



CHAVEREYS

CHARTERED ACCOUNTANTS & FINANCIAL ALCHEMISTS



Monthly Farming Update

September 2025

Policy issues

1. The Government has opened a consultation on reforms to modernise the environmental permitting framework for industry and energy sectors. The consultation sets out a variety of regulatory reforms to support innovation in emerging technologies, streamline permitting and providing regulatory certainty while maintaining essential environmental and health protections. The consultation closes on 21 October.
2. Following the submission of over 200 Freedom of Information requests sent to Government departments, local authorities and the British Armed Forces by the Countryside Alliance, concerns have been raised that most public bodies are failing to meet the pledge that half of all food purchased by the public sector is locally produced or certified to high environmental standards. Only the Foreign, Commonwealth and Development Office had a policy of deliberately procuring British food while the Department for Health and Social Care reported sourcing 72 per cent from the UK in 2023/24. Only 12 per cent of local authorities could provide data while the Ministry of Defence held no data on the source of meat served to service personnel.
3. Defra has reportedly reduced its headcount by 750 staff over the past year, representing 10 per cent of the total.

Reform

1. The latest round of Capital Grants has closed for applications with the £150 millions available having been fully taken up.

Grants/regulations/legislation/environment

1. The National Drought Group has declared that the water shortfall in England is a 'nationally significant incident.' Drought areas are Yorkshire, Cumbria, Lancashire, Greater Manchester, Merseyside, Cheshire and the East and West Midlands. Areas in prolonged dry weather, which is the phase before drought, are Northeast, Lincolnshire, Northamptonshire, East Anglia, Thames, Wessex, Solent and South Downs. Hertfordshire, London, Kent, Devon and Cornwall are regarded as normal.
2. At a cost of £26 millions, Newton Tree Surgery, near Elgin, has been opened. The facility is designed to increase the production of tree stock in Scotland, from 7 million trees per year to 20 million trees.
3. A report commissioned by the Wildlife Trusts entitled Quantifying the Environmental Risks from Pig and Poultry Production in the UK has considered the cumulative impact of the UK pig and poultry industries on the countryside. The report found there was a concentration of the sectors in 'hotspot areas' which meant current regulations would be insufficient in managing environmental impacts.

4. People who manage Scotland's land and freshwater can apply to be a Nature30 site and be entitled to financial assistance. Such sites will go toward Scotland's commitment that 30 per cent of land and freshwater is protected for nature by 2030.
5. Scientists at the University of Oxford have developed a honeybee 'superfood'. Bee colonies that consumed the supplement during trials produced up to 15 times more baby bees that grew to adulthood. Honeybees need sterol which has proved difficult to manufacture and it has taken 15 years for scientists to identify which sterol bees need and how to engineer them. The scientists have produced a yeast which can produce the six sterols that bees need. It is hoped that the supplement will be available to beekeepers and farmers within 2 years.
6. The Scottish Government is to inject an additional £6 millions of funding into the Nature Restoration Fund. Cairngorms National Park will receive £1.2 millions to aid the recovery of the freshwater pearl mussel populations in the Spey, Dee and South Esk; to make the Dee more resilient to flooding; to boost the capercaillie population which is on the verge of extinction; and to improve tree stock for aspen and native montane species. NatureScot is to receive £3.5 millions for distribution to nature projects; Green Action Trust will receive £510,000 for similar uses; and Lock Lomond and the Trossachs will receive £1.025 millions.
7. Natural England and Natural Resources Wales have launched the 2025 Stakeholder Survey with a view to a refresh of the Countryside Code. The survey closes on 12 September.
8. Information on butterflies in the UK and in England has been published. It covers the period 1976 to 2024:
 - The index of all-species butterfly abundance in the UK and in England has declined by 18 per cent and 19 per cent respectively. Habitat species have fared the worst falling by 33 per cent and 25 per cent.
 - Farmland butterflies have declined by 33 per cent in both regions while farmland habitat species have declined by 42 per cent and 47 per cent respectively.
 - Woodland butterflies have fallen by 54 per cent in both regions while woodland specialists have fallen by 55 per cent and 57 per cent respectively.
 - Since 2014, farmland butterflies have fallen by 12 per cent and 11 per cent respectively but numbers of woodland butterflies have remained stable.
9. Scotland's Knowledge Transfer and Innovation Fund has opened for applications. Grants of up to £200,000 a year are available to build farming skills and improve biodiversity.

Other matters of farm finance and tenure

1. The NFU has formulated its response to Defra's farm profitability review which is being led by Baroness Batters. Its submission proposes:
 - Enhancing opportunities for investment through improved access to finance, the effective use of tax reliefs, a drive for greater energy resilience and a stable policy environment to enable enduring levels of positive investor confidence.
 - Creating the right conditions to support business development through enabling planning and smart, modern regulatory frameworks and applied near-market research and development and knowledge transfer.
 - Reforming market incentives and supply chain relationships to ensure farmers can compete on a level playing field with international competitors, release the opportunities of domestic and export market growth, while also benefiting from strengthened and more equitable relationships within supply chains. Given the persistence of market-failures in the agri-food chain, incentives such as the Environmental Land Management scheme, including the Sustainable Farming Incentive and the mobilisation of private capital through supply-chain insetting agreements to support sustainable farming practices, have an important role to play in aligning environmental delivery with the profitable production of food, energy and fibre.
2. Total Income from Farming (TIFF) in England in 2024 has been released:
 - TIFF was £5.3 billions, up 22.5 per cent.
 - Agriculture's contribution to the economy was £10.7 billions, up 9.9 per cent.
 - Total crop output was £9.8 billions, down 6 per cent.
 - Total livestock output was £12.9 billions, up 5.6 per cent.
 - Intermediate consumption was £14.8 billions, down 5.5 per cent.
3. The Centre for the Analysis of Taxation, a think tank that initially championed the Inheritance Tax changes announced by the Government, has reported that working farmers are more likely to suffer under the policy than the wealthy. The Centre has recommended removing the IHT relief for 'passive investors' so they cannot be used as a 'tax shelter'. As a result, it suggests the Government could increase the relief for working farmers to £5 millions.
4. Following on from the Chancellor's Inheritance Tax attack on farms and businesses, HM Revenue & Customs has published figures on the IHT tax take in 2022/23:
 - 4.62 per cent of UK deaths resulted in an IHT charge, up 0.23 per cent. The percentage is equal to the 2017/18 high.
 - 31,500 estates paid IHT, up 13 per cent.
 - IHT totalled £6.7 billions, up 12 per cent.

- The average tax rate was 13 per cent compared to the headline rate of 40 per cent.
 - The combined value of Agricultural and Business Property Relief was £5.28 billions, up 19 per cent. APR rose by 24 per cent while BPR rose by 17 per cent.
5. The Agricultural Price Index for June shows an increase of 0.2 per cent for outputs, compared to a year earlier, but was down 2.2 per cent on May. The index for inputs was down 0.9 per cent and 0.4 per cent respectively.
 6. An AHDB report has highlighted that the English red meat sector delivered £5.5 billions in Gross Added Value to the UK economy in 2023; generated output of £20.5 billions; supported employment equivalent to 120,000 full-time roles; and created £2.5 billions in labour income.
 7. The County Councils Network, which represents local authorities in rural areas, has reported that the Government is planning to enforce an increase council tax in rural areas by the maximum rate of 5 per cent over the next 3 years to effectively divert funding to poorer urban neighbourhoods. It is suggested that the council tax on a band D property could increase from £2,380 in 2025/26 to £2,756 in 2028/29.
 8. A survey of 490 members of the Country Land and Business Association carried out on behalf of the Times newspaper has revealed that 40 per cent 'strongly agree' and 38 per cent 'agree' with the statement: 'I am worried that my business will not survive the next 10 years.' Over a third have 'seriously' considered selling their farm in the next 5 years while almost 50 per cent believe they will have to sell at least a quarter of their farm.
 9. Bank of England base rate has been cut by 0.25 per cent to 4 per cent.
 10. According to Savills, the area of land in Great Britain marketed in the first 6 months of the year fell by 15 per cent with 49 per cent being arable compared to the 10-year average of 37 per cent. Arable farms marketed totalled 16,830 hectares, the most since 2015.
 11. In Scotland, 105,000 hectares were fully organic in 2024, up 1.5 per cent, while 27,000 hectares were in organic conversion, double the area in 2023. 35,000 cattle were being reared organically, 2.1 per cent of the total.
 12. The Succession Alliance has launched the Succession Families Forum, a 6-month programme designed to help farming families create clear, practical plans for passing on the farm business.
 13. Rural Asset Finance has been named as an approved lender for the British Business Bank's ENABLE guarantee scheme and, as a consequence, is preparing to lend over £120 millions to agricultural businesses.

14. According to Carter Jonas, the average price of arable land in England and Wales in the three months to June increased by 1.1 per cent, compared to the first quarter, but pasture land fell by 0.7 per cent.
15. It is reported that the Public and Commercial Services Union is campaigning for a 4-day week at Defra, whose staff have ballooned from 9,500 to 13,000 in the past 5 years. *[One can only hope the fewer hours they work, the less damage they can do.]*

Product prices

A. Market background

1. Sterling closed unchanged against the Euro and marginally up against the US Dollar this month. Having opened the month at 86.5p per Euro, Sterling fell to a low of 87.4p, reached a peak of 86.0p before settling to close at 86.5p per € (static). Against the US Dollar, Sterling opened at 74.8p, fell to 75.5p and improved to a peak of 73.6p before falling again to close the month at 74.0p per \$ (0.8p stronger).
2. The gold price improved overall, having fallen during the month. Opening at £2,482 per troy ounce, the price initially peaked at £2,550 and fell to a mid-month low of £2,455 before climbing thereafter to close at a peak of £2,557 per troy ounce, up £75.
3. Crude oil prices closed down overall, following a month of increased volatility. Brent Crude opened at \$69.98 per barrel, fell to a mid-month low of \$65.05 and climbed back to \$69.06 before falling to a closing price of \$67.38 per barrel, down \$2.60.

B. Crops

1. The cereals market closed down at the end of August but with a marginal improvement in the final days. With harvest in the northern hemisphere largely complete, estimates by market commentators are being honed; by means of example, the International Grains Council has increased its global wheat yield estimate by 0.4% to 811Mt. More locally, wheat yields in France and Germany are generally up, but quality is variable due to harvest rains pushing down protein and Hagbergs. In the US, this season's maize crops are thought to have a higher-than-average yield potential. Feed wheat futures closed down across the board, having climbed in the early days and having been lower in the latter half of the month; by late August, deliveries for November 2025, 2026, and 2027 were £169/tonne (-9), £185/tonne (-5) and £192/tonne (-5) respectively. Oilseed rape prices have closed marginally down as a result of the combined effects of weaker crude oil prices, improved yields in the northern hemisphere and 2025 soya from the US hitting the global market.

Average spot prices in late August (per tonne ex-farm): feed wheat £160 (-3); milling wheat £180 (+12); feed barley £140 (-3); oilseed rape £392 (-4); feed peas £222 (+15); feed beans £214 (+2).

C. Livestock

1. The average live-weight cattle prices for steers and heifers moved in differing directions again this month but in reverse, with steers closing down and heifers closing up. The average steer price, from its opening average of 369p/kg lw, dropped to 362p/kg early on, then climbed back to 366p/kg before closing at 363p/kg lw (down 6p and sitting 81p/kg above the average a year earlier). The average finished heifer price initially fell from its opening position of 376p/kg lw to a low of 374p/kg, before climbing back to close up overall at 381p/kg (up 5p and 90p above the average a year earlier). The average dairy cow price moved by larger margins this month, remaining volatile and closing down overall. From an opening position of £2,074 it dropped to a low of £1,751 but partially recovered in the latter weeks to reach a closing average of £1,961 per head (down £113 overall to sit £389 above the prior year average).
2. The average finished lamb price (SQQ liveweight, new season) fell back significantly this month; marginally at first but by greater increments in the latter weeks. Starting from an average of 350p/kg, it fell to 345p/kg by mid-month but by the close of the month had fallen a further 35p to an average of 310p/kg (down 40p to sit 12p/kg above the average a year earlier).
3. The average UK standard pig price (SPP deadweight) improved overall this month, with a series of small climbs and falls throughout the month. From an opening position of 207.5p/kg dw, it rose to an early peak of 208.0p/kg, then bounced between there and 207.8p/kg for the remainder of the month, eventually closing at 207.9p/kg (up 0.4p/kg overall, 2.2p/kg below the previous year).
4. The UK all milk price for May, updated and reported in August, reported a fall of 0.50pppl to 43.19pppl (5.09p above a year earlier). The initial estimates for June are a small rise in price. Meanwhile, the EU average farmgate milk price for June reported a rise of 0.25pppl, giving a June average of 46.29pppl, 5.84pppl above the average a year earlier.

Other crop news

1. The AHDB Harvest report as at 20 August shows:
 - The wheat harvest was 92 per cent complete with the estimated average yield 7.3t/ha, down 0.5t/ha on the 5-year average and the same as the 2024 harvest.
 - All winter barley had been harvested with an average yield of 6.7t/ha, on a par with the 5-year average and up 0.3t/ha on 2024.
 - 68 per cent of spring barley had been harvested with an average yield of 5.8 per cent, the same as the 5-year average and up 0.1t/ha on 2024.

- All winter oilseed rape had been harvested with an average yield of 3.7t/ha, up 0.6t/ha on the 5-year average and 0.9t/ha on 2024.
 - 89 per cent of oats had been harvested with an average yield of 4.8t/ha, down 0.5t/ha on the 5-year average and 0.6t/ha on 2024.
- 2.** Data has been released from the June Survey of Agriculture on cereal and oilseed areas in England as at 1 June.
- The area of land for cereal crops rose by 1.4 per cent to 2.5 million hectares.
 - The wheat area increased by 8.8 per cent to 1.5 million hectares.
 - The barley area fell by 13 per cent to 742,000 hectares with winter barley down 7.2 per cent to 302,000 hectares and spring barley down 16 per cent to 439,000 hectares. This is the smallest area since 2014.
 - The oats area increased by 9.4 per cent to 162,000 hectares.
 - The oilseed rape area fell by 18 per cent to 204,000 hectares, the smallest since 1983.
 - The rye area fell by 8.6 per cent to 28,000 hectares.
 - The area of mixed grain and triticale increased by 34 per cent to 27,000 hectares.
- 3.** Ukraine, Europe's breadbasket, has reported on harvest conditions to 24 July:
- 1.04m/t of rapeseed had been harvested compared to 2.67m/t in 2024.
 - 2.792m/t of barley had been harvested compared to 3.87m/t.
 - 7.089m/t of wheat had been harvested compared to 14.722 m/t.
 - In one region, which usually produces 6 per cent of the total harvest, 32 per cent has been lost to drought.
 - The grain harvest is forecast to be down 10 per cent on 2024 with oilseeds down 5 per cent.
- 4.** Data from the AHDB Spring 2025 Planting and Variety Survey reveals:
- 56.1 per cent of English farmers have reduced their cropped arable area to take part in agri-environment schemes for harvest 2025.
 - 53 per cent of farmers reduced the arable area by less than 10 per cent while 3 per cent removed all cropped land from production.
 - The reduction was highest in the South East at 69 per cent followed by the East of England at 61 per cent. The West Midlands was the lowest at 49 per cent.
- 5.** Data has been published on cereal stocks held on farms in England and Wales at the end of June, with comparison to a year earlier:
- Wheat stocks were 651,000 tonnes, down 44 per cent.
 - Barley stocks were 135,000 tonnes, down 7 per cent.
 - Oat stocks were 51,000 tonnes, up 222 per cent.

6. The US Department for Agriculture has released its latest World Agricultural Supply and Demand Estimates. World maize ending stocks for the 2025/26 season were increased by 1.05Mt with global maize production at a historic high of 1,288.6Mt. The increased area of maize in the US and favourable crop conditions could result in a record maize production of 425.3Mt.
7. The Agricultural Price Index for June shows increases of 11.3 per cent for oilseed rape and 3.4 per cent for fresh fruit, compared to a year earlier, but falls of 16.6 per cent for wheat, 23.4 per cent for barley, 42 per cent for oats, 51.5 per cent for potatoes, 20.1 per cent for forage plants and 23.4 per cent for fresh vegetables. Compared to May, there were increases of 0.3 per cent for wheat, 4.2 per cent for forage plants and 5.9 per cent for vegetables but falls of 1 per cent for barley, 1.4 per cent for oats, 3 per cent for oilseed rape and 1.7 per cent for fresh fruit.
8. Vivergo Fuels has announced that all bioethanol and animal feed production at its plant in Hull will have ceased by 31 August following the lifting of tariffs on the import of US ethanol.
9. During June, GB animal feed compounders used 288,300 tonnes of wheat, down 4.9 per cent on May and down 3.6 per cent over the year; barley usage was 106,900 tonnes, up 8.1 per cent and 3 per cent respectively; oats usage was 4,700 tonnes, up 88 per cent on May but down 0.2 per cent over the year; whole and flaked maize usage was 42,600 tonnes, up 27.9 per cent and 35 per cent respectively; oilseed rape cake and meal usage was 58,400 tonnes, up 23.7 per cent on May but down 2.3 per cent over the year; sunflower cake and meal usage was 26,500 tonnes, down 23.9 per cent and 1 per cent respectively; and soya cake and meal was 122,800 tonnes, up 5.4 per cent and 8 per cent respectively. Cattle and calf feed production was 346,300 tonnes, up 8.6 per cent and 5.3 per cent respectively; pig feed production was 168,400 tonnes, down 0.4 per cent and 3.4 per cent respectively; poultry feed production was 370,100 tonnes, down 3.4 per cent and 1.6 per cent respectively; and sheep feed production was 51,100 tonnes, up 12.6 per cent and 11.6 per cent respectively.
10. For the 2026 harvest, AHDB is forecasting a 3 per cent increase in the cost of production for wheat to £1,659/ha with increases also to £1,509/ha for winter barley and £1,268/ha for spring barley. The main cause is an increase in fertilizer prices with UK AN (34.5 per cent N) produced in May and June up 14 per cent on a year earlier.
11. AHDB has launched a new 2½ year project in association with RSKADAS, Cope Seeds (UK), the Organic Research Centre and UK Grain Lab to create a network of on-farm trials focused on identifying key traits that correlate with weed competitiveness under organic and low-input conditions.

12. The NFU has advised that vining pea growers in Lincolnshire, Norfolk, Suffolk and East Yorkshire have reported a 30 per cent fall in harvested peas because of the lack of water.
13. One of the largest suppliers of potato products to supermarkets, the food industry, hotels and restaurants across Europe, Dutch-based CelaVita, has been declared bankrupt.
14. NFU Sugar and British Sugar have agreed the 2026/27 sugar beet contract. The fixed price contract will be available at £30 per tonne for up to 65 per cent of the contract.
15. Associated British Foods has agreed to acquire Hovis from private equity firm Endless. Hovis employs 3,000 people and operates a flour mill, 8 bakeries and a distribution network across the UK.
16. Leading brassica grower Pelston Produce has described the UK season ‘a write off’ due to hot weather and a shortage of water. Yields are reported to be down 15-20 per cent, in some areas as much as 30 per cent, with the hot weather causing demand to fall by 15-20 per cent.
17. Eurostat data reveals that, in 2024, the EU harvested 62.2 million tonnes of fresh vegetables, 6 per cent up on 2023, while production of fruit, berries and nuts fell to 24.3 million tonnes.
18. The International Association of Horticultural Producers is to explore the use of new technologies in horticulture at its International Horticultural Industry Conference to be held in Ghent, Belgium on 16 September.
19. Supported by Light Science Technologies, the Transformative Reduced Input in Potatoes, a 3-year research programme, collected 5.8 million environmental data records during the 2024 potato growing season. The objective is to develop methods of growing potatoes with fewer inputs of inorganic nutrients, fungicides, herbicides, insecticides and energy. A total of 55 sensorGROW devices have been deployed across 3 farm sites in the UK delivering 3,240 hours of in-field testing per sensor. Organisations such as Dyson Farming Research, Emerald Research, Bangor University and James Hutton Institute are participating.
20. Scientists at Wageningen University & Research have discovered that plants put under stress by higher temperatures and reduced water supply significantly increase root length as a result of thermomorphogenesis. The effect is regulated by 3 proteins: 2 and 5nRK2.3 facilitate enhanced root growth in times of climate stress; COP1 suppresses root growth when drought stress is absent; and HY5 regulates which genes are activated or repressed in the root hair cells.

21. A Niab research project is to develop technology for measuring nitrogen, phosphorus and potassium concentrations in soil solutions at different rooting depths. The aim is to match the supply of nutrients and water with a tree's demand.
22. The Dutch apple harvest this year is estimated to be 226,000 tonnes, up 17 per cent on 2024, while the pear harvest is estimated at 348,000 tonnes, up 8 per cent.
23. German-based BayWa AG has put up for sale its 74 per cent holding in New Zealand's T&G Global, owner of the Jazz apple brand and also Worldwide Fruit, based in Spalding.
24. Saga Robotics, owner of the Thorvald robot, Bitwise Agronomy and Chambers Farm are to collaborate on commercial-scale data collection and yield forecasting, turning real-time fruit and flower counts into actionable intelligence for strawberry growers.
25. Suntory Beverage & Food Great Britain and Ireland is to invest £920,000 over the next 5 years on a blackcurrant breeding programme with the James Hutton Institute.
26. Chinese scientists from the Agricultural Genomics Institute at Shenzhen have reported that the potato emanated from a random natural interbreeding event between the ancestors of tomatoes and a closely related group called *Etuberosum* approximately 9 million years ago.
27. Scientists at Zhejiang University and the Chinese Academy of Agricultural Sciences have unveiled the genetic and chemical factors which coordinate arbuscular mycorrhizal symbiosis which helps the uptake of phosphate in tomatoes. The scientists believe the information will enable new crops to be bred with enhanced nutrient-use efficiency.
28. Vertical Future, the London-based vertical farming equipment supplier, has put itself up for sale following incurring a loss of £10 millions and entering insolvency proceedings.
29. The British Tomato Growers Association is to host the British Tomato Conference in Warwickshire on 25 September.
30. Wine GB has released Industry Report 2025 showing:
 - Vineyard numbers have increased by 74 to 1,104 with 25 newly registered wineries taking the total to 238.
 - Kent is the most planted county with double the number of vineyards than West Sussex in second place. Essex has moved up to third, overtaking East Sussex and Hampshire. These counties are followed by Surrey, Dorset, Gloucestershire, Devon and Suffolk.

- Chardonnay constitutes 33 per cent of vines followed by Pinot Noir at 30 per cent.
- The average yield was 21.3hl/ha, the lowest since 2016.
- Sparkling was the most produced wine at 69 per cent of the total. Still rosé rose from 20 per cent to 25 per cent of still wine production.

Other livestock news

1. Data on livestock populations in England has been released from the June Survey of Agriculture:
 - The total of cattle and calves fell by 1.4 per cent to 4.9 million head. The breeding herd continued to fall, down 1.4 per cent at 1.7 million head. Dairy numbers were stable at 1.1 million head. The beef herd fell by 4.3 per cent to 569,000 head.
 - The number of pigs fell by 0.7 per cent to 3.7 million head. Breeding pig numbers continued to fall, by 4 per cent to 313,000 head. Fattening pigs fell by 0.4 per cent to 3.3 million head.
 - The number of sheep and lambs fell by 3.8 per cent to 13.3 million head. The female breeding flock continued to decline, by 2.1 per cent to 6.4 million head while the number of lambs fell by 5.3 per cent to 6.5 million head.
 - Poultry numbers increased by 3.5 per cent to 133 million birds, the first increase since 2021. Broiler numbers rose by 8.2 per cent to 95 million birds but the breeding and laying flock fell by 6.3 per cent. Turkey numbers fell by 12 per cent to 2.8 million birds.
2. New cases of bluetongue virus serotype 3 have been reported in Norfolk, Cumbria, Oxfordshire, Wiltshire, Staffordshire, Buckinghamshire, Dorset, Hampshire, East Sussex, Berkshire and Greater Manchester.
3. AHDB has published its review of the performance of suckler herds in 2023/24, splitting the results between herds in Severely Disadvantaged Areas (SDA) and Non-Severely Disadvantaged Areas (NSDA):
 - Calves weaned per 100 cows put to bull fell by 1.59 per cent to 87.77 per cent in SDA but rose by 2.91 per cent to 88.86 per cent in NSDA.
 - Total feed and forage costs per cow in SDA rose by £13.37 to £134.32 but fell in NSDA by £41.70 to £97.53.
 - The cost of production per calf rose by £1.14/kg to £4.03/kg in SDA but fell by £0.23/kg to £3.32/kg in NSDA.
 - The value of weaned calves in SDA rose by £0.60/kg to £2.98/kg and by £0.29/kg to £2.83/kg in NSDA.
 - The average loss per cow in SDA rose by £99 to £224 but fell in NSDA by £145 per cow to £78 per cow.

4. Information from the European Commission on livestock trade shows:
 - Production of beef in 2025 is forecast to be 1.3 per cent lower than 2024 at 6.73 million tonnes.
 - Per capita beef consumption is expected to fall by 0.9 per cent to 9.9kg.
 - Exports of beef are forecast to fall by 4 per cent while imports are expected to increase by 5 per cent to 370,000 tonnes.
 - Pig meat exports are expected to be down 3 per cent at 2.86 million tonnes, while imports will rise by 1 per cent to 100,000 tonnes.
 - Sheep meat production is expected to fall by 2 per cent to 518,000 tonnes.
 - Sheep meat imports are forecast to rise by 6 per cent but exports will fall by 1 per cent to 32,600 tonnes.
5. The Welsh Chief Veterinary Officer has confirmed that farmers are permitted to take livestock to one of 8 pre-approved markets in England within a 12-mile radius of the border but the animals must have completed a course of bluetongue serotype 3 vaccination.
6. The NFU and the Zoological Society of London are working together on a £1.4 million Defra-funded 3-year project to explore the impact badger vaccination may have on cattle.
7. A model being developed by Nottingham University and SRUC is aiming to be the first to include farmers' preferences as a separate component in modelling national cattle disease control.
8. During July:
 - UK prime cattle slaughterings fell by 8 per cent, compared to a year earlier, to 162,000 head. Beef and veal production fell by 8 per cent to 71,000 tonnes.
 - Sheep slaughterings rose by 0.9 per cent to 892,000 head. Mutton and lamb production rose by 10 per cent to 21,000 tonnes.
 - Pig slaughterings fell by 3.2 per cent to 859,000 head. Pig meat production fell by 4.8 per cent to 78,000 tonnes.
9. The Agricultural Price Index for June shows increases of 35.4 per cent for cattle and calves, 11.9 per cent for milk and 2.5 per cent for eggs, compared to a year earlier, but falls of 2.1 per cent for pigs, 3.6 per cent for sheep and lambs and 0.4 per cent for poultry. Compared to May, there were increases of 0.6 per cent for pigs, 6.3 per cent for sheep and lambs and 0.8 per cent for milk but falls of 3.9 per cent for cattle and calves and 1.7 per cent for poultry.
10. Farmers have been warned to be aware of the symptoms of hemlock water-dropwort poisoning caused by livestock venturing deeper into ditches due to low water levels. There is no treatment.
11. Coordinated by AHDB and The Calf Action Network, Great British Calf Week will begin on 10 September. Various events will be held by stakeholders and will focus on genetics, calf health and maximising calve values.

- 12.** AHDB has published Farmbench data on suckler herds for 2023/24:
- The top 25 per cent of herds, ranked on net margin achieved a full economic net margin of £158.63 per cow put to the bull while the middle 50 per cent and bottom 25 per cent recorded losses of £238.98 and £960.54 respectively.
 - Since 2020/21, only the top 25 per cent of herds have achieved profit.
 - The top performers incurred lower variable and overhead costs.
 - Income for the top 25 per cent was boosted by higher weaning rates and market values.
 - The top 25 per cent housed cattle for fewer weeks, fed less forage and used more non-forage feed.
- 13.** The Government of New South Wales and Tiba Biotech have developed a new foot-and-mouth vaccine.
- 14.** A survey conducted by Arla Foods UK has revealed that 13 per cent of dairy farmers plan to quit the industry in the next year as a consequence of labour shortages, rising employment costs and the changes to Inheritance Tax. The UK produces 90 per cent of its requirement for milk but the loss of more dairy farmers would not affect food security according to the Government as imports would plug the gap!
- 15.** Muller has increased the price payable to Advantage producers by 0.5ppl to 42.75ppl.
- 16.** During June:
- UK dairies processed 1,295 litres of milk, down 0.6 per cent on May.
 - Liquid milk production fell by 0.6 per cent to 592 million litres.
 - Cheese production fell by 1.1 per cent to 45,300 tonnes.
 - Butter production fell by 1.4 per cent to 19,100 tonnes.
- 17.** Freshways has increased its price by 2ppl taking its standard litre price to 42ppl.
- 18.** BCMS data shows that, in the three months to June, births to dairy dams increased by 3.6 per cent, compared to a year ago, to 309,000 head, the highest since 2019.
- 19.** In July, average butterfat fell by 0.7 per cent, compared to June, but was 0.5 per cent up on July 2024 at 4.15 per cent. Average protein increased by 0.3 per cent and 0.5 per cent respectively to 3.36 per cent.
- 20.** Farmers unable to feed livestock because of drought conditions may be eligible for financial support or the supply of feed or bedding from the Addington Fund.
- 21.** The Fair Dealing Obligations (Pigs) Regulations 2025 have come into force.
- 22.** In the 3 months to June, the AHDB estimated cost of pork production fell by 6p/kg, compared to the first quarter, to 203p/kg. The full economic cost of production is now 197p/kg deadweight with margins per slaughter pig of £8.10 per head and 9p/kg deadweight.

23. According to the OECD-FAO Agricultural Outlook 2025-2034, the global supply of pig meat is forecast to increase by 0.4 per cent per annum to 130 million tonnes carcase weight equivalent. Most of the growth is expected to take place in Southeast Asia.
24. Due to the recent increase in avian influenza cases in game birds, with effect from 26 August, the avian influenza prevention zone with mandatory biosecurity measures has been updated to include additional measures for game bird rearers and shoot operators:
 - A requirement to cleanse and disinfect vehicles and footwear.
 - A requirement to collect and report dead birds found in the vicinity of release pens.
 - Measures to prevent access to feeders and drinkers by wild birds.
25. Highly pathogenic avian influenza H5N1 has been confirmed in Yeovil, Somerset; Tiverton, Devon; Attleborough, Norfolk; Dulverton, Somerset; Minehead, Somerset; Lifton, Devon; Seaton, Devon; and Ynys Mon, Wales.
26. During July, with comparison to a year earlier:
 - UK commercial layer chick placings rose by 7.9 per cent to 3.4 million chicks.
 - Broiler chick placings fell by 0.2 per cent to 97.3 million chicks.
 - Turkey poult placings fell by 7.8 per cent to 900,000 chicks.
 - Turkey slaughterings fell by 9 per cent to 600,000 birds.
 - Broiler slaughterings fell by 0.3 per cent to 98.6 million birds.
 - Total poultry meat production was unchanged at 169,800 tonnes.

VIII Inputs/Supply businesses

1. Following the discovery at the beginning of the year by the Weed Resistance Action Group of glyphosate resistance in Italian rye-grass found in Kent, Gloucestershire and North Yorkshire and with a case in Essex showing decreased glyphosate sensitivity, a high risk of resistance has been found in samples taken from 3 farms out of a total of 10.
2. The Nematicide Stewardship Programme is advising potato growers to carry out a pre-harvest residue test of tubers where granular nematicide has been applied at planting as dry conditions may have caused higher-than expected levels of nematicide to remain in the soil.
3. The UK Government has confirmed that a new phase of the Climate Change Agreements scheme will begin in January providing businesses in the Pig, Poultry and Horticulture sectors with a discount on the Climate Change Levy in return for meeting energy efficiency or carbon reduction targets.

4. The Agricultural Price Index for June shows falls of 1.7 per cent for seeds, 5.9 per cent for energy and lubricants, 14.3 per cent for chemicals, 6.1 per cent for animal feedingstuffs and 1.7 per cent for buildings maintenance, compared to a year earlier, but there were increases of 12.2 per cent for fertilizers, 14 per cent for veterinary services and 6.8 per cent for equipment maintenance. Compared to May, there were falls of 1 per cent for energy and lubricants and 1.3 per cent for chemicals but increases of 0.2 per cent for seeds, 2.3 per cent for fertilizers, 0.1 per cent for veterinary services, 0.1 per cent for animal feedingstuffs and 1.4 per cent for equipment maintenance.
5. Data has been published, for the year to February 2024, on the types of fuel used by farms and the generation and sale of renewable energy:
 - Red diesel was used by 98 per cent of farms with its use per hectare increasing with farm business size.
 - 32 per cent of farms generated some form of renewable energy with solar power the most popular at 27 per cent.
 - Of the total of solar-generating farms, 84 per cent had panels installed on farm buildings while 10 per cent had field panels.
 - 77 per cent of farms with solar panels did so to reduce the cost of farm energy bills.
 - 20 per cent of farms had received a carbon audit with dairy farms the most likely at 57 per cent.
6. Koppert has named Insect Science as its preferred supplier of semiochemical solutions.
7. Botanicoir, a global leader in coirsubstrate solutions, has installed a new, fully automated mechanical drier at its manufacturing facility thereby doubling the daily drying capacity.

Marketing

1. A recent IGD Viewpoint has forecast that retail food inflation will peak at 5.1 per cent in the late summer while an IGB survey has shown that 83 per cent of UK consumers expect food prices to rise further and 81 per cent have expressed concern at the rising cost of eating out. Meanwhile, Worldpanel by Numerator has reported that grocery price inflation hit 5.2 per cent in early July, its highest level since January 2024.
2. Research from the Autonomy Institute suggests that climate-based inflation could push up to 1 million people in the UK into poverty by 2050. On the horizon, Climate-Induced Inflation and the Price of Food projects an impending 'climateflation' crisis that could force food prices up by 34 per cent by 2050. The report reveals that extreme weather will disrupt food production both at home and abroad, driving up costs in a country which imports nearly half its food. It claims that UK Government planning to develop resilience in food systems is 'dangerously inadequate.'

3. In the 12 weeks to 10 August, according to Worldpanel by Numerator UK:
 - Average beef prices increased by 15 per cent, compared to a year earlier, with a volume decline of 7.5 per cent and a spend increase of 6.4 per cent.
 - Primary beef volumes fell by 10.2 per cent with mince down 6.5 per cent, steak 12.8 per cent and roasting joints 25.7 per cent.
 - Mince prices increased by 26.3 per cent, steak 23 per cent and roasting joints 15.7 per cent.
 - Processed beef volumes fell by 7.3 per cent, burgers and grills 8 per cent, marinades 7.3 per cent, sous vide 12.7 per cent and ready-to-cook 11.1 per cent.
 - Lamb volumes fell by 13.7 per cent and, while average prices increased by 3.3 per cent, overall spend fell by 10.9 per cent.
 - Primary lamb cuts volumes fell by 6.4 per cent with burgers and grills down 8.5 per cent. Added-value lamb volumes fell by 9.3 per cent with marinades down 23.1 per cent and sous vide 2.5 per cent.
 - Pig meat spend increased by 2.1 per cent with volumes up 1 per cent and the average price up 1.1 per cent.
 - Primary pig meat volumes increased by 5.3 per cent with belly up 5.3 per cent, mince 21.3 per cent, ribs 47.3 per cent and steak 8.3 per cent.
 - Processed pig meat volumes fell by 1.1 per cent although sausages increased by 0.7 per cent, sliced cooked meats 0.8 per cent and burgers and grills 2.6 per cent.
 - Pig meat added-value volumes increased by 8.2 per cent with marinades up 7.3 per cent, ready-to-cook 15.4 per cent and sous vide 7.3 per cent.
4. A survey carried out by Riverford Organics has revealed that 78 per cent of shoppers believe supermarkets should prioritise UK farmers over imported produce.
5. In the first 6 months of 2025, UK dairy exports rose by 20 per cent, compared to 2024, to £1.1 billions. Exports to the Netherlands rose by 15 per cent, France by 41 per cent, Spain by 40 per cent, Germany by 25 per cent, the USA by 30 per cent, Asia and Oceania by 22 per cent and the countries in the Gulf Corporate Council by 28 per cent.
6. A report from sustainability consultant Aethr Associates in association with the Fresh Produce Consortium has revealed that, in 2024, the UK imported 47 per cent of its vegetables and 84 per cent of its fruit with 64 per cent of the total coming from 10 countries where temperatures are forecast to rise by 16 per cent by 2050. In the past 5 years, spending on fruit and vegetables has increased by 43 per cent in countries facing extreme weather stress.
7. According to the Retailer Meat and Poultry Inflation Tracker, during July, the average price of British meat increased by 0.35 per cent, with beef up 1.32 per cent, lamb 0.53 per cent, pork 0.82 per cent and chicken 1.44 per cent. The average price was 13.11 per cent up on a year earlier.

8. In the first 6 months of 2025, beef imports fell by 3 per cent to 149,000 tonnes although the value rose by 21 per cent to £994 millions. Exports fell by 9 per cent to 65,700 tonnes but the value rose by 16 per cent to £366 millions. Imports of sheep meat rose by 8 per cent to 41,300 tonnes and the value rose by 29 per cent to £222 millions. Exports rose by 18 per cent to 47,500 tonnes with the value up 15 per cent to £347 millions.
9. In the period April to June:
 - Export volumes of dairy products grew by 33,100 tonnes, compared to a year earlier, with exports to the EU up by 21,100 tonnes.
 - Exports of milk and cream increased by 9.4 per cent, powders and whey by 31.1 per cent, whey products by 26.5 per cent, cheese and curd 12.2 per cent and powders 28 per cent.
 - Export volumes of yoghurt fell by 25 per cent and butter by 0.6 per cent.
 - Import volumes increased by 3.5 per cent to 349,400 tonnes with most of the increase from EU nations.
 - Imports of yoghurts increased by 9.6 per cent to 349,400 tonnes with powders up 10.4 per cent, cheese and curd 1.4 per cent and cream 0.5 per cent.
10. 12 businesses across England and Northern Ireland have gained approval to export pork to Mexico to an estimated value of £19 millions over 5 years.
11. The Department of Business and Trade has agreed with Egypt that halal certification will not be required on exports of dairy products to the country.
12. A Consumer Horizon report from product intelligence business Vypr has revealed that 62 per cent of consumers would pay more for regeneratively farmed products although, while 67 per cent had heard of the term 'regenerative farming', 43 per cent did not know what it meant. Overall, 85 per cent of consumers would switch to a regeneratively farmed version of their usual brand.
13. Latest data from British Berry Growers indicates that sales of strawberries are up 24 per cent, raspberries 33 per cent and blackberries 25 per cent. Tesco has increased sales by 24 per cent, Aldi by 32 per cent, Lidl by 33 per cent and Ocado by 67 per cent.

Miscellaneous

1. While the Office for National Statistics has reported a 20 per cent increase in shoplifting offences in England and Wales in the year to March to 530,643, the NFU Mutual has advised that over two-thirds of rural retailers had suffered from rural crime in the past year with over half having been targeted more than three times.
2. The All-Party Parliamentary Group for Rural Business and the Rural Powerhouse has opened a call for evidence into the impact of devolution on rural areas. Evidence can be submitted via ruralpowerhouse@cla.org.uk.

3. Defra's Farming Opinion Tracker has been published for April:
 - To 'do you know what Defra's vision for means for farming?', 7 per cent fully understand; 49 per cent roughly understand, the lowest for over 5 years; 39 per cent don't understand but would like to know more, the highest for over 5 years; and 5 per cent don't understand and don't need to.
 - To 'do you have the information to inform your business planning?', 8 per cent have all the information they need: 35 per cent have most of the information they need; 18 per cent don't have the information but know where to get it; 29 per cent don't have the information and don't know how to find it; and 10 per cent simply don't know.
 - To 'In the next year do you plan on making any changes to environmental schemes?', 26 per cent will make no changes; 20 per cent are planning to do more options; 16 per cent are planning to do an additional scheme; 9 per cent are planning to replace an existing scheme; 4 per cent will not be renewing an existing scheme; 13 per cent are planning to enter a scheme for the first time; and 12 per cent are not in a scheme and have no intention of participating.
 - To 'To what extent are organisations and advisors helping to make changes?', 8 per cent strongly agree; 36 per cent agree; 36 per cent neither agree or disagree; 9 per cent disagree; and 7 per cent strongly disagree.
 - To 'How important is it that Defra pays for environmental outcomes?' 62 per cent consider it very important; 22 per cent moderately important; 10 per cent not important; and 6 per cent don't know.
 - To: 'How do you feel about the future of farming?', 1 per cent are very positive, the lowest ever; 24 per cent are somewhat positive, the lowest ever; 66 per cent are not positive, the highest ever; and 6 per cent simply don't know.
4. A survey of Arla's 1,900 British farms has found that 5 in every 6 who had tried to fill a vacancy had very few qualified applicants or none at all. As a consequence, 6 per cent had cut output while 13 per cent planned to leave farming altogether if there was no improvement in the next year.
5. A study conducted by Grounded Research and commissioned by the Energy and Climate Intelligence Unit has revealed that 98 per cent of British farmers have faced extreme weather events over the past 5 years with extreme rainfall the most common at 86 per cent followed by drought at 78 per cent and heatwaves at 54 per cent. In periods of extreme weather, 92 per cent of farmers endured anxiety with 34 per cent 'very anxious'. 60 per cent of farmers felt depressed with 6 per cent 'very depressed.'
6. Defra has invited farmers to join the Farming and Countryside user research panel. An interest can be registered at defrafarming.blog.gov.uk.
7. The Institute of Agricultural Management is hosting the National Rural Planning Conference on 9 October at the British Motor Museum, Gaydon, Warwick.

8. The NFU Mutual Charitable Trust has pledged £70,000 to support NFU Education helping schoolchildren to take part in NFU live lessons whereby trained farmers and NFU staff visit schools. This is part of its total of £550,000 of donations to farming charities.
9. Albert Bartlett has delivered 600 tonnes of fresh potatoes to food charity Fare Share.
10. The Watercress Company, the UK's largest grower of watercress, is to trial watercress in NHS hospital menus to produce nutritious sustainable meals for patients and aid hospitals fulfil their Net Zero ambitions.
11. Rea Valley Tractors, based in Burton-upon-Trent in Staffordshire, is seeking to appoint administrators to save the business from liquidation.
12. David Richardson, farmer, writer and broadcaster from Wymondham in Norfolk, has died aged 88.

Postscripts

1. An ad in the Atlanta Journal:

‘Single black female seeks male companionship. Ethnicity not important. I’m a very good looking girl who LOVES to play. I love long walks in the woods, riding in your pick-up truck, hunting, camping and fishing trips, cosy winter nights lying by the fire. Candlelit dinners will have me eating out of your hand. When you get home from work I’ll be at the front door wearing only what nature gave me. Call 404-555-1212 and ask for Daisy. Over 1,500 men found themselves talking to the Atlanta Humane Society about an 8-week old black Labrador Retriever!’

2. An ambitious young executive in a large company, who wanted at all costs to get on, came home some hours earlier than usual and, through his half-open bedroom door, saw his wife in bed with his managing director. Pale and shaken he left the house and encountered one of his colleagues in whom he confided. This colleague was sympathetic and consoled him on his wife’s infidelity.

‘But you don’t understand’, was the reply. ‘He nearly saw me.’

3. The wise old lecturer at veterinary college had worked with thousands of students. His first year intake gathered around the front of the room to watch his demonstration on their first day. He took a white sheet off a dead cow revealing it to the class.

‘There are two basic rules you must learn today if you want to be a vet. Number one, don’t be disgusted at any part of an animal. Let me show you.’

With that he stuck his finger up the cow’s nose, quickly put his finger in his mouth and sucked it.

‘Now you do it’ he instructed the class who, somewhat reluctantly, completed the task.

‘Now the second basic rule is observation. If you had watched me closely you would have noticed that I put my middle finger in the cow’s nose and sucked my index finger!’

4. When I was teaching, I taught a farmer’s son called David. His maths teacher asked him this question:

‘If there are 50 sheep in a field and one gets through the fence, how many sheep are left in the field?’

‘None’ replied David.

The teacher replied ‘You don’t know your Maths David.’

‘Sorry Sir’, said David, ‘you don’t know your sheep.’

Why won't she listen!

It is generally understood by the public that politicians do not listen until they are voted out. They know what is best for us mere mortals and they are determined to inflict their views for one simple reason, it is their view and our views are irrelevant. Who are these people? Irrespective of one's political persuasion, the electorate is presented with a fait accompli, one way or another depending on which way you lean.

A prime example is the current Chancellor.

There has been condemnation from all quarters regarding her proposed changes to IHT legislation. Even the heads of UK retailers have condemned the effect it will have on food supply but to no avail. The Government answer seems to be 'if we can't produce it we can import it!

Ms Reeves has flatly refused to discuss, let alone entertain, any variations to her proposals. Why is this? Because to do so would show weakness and would risk undermining her fundamental proposals.

But there are alternatives. Perhaps not acceptable to all but defensible although they may not yield the immediate finance she desperately needs.

Firstly, abolish the uplift for Capital Gains Tax on death. This would have no effect on generational based farmers and would only affect those who chose to sell up. If you choose to sell up, you have the cash with which to pay the tax.

Secondly, restrict the IHT relief to core business assets. This would be more difficult to enforce but could be achieved by civil servants whose life is to draft legislation.

Business Property Relief (BPR) could be restricted to those assets employed in the core business. For example, BPR would continue to apply to livestock, machinery, grain in store etc. but would no longer apply to let property. After all, if a property is not required for the running of the agricultural business, it could be sold to finance IHT despite how distasteful this may seem.

It requires some lateral thinking to preserve our agricultural industry, but, sadly, lateral thinking would not be listed on Ms Reeves' CV.

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.



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