figures are required from candidates).  
(8 marks)

## PAPER 1 Q3

Home Farm was let on a traditional agricultural tenancy in 1982. The tenant has recently died. You have been asked by the son to advise him on the possibility of succeeding to the tenancy.

The brief facts are:

Home Farm comprises 500 acres arable land, a 4 bed farmhouse, a 3 bed cottage and a range of farm buildings. The deceased and his son were in partnership. They farm another 300 acres on contract and own 100 acres of arable land – a total of 900 acres. The son is 26 years old and lives in the cottage, he runs a fencing business from the farm to supplement his income. He has worked on the farm for 5 years and prior to that was at agricultural college where he obtained a HND in Farm Management/Agriculture.

*For England and Wales candidates* - please assume that the landlord has served a Case G Notice to Quit.

*For Scottish candidates* – please assume Landlord serves all relevant notices

In a **letter** please advise the son:

- a) What action he should take to succeed to the tenancy.  
**(5 marks)**
  
- b) What tests will be applied in considering his case to succeed to the tenancy and what your advice is as to whether he is likely to satisfy those tests.  
**(12 marks)**
  
- c) How might the Landlord seek to pursue the operation of the Notice to Quit? What will this mean and what can your client do to oppose it?  
**(3 marks)**