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# MONTHLY FARMING UPDATE

# September 2024







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## I Policy issues

- 1 The Labour Government has announced 'a new deal for farmers' which will include:
  - Optimising Environmental Land Management schemes to produce the right outcome for all farmers, particularly small, grassland, upland and tenanted farms, while delivering food security and nature recovery in a just and equitable way.
  - Seeking a new veterinary agreement with the European Union to reduce red tape and enhance food exports.
  - Protecting farmers from being undercut by low welfare and low standards in trade deals.
  - Using the Government's purchasing power to back British produce.
  - Speeding up the building of flood defences and natural flood management schemes and introducing a new flood resilience taskforce.
  - Introducing a land-use framework which balances long-term food security and nature recovery.
- 2 The new Government has announced a rapid review of the Environmental Improvement Plan to be completed by the end of the year.

## II Reform

- 1 The first Sustainable Farming Incentive agreements for 2024 have gone live.
- 2 In the period April to July, the number of Sustainable Farming Incentive 2023 agreements has increased by 67 per cent to 23,200. The areas with the largest number of agreements are Devon 2,100, East Anglia 1,900 and North Yorkshire 1,800. The lowest numbers covering rural areas are West Yorkshire 200, South Yorkshire, Bedfordshire and Hertfordshire, Hampshire and Isle of Wight and Kent, all 400.
- 3 The Soil Association is to run the Future Farm Resilience programme on behalf of Defra. Business planning advice will be provided to help farms adapt to new support policies. Particular emphasis will be placed on how organic and low input farmers can secure government incentives through nature-friendly farming.

## III Grants/regulations/legislation/environment

- 1 The National Alternative Protein Innovation Centre, hosted by the University of Leeds and co-led by the James Hutton Institute, the University of Sheffield and Imperial College and costing £38 millions, has received £15 millions of funding from the Biotechnology and Biological Sciences Research Council and Innovate UK. The centre will conduct research into alternatives to animal products including cultured meat and insect-based proteins.
- 2 The Royal Veterinary College has been awarded £1.2 millions from the Bezos Earth Fund to research how methane-producing microorganisms colonise the gastro-intestinal tract of calves in the first 6 weeks of life and how they impact on the developing immune system. The project is designed to provide information on the optimal way to administer any potential vaccine to reduce methane production.
- 3 Environmental charity Hubbub has launched a 'Community Nature Network'. With funding from the Wates Family Enterprise Trust and the Bentley Environmental Foundation, the Network will offer funding opportunities, free resources, guidance and peer to peer support to community groups who wish to establish new green spaces or improve existing ones.



- 4 With effect from April 2026, all non-black, recyclable PET or PP plastic plant pots will be accepted in household kerbside recycling in England.
- 5 A total of £500,000 has been made available by the Royal Countryside Fund in association with the National Lottery Community Fund to revitalise rural communities in Cumbria and Northumberland by funding original, innovative projects that address the unique challenges and opportunities they face.
- 6 The 5<sup>th</sup> round of Scotland's Food & Drink Partnership Regional Food Fund has opened for applications. £100,000 is available with maximum grants of £5,000 to promote regional food activity.
- 7 Confirmed Asian Hornet sightings in August occurred in Great Maxfield, East Sussex, Ramsgate, Alkham near Dover and Lydden near Dover.

#### **IV Other matters of farm finance and tenure**

- 1 A report from the National Audit Office reveals that the UK produced 62 per cent of the food it consumed last year but expresses concern that the removal of the Basic Payment and the introduction of the Sustainable Farming Incentive could see 40 per cent of farms close unless they are able to implement productivity improvements.
- 2 Final data has been published of land use in England as at 1 June 2023:
  - The utilised agricultural area was 8.8 million hectares, 68 per cent of the total area of England.
  - The total croppable area remained stable at 4.9 million hectares, 55 per cent of the total agricultural area.
  - Permanent grassland fell by 2.9 per cent to 3.5 million hectares.
  - Arable crops fell by 1.3 per cent to 3.7 million hectares.
  - Cereals accounted for 70 per cent of the arable area at 2.6 million hectares.
  - The wheat area fell by 5.3 per cent to 1.58 million hectares but barley increased by 2.2 per cent to 799,000 hectares.
  - Oilseed crops increased by 3.4 per cent to 369,000 hectares with oilseed rape accounting for 93 per cent of this area.
  - The potato area fell by 12 per cent to 82,000 hectares.
  - The field beans area increased by 1.2 per cent while maize increased by 7.5 per cent.
  - The area of horticultural crops fell by 6.3 per cent to 117,000 hectares.
  - The area of agricultural land owned fell by 0.5 per cent to 6.2 million hectares while rented land fell by 0.9 per cent to 2.9 million hectares.
- 3 Data on England's 'material footprint', the measure of the global primarily raw material extraction attributable to final domestic demand for goods and services, has been published:
  - In 2021, England's material footprint was estimated to be 975 million tonnes, 84 per cent of the UK's material footprint.
  - 2021 material footprint was 19 per cent lower than in 2004, the highest point.
  - Non-metallic minerals made up 51 per cent and biomass 26 per cent.
  - Material footprint was primarily associated with household consumption at 51 per cent, with gross fixed capital formation at 28 per cent and expenditure on government services at 17 per cent.



- 4 A survey conducted by Investec Wealth & Management has revealed that 70 per cent of UK farmers have invested in renewables with 68 per cent having invested in biomass energy, 51 per cent in wind energy, 39 per cent in solar energy, 23 per cent in hydropower and 14 per cent in battery energy storage systems. Only 2 per cent claimed not to be involved in any renewable energy operations. 90 per cent claim to have received approaches from third parties seeking to purchase carbon credits.
- 5 A survey conducted by The Farming Community Network and Agriconnect has revealed that 50 per cent of farmers have financial worries while 60 per cent intend to change their cropping pattern for the coming season.
- 6 Covering the year to February 2023, Defra statistics on farm management practices show:
  - 86 per cent of farms undertook at least one business management practice, with 60 per cent producing an informal business plan.
  - 28 per cent had no risk management strategy, 81 per cent had no crop damage insurance and 81 per cent of livestock farms had no animal health insurance.
  - 41 per cent of farms considered there was no further need for more business or risk management practices as necessary practices were already being carried out.
  - 92 per cent of farms accessed business management advice with advice at no cost being the most common at 57 per cent.
  - 97 per cent of farms accessed technical advice with the farming media the most common source at 70 per cent.
- 7 The Agricultural Price Index for June for outputs increased by 6.7 per cent, compared to a year earlier, but fell by 0.4 per cent compared to May. The index for inputs fell by 4.5 per cent and 0.4 per cent respectively.
- 8 The Upper Tribunal (Lands Chamber) has ruled in favour of increasing the standard rental value of 'unexceptional' rural greenfield sites from £750 per annum to £1,750 per annum.

## **V Product prices**

### **A Market background**

- 1 Sterling closed unchanged against the Euro and marginally up against the US Dollar, having been weaker against both during the month. Opening the month against the Euro at 84.2p, Sterling fell early on to a low of 86.2p but recovered for the remainder of the month to a peak of 84.0p before relaxing in the final days to close at 84.2p per € (unchanged). Against the US Dollar, Sterling dropped from its opening position of 77.8p, to an early low of 78.9p, then improving to a peak of 75.4p, the highest since March 2022, before falling back to close the month at 76.2p per \$ (1.6p stronger).
- 2 The gold price improved early but then followed a broadly level trend with some volatility mixed in. Opening at £1,861 per troy ounce, it peaked multiple times at £1,941 and fell as low as £1,856, before settling at a closing price of £1,910 per troy ounce (a gain of £49).
- 3 Crude oil prices remained moderately volatile this month, albeit with a level trend. Brent Crude opened at \$79.78 per barrel and fell to \$76.30 on two separate occasions, peaking at \$82.30 in between, before dropping to a close of \$78.80 per barrel, a net fall of \$0.98.





## B Crops

- 1 The cereals market fell back marginally this month as the harvest results from the northern hemisphere became clearer. Underlying this were a number of competing factors: disappointing French, German and UK results (yields below expectation, low protein levels and ergot); competition from material volumes of Black Sea crop; relative strength of Sterling in the foreign exchange market; and improved forecasts for US wheat and maize production; all compounded by speculative trading. Average milling premiums have relaxed further, dropping just below £60 per tonne. Feed wheat futures fell across the board this month but finished with an upturn; by late August deliveries for November 2024 and 2025 were £181/tonne (-11) and £191/tonne (-12) respectively; whilst deliveries in November 2026 opened at £201/tonne but fell to close the month at £191/tonne (-10). The oilseed rape market fell back, tracking the wider oilseeds market, led by soya in particular; the longer-term outlook has positive potential as the global volume of available oilseed rape is lower than in recent years. The pulse market fell materially for the second month in a row; pea and bean prices now sit £75 below the price at the end of June.

Average spot prices in late August (per tonne ex-farm): feed wheat £174 (-1); milling wheat £233 (-5); feed barley £147 (+5); oilseed rape £372 (-16); feed peas £210 (-35); feed beans £206 (-35).

## C Livestock

- 1 The average live-weight cattle prices for steers and heifers both closed higher this month. The average steer price, from its opening average of 271p/kg lw, rose to 277p/kg, fell back to 272p/kg and peaked at 290p/kg, before falling again to close at 282p/kg lw (up 11p, to sit 17p/kg above the average a year earlier). The average finished heifer price first rose marginally from its opening position of 279p/kg lw to peak at 282p/kg before falling back to 275p/kg; a late recovery produced a closing average of 292p/kg (up 13p, to sit 15p above the average a year earlier). The average dairy cow price remained volatile: falling from its opening position of £1,483 per head to a low of £1,440, then peaking at £1,620 before dropping back to £1,522 and recovering to close the month at £1,572 per head (up £89 to sit £186 below the prior year average).
- 2 The average finished lamb price (SQQ liveweight, new season) closed marginally down, having been higher earlier in the month. Opening at 303p/kg lw, the average rose to 309p/kg in the early stages but fell back after that to close the month at 298p/kg, down 5p/kg but 43p/kg above the average a year earlier.
- 3 The average UK all pig price (APP) fell back marginally overall. From an opening position of 212p/kg dw, it fell early on to 210p/kg before recovering to 211p/kg dw, where it closed the month (down 1p, sitting 14p below the closing average a year earlier).
- 4 The UK milk price rose marginally in June, as reported this month. The UK average 'all milk' price for June, reported in August, was 38.92ppl: 1.06ppl up and 2.84ppl above the price a year earlier. Draft figures for July suggest a further increase. The EU average for June has yet to be reported.

## VI Other crop news

- 1 AHDB has published its 3<sup>rd</sup> 2024 harvest report:
- Winter barley yields are down 11 per cent on the 5-year average across the UK although yields in the Eastern region are up 22 per cent and have hit average in the South East. In the East Midlands region, yields are down 21 per cent. Nitrogen levels are averaging 1.5 per cent, maltsters typically want 1.75 per cent and continental maltsters up to 1.85 per cent.



- By the end of August, 32 per cent of the spring barley harvest was complete but below the 42 per cent achieved in 2023. Average yields are down 6 per cent with yields in the South East particularly poor. Quality is reported to be good.
  - The wheat harvest is 88 per cent complete, up on last year (63 per cent) and the 5-year average of 60 per cent. Average yields are down 8 per cent on the 5-year average although are above average in the Eastern region. Protein content is relatively low while milling samples are reporting good specific weights.
  - 61 per cent of the oats crop has been harvested compared to 57 per cent last year. Average yields are down 6 per cent. Quality is reported as good.
  - The oilseed rape harvest is complete. Yields are down 7 per cent and down 26 per cent on the 5-year average in the South West, 20 per cent in the West Midlands and 19 per cent in Yorkshire and the Humber.
- 2 Data has been published on the cereal and oilseed areas at 1 June 2024 for England:
- The estimated wheat area is 1.4 million hectares, down 11 per cent on 2023 and the smallest since 2020. The largest fall was in the North West at 16 per cent. The Eastern region grew 28 per cent of the English crop and the East Midlands 19 per cent.
  - The barley area increased by 6.2 per cent to 849,000 hectares. Winter barley fell by 17 per cent to 325,000 hectares while spring barley increased by 28 per cent to 524,000 hectares, the highest since 2020.
  - The oats area increased by 11 per cent to 143,000 hectares.
  - The area of rye, mixed corn and triticale fell by 9.2 per cent to 50,000 hectares.
  - The oilseed rape area fell by 27 per cent to 250,000 hectares.
  - The linseed area fell by 15 per cent while borage increased by 9.8 per cent.
- 3 At the end of June, stocks of wheat held by merchants, ports and co-operatives stood at 771,000 tonnes, 44 per cent up on last year and the highest level since June 2016. In addition, 237,000 tonnes of imported wheat was held, up 40 per cent on June 2023. Defra estimates of on-farm stocks of own-grown wheat in England and Wales amounted to 1.166Mt, 35 per cent up on last year and 89 per cent above the 5-year average, although these figures could be + or - 206,000 tonnes. As regards barley and oats, merchants, ports and co-operatives were holding 10 per cent less barley than a year earlier and 6 per cent less oats. On farm barley stocks were estimated to be down 4 per cent at 146,000 tonnes + or - 80,000 tonnes while oats were down 40 per cent at 15,900 tonnes + or - 30,000 tonnes.
- 4 The US Department of Agriculture has revised this year's soybean crop up from 120.7Mt to 124.9Mt, far exceeding analysts' expectations of 121.6Mt. Global production among the top exporters is now estimated to be up 9.1 per cent and 15.9 per cent higher than the 5-year average. Year ending stocks are forecast to rise by 26.8 per cent to 78.3Mt, the highest for major exporters since 2018/19. The US maize crop estimate is up 1.18Mt to 384.7Mt, above analysts' expectations of 383.9Mt.
- 5 Strategie Grains has forecast EU-27 soft wheat production to be 116.5Mt, 5.8Mt down on the previous projection and the smallest crop since 2018. The French Government has cut its forecast by 3.3Mt to 26.3Mt, down 25 per cent on a year earlier and the smallest crop since 1987. Meanwhile, the German Statistics Office has estimated its crop to be down 1.8Mt on 2023 at 19.7Mt, the lowest since 2003.



- 6 The Agricultural Price Index for June shows increases of 19.1 per cent for barley, compared to a year earlier, 42 per cent for oats, 88.5 per cent for potatoes, 6.1 per cent for oilseed rape, 110.7 per cent for forage plants, 17 per cent for fresh vegetables and 20.4 per cent for fresh fruit. Compared to May, there were increases of 6.2 per cent for barley, 3 per cent for oilseed rape, 3.8 per cent for forage plants and 13.2 per cent for fresh vegetables but there were falls of 4.3 per cent for wheat, 0.2 per cent for oats, 9.1 per cent for potatoes and 9.4 per cent for fresh fruit.
- 7 The European Commission has released its MARS report showing that the cereals yield is estimated to be 5.36t/a, 0.12t/a below the 5-year average.
- 8 A study conducted by Rothamsted Research has suggested that modern wheat varieties grown with inorganic fertilizer show fewer beneficial root bacteria compared to unfertilised counterparts while ancestral wheats show no such reduction, whether fertilised or not.
- 9 English thatchers have warned that the industry is facing a shortage of supply as thatching straw is incompatible with modern combines together with poor harvests. It is estimated that only 25 English growers supply straw for thatching.
- 10 The Climate Smart arable cropping systems project, led by Processors and Growers Research Organisation, aims to increase pulse and legume cropping in arable rotations from 5 per cent to 20 per cent thereby replacing half the soybean imported for use in animal feed. It also aims to cause a reduction of 1.5 million tonnes of CO<sub>2</sub>e per annum, 54 per cent of the maximum potential for UK agriculture.
- 11 AHDB has partnered with NIAB to monitor adult cabbage stem flea beetles from August to October and larval invasion from September to October. All data will be made available to farmers during the 2024-25 grower season.
- 12 United Oilseeds, along with Bayer, has set up a network of 20 on-farm MagicTrap digital yellow water traps to provide information on cabbage stem flea beetle migration.
- 13 Scientists at the James Hutton Institute have found that, of the potato blight samples genotyped by the end of July, 72 per cent were of the aggressive strain EU36, 22 per cent were EU6 and 3 per cent were EU13. None of the strains have been found to be the fungicide resistant EU43 or EU46. The only new strain found has been EU41 which is a Danish clone which has insensitivity to metalaxyl fungicides.
- 14 Restrain has introduced its new Precision Ethylene Technology which aims to enhance the storage and maintenance of potatoes. The treatment uses ultra-low doses of ethylene to inhibit sprouting, preserve fry colour and reduce fuel consumption.
- 15 Source.ag, the provider of AI solutions for vegetable growers, has been named the Startup of the Year 2024 by Ag Tech Breakthrough.
- 16 Tomato brown rugose fruit virus has been detected in Australia for the first time.
- 17 Scientists at North Carolina State University have studied the genetic material found in historic potato leaves in an attempt to understand the evolutionary changes that have occurred in both potato plants and the late blight pathogen since the Irish potato famine in the 1840s. The study's results have confirmed that the pathogen *Phytophthora infestans* is very adept at fighting off potato late blight resistance.
- 18 In tomato production, plant growth, fruit set and yield are optimal at day temperatures of 21°C to 29.5°C and night temperatures of 18.5°C and 21°C. SugaROx Ltd and Fera Science Ltd are exploring using biostimulant technology to improve tomato resilience to climate change while at the same time reducing the carbon footprint of production in the UK. The main objective of the project is to explore the viability of adapting biostimulant technology to boost the ability of tomato plants to cope with heat stress.





- 19 Helle-Tech Oy and Bloemteknik are to collaborate to introduce modular adjustable LED fixtures designed specifically for high wire and leafy green growers. The Balance Platform enables growers to increase PPFd on the vertical face of vine growing crops by up to 36 per cent without increasing energy consumption. It is generally accepted that a 1 per cent increment in PPFd results in a 1 per cent increase in yield.
- 20 British Apples & Pears Ltd has forecast that this season's apples will be larger than usual. Apple volumes are expected to be up on last year but not as big as 2022. Some hail damage has occurred and there is a low level of russeting in some crops due to the spring weather so there is likely to be increased evidence of skin blemish.
- 21 The World Apple and Pear Association has forecast this year's crop to be 10.21 million tonnes, down 11.3 per cent on 2023.
- 22 Fieldwork Robotics has developed Fieldworker 1 which allows the robot to harvest at the same speed and quality as human pickers.
- 23 Burlington Berries Pty Ltd, the Australian soft fruit producer set up by Kate and Stuart Sutherland along with Marion and Jon Regan at Hugh Lowe Farms Ltd, is to become wholly owned by the Sutherland family.
- 24 Biddenden vineyard has released a still Biddenden Gewürztraminer, the first of its kind in the UK.

## VII Other livestock news

- 1 Defra has announced a new strategy to eradicate bovine TB which includes:
  - The first badger population survey since the last carried out in 2011-13.
  - A new national wildlife surveillance programme to provide an up-to-date understanding of disease in badgers and other wildlife such as deer.
  - Establishing a new Badger Vaccination Field Force to increase badger vaccination at pace to drive down TB rates.
  - Accelerating work on development of a cattle vaccine
- 2 Three new cases of Bluetongue virus BTV3 have been detected on two new premises in Norfolk and Suffolk.
- 3 Data has been published on livestock populations in England as at 1 June 2024:
  - The numbers of cattle and calves fell by 2 per cent, compared to a year earlier, to 5 million head. The breeding herd fell by 2.2 per cent to 1.7 million head while the dairy herd was stable at 1 million.
  - The number of pigs increased by 1.3 per cent to 3.7 million head. Breeding pigs fell by 1 per cent to 326,000 head while fattening pigs rose by 1.5 per cent.
  - The number of sheep and lambs fell by 4.3 per cent to 13.8 million head. The female breeding flock fell by 5.6 per cent to 6.6 million head while lambs fell by 3.5 per cent to 6.9 million head.
  - Poultry numbers fell by 1.5 per cent to 129 million birds. Broiler numbers fell by 3.5 per cent to 88 million birds while the breeding and laying flock was stable at 32 million birds. Turkey numbers rose by 25 per cent to 3.1 million birds.
- 4 The Badger Trust and Wild Justice, represented by renowned litigation lawyers Leigh Day, have begun a legal challenge against the Government claiming that Natural England has issued additional badger culling licences 'against scientific advice from its own experts'. Leigh Day is claiming that the licences were issued unlawfully for the purpose of maintaining the confidence of the farming community rather than for the proper purpose of preventing the spread of disease.



- 5 The World Organisation for Animal Health has reported 2 cases of BTV-3 in Luxembourg and one in France, the first time it has been detected in these countries. Since June, there have been 1,899 cases of BTV-3 in Germany, 2,259 cases in the Netherlands and 222 cases in Belgium. A 'new strain' of the virus, BTV-8, has been detected in southern France and also in Spain for the first time since 2020.
- 6 During July, UK prime cattle slaughterings rose by 10 per cent, compared to a year earlier, to 182,000 head; beef and veal production rose by 12 per cent to 81,000 tonnes; sheep slaughterings fell by 2.9 per cent to 892,000 head; mutton and lamb production fell by 12 per cent to 19,000 tonnes; pig slaughterings rose by 17 per cent to 931,000 head; and pigmeat production rose by 19 per cent to 86,000 tonnes.
- 7 As at April, AHDB estimates there were 7,130 dairy producers in Great Britain, down 440 on a year earlier, but, as the October 2023 figure was similar to April, most of the loss was in the winter of 2023/24.
- 8 Data from the British Cattle Movement Service shows that births to dairy dams in the 3 months to June were down 2.1 per cent, compared to the same period last year, at 298,000 head. In the year to date, registrations are down 0.5 per cent at 704,000 head.
- 9 Tesco Sustainable Dairy Group is to reduce its contracted numbers from 400 farms following a reduction in demand.
- 10 Data from the British Cattle Movement Service shows that there were 213,200 calf birth registrations in Wales in the first 6 months of 2024, 10,000 down on the previous year.
- 11 With effect from 30 August, the TB Isolation filling period has been extended to 60 days allowing calves or store cattle from TB-restricted holdings an additional 18 days to fill the unit.
- 12 Following the rapid spread of Lumpy Skin disease in Algeria, Tunisia has reported its first case leaving Morocco as the only country in North Africa clear of the disease.
- 13 The Agricultural Price Index for June shows increases of 0.1 per cent for cattle and calves, compared to a year earlier, 21.1 per cent for sheep and lambs, 6.5 per cent for milk and 5.2 per cent for eggs but there were falls of 5.9 per cent for pigs and 17.9 per cent for poultry. Compared to May, there were increases of 0.3 per cent for cattle and calves and 1.5 per cent for milk but falls of 0.4 per cent for pigs, 7 per cent for sheep and lambs and 0.4 per cent for poultry.
- 14 Since the start of the summer, there have been confirmed reports of Epizootic Haemorrhagic Disease EHDV-8 in Spain, France, Portugal and Andorra. By 8 August, there had been 120 outbreaks in France, including 63 clinical cases in cattle. Spain has reported 20 cases and Portugal 22 cases.
- 15 During July, average butterfat fell by 0.5 per cent, compared to June, but rose by 0.9 per cent, compared to a year earlier, to 4.1 per cent. Average protein increased by 1.1 per cent and 2.2 per cent respectively to 3.38 per cent.
- 16 Results published by People and Nature have reported that the vaccination of 260 badgers across 12 farms in Cornwall in a 4-year period reduced the number of badgers testing positive for bovine TB from 16 per cent to zero.
- 17 During June, 1,225 million litres of milk were available to processors, down 8 per cent on May; liquid milk production fell by 8 per cent to 496 million litres; cheese production fell by 6.4 per cent to 43,600 tonnes; butter production fell by 11 per cent to 17,200 tonnes; and milk powder production fell by 2.5 per cent to 13,300 tonnes.
- 18 Scientists at the University of Edinburgh, in association with the CVS Group veterinary practice, are conducting a pilot study on sub-clinical mastitis and its dynamics between lactations in meat-producing sheep.



- 19 Stafford Shearer Nick Greaves has set a new world record shearing 764 lambs in 8 hours, beating the previous record by 10 lambs.
- 20 Ceva Animal Health has advised that the enzootic abortion of ewes vaccine, Cevac Chlamydia, will not be available for the 2024 vaccine season following an unsuccessful 'out of specification' request but supplies should be available by October.
- 21 Lisa Cameron, the Scottish sheep shearer who was the only woman to qualify in the top 30 of the Golden Shears in Masterton, New Zealand, has broken the world record for shearing Romneys at a farm in Cornwall.
- 22 The movement of sheep and goats in Greece for breeding, fattening and slaughter has been banned in an attempt to curb the 'goat plague' virus.
- 23 The latest estimate for the economic cost of pork production for the 3 months to June is 195p/kg/dw with margins per slaughter pig at £14.86 per head and 16.74p/kg/dw.
- 24 The number of reports of African swine fever have increased in the past couple of months in the Philippines, Vietnam, India and South Korea while outbreaks have also been reported in Bhutan, Russia and Thailand.
- 25 Defra has announced that egg producers and packers will no longer need to change how eggs are labelled during an outbreak of avian influenza.
- 26 During July, UK commercial layer chick placings increased by 17 per cent, compared to a year earlier, to 3.7 million chicks; broiler chick placings rose by 2.8 per cent to 108.3 million chicks; turkey chick placings fell by 8.3 per cent to 1.4 million chicks; turkey slaughterings rose by 22 per cent to 700,000 birds; broiler slaughterings rose by 8.1 per cent to 110.7 million birds; and poultry meat production rose by 9.3 per cent to 200,000 tonnes.
- 27 In the 3 months to June, 249 million dozen eggs were produced for human consumption, 6.4 per cent up on a year earlier and 0.3 per cent up on the first quarter; the average farm-gate price was 144p per dozen, up 8.6 per cent and 0.6 per cent respectively; and the production of egg products totalled 19,000 tonnes, down 5 per cent on a year earlier but up 2.2 per cent on the first quarter.
- 28 Aldi's commitment to only sell cage-free eggs has been reached over a year ahead of schedule. The store now sells more British free-range eggs than any other supermarket.
- 29 By 15 August, there had been 192 reports of H5N1 of avian origin in almost entirely dairy cattle across 13 states. In and around affected dairy herds, deaths have been reported in wild birds, chickens, pigeons, raccoons, cats and mice. Four dairy workers have been identified with influenza A (H5) infection.

## **VIII Inputs/Supply businesses**

- 1 Research has suggested that the AirSeq approach, developed at the Natural History Museum and the Earlham Institute, could replace existing methods for detecting infection in plants by identifying and monitoring biodiversity from traces of biological material in the air.
- 2 The Agricultural Price Index for June shows increases of 1.8 per cent for seeds, compared to a year earlier, 3.2 per cent for veterinary services and 7.4 per cent for equipment maintenance but there were falls of 6.9 per cent for energy and lubricants, 5.3 per cent for fertilizers, 8.7 per cent for chemicals, 11.5 per cent for animal feedingstuffs and 0.9 per cent for buildings maintenance. Compared to May, there were increases of 0.5 per cent for seeds, 0.2 per cent for fertilizers, 1.4 per cent for chemicals, 0.3 per cent for veterinary services and 0.6 per cent for equipment maintenance but falls of 3.7 per cent for energy and lubricants, 0.5 per cent for animal feedingstuffs and 0.3 per cent for buildings maintenance.





## IX Marketing

- 1 According to Kantar, while the rate of grocery inflation stood at 2.6 per cent in July, in the 4 weeks to 4 August the grocery inflation index rose by 1.8 per cent, the first increase since March 2023. Spending on promotions rose by 15 per cent while sales of products at their usual price saw no increase.
- 2 According to the Office for National Statistics, the volume of food purchases in July fell by 0.6 per cent, compared to a year earlier, the 31<sup>st</sup> consecutive fall. However, the value of sales rose by 1.7 per cent.
- 3 An Ipsos poll for the Health Foundation Think Tank has found that 58 per cent of respondents would support a tax on ultra-processed foods with the revenue spent on subsidising sales of whole foods.
- 4 Researchers at the University of Leicester are seeking participants in a project looking at the fairness of the supply chain of fresh fruit and vegetables in UK farming.
- 5 According to the Global Food Institute, global sales of 'alternative meat' rose by 21 per cent between 2020 and 2021 but have since fallen by 13 per cent.
- 6 In the 6 months to June, imports of fresh and frozen beef totalled 120,199 tonnes, up 9.3 per cent on a year earlier, the highest since 2019, with the value up 12.8 per cent. Imports from Ireland are up 16 per cent. Exports are up 11 per cent.
- 7 According to Kantar, in the year to 9 June, £48.2 billions was spent on food in the out-of-home market in the UK, up 14 per cent on the previous year. By 2028, the market is forecast to be 40 per cent higher than in 2019.
- 8 In the 3 months to June, export volumes of dairy products fell by 2.6 per cent, compared to a year earlier, to 330,800 tonnes. Cheese exports grew by 5,900 tonnes, whey products by 2,600 tonnes and yoghurt by 800 tonnes, the highest since 2021. Milk and cream grew by 1,900 tonnes but milk powder fell by 16,600 tonnes, or 3 per cent, and butter fell by 3,300 tonnes or 20 per cent. Imports rose by 43,000 tonnes or 14.8 per cent. Yoghurt rose by 18,700 tonnes or 33.1 per cent, cheese and curd by 13,800 tonnes or 13.1 per cent, whey and whey products by 5,700 tonnes or 36.1 per cent and butter by 4,000 tonnes or 33.5 per cent. Milk and cream imports only increased by 3,700 tonnes or 4.6 per cent.
- 9 Kantar data shows that Asda's market share has fallen from 13.7 per cent to 12.8 per cent this year and is down from 17.2 per cent a year ago. Tesco's share has risen by 0.6 per cent to 27.6 per cent, Sainsbury's rose by 0.5 per cent to 15.3 per cent and Lidl by 0.4 per cent to 8.1 per cent. However, Aldi fell by 0.2 per cent to 10 per cent.
- 10 In the 6 months to June, imports of fresh and frozen sheep meat have totalled 33,750 tonnes, up 10,700 tonnes on 2023, 64 per cent of which came from New Zealand. Exports in the same period totalled 37,400 tonnes, 8 per cent down on 2023.
- 11 The AHDB Let's Eat Balanced campaign began on 27 August and will run until 30 September.
- 12 Waitrose has introduced a free-range cream, the first supermarket to do so.
- 13 UK pig meat exports in June rose by 4 per cent, compared to a year earlier, to 25,100 tonnes with offal comprising 12,300 tonnes and fresh/frozen product 10,100 tonnes. However, in the first 6 months of the year, exports are down 2.4 per cent at 148,200 tonnes, the lowest since 2015. Imports in June rose by 4 per cent to 71,000 tonnes taking the year to date to 387,500 tonnes, up 1.5 per cent.



- 14 Aldi is trialling the removal of plastic punnets from its Nature's Pick Cherry Tomatoes and its Nature's Pick Sliced Mushrooms packs. This will be followed by its Baby Plum Tomatoes and the removal of pulp trays from its Nature's Pick Avocado and Mango packs. If successful over 370 tonnes of packaging each year could be removed.
- 15 Tewkesbury Mustard has applied for Protected Geographical Indication status.

## **X Miscellaneous**

- 1 A survey conducted by AO.com has revealed that, while the average weekly grocery shop costs £85.72, 10 per cent is thrown away with the annual wastage of fruit and vegetables being £272 and the wastage of potatoes costing £46 per year. Meat and fish wastage costs £250, bread £73, milk £34, cheese and yoghurt £152 and eggs £65.
- 2 The NFU's latest Rural Crime Report shows that rural crime cost the UK an estimated £52.8 millions in the past year, up 4.3 per cent on a year earlier. GPS unit thefts rose by 137 per cent with increases also in quad bikes, ATV and livestock thefts but the theft of agricultural vehicles fell by 9 per cent.
- 3 The Defra Farming Opinion Tracker for April has been published.
  - Farmers on 64 per cent of holdings either fully (9 per cent) or roughly (55 per cent) understand Defra's vision for farming, no change in the past year.
  - Farmers on 53 per cent of holdings would be making changes to their agri-environment schemes within the next year.
  - Farmers on 44 per cent of holdings stated that payments for environmental outcomes will be very (63 per cent) or moderately (21 per cent) important in the future.
  - Farmers on 64 per cent of holdings are not confident that changes to schemes and regulations will lead to a successful future for farming.
  - Farmers on 40 per cent of holdings feel positive about their future with 6 per cent very positive and 34 per cent somewhat positive.
- 4 The NFU has entered into a partnership with PeopleSafe, the UK's leading employee safety solutions provider. NFU members will have access to exclusive discounts on essential safety support.
- 5 As part of 'Project Gigabit', more than 300,000 homes and businesses are to receive major internet speed upgrades. Wales has been included for the first time.



## Postscripts

### More from the late Prince Philip, Duke of Edinburgh

A toast to the Land Agents' Society Jubilee Dinner:

'First of all may I thank you very much indeed for a most excellent and enormous dinner. I cannot help but think that if this was your usual standard, then I suggest that land agents should eat half as much and then we should not have to produce twice as much food.'

Opening of the Animal Health Trust's Farm in Essex:

'Ladies and gentlemen, it gives me the greatest pleasure to declare this laboratory open and if someone will lend me a key I will unlock it.'

A Commonwealth speech in Singapore:

'I have very little experience of self-government. I am one of the most governed people you could hope to meet.'

During a visit to some caves in Australia he was warned to beware of the drips.

'Oh those, I've run into plenty in my life.'

When admitted as a Fellow of the Royal College of Surgeons, the President presented him with a replica of an old-fashioned bleeding cup:

President: 'May I please your Royal Highness to accept this bleeding cup.'

HRH: Well, I can only say, it's bloody kind of you.'

A Royal definition:

'Dontopedalogy, - the art of opening your mouth and putting your foot in it.'

Asked if he knew the Scilly Isles:

'My son-er-owns them.'

At the Scottish Dairy Show in 1955:

'It is not a bad idea to remind people in towns and who get their milk in tins or bottles and butter in packets that it all starts with the cow.'

# Monthly Farming Update

## There is time to think and time to act!

By the time you read this, there will be approximately 55 days until Rachel Reeves' first Budget. Speculation has been rife, the reduction/loss of Inheritance Tax, the abolition of the 7-year rule for gifts, a wealth tax. Who knows?

One should never act on speculative press commentary but the one change that would seem to be a red-hot certainty is the reconciling of the rates of Capital Gains Tax (CGT) with Income Tax rates. At the moment, there are different rates of CGT for gains on residential property as compared to other gains, the former in general being 4 per cent greater. If the tax rates are reconciled it would seem unlikely that this difference will remain.

Is there anything that can be done in the time available? Bear in mind the relevant date for CGT is the contract date not the completion date although there has to be completion for the contract to be effective.

There is a general misconception that, where a property changes hands, the passing must be registered at Land Registry for it to be effective. This is untrue. The Land Registry is what it says on the tin, it is a register of the legal ownership of property, not the beneficial ownership. A change of beneficial ownership can take place without any amendment to the Land Registry entry although only the legally registered owner can sign documents in relation to the property such as sales or leases.

So, a disposal can be effected by a simple Declaration of Trust. This has essentially been confirmed in the High Court case of Rahman v Hassan. On his death bed, Al-Hasib Al Mahmood sent a test message to his will writer revoking his previous will and stating that Masudur Rahman was to be the sole owner of his assets. The family of the deceased challenged the validity, but judgement was given that effectively states that the mere handing over of a land certificate is sufficient to part with 'dominion'. The High Court has granted leave for appeal.

It is easy to sell or dispose of stocks and shares, less so property. But if any disposals of property are contemplated and the gift/disposal can be accurately documented, there is time for it to be done.

However, never do anything purely for tax purposes. It must be underpinned by a genuine reason, if there is a tax benefit so be it.

We welcome feedback on the MFU.

Does this issue raise any questions in your mind?

Would you like more information on a particular item?

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If you would like to add a friend or colleague's name to the mailing list please contact Lindsay Glead

The MFU was edited from 1991 to 2006 by John Nix, Emeritus Professor of Farm Business Management at Imperial College London



**CHAVEREYS**