



# CHAVEREYS

CHARTERED ACCOUNTANTS & FINANCIAL ALCHEMISTS



## Monthly Farming Update

February 2025

## Policy issues

1. Defra Secretary of State, Steve Reed, has set out how the Government will work with farmers to deliver a profitable farming sector and unlock rural growth. As part of the Plan for Change, the announcements include:
  - The Government will monitor food bought in the public sector and from where it is sourced.
  - Using planning reforms to make it easier for farmers to construct buildings and infrastructure needed to boost food production.
  - Helping farmers to sell surplus energy from solar panels and wind turbines by accelerating connections to the grid.
  - Boosting profitability through fair competition across the supply chain with new rules for pigs coming into force this Spring ensuring contracts set out expectations with changes only being made if agreed by all parties. Similar regulations for eggs and fresh produce will follow.
  - Protecting farms by upholding UK environmental and animal welfare standards in trade deals.
2. The Government has launched a consultation on a new strategic approach to managing land use in England to provide decision makers with the data they need to protect the most productive agricultural land while boosting food security. The Land Use Framework will provide the principles, advanced data and tools to support decision-making by local government, landowners, businesses, farmers and nature groups to make the most of land in England. It is hoped this will help deliver the different objectives including growing food, building 1.5 million homes in the duration of this parliament and restoring nature. Defra has estimated that 9 per cent of farmland would need to be removed from food production by 2050 to meet green targets while a further 5 per cent will be removed due to a decreased level of food output and 4 per cent will share space with trees.
3. Commissioned by the AHDB, the NFU, NFU Cymru, the Ulster Farmers' Union and NFU Scotland and produced by Promar, the Farm Assurance Review has been published. The following strategic recommendations are made:
  - On-farm audits must be reduced, simplified and delivered more consistently.
  - There must be a transformational step forward in embracing technology.
  - Schemes need to reset and/or restate their structures to establish farmers as the driving voice in standards development.
  - A new industry-led initiative must set out future environmental ambitions for farm assurance.
  - The inclusion of regulatory requirements within farm assurance should be conditional on government agreeing a form of 'earned recognition'.
  - There must be greater collaboration between farm assurance schemes across the UK.

- Schemes must better position the UK farming industry in world food markets and in competition with imported food.
- All schemes must review and improve their communication with farmers.
- The Red Tractor scheme must complete the implementation of recommendations in the Campbell Tickell report in its governance.

In addition to the above strategic recommendations, 56 operational recommendations have been made, with clear lead bodies and timetables.

## Reform

1. Details have been published of the Countrywide Stewardship Higher Tier Scheme for which applications will open in the summer. Relevant parts are:
  - The scheme will be rolled out by invitation. Details will be provided this month as to how other farmers and land managers may apply.
  - Natural England/Forestry Commission will provide relevant pre-application advice to enable invitees to prepare an application.
  - Agreements will consist of land management practices called ‘actions’. For 2025 there are 99 revenue-based actions and 33 supplemental actions, the latter can only be applied for if an application has been made for the corresponding revenue base action.
  - Capital grants may be available to help achieve the desired environmental outcome.
  - Actions and capital items will facilitate:
    - The management of woodland and agroforestry.
    - The creation, restoration and management of wetlands, coastal habitats, lowland peat, moorland and grassland.
    - The prevention of flooding or improved resilience to flooding.
    - The support of species recovery of specific animals and plants.
    - The provision of permissive access to the public.
    - The protection and restoration of historic or archaeological features.
  - Agreements will last for 5, 10, 15 or 20 years.
  - Capital items must be completed within 3 years of the start of the agreement and claims can only be made on completion.
  - Existing agri-environment holders who had an agreement which expired at the end of 2024 may have their agreement extended with a ‘mirror’ agreement.
  - Higher Level Scheme agreement holders where the agreement expired in 2024 or will do so in 2025 may extend their existing agreement.
2. The Welsh Government has outlined proposed updates to the Sustainable Farming Scheme which is due to come into effect from 1 January 2026:
  - Universal actions are reduced from 17 to 12 to focus on key priorities.



- The 10 per cent individual tree cover target has been removed and replaced by a scheme level planting target.
- Animal health, welfare and biosecurity actions have been consolidated into a streamlined Universal Action.
- Management of Sites of Special Scientific Interest and Common Land have been incorporated into a Universal Payment.

## Grants/regulations/legislation/environment

1. The Office for Environmental Protection has published its latest annual assessment and has stated that Government is ‘largely off track’ in achieving 20 of its legal environmental commitments. Its recommendations include:
  - Get nature-friendly farming right, with greater Government engagement with farmers and landowners key to improving the environment at scale.
  - Maximise the contribution of protected sites for nature by enhancing and enforcing their legal protection and correcting underinvestment.
  - Progress local nature recovery strategies and a land use framework.
  - Update resources and waste strategy and accelerate a new UK policy and regulatory framework for chemicals.
  - Provide strong incentives, oversight and regulation to attract private investment.
  - Regulate more effectively by providing sufficient resources, building capacity and improving engagement.
  - Link the environmental principles policy statement to statutory targets and delivery plans, as well as the revised Environmental Improvement Plan being more transparent and better communicated.
2. Defra has published the results of the review of the Environmental Review Plan 2023 which was initiated last July. Key areas where improvements could be made include:
  - Opportunities to improve evidence co-ordination with others to better understand where action is needed or can be better targeted/focused.
  - Clarifying delivery and accountability in the plan so it is easier to see what and who is contributing to a goal or target.
  - A clear process for prioritisation which could help with assessing competing demands.
  - Stronger engagement and collaboration with stakeholders.
  - Simplified, sustained funding and tackling skills and capacity issues.
3. The Government is to launch the Accelerating Development of Practices and Technologies Fund which will provide grant funding for farmer-led trials of innovative technology and techniques that drive sustainable food production, tackle climate change impacts and protect nature.
4. The Crown Estate has pledged £20 millions for its Rural Environment Fund to support the delivery of ambitious biodiversity projects.

5. Soil Association Exchange has developed an Exchange Market which will pool funds from a range of companies with shared supply chains to pay farmers to reduce greenhouse gas emissions. Farmers will receive funding by adopting action plans to reduce emissions. A total of £1m is thought to be available.
6. In partnership with Kite Farms, Muller is to trial 'Fast Track' on 40 supplying farms with a programme targeted at decreasing on-farm carbon emissions by 30 per cent by 2030 by introducing real-time data analysis. The programme will run for 3 years and will use data from a number of sources to monitor feed efficiency, fertility, stock numbers and energy-corrected milk.
7. Waitrose is to provide 2,000 of its farmers with a Land App tool which provides free access to advanced mapping and expert advice helping them to create land management plans that protect and enhance the environment.
8. The Co-op has announced it will provide £1 million of funding to help farmers reduce carbon emissions on farm. In the first project, the Co-op will partner with the Soil Association Exchange to support 140 farmers in its dairy farming group to begin to baseline key nature indicators such as biodiversity and soil health. In the Co-op's Beef Sustainability Scheme, farmers will be rewarded for adopting on-farm sustainable practices.
9. A new application window has opened for the Farming-Connect Try Out Fund with up to £5,000 available to fund on-farm trials which experiment with new ideas in Wales. The window closes on February 17.
10. Carr's Billington has converted its mill fleet of 56 vehicles to hydro-treated vegetable oil fuel.

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

1. The Central Association of Agricultural Valuers has calculated that 19 per cent more farmers than forecast will face Inheritance Tax charges in the first decade of the new legislation. It claims that, while the Government has underestimated the number of affected farmers by a factor of 5, an extra 19 per cent will be caught as inflation erodes the reliefs.
2. In 2023/24, the average annual rent for Full Agricultural Tenancy Agreements in England increased by 5 per cent, compared to a year earlier, although rents actually fell by 1 per cent when inflation was taken into account. Cereal farmers saw the largest increase at 5 per cent. Average Farm Business Tenancy rents rose by 3 per cent but with an inflation adjusted fall of 3 per cent. Rents on cereal farms rose by 8 per cent and were the only type to record an inflation adjusted increase. Rents under informal agreements rose by 4 per cent to the highest level in the last 10 years. Rents on seasonal agreements rose by 8 per cent but remained the lowest rents across all agreement types. There was a fall of 5 per cent in the total number of agreements to 83,000.

3. Senior representatives of Tesco, Lidl, Aldi, Waitrose, Morrisons and Asda have all called upon the Government to reverse the proposed changes to Inheritance Tax.
4. During November, the Agricultural Price Index for outputs increased by 3.9 per cent, compared to a year earlier, but fell by 2.1 per cent compared to October. The index for inputs fell by 3.9 per cent and 0.1 per cent respectively.
5. According to NFU Mutual, the proportion of rural people who were more likely to seek financial advice rose from 11 per cent in March 2024 to 30 per cent in November.
6. Carter Jonas has reported that cropping land grew in value in 2024 by 1.4 per cent to £9,722 per acre while pasture rose by 1.8 per cent to £7,889 per acre.
7. Pro-Force, part of the Groesn Group, has launched a Permanent Recruitment Division to connect horticultural businesses with talent for permanent staff roles and to provide skilled worker visa support.
8. Figures from the latest Knight Frank Farmland Index show that bare land in England and Wales edged up in 2024 by 0.1 per cent to £9,164 per acre.

## Product prices

### A. Market background

1. Sterling closed down against the Euro and marginally down against the US Dollar this month, having been far lower against both earlier in the month. Sterling opened the month at 82.7p per Euro and fell to a mid-month low of 84.8p and, after spending the remainder of the month fluctuating between 83.6p and 84.6p, closed at 83.6p per € (0.9p weaker). Against the US Dollar, Sterling opened at 79.8p and, despite an early peak of 79.6p, it fell over the first half of the month to a low of 82.6p before a partial recovery saw the rate close the month at 80.6p per \$ (0.8p weaker).
2. The gold price found yet more strength this month, climbing most in the early weeks but climbing throughout the month nonetheless. Opening at £2,098 per troy ounce, it rose to close at its peak (and new all-time high) of £2,261 per troy ounce (a net gain of £163 or 7.8%).
3. Crude oil prices improved in the early weeks then fell in the latter weeks, ultimately closing marginally up. Brent Crude opened at \$74.64 per barrel and rose to a mid-month peak of \$82.03 before falling back to a low of \$74.76 and eventually closing at \$75.67 per barrel, up \$1.03.

## B. Crops

1. The cereals market weakened overall but not by a large margin. The longer -term market outlook is flat. Many of the factors steering the market are broadly similar: the uncertainty of the Black Sea region and the risk of lower output; unfavourable weather in the US wheat belt; furthermore, Argentina is currently in a poor (dry) weather pattern and has also chosen to cut its export tax. Feed wheat futures closed fractionally up across the board, having been relatively flat throughout the month; by late January deliveries for November 2025 and 2026 were £195/tonne (+2) and £203/tonne (+1) respectively. The oilseed rape market remained level this month; limited availability of supply provided short term support but, with record soya yields forecasts in South America, particularly Brazil, that support may be short-lived. The pulse market readjusted, with pea prices falling back in line with those of beans.  
Average spot prices in late January (per tonne ex-farm): feed wheat £176 (-1); milling wheat £207 (-5); feed barley £155 (+4); oilseed rape £413 (-4); feed peas £212 (-21); feed beans £212 (-1).

## C. Livestock

1. The average live-weight cattle prices for steers and heifers improved across the board this month. The average steer price, from its opening average of 301p/kg lw, rose sharply to a mid-month peak of 323p/kg, relaxed to 320p/kg but then improved again to close at 329p/kg lw (up 28p, to sit 68p/kg above the average a year earlier). The average finished heifer price rose sharply from its opening position of 309p/kg lw to peak at 337p/kg in the first week; after relaxing to 335p/kg it climbed further to a closing average of 339p/kg (up 30p, to sit 65p above the average a year earlier). The average dairy cow price remained highly volatile: falling from its opening position of £1,829 per head to a low of £1,605, bouncing back to £2,031 and falling again to £1,729, before recovering to close the month at £2,090 per head (up £261 overall to sit £833 above the prior year average).
2. The average finished lamb price (SQQ liveweight, new season) started the year with vigour but relaxed a little as the month progressed. Starting from a pre-Christmas closing average of 311p/kg, the average opened 2025 with a jump to 335p/kg lw and a further rise to peak at 339p/kg before dropping marginally to a closing average of 325p/kg (up 14p/kg and 34p/kg above the average a year earlier).
3. The average UK all pig price (APP) has not been quoted in recent weeks, but the most recent update in mid-January showed that the price, having dropped significantly over the Christmas and New Year break, showed signs of improvement. From an opening position of 209p/kg dw, it fell back to a low of 207p/kg, before improving to 208p/kg, which was the last quoted price.

4. The UK all milk price has continued to improve, with the final figures for October showing a rise of 2.00ppl, to sit at 45.44ppl; furthermore, the initial reports for November suggest a further improvement of 1.25ppl. The final EU average farmgate milk price for October sat below the UK average at 44.38ppl. The initial reports for November point to an average of 45.80ppl, 1.42ppl above the September average and 5.05ppl above the average a year earlier.

### Other crop news

1. The first estimate of the 2024 England cereal and oilseed harvest has been published:
  - The wheat harvest was 10 million tonnes, down 23 per cent on 2023, with both area and yield down.
  - The barley harvest was 4.9 million tonnes, up 2.7 per cent on 2023 with winter barley down 26 per cent but spring barley up 41 per cent.
  - Oats production rose by 20 per cent to 773,000 tonnes with an 11 per cent rise in area and a yield increase of 8.5 per cent.
  - Wheat straw production fell by 17 per cent to 2.4 million tonnes but barley straw production increased by 12 per cent to 1.7 million tonnes.
2. In the period July to November, wheat milled in the UK was down 5.7 per cent on a year earlier but on a par with the 5-year average while home-grown milled wheat was at a 30-year low. Total flour production was down 6.8 per cent but bread-making flour was only down 2.4 per cent with 'other flour' down 26 per cent and the lowest since 2011/12, the fall being largely due to reduced demand from the bioethanol industry.
3. Final estimates of the UK 2024 cereal and oilseed harvest have been published:
  - The wheat harvest was 11.1 million tonnes, down 20 per cent on 2023 with an 11 per cent decrease in area and a 10 per cent decrease in yield.
  - The barley harvest was 7.1 million tonnes, up 1.8 per cent on 2023 with a fall of 24 per cent in winter barley compensated by a 24 per cent increase in spring barley.
  - Oats production increased by 19 per cent to 986,000 tonnes with both area and yield up.
  - Oilseed rape fell by 32 per cent to 824,000 tonnes with both area and yield down.
4. Latest AHDB figures show, to the end of December:
  - Total demand for animal feed in 2024/25 is estimated at 12.61Mt, 303,000 tonnes down on 2023/24.
  - Human and industrial cereals usage is estimated at 10.684Mt, down 153,000 tonnes on 2023/24.
  - Wheat availability is estimated at 16.883Mt, down 1.486Mt on 2023/24.
  - Human and industrial wheat consumption was 7.242Mt, down 257,000 tonnes on the year.



- Wheat used in animal feed was 6.464Mt, 667 tonnes down on 2023/24.
  - The balance of total availability and domestic consumption of wheat was 2.883Mt, down 549,000 tonnes on a year earlier.
  - Availability of barley is estimated at 8.484Mt, up 50,000 tonnes on a year earlier.
  - Human and industrial barley usage was 1.838Mt, down 79,000 tonnes on 2023/24.
  - Availability of maize is estimated at 2.875Mt, up 88,000 tonnes on the year.
  - Human and industrial usage of maize is 1.109Mt, up 191,000 tonnes on the year while animal feed usage is 1.422Mt, up 79,000 tonnes.
  - The balance of supply and demand of maize is 340,000 tonnes, down 182,000 tonnes on a year earlier.
  - Availability of oats is forecast to be 1.123Mt, up 138,000 tonnes on the year.
  - The balance of oats availability and demand is estimated at 246,000 tonnes, up 42,000 tonnes on a year earlier.
5. The Agricultural Price Index for November shows increases of 23.2 per cent for oilseed rape, compared to a year earlier, and 26.2 per cent for forage plants but there were falls of 4.5 per cent for wheat, 13.9 per cent for barley, 28.4 per cent for oats, 10.7 per cent for potatoes, 17.3 per cent for fresh vegetables and 9 per cent for fresh fruit. Compared to October, there were increases of 0.1 per cent for oats and 3.7 per cent for forage plants but there were falls of 3 per cent for wheat, 2.2 per cent for barley, 0.9 per cent for potatoes, 8.6 per cent for fresh vegetables and 13.6 per cent for fresh fruit.
  6. AHDB supply and demand estimates for November suggest an average barley balance of 2.051Mt and, when an operating stock requirement of 800,000 tonnes is taken into account, 1.251Mt is available either for export or to hold as free stock, both below average.
  7. Glyphosate resistant Italian ryegrass has been discovered following a weed control failure on a farm in Kent. Three further populations of Italian ryegrass with suspected resistance remain under investigation.
  8. In partnership with the University of Bath and Exeter, scientists at Rothamsted Research have discovered that a single gene helps synthesise the protein Knr4 in the cereal disease fusarium and removal of the gene can result in a complete inability of the pathogen to spread in the wheat spike. It also can cause a fall in the virulence of septoria.
  9. Empire State Greenhouses in New York State has announced plans, in association with Edinburgh-based Intelligent Growth Solutions, to develop a 36,000m<sup>2</sup> carbon-negative facility which will produce 3 million kilos of fresh produce in 100 vertical Growth Towers each year. When fully operational, over 1 billion plants will be produced each year comprising 50 different crop types.

10. James Hutton Institute Scientific Services has established the Raspberry Breeding Consortium, a new 5-year consortium comprising partners from Australia, the Netherlands, USA, Spain and the UK with a view to creating new, targeted and improved raspberry varieties.
11. Expertise from the UK Agri-Tech Centre, Altered Carbon, Fargro Ltd and APS Produce has been brought together with funding from Defra and Innovate UK to develop the 'TomatoGuard Advance AI-Driven Pest and Stress Detection for Sustainable Tomato Cultivation' project. The project focuses on developing machine learning capabilities to detect specific tomato volatiles indicative of stress.

### Other livestock news

1. The number of cases of bluetongue in the 2024/25 vector season has risen to 193 with further outbreaks in Hampshire, Dorset, Norfolk and North Yorkshire.
2. As the UK has entered the low vector period for bluetongue virus, some restrictions have been lifted including removing the requirement for post-movement testing of animals moving out of a restricted zone; the use of insecticides on transport vehicles; and the need to send animals moving outside of a restricted zone for slaughter to designated abattoirs.
3. Over 1,800 farms in Portugal have been affected by bluetongue disease with 118,000 sheep affected of which 37,000 have died.
4. An outbreak of foot-and-mouth disease has been confirmed in a herd of water buffalo in Markisch-Oderland, Germany, the first such case since 1988. The import of cattle, pigs, sheep and their products from Germany has been banned.
5. An NFU survey of 545 livestock farmers across the South and South East of England has revealed that any further closures to local abattoirs would result in 49 per cent either reducing their stocking levels, stop keeping livestock or cease trading altogether.
6. The last remaining abattoir in Hampshire, Newman's Abattoir, has closed.
7. Bristol University has used artificial intelligence to develop advanced camera technologies to monitor cattle health and welfare.
8. As a result of the increased use of sexed semen, which now accounts for 84 per cent of all dairy semen sales, the number of dairy bull calves born on British farms in the past 10 years has fallen by 65 per cent while the number of beef cross dairy calves has increased by 77 per cent.
9. The use of genomic testing in UK dairy herds increased by 19 per cent in 2024, with 112,507 new females tested. The evaluation includes the Holstein, Friesian, Ayrshire, Jersey and Guernsey breeds.

- 10.** Hybu Cig Cymru is collaborating with Mentera to recruit farmers in Wales to participate in the ‘Breeding better beef and sheep’ project to develop breeding strategies to reduce greenhouse gases.
- 11.** During December, UK prime cattle slaughterings rose by 3.5 per cent, compared to a year earlier, to 156,000 head; beef and veal production rose by 3.2 per cent to 69,000 tonnes; sheep slaughterings fell by 4.7 per cent to 1,090,000 head; mutton and lamb production fell by 5 per cent to 25,000 tonnes; pig slaughterings rose by 10 per cent to 852,000 head; and pigmeat production rose by 8.9 per cent to 77,000 tonnes.
- 12.** Cranswick has acquired family-owned genetics company JSR Genetics which is the exclusive distributor for Netherlands-based Topigs Norsvins genetics in the UK.
- 13.** During December, 1,206 million litres of milk was processed by UK dairies, up 0.4 per cent on November. Liquid milk production rose by 0.2 per cent to 504 million litres; cheese production rose by 7.8 per cent to 42,100 tonnes; butter production fell by 10 per cent to 14,100 tonnes; and milk powder production rose by 75 per cent to 9,700 tonnes.
- 14.** During December, average butterfat rose to 4.4 per cent, up 0.2 per cent on November and 0.8 per cent on a year earlier. Average protein fell by 0.9 per cent, compared to November, to 3.43 per cent but was up 0.4 per cent on a year earlier.
- 15.** According to AHDB, in 2023:
  - The average cost of production for indoor pigs fell by 25 per cent to £1.94/kg.
  - In the EU, the average cost of production remained steady at £1.89/kg with Italy having the highest at £2.18/kg.
  - The average price of pigs increased by 19 per cent to £2.18/kg.
  - In the EU, the average price of pigs increased by 26.1 per cent to £1.98/kg.
- 16.** The United Pig Cooperative has been formed by a merger of Scottish Pig Producers, Scotlean Pigs and Thames Valley Cambac.
- 17.** The UK Chief Veterinary Officer has ordered a new Avian Influenza Protection Zone to cover the whole of England with effect from 25 January. Keepers of birds will be required to conduct enhanced biosecurity to mitigate the risk of further outbreaks of the disease. Similar zones have also been created to cover the whole of Scotland and Wales.
- 18.** Highly pathogenic avian influenza has been confirmed in January in Mablethorpe, Lincolnshire; Rye, East Sussex; Pocklington, East Yorkshire; Wem, North Shropshire; Braunton, North Devon; Loddon, South Norfolk; and Skegness, Lincolnshire.

19. In the three months to December, 254 million dozen eggs were produced for human consumption, 4.2 per cent up on a year earlier and 0.3 per cent up on the September quarter. The average farm-gate price was 146p per dozen, up 6 per cent on a year earlier and 0.9 per cent on the September quarter. The production of egg products totalled 14,000 tonnes, down 22 per cent on a year earlier and 20 per cent on the September quarter.
20. During December, UK commercial layer chick placings rose by 35 per cent, compared to a year earlier, to 3.3 million chicks; broiler chick placings rose by 51 per cent to 94.3 million chicks; turkey chick placings rose by 0.4 per cent to 600,000 chicks; turkey slaughterings fell by 6.2 per cent to 1.1 million birds; broiler slaughterings rose by 1.4 per cent to 79.9 million birds; and poultry meat production rose by 8.4 per cent to 151,300 tonnes.

## VIII Inputs/Supply businesses

1. Defra has advised that an emergency application for the use of neonicotinoid Cruiser SB will not be approved this year, the first time authorisation has been denied.
2. In December, the price of imported Ammonium Nitrate (34.5 per cent) rose by £1/t, compared to November, to £334/t but was down £16/t on the year. However, natural gas prices have risen considerably, up 66 per cent on a year earlier, with futures up by 70 per cent. Europe's stores are 63 per cent full compared to 78 per cent at this time last year.
3. Yara is to partner with Branston to supply the potato grower with a Lower Carbon Crop Nutrition Program to reduce the carbon footprint of the end product.
4. The Agricultural Price Index for November shows falls of 13.2 per cent for energy and lubricants, compared to a year earlier, 14.8 per cent for chemicals, 8.3 per cent for fertilizers and 8.4 per cent for animal feedingstuffs but increases of 0.3 per cent for seeds, 12.7 per cent for veterinary services and 6.5 per cent for equipment maintenance. Compared to October, there were falls of 0.3 per cent for seeds, 0.1 per cent for fertilizers, 1.6 per cent for chemicals and 0.3 per cent for animal feedingstuffs but there were increases of 0.9 per cent for energy and lubricants, 0.8 per cent for equipment maintenance and 0.2 per cent for buildings maintenance.
5. A new fungicide from Bayer, Plaxium, comprising two succinate dehydrogenase inhibitors and a demethylation inhibitor, has been evaluated by AHDB. In the wheat trials it was highly effective against septoria tritici and gave a similar yield to existing products, was more effective than most other products against yellow rust and more effective than all other products against brown rust. In barley trials, it showed good efficacy against rhynchosporium, net blotch, ramularia and powdery mildew. Use of Plaxium is limited to one application per crop.

6. ICL Growing Solutions, a global leader in speciality fertilizers, has acquired GreenBest, a fertilizer supplier specialising in the turf, landscape and horticultural sectors.
7. With effect from 1 January, tomato brown rugose fruit virus will no longer be classed as a quarantine pest in the EU. Instead, it will be classified as a 'Union-regulated non-quarantine pest with a zero-toleration threshold.' Growers will still have to perform specific control measures to control the disease but nurseries or farms where the virus has been identified will no longer be kept under surveillance. Imports from third-countries must be inspected at sampling rates of 20 per cent apart from imports from Israel and China where rates of 50 per cent and 100 per cent respectively apply.

## Marketing

1. The Groceries Code Adjudicator has launched its annual groceries sector survey and is seeking the views of producers as to how they have been treated in the past year by the 14 large retailers.
2. The Environment, Food and Rural Affairs Committee has issued a call for evidence to aid a new inquiry on animal and plant health focusing on biosecurity at the border. There is concern that large quantities of illegal meat are being brought into the UK.
3. The Cold Chain Foundation has complained to the Government that it has been excluded from the report on food security. The Federation is pushing for temperature-controlled warehouses to be designated as critical national infrastructure.
4. During November, 295,100 tonnes of wheat was imported, up 71 per cent on the year and more than double the 5-year average of 127,300 tonnes. In the season to date, imports total 1.45Mt, the largest since records began in 1995/96. Full season imports are forecast at 1.75Mt.
5. In the period July to November, wheat exports totalled 51,600 tonnes, down 62 per cent on a year earlier and 84 per cent below the 5-year average. Oats exports totalled 5,500 tonnes, below last year's figure of 57,800 tonnes and the 5-year average of 45,200 tonnes.
6. In the period July to November, UK barley exports were 68 per cent lower than the 5-year average at 189,300 tonnes and 43 per cent down on last year. Usually, 88 per cent of all exports go to EU countries but this year EU barley imports up to 19 January were down 41 per cent.
7. During November, 302,700 tonnes of maize was imported, 17 per cent up on the year. In the season to date, imports total 1.19Mt, 23 per cent above the 5-year average.



8. AHDB figures show that full season exports of wheat are forecast to be 175,000 tonnes, down 32 per cent on 2023/24 and the lowest this century; barley exports are forecast to be 500,000 tonnes, down 36 per cent on 2023/24 and the lowest since 2012/13; and oats exports are forecast to be 50,000 tonnes, down 57 per cent on 2023/24 and also the lowest since 2012/13.
9. The Association of Meat Suppliers has called for a complete ban on all personal imports of meat products derived from pigs and ruminants to protect livestock from threats posed by foot-and-mouth disease and African swine fever.
10. According to NIQ, in the 4 weeks to 28 December, on-line grocery sales fell by 1.7 per cent but Ocado grew sales by 13.9 per cent. In the 3 weeks prior to Christmas, Marks & Spencer grew sales by 6.8 per cent, Aldi and Lidl both grew by 5.5 per cent, Tesco by 4.5 per cent and Sainsbury's by 3.1 per cent.
11. In the 12 weeks to 29 December, according to Kantar, spend on beef products increased by 4.4 per cent, compared to a year earlier but volumes only made up 0.1 per cent of the increase. Primary beef volumes fell by 0.2 per cent but mince increased by 1.5 per cent and diced beef by 5.1 per cent. Processed beef sales grew by 2 per cent by volume, burgers and grills by 2 per cent and sliced cooked meats by 0.1 per cent. Added-value products increased by 17.2 per cent with sous vide up 18.7 per cent and marinades up 22.1 per cent.
12. In the 12 weeks to 29 December, according to Kantar, lamb volumes fell by 2 per cent, compared to a year earlier, but spend increased by 3.3 per cent due to a 5.4 per cent uplift in average prices. Primary lamb volumes fell by 6.1 per cent with only diced lamb showing an increase at 12.1 per cent. Processed lamb volumes fell by 7.7 per cent with burgers and grills down 9.4 per cent. Sous vide and marinades grew by 12.5 per cent and 12.3 per cent respectively.
13. In the 12 weeks to 29 December, Kantar has reported that pig meat volumes fell by 2 per cent, compared to a year earlier, with spend down 0.9 per cent. Processed pig meat sales fell by 4 per cent with only burgers and grills showing an increase of 0.6 per cent. Primary cuts fell by 0.6 per cent, yet diced pig meat grew by 0.9 per cent and mince by 5.8 per cent. Roasting joints grew by 1.9 per cent with leg up 7.6 per cent and loin 8.3 per cent. Added value increased by 15.2 per cent with sous vide up 7.8 per cent and marinades 35.1 per cent.
14. According to NIQ Homespan POD, volume purchases of cow's milk fell by 1.9 per cent in the year to 28 December with spend down 5.4 per cent. Only whole milk grew, by 2.5 per cent. Volumes of cow's cheese grew by 4.5 per cent with spend up by 2.8 per cent. Cheddar volumes increased by 5 per cent. Cow's butter volumes fell by 3.4 per cent with spend down 1.4 per cent. Butter spreads fell by 7.1 per cent but block butter increased by 6.4 per cent and plant-based spreads by 8.2 per cent. Yoghurt, yoghurt drinks and fromage frais volumes grew by 6.3 per cent with spend up 7.9 per cent. Cow's cream volumes grew by 2.5 per cent.

- 15.** According to Kantar, in the 4 weeks to 29 December, roasting gammon volumes rose by 1.4 per cent, compared to a year earlier, whole chicken by 2.3 per cent and whole turkey by 2.4 per cent but roasting beef and roasting lamb both fell by 2.6 per cent while roasting pork fell by 3.9 per cent and whole fish by 4.6 per cent.
- 16.** A YouGov/AHDB Pulse survey conducted in December has revealed that diet was important to 90 per cent of consumers and fitness to 86 per cent in contributing to their overall health. Yet according to the Kantar Healthy Futures Forum November 2024 report:
- As a nation we have eaten 1.3 billion fewer servings of fruit and vegetables compared to a year ago.
  - 1 billion more meat-free meals were chosen for health reasons but these are less likely to feature vegetables than meals with meat.
  - Consumers' shopping baskets are getting unhealthier.

The YouGov/AHDB Pulse survey reveals that:

- Consumers are most likely to commence a diet (36 per cent) at a suitable time throughout the year rather than in the cold winter months (28 per cent).
  - Consumers who believe diet and fitness are important are most likely to cut back on ultra-processed food (28 per cent), reduce intake of sugar, fat and salt (25 per cent) and consume a more sustainable diet (18 per cent).
- 17.** A new marketing campaign, 'British pork. But not as you know it' – will begin on 17 February.
- 18.** Tesco and Cranswick have combined to relaunch the Tesco Sustainable Pig Group.
- 19.** A survey of 2,000 of its shoppers by Aldi has revealed that 52 per cent of customers threw away 482 items of fruit and vegetables in a year with a value of £520 to each customer. 52 per cent threw out food that hadn't been touched, 56 per cent had forgotten about food they had bought and 57 per cent did not fully understand how to store food to keep it fresh for longer. Top of the list of throw aways were bananas, followed by potatoes, carrots, onions and cauliflowers.
- 20.** The Groceries Code Adjudicator has applied to intervene in a legal case where long-term vegetable supplier W Clappison of East Yorkshire is suing Aldi for damages of £3.7m as a result of early delisting. The firm was delisted by Aldi in February 2023 after the 2023/24 sprout crop had been planted, having supplied Aldi since 2010 and it represented 47 per cent of the firm's business.
- 21.** Between September and December, Aldi topped the sales of British apples at 9,962 tonnes, ahead of Tesco at 8,579 tonnes, Sainsbury's at 7,332 tonnes and Asda at 3,254 tonnes. Only Sainsbury's was down on a year earlier, by 7 per cent.

22. A survey concluded by Andersons Farm Consulting on behalf of British Apples & Pears Ltd has suggested that the recent Budget announcement will add 7p per kilo to the median cost of production of apples.
23. The University of Leicester School of Business is seeking volunteer farmers and growers to take part in an academic study looking at advancing fair practices in the fresh fruit and vegetable sector supply chain.
24. According to the latest Sheep Producer Intentions Survey by Meat & Livestock Australia and Australian Wool Innovation, producer confidence in the Australian sheepmeat sector rose from 18 per cent in October 2023 to 58 per cent a year later.
25. North Island New Zealand farmers plan to increase 2025 first quarter lamb processing by 2.4 per cent whereas South Island processing is expected to decline by 22 per cent due to fewer trading hoggets and slower grass growth. As a whole the number of lambs processed is forecast to fall by 11.1 per cent year-on-year.
26. The Knight Frank Viticulture team has launched a demographic mapping tool set to redefine how vineyards and wineries target their audiences and expand direct-to-consumer sales.

## Miscellaneous

1. Following a visit to the facilities in Weybridge, the Environment, Food and Rural Affairs Committee has branded the state of the Animal and Plant Health Agency's headquarters 'a disgrace' and that the proposed Government funding of £200 millions for improvement was 'far from sufficient.'
2. Figures from the Agricultural Engineers Association for 2023 show that John Deere tractors remained the most popular with a market share of 30.3 per cent, followed by New Holland at 18.6 per cent, Massey Ferguson at 10.5 per cent, Case at 9 per cent and Fendt at 7.2 per cent. Kubota, Valtra and Case all registered falls in the number of machines registered.
3. The Wales Farm Safety Partnership has warned livestock farmers of the dangers of hydrogen sulphide, a deadly gas which can be just as dangerous outside as in confined spaces.
4. Firearms licensing fees have been increased with effect from February:
  - The grant of a firearms certificate increases by 125 per cent to £198.
  - The renewal of a firearms certificate increases by 111 per cent to £131.
  - The grant of a shotgun certificate increases by 144 per cent to £194.
  - The renewal of a shotgun certificate increases by 157 per cent to £126.
  - The coterminal grant of firearm and shotgun certificates increases by 124 per cent to £202.
  - The variation of firearms certificates increases by 135 per cent to £47.

5. Source.ag, the provider of AI solutions for vegetable growers, is to partner with Bayer to conduct internal trials at Bayer's De Ruiters Experience Centre with the Source Plant App and Source Track to enable high-quality data analysis. The De Ruiters Experience Centre is an ultramodern demo glasshouse near Rotterdam where tomato and cucumber varieties are grown using the latest technology in both lit and year-round environments.
6. Muddy Machines, best known for its asparagus harvester, has acquired most of the assets and intellectual property of Fox Robotics, extending the reach of Muddy Machines into the fruit and berry sectors.
7. John Coultrip has been appointed president of the Royal Smithfield Club for 2025.
8. The Low Carbon Agriculture Show 2025 takes place on 5/6 March at NAEC Stoneleigh.

## Postscripts

**For a change, at this time of year!**

### **The Firewood Poem**

Beechwood fires are bright and clear  
If the logs are kept a year,  
Chestnut's only good they say,  
If for logs 'tis laid away.  
Make a fire of Elder tree,  
Death within your house will be;  
But ash new or ash old,  
Is fit for a queen with crown of gold.

Birch and fir logs burn too fast  
Blaze up bright and do not last,  
it is by the Irish said  
Hawthorn bakes the sweetest bread.  
Elm wood burns like churchyard mould,  
E'en the very flames are cold  
But ash green or ash brown  
Is fit for a queen with golden crown.

Poplar gives a bitter smoke,  
Fills your eyes and makes you choke,  
Apple wood will scent your room  
Pear wood smells like flowers in bloom  
Oaken logs, if dry and old  
keep away the winter's cold  
But ash wet or ash dry  
a King shall warm his slippers by.



## Food for thought – or the lack of it!

The Government is committed to see 1.5 million new homes built in the duration of this parliament, the vast majority of which will be built on quality farmland, always assuming they are actually built. Given the massive increase in the population of this country, there is no doubt that more homes are needed. However, the cynic may say this is a back door route to increasing Government finances at little cost as all it has to do is relax planning controls and hope there are enough trained brickies, chippies and sparkies to erect them.

Assuming 10 houses per acre, no comments please (!), that equates to 150,000 acres of prime land disappearing under brick, tile and concrete. Then, taking an average value of land with planning to be £250,000 per acre, a total of £37.5 billions will be realised.

Capital Gains Tax is levied on the increase in value since March 1982, say a value of £1,500 per acre. Lifetime gifts of land will probably mean the current owner still has a tax base of the same; inheritance following death may carry a higher value.

Ignoring the land with a higher base value, 150,000 acres equals a base value of £225 millions. That produces a gain of £37.275 billions and a CGT tax take of £8.934 billions.

Of course, the developers have to pay Stamp Duty Land Tax on the land purchases. This will realise the best part of £1.875 billions.

At last, the 1.5 million new homes have been built and there are 1.5 million individual purchasers waiting to snap them up. Some will be bought by first time buyers while some will be replacement properties for existing owners. If one assumes 50 per cent are the former and 50 per cent are the latter, that would result in three Stamp Duty Land Tax events for each two properties. That may result in additional tax of £7.500 billions.

So, if Mrs Rayner gets her 1,500,000 new homes, she will reap circa £18.3 billions plus Corporation Tax from the developers plus billions from the Section 106 agreements. No wonder Ms Rayner and Ms Reeves are best friends!!

Meanwhile, farming will have lost a huge amount of land with which to feed the population resulting in increased imports much to the delight of other countries.

This cannot be right!!

# Monthly Farming Update

We welcome feedback on the MFU.  
Does this issue raise any questions in your mind?  
Would you like more information on a particular item?

Please ring one of our agricultural specialists:

**Karen Blackiston, Nick Holmes, Iain Morris, Ben Wilkinson**

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

The MFU was edited from 1991 to 2006 by John Nix, Emeritus Professor of  
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# CHAVEREYS

CHARTERED ACCOUNTANTS