



CHAVEREYS

CHARTERED ACCOUNTANTS & FINANCIAL ALCHEMISTS



Monthly Farming Update

April 2025

Policy issues

1. George Freeman MP, chair of the All-Party Parliamentary Group on Science and Technology in Agriculture, has called for a ‘180 degree, tyre-screeching reset’ in UK agricultural policy to unlock the world leading science and innovation taking place at Britain’s research institutes and universities. The Group’s 30:50:50 Innovation Agenda for UK Agriculture was presented at Agri-TechE’s ‘Challenge Convention’ event at NIAB. The agenda seeks to increase the UK’s self-sufficiency in domestic food from 60 per cent to 75 per cent over the next 25 years. Food production will need to increase by 30 per cent by 2050 while farming’s environmental footprint will need to reduce by 50 per cent per unit of output.
2. The National Preparedness Commission, an independent group of experts in national crisis planning, has published a report calling on the Government to take urgent action to make food systems more resilient in order to effectively safeguard the nation’s food supply in the face of increasing global shocks and pressures. The NPC says the Government should legislate for a comprehensive food supply by introducing a Food Security and Resilience Act.
3. Alistair Carmichael, Liberal Democrat MP for Orkney and Shetland, has introduced the Food Supply Chain Fairness Bill in Parliament. The Bill is designed to strengthen the remit of the Groceries Code Adjudicator to ensure farmers receive a fair deal in trade negotiations. It is also designed to support greater public procurement of British produce.
4. Measures in the Government’s Planning and Infrastructure Bill suggest that local authorities will be given greater powers to acquire land through compulsory purchase with only the existing use value being paid rather than the development value.
5. Defra and the Institute of Grocery Distribution have formed the Food Strategy Advisory Board to advise Government on its food strategy. Its objectives are:
 - to provide more easily accessible and affordable healthy food
 - to maintain food security by building resilience
 - to reduce the impact of farming and food production on nature, biodiversity and climate
6. The Fair Dealing Obligations (Pigs) Regulations 2025 has been laid before Parliament. If passed the regulations will require buyers of pigs to use a written contract from a qualifying seller which complies with various provisions that have been set out in the statutory instrument.

Reform

1. Defra has stopped accepting applications for the 2024 Sustainable Farming Initiative without giving any notice claiming the budget has been exhausted. Outstanding eligible applications will be “taken forward”. The decision has caused uproar in the farming community with the following quotes:
 - NFU president Tom Bradshaw – ‘Defra is a failing department’ and ‘a total lack of the partnership and co-design which Defra loves to talk about.’
 - Phil Stocker, CEO of the National Sheep Association – ‘upland and lowland farmers who had intended to be part of the SFI will be seriously affected.’
 - James Bradley of Carter Jonas who had been working on more than 30 SFI applications said ‘client confidence in Defra has been knocked again.’
 - Devon dairy farmer Adam Westaway claimed the situation was ‘an absolute shambles’.
 - Countryside Restoration Trust – ‘farmers working tirelessly to produce food alongside being custodians and restorers of our countryside have been treated with contempt’

[Is it a coincidence that the chief executive of the Rural Payments Agency, Paul Caldwell, has announced his retirement?]
2. Defra is to cap funding across 4 key grant categories. Limits of £25,000 have been imposed on water capital items, £25,000 on air quality items, £25,000 on natural flood management and £35,000 on boundaries and trees.
3. Funding for the ADOPT programme, which is intended to enable farmers to run trials of new technologies which may otherwise not be viable, appears to have been cut from £43 millions to £20.6 millions even though the programme has yet to get off the ground.
4. As at 1 March, there were 37,900 active Sustainable Farming Incentive agreements running, an 18 per cent increase on January. There are 31,900 businesses with an SFI agreement and 49,000 businesses in all agri-environment schemes.
5. The Farming in Protected Landscapes grant scheme has been extended until March 2026 with a budget of £30 millions. The scheme provides funding to farmers for one-off projects that either ‘stimulate nature recovery, mitigate climate change, provide opportunities for people to enjoy the landscape or, more generally, enhance a place’.
6. The Rural England Prosperity Fund has been extended for 12 months from April 2025 as part of UK Shared Prosperity Funding. It is the sole source of funding for on-farm diversification projects unless the farm in question is located within National Parks and National Landscapes.
7. The Scottish Government is to provide NatureScot with additional funding of £543,000 to provide farmers and crofters with support and help with the management and trial new methods of preventing attacks by sea eagles.

Grants/regulations/legislation/environment

1. Funding has been awarded to Harper Adams University and the School of Sustainable Food and Farming to continue work to transform phosphorus and nitrogen in farm slurry into stable commercial fertilizers. A team of industry partners including elenticBio, Merigan, Stoic Options and Mastek will also be involved.
2. Results from the 2024 assessment of England biodiversity indicators show:
In the long term:
 - 35 per cent show an improvement
 - 18 per cent show no change
 - 32 per cent show a deteriorationIn the short term:
 - 21 per cent show an improvement
 - 29 per cent show no change
 - 38 per cent show a deterioration
3. Defra has allocated up to £33 millions to the Rural England Prosperity Fund to improve infrastructure and essential services that benefit rural communities. Projects which may benefit include:
 - Creation of rural business hubs
 - Development of new products, facilities or building conversions to help rural businesses diversify outside of agriculture
 - New footpaths and local visitor trails
 - Kitchens in community hubs and improvements to premises used by local volunteering groups
4. Latest figures show that the number of sewage spills from storm overflows in 2024 fell compared to 2023 but the duration of spills increased to 3,614,428 hours.
5. The first new National Forest in England for 30 years is to be created by the planting of 20 million trees across Bristol, Wiltshire, Gloucestershire and Somerset by 2050. The Western Forest will involve 2,500 hectares of new woodland.
6. English local authority waste recycling rates have been published. In 2023:
 - The waste from households recycling rate was 44 per cent, up 0.6 per cent.
 - Metal recovered and recovered from incinerated waste was stable at 1 per cent.
 - Total waste from households increased slightly to 21.7Mt and was unchanged at 377kg per person.
 - Treated residual waste was unchanged at 12.2Mt.
 - Waste recycled increased by 2.4 per cent to 9.5Mt.
 - Recycled dry material fell by 2.4 per cent to 5.4Mt.

- Recycled food waste rose by 0.5 per cent to 499Kt.
- Other organic waste recycled increased by 11 per cent to 3.6Mt.
- At the end of March 2024, the 12-month rolling recycling rate was up 0.7 per cent at 44 per cent.

In 2023/24:

- Local authority managed waste increased by 2.1 per cent to 25.1M tonnes.
 - Waste sent to landfill fell by 22 per cent to 1.4Mt.
 - Waste sent for recycling rose by 3.6 per cent to 10.4Mt.
 - Recycling rates amongst the 321 local authorities range from 15.8 per cent to 62.9 per cent.
7. The High Court has dismissed the claim of the NFU that manure produced from agricultural developments, such as intensive poultry units, be classified as an agricultural 'by-product' and should not be classified as 'waste' under the Waste Framework Directive.
 8. The British Standards Institution has launched the Overarching Principles Standard to support investment in high-quality projects which restore rich habitats and to clamp down on 'greenwashing.'
 9. Innovate UK has awarded £500,000 to a project, led by the UK Agri-Tech Centre, to create an Agri-Robotics Regulatory Network helping to optimise regulation and standards governing agri-robotics.
 10. According to the Bumblebee Conservation Trust, 2024 was the worst year for bumblebees in the UK since 2004. A decline of 22.5 per cent was recorded compared to the 2010-23 average, probably due to the cold and wet conditions from April through to June. Species that should reach their maximum abundance in June or July particularly suffered with White-tailed bumblebee numbers down 60 per cent and Red-tailed down 74 per cent. Numbers of tree bumblebee fell by 39 per cent while garden bumblebee numbers were down 12.5 per cent. Species which usually reach abundance later fared a little better with heath bumblebees up 63 per cent and Brown-banded Carder bumblebees up 13 per cent but the Common Carder bumblebee was down 16 per cent and the Moss Carder bumblebee 34 per cent.
 11. Defra is to provide up to £5 millions for rural grants. Part will be allocated to the Rural Community Assets Fund which provides capital funding for the refurbishment and development of community-owned assets. Some of the funding will go to Rural Housing Enablers to help bring forward sites to provide affordable housing opportunities while Action with Communities in Rural England will also benefit to help provide advice and support to groups that offer social inclusion activities.
 12. The University of Edinburgh is to plant 570,000 trees in Stirlingshire and the Pentland Hills Regional Park as part of a new climate project. About 50 per cent of the university's 431-hectare site on Dumyat Hill, near Stirling, and about a third of a 26-hectare site at Rullion Green, Midlothian, will be planted.

13. The Welsh Government, supported by the National Lottery Heritage Fund and Natural Resources Wales, has announced £10 millions of funding for the Nature Networks Fund.
14. The Scottish Government has approved further funding of £10 millions for local authorities to support new, or to enhance existing, approaches to restoring biodiversity through the Nature Restoration Fund.
15. A single Asian Hornet was captured in Canterbury on 20 March.
16. The UK and Welsh Governments have announced a joint research initiative to address water quality issues in the River Wye with funding of £1 million. The programme will:
 - Investigate the sources of pollution and pressures affecting the river.
 - Study the impacts of changing farming practices and land management.
 - Develop and test new ways to improve water quality.
 - Examine what is driving wildlife decline and water flow.
17. Perth and Kinross Council has agreed to donate £10,000 over 2 years to Farmstrong Scotland, the well-being charity for farmers and crofters.

Other matters of farm finance and tenure

1. Figures for 2023/24 Farm Business Income have been published and show:
 - FBI for cereal farms fell by 75 per cent to £39,400 driven by a fall in crop output of 19 per cent and costs up 27 per cent, the greatest being 44 per cent for fertilizer and 22 per cent for chemicals.
 - Overall, average cereal farms achieved a loss of £26,400 on agricultural activities with income supplemented by Basic Payment of £26,100, an 18 per cent increase in agric-environment income to £13,200 and a 4 per cent increase in diversification income to £26,500.
 - FBI for general cropping farms fell by 25 per cent to an average of £95,300. While output fell by 7 per cent, falls in income from combinable crops were partially offset by increases for potatoes and sugar beet. Output from potatoes increased by 59 per cent while sugar beet improved by 61 per cent. Unlike pure cereal farms, variable costs fell by 4 per cent and fixed costs by 2 per cent. Agri-environment income fell by 8 per cent but diversification income increased by 5 per cent.
 - Average FBI for dairy farms fell by 68 per cent to £70,900 following a fall of 12 per cent in farmgate prices and increases of 3 per cent in variable costs and 11 per cent in fixed costs. The net contribution from agricultural activities was down 81 per cent at £34,700 and diversification income was down 25 per cent at £10,400 although agri-environment payments rose by 14 per cent to £8,200.

- FBI on lowland grazing farms fell by 24 per cent to £17,300. While variable costs fell by 9 per cent and fixed costs by 1 per cent, crop income fell by 23 per cent and sheep income by 13 per cent with fewer animals sold and lower stocking rates. Output from cattle enterprises fell by 2 per cent. The average loss from agricultural activities increased to £11,200 although agri-environment income rose by 22 per cent to £8,200.
 - Average FBI on less favoured area grazing farms fell by 12 per cent to £23,500. Output from sheep enterprises rose by 3 per cent but fixed costs rose by 9 per cent. Agri-environment income rose by 5 per cent to £14,700 and diversification income increased by 75 per cent to £2,400.
 - FBI on specialist pig farms rose by 87 per cent to £135,800. Pig output rose by 25 per cent with higher throughput and prices for both store and finished pigs. Variable costs rose by 8 per cent and fixed costs by 21 per cent. Diversification income grew by 59 per cent to £71,800 while agri-environment payments more than doubled to £7,900.
 - Average FBI for specialist poultry farms rose by 25 per cent to £143,600. While the volume output from broiler enterprises fell by 15 per cent, higher prices more than compensated. Output from eggs grew by 33 per cent fuelled by higher prices and more eggs produced. Fixed costs increased but were matched by a fall in variable costs.
 - FBI on mixed farms fell by 67 per cent to £22,700. Overall output fell by 8 per cent with crop output down 10 per cent and livestock output down 6 per cent. A fall in variable costs could not match an 18 per cent increase in food costs. The net loss on agricultural activities was £32,900. Diversification income increased by 23 per cent to £22,500 while agri-environment payments rose by 21 per cent to £11,500.
 - Average FBI on horticulture farms fell by 38 per cent to £59,100. All income centres recorded falls with diversification income down 67 per cent to £14,600 while agri-environment payments fell by 31 per cent to £2,600. The largest faller was producers of outdoor flowers, bulbs and nursery stock, only top fruit recorded an increase.
2. Research commissioned by Family Business UK has revealed that nearly 25 per cent of family businesses and nearly 20 per cent of family farms have cut or paused recruitment since the Autumn Budget in response to the proposed Inheritance Tax changes. The survey, covering 4,000 businesses, revealed that half of family farms have cancelled planned investment. 43 per cent stated they would do so before April 2026 while 33 per cent stated they had deferred or reduced investment already; 14 per cent planned to sell assets or part of the farm; 12 per cent planned to sell land or shares to non-family investors; and 10 per cent had downsized farming operations since the Budget and 20 per cent planned to do so. The survey computed that a total of 208,000 jobs would be lost by the end of the Parliament at a cost to the Exchequer of £1.9 billions.

3. Data from the Farm Business Survey: for 2023/24 shows:

- The average level of debt rose by 3 per cent, to £300,000 per farm.
- The average net worth per farm was £2.4 millions with 23 per cent of farms having a net worth of over £3 million.
- The average gearing ratio was unchanged at 11 per cent.
- The average liquidity ratio was 295 per cent, down 21 per cent.
- Net interest payments rose by 13 per cent to 21 per cent of Farm Business Income.
- The average Return on Capital Employed was – 0.8 per cent, down 1.8 per cent.

4. UK figures as at 1 June 2024 show:

- The total utilised agricultural area fell by 1.5 per cent to 16.8Mha, 69 per cent of the total land area, with a fall of 1 per cent in England and 3.2 per cent in Scotland.
- The croppable area increased by 1.3 per cent to 6.2Mha.
- The area of uncropped arable land increased by 98 per cent to 616Kha, mainly due to poor weather.
- The arable area fell by 5.4 per cent to 4.1Mha with wheat down 11 per cent to 1.5Mha, barley up 5.1 per cent to 1.2 Mha and oilseed rape down 25 per cent to 293Kha.
- The potato area increased by 3.1 per cent to 118Kha; dry harvesting peas rose by 46 per cent to 89Kha, field beans fell by 37 per cent while maize rose by 11 per cent.
- The area of horticultural crops fell by 2 per cent to 142Kha with vegetables and salad for human consumption down 3.5 per cent.

5. Defra has confirmed that the Fruit & Vegetables Aid Scheme in England will end on 31 December 2025.

6. The Government has reported that solar farms occupy just 0.1 per cent of the UK land area but SolarQ, which analyses the impact of solar developments on the countryside, claims the correct figure is 0.44 per cent, assuming all those planned are completed, while the figure just for England is 0.75 per cent.

7. During January, the Agricultural Price Index for outputs increased by 4.7 per cent, compared to a year earlier, and by 1.3 per cent compared to December. The index for inputs fell by 2.3 per cent, compared to a year earlier, but was up 2.3 per cent on December.

8. It is reported that the Government intends to levy a penalty of 3 per cent on taxpayers with income over £20,000 who are late paying outstanding tax by 15 days or more.

9. In the year to 11 February 2025, £247,416 was received by the Government from Biodiversity Net Gain statutory credits for Town and Country Planning Act development.

Product prices

A. Market background

1. Sterling weakened against the Euro and gained against US Dollar this month. Opening the month at 82.5p per Euro, Sterling fell in the first half to a low of 84.4p, partially recovered in the latter weeks to 83.2p, then fell back to a late close of 83.6p per € (1.1p weaker). Against the US Dollar, Sterling opened at 79.5p and gained 2p in the opening week, eventually peaking later at 76.8p before relaxing in the final days to close the month at 77.2p per \$ (2.3p stronger).
2. The gold price closed higher still this month, once again raising the bar for 'all-time high'. Opening at £2,285 per troy ounce, it fell back to £2,240 in the first half of the month then rose to close at the month's peak of £2,419 per troy ounce, up £134.
3. Crude oil prices fell back early on, then improved for the remainder of the month to sit marginally up overall in late March. Brent Crude opened at \$72.79 per barrel and peaked at \$74.20 before eventually closing at \$73.25 per barrel, up \$0.46.

B. Crops

1. The cereals market closed significantly weaker this month. Global and domestic prices were under pressure throughout from the combination of the uncertainty surrounding the Ukraine ceasefire and the Black Sea commodity shipping agreement; more favourable weather in US, north-east Europe and Russia; and a generally lower global demand. The potential application of US tariffs is also being factored into the market. Feed wheat futures closed down across the board; by late March deliveries for November 2025 and 2026 were £187/tonne (-5) and £193/tonne (-5) respectively. The oilseed rape market closed higher, although this masks the sharp fall to £390 mid-month, followed by a strong recovery, which reflected the changes in expectation of palm oil production, soya crop results and the US consultation on increasing the biodiesel mix. Average spot prices in late March (per tonne ex-farm): feed wheat £167 (-9); milling wheat £184 (-18); feed barley £153 (-5); oilseed rape £440 (+10); feed peas £216 (-3); feed beans £217 (-3).

C. Livestock

1. The average live-weight cattle prices for steers and heifers continued to rise this month. The average steer price, from its opening average of 359p/kg lw, rose week on week to close at 383p/kg lw (up 24p, to sit 105p/kg above the average a year earlier). The average finished heifer price rose similarly; from its opening position of 367p/kg lw, it climbed throughout, to a closing average of 394p/kg (up 27p, to sit 111p above the average a year earlier). The average dairy cow price retains its volatile nature, recovering from its low opening position of £1,674 per to a mid-week peak of £2,148 before falling to £1,850 and recovering again to close the month at £2,071 per head (up £397 overall to sit £856 above the prior year average).

2. The average finished lamb price (SQQ liveweight, old season) closed back where it started after having been marginally higher and lower. Starting from an average of 345p/kg it peaked at 351p/kg lw, then fell back to 341p/kg before returning in the final days to a closing average of 345p/kg (static and 24p/kg below the average a year earlier).
3. The average UK standard pig price (SPP deadweight) held level for much of the month but improved marginally at the close of play. From an opening position of 203.9p/kg dw, it relaxed to 203.3p/kg, before a small improvement to 204.4p/kg, up 0.5p/kg overall and 7.2p/kg below the previous year.
4. The UK all milk price fell back in January, with the final figures recording a fall of 0.54ppl, to sit at 45.94ppl – 7.41p above a year earlier and 8.57p above the 5-year rolling average. At the timing of writing, the most recent final EU average farmgate milk price was for December (46.50ppl, up 0.55ppl and 5.14ppl above the average a year earlier).

Other crop news

1. The latest AHDB crop development report shows:
 - 67 per cent of winter wheat is in good or excellent condition compared to 34 per cent last year and 90 per cent in 2023.
 - Winter barley comparable ratings are 70 per cent, 38 per cent and 92 per cent.
 - Winter oats ratings are 73 per cent, 37 per cent and 83 per cent.
 - Winter oilseed ratings are 57 per cent, 31 per cent and 70 per cent.

The winter oilseed rape rating has worsened, due to pest damage, being down from 73 per cent at the end of November.

2. The latest EU MARS report is forecasting yields of 6t/ha for soft wheat, compared to 5.6t/ha in 2024 and a 5-year average of 5.8t/ha; for winter barley the forecast is 5.2t/ha compared to 4.9t/ha in 2024; and for oilseed rape the forecast is 3.2t/ha, in line with the 5-year average but 0.2t/ha up on 2024. While most countries have seen favourable conditions, parts of Romania, Bulgaria, Ukraine and Hungary have suffered dry conditions while heavy rain in Spain, Italy and Portugal has disrupted fieldwork.
3. Statistics Canada has reported that the 2025 wheat planted area is expected to increase by 6.2 per cent to 11.2Mha, 7.4 per cent above the 5-year average while the canola (rapeseed) area is expected to fall by 1.7 per cent to 8.76Mha, slightly below the 5-year average.

4. The Agricultural Price Index for January shows increases of 26.4 per cent for oilseed rape, compared to a year earlier, 4.5 per cent for forage plants and 0.7 per cent for fresh fruit but there were falls of 0.8 per cent for wheat, 15.9 per cent for barley, 33.6 per cent for oats, 16.8 per cent for potatoes and 12.6 per cent for fresh vegetables. Compared to December, there were increases of 1.1 per cent for wheat, 0.6 per cent for barley, 3.3 per cent for both potatoes and oilseed rape, 2.2 per cent for forage plants, 1.8 per cent for fresh vegetables and 11.4 per cent for fresh fruit but a fall of 1.3 per cent for oats.
5. The North-Western European Potato Growers Group, which represents growers in Belgium, France, Germany and the Netherlands, has reported production of 24.7 million tonnes in 2024, an increase of 6.9 per cent.
6. The UK Plant Health Service has found two consignments of potatoes imported from Poland have tested positive for Ring Rot. For the time being there will be a 100 per cent inspection of all assignments from Poland.
7. McCain has launched a £30 millions support package for its 250 potato growers against the backdrop of increasing financial pressure.
8. The AHDB has published two new initiatives. The winter wheat variety blend tool will involve hard winter wheat variety blends being grown in three trials over four years with the performance of each blend being assessed under both robust and reduced fungicide programme intensities. The Nutrient Use Efficiency in winter wheat initiative will establish the potential to set up demonstration trials that test nitrogen at various rates, including comparisons of soil-applied versus foliar-applied nitrogen.
9. The Fresh Potato Suppliers Association, formed in 2009, has transitioned into the GB Potatoes Fresh Sector Consultation Group.
10. According to Andersons Farm Consulting, the impact of the increases in National Insurance and the National Living Wage will result in an increase of 7p in the median cost of producing a kilo of apples.
11. Research published in the European Journal of Nutrition, having analysed data from the National Diet and Nutrition Survey, has revealed that UK adults consume 15g of pulses and 27g of legumes per day, way below the recommended levels of 80g per day in each case. Average weekly household expenditure is only £1.68 on pulses and £2.90 on legumes.
12. The sugar beet processing season has ended with 7.7Mt processed producing 1.1Mt of sugar.
13. LettUs Grow Ltd has forged a global distribution partnership with KG Systems. The partnership integrates LettUs Grow's Advanced Aeroponics technology with KG Systems expertise in greenhouse and vertical farming.

14. The French Food Safety Agency has highlighted the presence of Tomato Fruit Blotch Virus in tomato crops. There are no regulations governing the virus which appears late in crop formation making management difficult. No resistant variety is available and tomato varietal susceptibility has not been studied.
15. WeatherQuest, supported by Agri-Tech Centre, Plumpton College and consultancy firm Vinescapes, has launched the Bud Burst Model which will assist the research team in providing granular, site and variety specific frost risk forecasts enabling vineyard managers to make more informed, targeted and sustainable choices when responding to frost events.

Other livestock news

1. Further cases of Blutongue BTV-3 have been reported in Norfolk, Hampshire and Norfolk despite March being a seasonably vector low month.
2. According to BCMS, as at 1 January 2025, the GB cattle population was down 2 per cent, compared to a year earlier, at 7.5 million head. The largest fall was in the beef breeding herd, down 4 per cent, while the dairy breeding herd only fell by 0.2 per cent. In 2024 beef calf registrations, Aberdeen Angus X grew by 5 per cent, Hereford X by 1 per cent and Wagyu X by 26 per cent but all other breeds registered falls.
3. BCMS data shows that 2.3 million cattle were slaughtered in Great Britain in 2024 with 52 per cent from the dairy herd and the remainder from the suckler herd. 1.5 million cattle aged 12-30 months were slaughtered, 56 per cent coming from suckler bred cattle and dairy beef increasing its share to 37 per cent. Aberdeen Angus X was the top breed, split 57 per cent suckler beef and 43 per cent dairy beef, followed by Limousin X, split 20 per cent / 80 per cent, and British Blue X, split 84 per cent / 16 per cent.
4. RamCompare, the national progeny testing initiative, is seeking new commercial farms in England Wales to participate in the project. Host farms provide about 300 commercial ewes which are mated to terminal sire rams provided by the project using single-sire, natural service mating groups or artificial insemination. The aim is to gather performance data from commercial lambs to drive improvements in the industry.
5. In the year to December, the number of new herd bovine TB incidents in England increased by 1 per cent, compared to a year earlier, with increases of 2 per cent in the High risk area and 3 per cent in the Edge area but a fall of 10 per cent in the Low risk area. There was a fall of 4 per cent in Wales. The number of herds not officially TB free fell by 1 per cent in England with a fall of 2 per cent in the High risk area but increases of 6 per cent in the Edge area and 3 per cent in the Low risk area. There were falls of 18 per cent in Scotland and 1 per cent in Wales.

6. More than 13,000 cattle in Wales were slaughtered in Wales due to bovine TB in 2024, up 27 per cent on 2023 and a new record.
7. The Cattle population report covering Great Britain as at July 2024 from the Animal & Plant Health Agency shows:
 - The number of cattle holdings fell by 2.3 per cent to 58,342 with the falls of 2.7 per cent in Scotland, 21.3 per cent in England and 2 per cent in Wales.
 - The total number of cattle fell by 1.8 per cent to 7,756,127 head with falls of 2.5 per cent in Wales and 2 per cent in England, Scotland remained constant.
8. Hybu Cig Cymru has raised red meat levies by 3.3 per cent.
9. In 2024, Irish cattle slaughter grew by 3 per cent to 1.88 million head while beef production rose by 1 per cent to 603,000 tonnes. For 2025, Bord Bia forecasts the cattle slaughter will fall by 5 per cent to 1.72 million head and a further fall is expected in 2026 as calf registrations for beef production fell 2 per cent in 2024.
10. The Welsh Government has established a new Wales AMR Animal Health Group to provide expert guidance in tackling antimicrobial resistance in animals. The group has recommended a new Animal AMR Control Plan (2025-2029) for Wales. The Welsh Government has committed £2 millions to the Arwain DGC consortium which has a proven record in delivering AMR controls.
11. During February, UK prime cattle slaughterings fell by 4.8 per cent, compared to a year earlier, to 165,000 head; beef and veal production fell 5.3 per cent to 73,000 tonnes; sheep slaughterings fell 3.7 per cent to 876,000 head; mutton and lamb production fell 5 per cent to 21,000 tonnes; pig slaughterings rose by 2.6 per cent to 833,000 head; and pigmeat production rose by 3.9 per cent to 79,000 tonnes.
12. Computer scientists at Loughborough University have developed artificial intelligence tools that offer ways by which greenhouse gas emissions associated with livestock farming and land use can be reduced. An online digital platform includes machine learning models designed to estimate methane emissions, predict milk productivity and ammonia emissions from dairy farms and analyse how land use and environmental factors influence methane emissions.
13. The import ban on meat and dairy products from Germany, as a result of the outbreak of foot and mouth disease, has been amended to only cover the containment zone area. Personal imports of packaged and unpackaged meat, meat products, milk and dairy products, certain composite products and animal by-products of pigs and ruminants will remain at a national level.
14. Three outbreaks of foot and mouth disease have occurred in Slovakia, close to the border with Hungary.

15. Imports of cattle, pigs, sheep, goats and other non-domestic ruminants, as well as their fresh meat and dairy products, from Hungary, Slovakia and Austria have been banned following a case of foot and mouth disease in North West Hungary.
16. The Association of Independent Meat Suppliers has commenced legal action against the Food Standards Agency to stop the FSA implementing new levies which could have 'widespread negative impacts' on small abattoirs.
17. According to Rabobank, beef production in Brazil, Argentina, Uruguay and Paraguay will contract in 2025 with Brazil production alone falling by 500,000 tonnes due to high levels of female slaughter.
18. The Animal and Plant Health Agency has called on eligible farmers and vets to volunteer and support field trials for a vaccine and a new skin test for bovine TB. The trials will take place on farms in areas of England and Wales where there is a low risk of bovine TB and should be completed by 2026/27.
19. The Food Standards Agency is to increase the hourly rate paid to official vets on duty at abattoirs by 17.7 per cent to £65.90 while the rate for meat hygiene inspectors will increase by 11.3 per cent to £43.20.
20. Latest BCMS data reveals that calf registrations to dairy dams in the 4th quarter of 2024 totalled 314,000 head, down 12.7 per cent on the previous year and the lowest ever recorded for a 4th quarter. For the full year, registrations totalled 1.48 million head, down 2.4 per cent on 2023.
21. BCMS data shows the GB milking herd, as at 1 January 2025, to be 1.62 million head, the lowest January month on record and 0.9 per cent down on a year earlier. The total GB dairy herd was 2.5 million head, down 1.4 per cent and again the lowest on record. The average age of a milking cow fell slightly to 4.51 years.
22. Research from the Royal Veterinary College using thoracic ultrasound and clinical signs has revealed that nearly a third of calves in the UK experience bovine respiratory disease and subclinical pneumonia.
23. Phase III of the National Johne's Management Plant has come into effect, aiming to reduce the incidence of Johne's disease on dairy farms. Changes include:
 - All herds must obtain an average test value (ATV) for their herd to help assess the level of disease present and allow progress to be tracked.
 - The minimum requirement to generate an ATV will be a 60-cow random screen.
 - The creation of a national Johne's index target of ATV 5.5 with the aim to achieve this by 2030.
 - Through the creation of a national Johne's tracker database, the ability to track progress nationally using ATV, percentage incidence and other drivers of infection.

24. During January, 1,125 million litres of milk were available to processors, down 1.2 per cent on December. Liquid milk production rose by 3.2 per cent to 522 million litres; cheese production rose by 4.6 per cent to 43,800 tonnes; butter production rose by 8.7 per cent to 15,700 tonnes; but milk powder production fell by 35 per cent to 6,400 tonnes.
25. Organic Herd has increased its members' milk price by 1.68ppl to 57.68ppl for those on a standard litre basis.
26. During February, average butterfat content fell by 0.2 per cent, compared to January, to 4.38 per cent but was up 2.6 per cent on a year earlier. Average protein was stable at 3.41 per cent but up 0.5 per cent on a year earlier.
27. Barbers has reduced its price for the first time in 18 months by 1ppl to 43.85ppl.
28. The Agricultural Price Index for January shows increases of 20.8 per cent for cattle and calves, compared to a year earlier, 18.6 per cent for sheep and lambs, 19.2 per cent for milk and 3.3 per cent for eggs but falls of 4.3 per cent for pigs and 14.8 per cent for poultry. Compared to December, there were increases of 7.9 per cent for cattle and calves and 5.1 per cent for sheep and lambs but falls of 1.3 per cent for pigs, 2.9 per cent for poultry and 1.2 per cent for milk.
29. AHDB has developed a BTV-3 vaccination cost calculator for sheep to assess the return from investing in bluetongue vaccination. A similar tool for beef cattle is expected soon.
30. Avian influenza H5N1 has been found in a single sheep on a farm in Yorkshire in an area prevalent with the virus in captive birds and also in another on Anglesey.
31. During March, highly pathogenic avian influenza H5N1 was confirmed near Thirsk, North Yorkshire and Blaydon in Durham.
32. Highly pathogenic avian influenza H5N1 has been found in a red fox in Scotland.
33. During February, UK commercial layer chick placings fell by 5.6 per cent, compared to a year earlier, to 3 million chicks; broiler chick placings rose by 7.6 per cent to 90.3 million chicks; turkey chick placings fell by 26 per cent to 400,000 chicks; turkey slaughterings fell by 25 per cent to 400,000 birds; broiler slaughterings rose by 1.5 per cent to 89.6 million birds; and poultry meat production fell by 0.5 per cent to 155,000 tonnes.

VIII Inputs/Supply businesses

1. A consortium including Bionema Group, CPI and the UK Agri-Tech Centre, backed by Innovate UK, has commenced the 'Biofilm Biofertiliser' project which aims to develop a multi-species biofilm-based bio-fertiliser that will improve soil quality as well as plant and crop health. The aim is to boost yields by 20-30 per cent while reducing synthetic fertilizer use by 40-50 per cent.

2. Information from the June survey covering 2023/24 shows that:

- 28 per cent of farms in England used some form of precision farming techniques with 56 per cent of cereal farmers doing so, 42 per cent of general cropping farms, 5 per cent of horticulture farms, 34 per cent of mixed farms and 13 per cent of livestock farms.
- 32 per cent of farms used soil nutrient packages to help determine application rates, with 60 per cent of cereal farms doing so, 61 per cent of general cropping farms, 3 per cent of horticulture farms, 29 per cent of mixed farms and 14 per cent of livestock farms.
- 56 per cent of farms used clover or legumes in grass swards with 33 per cent of cereal farms doing so, 57 per cent of general cropping farms, 26 per cent of horticulture farms, 75 per cent of mixed farms and 60 per cent of livestock farms.
- 21 per cent of farms used green manures in arable rotation with 23 per cent of cereal farms doing so, 38 per cent of general cropping farms, 5 per cent of horticulture farms, 19 per cent of mixed farms and 16 per cent of livestock farms.
- 77 per cent of farms make adjustments to fertilizer application rates with 76 per cent of cereal farms doing so, 88 per cent of mixed farms and 72 per cent of livestock farms.
- 45 per cent of farms did not seek independent advice for nutrient planning, 49 per cent of cereal farms and 48 per cent of general cropping farms mainly chose independent advice while 77 per cent of horticulture farms, 37 per cent of mixed farms and 63 per cent of livestock farms mainly took no advice.

3. The UK Governments has launched the UK National Action Plan on Pesticides with the aim of reducing the potential harm from pesticides by 10 per cent by 2030.

4. The Agricultural Price Index for January shows falls of 2.6 per cent for seeds, compared to a year earlier, 6 per cent for energy and lubricants, 1.1 per cent for fertilizers, 13.2 per cent for chemicals, 6.3 per cent for animal feeding stuffs and 0.9 per cent for buildings maintenance but increases of 17.9 per cent for veterinary services and 4.9 per cent for equipment maintenance. Compared to December, there were falls of 0.3 per cent for seeds and 0.2 per cent for buildings maintenance but increases of 1 per cent for energy and lubricants, 7.9 per cent for fertilizers, 0.3 per cent for chemicals, 4.6 per cent for veterinary services, 0.9 per cent for animal feeding stuffs and 1.4 per cent for equipment maintenance.

5. Maganic, developed by Adama, is a fungicide which has been approved for use in the UK, containing prothioconazole and difenoconazole, which provides strong protection against all major ear diseases as well as brown rust and septoria. Avasted has been approved for use against foliar and stem diseases in wheat including brown rust, yellow rust and tan spot and is also effective against net blotch, rhynchosporium, brown rust, ramularia and mildew in barley. Maxentis, which combines azoxystrobin and prothioconazole, is able to control septoria, fusarium, rusts, ramulavia, net blotch and mildew in cereals and sclerotinia and alternaria in oilseed rape.
6. Richard Austin Agriculture has identified two biostimulants, Sirius and Pluton, which are natural alternatives to the common fungicide SL567A, to prevent cavity spot in carrots. It is estimated that 15-20 per cent of carrots are rejected by buyers as a result of the soil borne disease Pythium.

Marketing

1. In January, wheat exports totalled 18.7Kt, up from 9Kt a year earlier but below the 5-year January average of 52.1Kt. This season, exports have totalled 88.8Kt, 48 per cent down on last year and 80 per cent down on the 5-year average. Barley exports in the month were down 35 per cent at 59.9Kt, were down 37 per cent in the season to date at 317.1Kt and were down 61 per cent on the 5-year average. Imports of wheat in January totalled 258.6Kt making the seasons total 1.963Mt. Maize imports were 307.8Kt in January, up 1 per cent on last year and in the season to date total 1.73Mt, 17 per cent above the 5-year average.
2. Figures from Kantar for the 12 weeks to 26 January show that customer spend increased by 2.9 per cent compared to a year earlier. Ocado led the way with an increase of 11.3 per cent, followed by Lidl at 7.4 per cent, Tesco at 5.6 per cent and Sainsbury's and Aldi both at 4.2 per cent. Only Asda registered a fall, at 5.2 per cent, but Independents also saw a fall of 5.8 per cent.
3. Dairy exports to the EU rose by 5.6 per cent in 2024 and represented 76 per cent of total dairy exports with cheese exports up 9.8 per cent. Exports to the USA grew by 5.7 per cent with cheese exports up 13.5 per cent.
4. According to Kantar, in the 12 weeks to 23 February, spend on beef products increased by 6.1 per cent, compared to a year earlier, with a 0.4 per cent volume increase and a 5.7 increase in average prices. Volume sales of minced beef increased by 2.5 per cent with diced beef up 13.2 per cent, steak up 1.4 per cent, processed beef up 1.5 per cent, burgers and grills up 2.9 per cent, sausages up 14.2 per cent, marinades up 7.4 per cent and ready to cook up 1.4 per cent.

5. Sainsbury's has entered into a 10-year partnership with Cranswick that will result in the multiple committing £50 millions towards implementing new high standards in pig welfare by 2030 while Cranswick will invest £11 millions in building new sheds and farrowing accommodation. As a consequence, all pork, sausages, premium bacon, gammon and cooked meats sold in the multiple will be UK sourced.
6. According to Kantar, in the 12 weeks to 23 February, volume sales of lamb fell by 6.4 per cent, compared to a year earlier, while spend fell by 2.8 per cent despite average prices increasing by 3.8 per cent. Volume sales of primary lamb fell by 7.9 per cent, processed lamb by 12.3 per cent, with burgers and grills down 13.5 per cent, and added-value products fell by 8.9 per cent with sous vide down 6.2 per cent. However, volume sales of diced lamb grew by 23.1 per cent and steak by 12.4 per cent.
7. Asda is reintroducing 'Rollback' whereby over 4,000 popular products have their prices 'rolled back' with average discounts of 25 per cent.
8. According to NIQ Homescan, total GB volume sales of cows milk fell by 1.9 per cent, compared to a year earlier, with spend down 3.9 per cent. Only whole milk showed growth at 3 per cent. Volume sales of cheese grew by 4.4 per cent while spend increased by 2.7 per cent despite average price falls of 1.7 per cent. Cheddar sales grew by 5.7 per cent. Volume sales of butter fell by 2.8 per cent but spend increased by 1.5 per cent. Butter spreads fell by 6.6 per cent but block butter increased by 6.9 per cent and plant-based spreads by 6.2 per cent. Volume sales of yoghurt, yoghurt drinks and fromage frais grew by 6.1 per cent with spend up 7.8 per cent. Standard plain yoghurt increased by 23.8 per cent with healthy yoghurt up 15 per cent. Volume sales of cream increased by 1.7 per cent.
9. Imports of beef in January were down by 20 per cent, compared to a year earlier, to 23,700 tonnes with value down 11 per cent to £141 millions. Imports from Ireland fell by 23 per cent but imports from Brazil rose by 18 per cent to 2,000 tonnes. Export volumes fell by 11 per cent but export values rose by 7 per cent to £54 millions.

- 10.** According to Kantar, the average time spent on food preparation continues to fall. In 2024, average time spent on lunch was 14.6 minutes, up from 14.5 minutes in 2023, but all other recent years have been higher with 15.5 minutes spent in 2020. For the evening meal, the fall has been consistent, starting at 33.7 minutes in 2020 and dropping to 31 minutes in 2024. Sandwiches dominate lunch meals, at 32.7 per cent but down 6.4 per cent on 2023, followed by soup 7.6 per cent and up 0.1 per cent, toast meals at 3.9 per cent but down 6.5 per cent, pies and pastries at 3.8 per cent but down 3.7 per cent and Italian dishes at 3.6 per cent, up 12.5 per cent. For evening meals, Italian dishes head the list at 11.9 per cent, up 3.3 per cent; chicken at 8.6 per cent, up 1.3 per cent; pizza at 6.6 per cent, up 2.6 per cent; oriental dishes at 5.4 per cent, up 3.1 per cent; and pies and pastries at 4.8 per cent, down 5.9 per cent.
- 11.** Imports of lamb in January rose with volumes up 7 per cent at 4,800 tonnes and values up 15 per cent to £23.8 millions. Imports from New Zealand and Australia rose by 12 per cent and 30 per cent respectively. Export volumes rose by 2 per cent but values rose by 18 per cent to £53.7 millions.
- 12.** According to Kantar, in the 4 weeks to 26 January, vegetable-based products, such as bean burgers, fell by 12.4 per cent suggesting a declining engagement with Veganuary.
- 13.** According to Bord Bia, Irish beef exports in 2024 are estimated to have increased by 6 per cent to €2.8 billions. Export volumes grew by 4 per cent to 441,000 tonnes with exports to the UK up by 11 per cent.
- 14.** According to Kantar, in the 12 weeks to 23 February, volume sales of pig meat fell by 0.5 per cent, compared to a year earlier although spend increased by 1.1 per cent due to average price increases of 1.6 per cent. Volume sales of processed pig meat fell by 1.6 per cent with only sausages seeing growth, up 2.3 per cent. Volume sales of primary cuts increased by 0.2 per cent with belly up 2.5 per cent and mince up 0.2 per cent. Roasting joints increased by 5.6 per cent with leg roasts up 19.3 per cent. Volume sales of added value products fell by 0.7 per cent with sous vide down 4 per cent but marinades up 30 per cent.
- 15.** As part of the Ellen MacArthur Foundation's Big Food Redesign Challenge, Waitrose has agreed to support a new range of 'Nature in Mind' products which have low impact, regenerative farming methods at its core.
- 16.** Yeo Valley has begun to sell grass-fed organic beef burgers in over 360 Tesco stores.

Miscellaneous

- 1.** A Farmers Guardian survey has revealed that 84 per cent of farmers felt their mental health had been impacted negatively by the Autumn Budget. The survey of 300 farmers found that while 70 per cent were optimistic about their future pre-Budget, that had now fallen to 12 per cent.

2. The Farming Community Network and the Addington Fund have launched a survey to gather feedback on the issues that are most pressing to farmers. The survey is open until 30 April and can be completed on surveymonkey.com/r/ZJGKV7.
3. The latest NFU survey reveals that short term confidence amongst farmers has fallen from -25 to -35; and mid-term confidence has fallen from -22 to -38.
4. MPs have criticised the lack of any mention of the impact of rural crime in the latest Crime and Policy Bill.
5. The results of two surveys in the top fruit sector have been published. In one, 17 per cent of growers felt more confident than a year ago but 43 per cent felt less confident. In another, 81 per cent of growers were not planning on building any new storage facilities in the next 5 years due to low returns, lack of confidence and greater financial uncertainty.
6. Funding for the National Rural Crime Unit and the National Wildlife Crime Unit has been increased by more than £800,000.
7. The Agricultural Engineers Association has reported that registrations of new tractors in January and February were down 20 per cent on a year earlier. In February, registrations were down 37.1 per cent making it the lowest month since December 1999.
8. Baroness Minette Batters has been appointed honorary president of the Farming Community Network.
9. Scotts Precision Engineering has formed a partnership with Agropack Solutions to increase the presence of the former in Scotland.

Postscripts

1. How much space will be freed in the EU after Brexit? Approximately 1GB.
2. Is Google male or female? It doesn't let you finish a sentence before making a suggestion... Any thoughts?
3. What do cows most like to read? Cattle-logs.
4. What's the best way to burn 1000 calories? Leave the pizza in the oven.
5. Why are the Irish so wealthy? Because their capital is always Dublin.
6. What does Charles Dickens keep in his spice rack? The best of thymes, the worst of thymes.
7. What musical instrument do you find in the bathroom? A tuba toothpaste!
8. The shepherd took his cross-eyed dog to the vet.

The vet picked the dog up to examine him and said, "I'm going to have to put him down."

The shepherd said "It's not that bad is it?" "No," said the vet, "he's just very heavy."

9. The two brothers were sat in the Solicitor's waiting room waiting for Father's will to be read. An argument started as to which of them was the favourite son and it was getting into full flow when they were invited into the office.

After a few preliminaries including the disposal of a few small items to the cousins and old friends the important bit came – who would inherit the farm.

The solicitor took a deep breath, looked at the eldest brother and said "Well John, the farm is yours". John turned to his brother, "see" he said "I told you you were the favourite."

Keep right on to the end of the road (Sir Harry Lauder)!!

Those who have good memories will remember the 'Iron Lady' saying 'this lady's not for turning'. Anyone who witnessed the March statement of Ms Reeves will appreciate 'this lady's not for turning' either. But there the comparison must end. The popularity rating of Ms Reeves has fallen faster and further than a stone dropped from an aircraft at 30,000 ft and that is not just from non-Labour voters.

It is now clear that, despite the opposition from not just those affected but captains of industry, leaders of all the major multiples and numerous representative organisations, she is not going to budge on the proposed Inheritance Tax changes.

Perhaps one can understand why. In a matter of only 6 months she has managed to halve the forecast growth rate in the UK but, as all Chancellors say, everything is looking rosy in the future. But just consider some forecasts:

- The Office for Budget Responsibility (OBR) has warned that, if Ms Reeves expected rebound in the economy does not occur, she will miss her borrowing targets by £48 billions.
- Borrowing costs were slowly on the way down – now they are on the way up.
- 10,000 Civil Service jobs are to be cut, yet the OBR still forecasts public sector pay to increase by £50 billions by 2030 notwithstanding that the Government is exempt from the National Insurance increases.

Figures released by HM Revenue & Customs show that Inheritance Tax receipts in 2021/22 were £5.99 billions, up 4 per cent on the previous year. The combined value of Agricultural Property Relief (APR) and Business Property Relief (BPR) rose by 5 per cent to £4.4 billions but, strangely, while the value of BPR fell by £400 millions, or 11 per cent, the value of APR rose by £600 millions or 54 per cent. This, perhaps, is not surprising given that farming has an increasingly ageing population. So, taken together, APR and BPR represent nearly 75 per cent of the total IHT take.

The OBR has a concerning reputation of being optimistic! While it has forecast that the number of deaths will fall by 2030, compared to its previous forecast, the number of estates liable for IHT will rise from 9.5 per cent to 9.7 per cent in 2029/30, well over double the number in 2021/22.

The cuts to benefits which the Government has announced are deeply unpopular amongst unions, charities and the left-wing. It is therefore no surprise to see Diane Abbott, MP for Hackney North and Stoke Newington, propose that a Wealth Tax, at a rate of 2 per cent, is levied on those with assts above £10 millions. This could apparently raise the Government £24 billions each year.

Ignoring working capital etc, £10 millions equates to 1,000 acres of bare land. And if you think you'll sell a few acres for development to pay these taxes, fear not, Ms Angela Rayner will come to the rescue and compulsorily purchase it before you get a chance.

But farmers are made of stern stuff. They will stick it out and carry on making a return of -0.8 per cent (latest figures) until there is nothing left!

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

Chavereys Limited
The Goods Shed Jubilee Way Faversham Kent ME13 8GD

Tel: 01795 594495

Fax: 01795 594499

E-mail: mfu@chavereys.co.uk

www.chavereys.co.uk

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

CHARTERED ACCOUNTANTS