



CHAVEREYS

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MONTHLY FARMING UPDATE

November 2023



I Policy issues

- 1 The Government has launched a review focused on ending unfair practices in the egg supply chain. The review will seek input from industry stakeholders on issues such as transparency, clarity of contractual terms and data from the supply chain.
- 2 The Government is planning to introduce mandatory digital waste tracking across the UK. It is intended to:
 - provide a comprehensive way to see what is happening to the waste produced in the UK
 - help support more effective regulation of waste
 - help businesses comply with their duty of care with regards to waste
 - help move towards a more circular economy by maximising the value extracted from resources
 - reduce the ability for waste criminals to operate and undercut legitimate businesses through their systemic mis-handling of waste, illegal exports and fly tipping. Mandatory tracking will be introduced in 2025 with the service being available on a voluntary basis in 2024.

II Reform

- 1 Defra has confirmed that the first farmers to sign up for the Sustainable Farming Incentive have received 25 per cent of their annual payment entitlement.
- 2 The 8th round of the Countryside Stewardship Facilitation Fund has opened for applications. The £2.5 millions fund encourages collaboration between groups of farmers, foresters and land managers to improve local environmental outcomes such as enhancing wildflower and grassland or protecting meadows and woodlands. Up to £50,000 is available to each group.
- 3 The Welsh Government has made advance Basic Payment Scheme payments totalling £158 millions to 15,600 farms.

III Grants/regulations/legislation/environment

- 1 The Government is planning to introduce a standard approach to recycling across the UK while weekly collections of food waste will be introduced for most households in England by 2026. Waste collectors will be permitted to collect dry recyclables together.
- 2 Coveris has opened ReCover Louth, a new recycling facility which cleans and recycles printed polyethylene film and uses the waste material to manufacture new polyethylene products. A de-inking process removes the printed ink and the waste is then regranulated into high-quality polyethylene resin.
- 3 Despite 2022 being the warmest year on record in the UK, it was an average year for butterflies with 47 per cent of all species falling in abundance. Habitat specialists showing the greatest long-term decline since 1976 include heath fritillary; wood white; Lulworth skipper; grayling; small pearl-bordered fritillary; pearl-bordered fritillary; high brown fritillary; white admiral; and northern brown argus. Silver-washed fritillary has shown a significant decline since 2017. Those species showing the largest long-term increase include silver-spotted skipper; black hairstreak; large heath; dark-green fritillary; and silver-washed fritillary.

Chalk-hill blue and dingy skipper increased over the short term while Lulworth skipper increased over the short term but decreased over the long term. Species of the wider countryside showing the greatest long-term decline include wall; small tortoiseshell; and white-letter hairstreak while increases have been seen in ringlet; comma; speckled wood; and marbled white. On farmland the greatest increases have been seen in white-letter hairstreak; ringlet; brimstone; speckled wood; marbled white; and orange tip while the greatest declines have been in small tortoiseshell; wall; Scottish Argus; and gatekeeper. In woodland, the decline is thought to be due to the lack of woodland management and the loss of open spaces in woods despite recent efforts to reverse this. The greatest decline has occurred in wall; small copper; small tortoiseshell; Essex skipper; and gatekeeper.

- 4 The Engineering and Physical Sciences Research Council has awarded the Universities of Lincoln and Cambridge a grant of £4.9 millions to make Lincolnshire and north Cambridgeshire a global innovation region for agricultural technology.
- 5 A new 'super nature reserve' has been created. The Mendip National Nature Reserve will conserve and help restore 1,400 hectares of steep limestone slopes, wildflower grasslands, ancient wooded coombes, gorges and rocky outcrops. It will bring together 31 existing nature reserves and over 400 hectares of new land which will primarily be managed for conservation. The Mendips are home to lesser and greater horseshoe bats, adder, skylark, water vole, hazel dormouse, small pear-bordered fritillary, black oil beetle and plants such as the nationally rare little robin and purple gromwell.
- 6 During October, there were confirmed sightings of Asian Hornets in Dover, Folkestone, Ashford, Deal and Canterbury, all in Kent. In all cases apart from Deal, a nest was destroyed.
- 7 Communities and organisations have been invited to submit proposals for the next National Park in Scotland.
- 8 The Welsh Government has published the Nature Recovery Action Plan with particular reference to nature and the Strategic Road Network.
- 9 The latest round of the Scottish Government's Regional Food Fund has opened for applications with £100,000 available.

IV Other matters of farm finance and tenure

- 1 The Government's latest Migration Advisory Committee Shortage Occupation List includes no agricultural roles and has advised there are no plans to address the matter in the near future.
- 2 In the year to August, the Agricultural Price Index for outputs fell by 1.5 per cent while the index for inputs fell by 11.9 per cent.
- 3 According to Strutt & Parker, the average price of arable land sold so far in 2023 is £10,900/acre, down on £11,100/acre for the first half of the year but about the same as the average for 2022. The average price of pasture land, at £8,000/acre, is down 9 per cent on the average for 2022. The area of land coming to the market in 2023 is 9 per cent above the 5-year average at 65,600 acres.
- 4 AHDB has proposed increases in its levy to come into effect in 2024. Cattle, including calves, will rise to £5.06/head, calves to £0.10/head, sheep and lambs to £0.75/head, cereals to 58p/tonne, dairy to 8ppl and pigs to £1.02/head.
- 5 As at 1 June, it is estimated the total agricultural labour force in the UK was 470,624, up 0.7 per cent on 2022. The number of farmers, business partners, directors and spouses rose by 0.4 per cent to 301,834 while the number of regular employees, salaried managers and casual workers rose by 1.2 per cent to 168,790.

V Product prices

A Market background

- 1 Sterling closed down against the Euro and the US Dollar for a second month, having been stronger against both mid-month. Having opened against the Euro at 86.7p, Sterling improved to a peak of 86.2p but then fell back to close the month at 87.3p per € (0.6p weaker). Sterling opened against the US Dollar at 82.0p and fell back to 82.9 before rising to a peak of 81.0p; thereafter it dropped to a late month close of 82.4p per \$ (0.4p weaker).
- 2 The gold price, after an early dip, rose sharply this month to hit an all-time high. Opening at £1,517 per troy ounce, the average dropped to £1,499 before climbing to close the month almost 10 per cent up at a peak of £1,666 per troy ounce.
- 3 Crude oil prices, after a few months of volatile growth, retained their volatility but switched to an underlying downward trend as the unrest in Gaza deepened. Brent Crude, opening at \$95.3 per barrel, dropped to a low of \$84.1 but, after various 'rise and fall' cycles, reached a closing price of \$87.9 per barrel, down \$7.4 overall.

B Crops

- 1 The cereals market has fallen back in the short term with plentiful supply, however, medium term prices held relatively stable as the availability of ample keenly-priced Black Sea crop continued to be countered by weather concerns in the Southern Hemisphere (Australia and Argentina in particular). Average milling premiums are still climbing as more grain samples fail to reach quality standards; well over £70/tonne in some areas. Feed wheat futures were volatile but the movements were relatively small in the context of previous months; the longer-term futures closed marginally up. By late October, deliveries for November 2023, 2024 and 2025 were £185/tonne (-7), £202/tonne (-) and £204/tonne (+1) respectively. Oilseed rape prices fell back sharply this month but recovered partially, to close the month on a slowly rising market. The same factors are keeping the oilseed market suppressed: a well-supplied market from good Australian and Canadian harvests, alongside that of the EU, the plentiful soyabean supply and the falling crude oil price. The long-term outlook remains flat to negative.
Average spot prices in late October (per tonne ex-farm): feed wheat £174 (-10); milling wheat £246 (-); feed barley £156 (-7); oilseed rape £334 (-20); feed peas £230 (+19); feed beans £220 (+4).

C Livestock

- 1 The average live-weight cattle prices, for both steers and heifers, fell back throughout the month but saw a recovery in the final days. The average steer price initially fell from its opening average of 261p/kg lw to a low of 255p/kg before climbing again to close back at 261p/kg lw (unchanged, to sit 19p/kg above the average a year earlier). The average finished heifer price followed a very similar pattern: falling from an opening position of 272p/kg lw to 268p/kg before gaining again to reach a closing average of 273p/kg (up 1p, to sit 22p above the average a year earlier). The average dairy cow price, after falling back in the opening weeks, improved thereafter to close up despite challenging milk prices. Dropping from the opening position of £1,232 per head to a low of £1,140, the average then improved significantly to close at £1,358 per head (up £154 to sit £222 below the average a year earlier).
- 2 The new season average finished lamb price (SQQ live weight) gained over the course of the month but fell back marginally as the month drew to a close; from the opening position of 251p/kg lw the average rose to a peak of 259p/kg but relaxed to close at 258p/kg, up 7p/kg to sit 35p/kg above the average a year earlier.

- 3 The average UK all pig price (APP) fell further this month, as overall UK demand appears to be falling. Opening at 223p/kg dw, the average price fell back steadily to close the month at 220p/kg dw (down 3p to sit 16p above the closing average a year earlier).
- 4 UK milk prices improved in August but have since fallen. The UK average 'all milk' price for August was 36.22ppl; up 0.55ppl from the July average, 11.36ppl below the price a year earlier but still 2.01ppl above the rolling 5-year average of 34.23ppl. The EU average for August was 38.61ppl; 0.06ppl below the restated July average and 6.96ppl below the price a year earlier.

VI Other crop news

- 1 The first estimate of the 2023 English cereal crop has been published. The wheat harvest is estimated at 12.8 million tonnes, down 10 per cent on 2022 because of reductions in both yield and area; the barley harvest is down 5.8 per cent at 4.8 million tonnes, comprising a 13 per cent fall in spring barley offset by an increase in winter barley; yields for all barley crops were down in all regions except in the West Midlands and the Eastern regions; oats production fell by 18 per cent to 651,000 tonnes as a result of a 15 per cent decrease in yield and a 4.9 per cent decrease in area; oilseed rape production is down 14 per cent to 1 million tonnes with yields down 19 per cent partly offset by a 6.1 per cent increase in area. Yields varied wildly across the country. The South West saw a reduction in wheat yield of 15 per cent while oats yield varied from 3.1t/ha in the North West to 6.3t/ha in the North East.
- 2 The AHDB Cereal Quality Survey has revealed that just 13 per cent of UK Flour Millers group 1 samples met a typical specification, down from 33 per cent in 2022 and 20 per cent in 2021. At an average of 282 seconds, the Hagberg Falling Numbers are likely to be the lowest since 2017 (248 seconds). The average specific weight is 75.6kg/hl, down from 81.2kg/hl in 2022 and below the three-year average of 78.3kg/hl. The average protein is up 0.1 per cent at 12.7 per cent but below the three-year average of 12.9 per cent although group 1 samples have fared better than group 2 samples. Average moisture content at 15 per cent is the highest since 2012. The average specific weight of barley samples of 62.6kg/hl is the lowest since the Cereal Quality Survey began in 1977. On average, 82 per cent of winter varieties were retained by a 2.5mm sieve, 7.7 per cent below the three-year average of 89.7 per cent but spring varieties were only 0.7 per cent below the three-year average of 94.5 per cent. Nitrogen content of winter barley at 1.7 per cent is marginally higher than the three-year average of 1.68 per cent while the average content of spring barley at 1.62 per cent is up on the three-year average of 1.56 per cent. Average moisture content at 16 per cent is well up on 2022 which was 14.3 per cent.
- 3 AHDB has published the Early Balance Sheet estimates for wheat and barley. Total wheat availability is estimated at 17.358Mt, down 1.316Mt on a year ago; total domestic consumption is estimated to be up on 2022 by 534Kt at 15.124Mt with human and industrial consumption expected to increase by 5 per cent to 7.668Mt; this results in the balance of supply and demand settling at 2.234Mt, down 1.85Mt. If the operating stock is taken to be 1.5Mt, that leaves 734Kt available for export or free stock, down 1.304Mt on the year. Barley availability is estimated to be 8.336Mt, down 101Kt on a year ago. Domestic consumption is expected to be down 120Kt at 6.012Mt. The barley balance is forecast to be 2.316Mt, similar to 2022. With an operating stock requirement of 800Kt, there remains 1.516Mt available for export or free stock.
- 4 Defra has published details of on-farm cereal stocks in England and Wales in June. Wheat stocks stood at 864,000 tonnes, up 46 per cent on a year earlier; barley stocks were up 99 per cent at 151,000 tonnes; but oats stocks were down 1 per cent at 27,000 tonnes.

- 5 During August, the Agricultural Price Index showed increases of 86.6 per cent for potatoes, compared to a year earlier, 4.8 per cent for forage plants, 2 per cent for fresh vegetables and 42.8 per cent for fresh fruit but there were falls of 27.3 per cent for wheat, 25.9 per cent for barley, 14.3 per cent for oats and 36.8 per cent for oilseed rape. Compared to July, there were increases of 6.9 per cent for barley, 1.1 per cent for oats, 51.7 per cent for potatoes, 3.1 per cent for oilseed rape and 13.5 per cent for forage plants but there were falls of 5.5 per cent for wheat, 10.7 per cent for fresh vegetables and 22.4 per cent for fresh fruit.
- 6 First estimates of Scotland's cereal production have been published. Spring barley is estimated to have fallen by 6 per cent to 1.5 million tonnes, with a yield fall of 7 per cent to 6.3t/ha slightly compensated by an area increase of 2 per cent. Winter barley production is expected to be down 3 per cent at 350,000 tonnes with yields down by 4 per cent to 7.9t/ha. Wheat production will be down 2 per cent at 980,000 tonnes mainly caused by a 2 per cent yield reduction. Oats production will be down 20 per cent at 153,000 tonnes mainly as a result of a 9 per cent decrease in area. However, oilseed rape production is expected to be at its highest level for 20 years at 160,000 tonnes, despite a fall in yield of 6 per cent, as a result of an area increase of 13 per cent.
- 7 The US Department for Agriculture has cut its estimate of the US maize crop by 1.8Mt to 382.6Mt and the soya bean crop by 1.1Mt to 111.7Mt.
- 8 ADAS, the NFU, SRUC and Voluntary Initiative have developed a new Integrated Pest Management Planning Tool for use on arable and outdoor horticultural crops.
- 9 The Fera-led R&D project, Enigma 1, has collected over 1,100 samples of click beetles by project partners, such as Syngenta, G's Growers, Pearce Seeds, Blackthorn Arable, Elveden Farms and Inov3PT, to enable differences in species and damage patterns caused by wireworms to be analysed and thereby achieve better wireworm control.
- 10 Innovate UK has funded a three-year project run by ERL 'Transformative Reduced Inputs in Potatoes'. During the course of field trials, ERL's Opti Yield soil analysis, nutrient recommendations and product formulations will be used and evaluated against standard farming programmes and a number of different nitrogen and phosphate regimes. The aim is to see if it is possible to reduce the total overall inputs while still achieving a commercially saleable crop.
- 11 Innovate UK is funding a consortium-based project involving Vegetable Consultancy Services Ltd, Frederick Hiam Ltd and Crop Health and Production to investigate new post-harvest storage practices to minimise the need for in-field storage for carrots and parsnips which will enhance the nutritional quality of crops.
- 12 Molear has developed nanobubble technology which injects oxygen bubbles into irrigation water thereby increasing oxygen levels which enhances plant development and vigour and reduces the growth of pathogens.
- 13 The World Apple and Pear Association has reduced its recent forecast for the 2023 apple crop by 4 per cent to 11 million tonnes which would be down 9 per cent on 2022. The pear crop is forecast to be 1.72 million tonnes which would be down 13 per cent on 2022.
- 14 Updated figures for horticulture have been published by Defra for 2022. The value of home-produced vegetables increased by 4.8 per cent to £1.8 billions but the volume fell by 5.8 tonnes to 2.4 million tonnes. The value of field vegetables increased by 7.5 per cent to £1.4 billions but the value of protected vegetables fell by 4.4 per cent to £371 millions. Home produced fruit rose by 9.5 per cent to £1 billion while volumes increased by 13 per cent to 652,000 tonnes.

- 15 According to Defra, vineyards are the fastest growing edible agricultural crop sector in England and now represent 36 per cent of the soft fruit crop followed by strawberries and blackberries, both at 21 per cent. In the last five years there has been a 74 per cent increase in vine plantings with vineyards now covering 4,300 hectares.
- 16 The Netherlands has reported that 57 companies have tomatoes infected with Tomato Brown Rugose Fruit Virus.
- 17 NIAB and Viveros de Excelencia S.A. de C.V. have collaborated to support the growth of raspberry varieties Malling Bella and Malling Charm from NIAB Malling Fruits portfolio in Mexico.
- 18 Smithy Mushrooms has partnered with Graphic Packaging International to supply mushrooms to supermarkets in recyclable, cartonboard punnets.
- 19 Grodan and Fluence have partnered for an innovative trial aimed at high-tech year-round strawberry cultivation using stone wood growing media and LED technology.
- 20 A 24-month project, funded by Innovate UK, aims to optimise novel acoustic sensors to precisely monitor activity in strawberry farms and develop tools to monitor pollinator behaviour.
- 21 Nim's Fruit Crisps, based in Sittingbourne, has been short-listed for the 'Manufacturing in Action' category of the Manufacturer MX Awards 2023. It processes over 1,000 tonnes of fruit and vegetables each year.
- 22 Angus Soft Fruits, Waddington Europe and Produce Packaging have launched a new range of strawberry punnets made with Monoair cushion technology which use integrated cushioning made of the same material. The elimination of the bubble padding means the packaging is fully recyclable.

VII Other livestock news

- 1 The Livestock Auctioneers Association is to create a new platform providing up-to-date sales, market data and trends and is to terminate its relationship with AHDB.
- 2 With effect from 13 December, non-assured UK livestock farmers will need to provide a Veterinary Attestation Number to enable products of animal origin to be exported to the EU.
- 3 Defra has committed to working with industry to reduce methane emissions in livestock through the use of methane-suppressing feed products which are expected to be available to the market in 2025.
- 4 During August, the Agricultural Price Index showed increases of 5.2 per cent for cattle and calves, compared to a year earlier, 15.1 per cent for pigs, 5.5 per cent for sheep and lambs, 23.1 per cent for poultry and 37.4 per cent for eggs but there was a fall of 23.7 per cent for milk. Compared to July, there were increases of 0.9 per cent for cattle and calves, 0.1 per cent for pigs, 0.6 per cent for poultry and 1.7 per cent for milk but a fall of 5.1 per cent for sheep and lambs.
- 5 France has confirmed 1,194 outbreaks of Epizootic Haemorrhagic Disease while there have been 50 new outbreaks in Spain and 17 in Portugal.
- 6 During September, UK prime cattle slaughterings fell by 1 per cent, compared to a year earlier, to 161,000 head; beef and veal production fell by 2.5 per cent to 71,000 tonnes; sheep slaughterings fell by 3.6 per cent to 994,000 head; mutton and lamb production fell by 4.4 per cent to 23,000 tonnes; pig slaughterings fell by 11 per cent to 780,000 head; and pigmeat production fell by 10.2 per cent to 73,000 tonnes.
- 7 First Milk has reduced its price by 0.85ppl to 36ppl.

- 8 During August, UK dairies processed 1,166 million litres of milk, up 0.1 per cent on the rolling year to July but down 2.9 per cent on July itself. Compared to July, liquid milk production fell by 2.2 per cent to 492 million litres; cheese production fell by 3.3 per cent to 42,800 tonnes; butter production fell by 7.8 per cent to 15,400 tonnes; and milk powder production fell by 29 per cent to 6,600 tonnes.
- 9 Muller has reduced its price by 0.5ppl to 36.5ppl.
- 10 Average butterfat increased by 2 per cent in September to 4.21 per cent and was 0.2 per cent higher than a year earlier. Average protein fell by 0.6 per cent to 3.38 per cent but was 0.4 per cent up on a year earlier.
- 11 Freshways has reduced its price by 1ppl to 35ppl.
- 12 The Labour Party has announced it will ban badger culling if it wins the next General Election.
- 13 On 10 October, Belgium reported a case of Blue Tongue Virus-3 on a sheep farm, the country having only been declared BTV free in August. On 13 October, Germany also reported a case of BTV-3, the first of its kind, all previous cases having been BTV-8. In the first three weeks of October, the Netherlands reported 2,259 outbreaks while France reported 300 outbreaks of BTV-8 taking the total to 600 outbreaks in less than a month.
- 14 In the past month, there has only been one confirmed case of Highly Pathogenic Avian Influenza, in Scotland.
- 15 The eight-strong FluMap consortium, headed by the Animal Plant Health Agency, have discovered that Northern Gannets and Shag are showing signs of developing immunity to avian influenza. The consortium has secured additional funding of £3.3 millions for further research.
- 16 During September, UK commercial layer chick placings rose by 8.3 per cent, compared to a year earlier, to 2.5 million chicks; broiler chick placings rose by 0.2 per cent to 94.7 million chicks; turkey chick placings fell by 18 per cent to 1.3 million chicks; turkey slaughterings fell by 1.8 per cent to 87.1 million birds; and total poultry meat production fell by 1.1 per cent to 151,600 tonnes.
- 17 During the three months to September, 209 million dozens of eggs were packed in UK packing stations, 2.1 per cent down on a year earlier but 2.2 per cent up on the three months to June. The average farm-gate price was 140.5p per dozen, 41 per cent up on a year earlier and 5.3 per cent up on the June quarter. The production of egg products totalled 171,000 tonnes, up 6.9 per cent on a year earlier but down by 1.8 per cent on the June quarter.
- 18 The full economic cost of production of pork in the quarter to September is estimated at 195p/dw with margins per slaughtered pig at £25 per head.
- 19 Defra has published a Code of Practice for the welfare of gamebirds reared for sporting purposes.

VIII Inputs/Supply businesses

- 1 Defra has confirmed that farmers and growers will continue to be allowed to use seeds with plant protection products authorised for use in the EU until 1 July 2027 and that trade permits for the import of plant protection products that are identical to those authorised in Great Britain may continue for a period of two years.
- 2 Spot prices for Ammonium Nitrate at £362/t were little changed in September but were down 58.3 per cent compared to a year ago yet up 36.8 per cent on the 5-year average.

- 3 A survey conducted by Ipsos, published by the Pesticides Action Network Europe, in Denmark, France, Germany, Poland, Romania and Spain has revealed the impact of pesticides on health worries 75.9 per cent of respondents, with those in Poland and Romania showing the highest concerns. 81.8 per cent of respondents are concerned about the environmental impact of pesticide use while 59 per cent agree that farmers should use methods of controlling pests and diseases that carry the least risks for human health and the environment or lose access to EU financial support. 73.2 per cent are in favour of making Integrated Pest Management rules mandatory for farmers in the EU.
- 4 During August, the Agricultural Price Index showed increases of 9.9 per cent for chemicals, compared to a year earlier, 2.7 per cent for veterinary services and 7 per cent for equipment maintenance, while there were falls of 14.7 per cent for energy and lubricants, 2 per cent for seeds, 51.6 per cent for fertilizers, 9.3 per cent for animal feedingstuffs and 2.3 per cent for buildings maintenance. Compared to July, there were increases of 0.1 per cent for seeds, 3.3 per cent for energy and lubricants and 0.5 per cent for fertilizers but falls of 2.1 per cent for chemicals, 0.1 per cent for veterinary services, 1.9 per cent for animal feedingstuffs and 0.6 per cent for equipment maintenance.
- 5 BASF is to invest in a new fermentation plant for biological and biotechnology-based crop protection products in Ludwigshafen, Germany.

IX Marketing

- 1 Grocery price inflation fell to 12.2 per cent in the 4 weeks to 3 September, the lowest level for 12 months. Take-home sales rose by 7.4 per cent, slightly up on the 6.5 per cent increase in the 4 weeks to 6 August.
- 2 In the 12 weeks to 3 September, Aldi grew sales by 17.1 per cent, compared to a year earlier, Lidl by 16 per cent, Tesco by 9.3 per cent, Sainsbury's by 9.1 per cent and Waitrose by 5.6 per cent.
- 3 Root vegetable sales grew by 12.2 per cent in value in the year to 3 September although volume sales fell by 0.1 per cent. Tesco had a 24.2 per cent share of the market, Sainsbury's 15.1 per cent, Aldi 12.7 per cent and Asda 11.8 per cent.
- 4 Kantar data shows that volumes of pig meat purchased through retail and food service have fallen by 1.3 per cent in the year to 3 September while in the 12 weeks to the same date the fall was 3.7 per cent, with the largest fall in roasting joints and chops. Sales of primary pork have been declining while sales of primary beef and lamb have increased, possibly due to the retail price of pork increasing by 12.6 per cent while lamb has risen by 4.1 per cent and beef by 11.5 per cent.
- 5 British Apples & Pears Limited has announced Aldi as the apple retailer of the year based on sales to supermarkets to the end of August of 32,165 tonnes.
- 6 During August, imports of sheep meat totalled 4,300 tonnes, substantially more than a year ago.
- 7 Moy Park has been officially registered to export cooked poultry to Japan. It is estimated the market could be worth £10 millions over 5 years.

X Miscellaneous

- 1 In the first half of the year, 12 people died on farms, with agriculture making up 44 per cent of deaths in the workplace. In the three months to June, 2 members of the public died on-farm.

- 2 The Food Standards Agency has published 'The Cost of Food Crime' and 'What Works to Reduce Food Fraud'. It has estimated the annual cost of food fraud to consumers, businesses and Government to be between £410 millions and £1.96 billions each year.
- 3 Latest statistics from Defra show:
 - On average, a child born in 2018 in Rural areas is expected to live between one and two years longer than a child born in Urban areas.
 - Rural areas score marginally better than Urban areas on a selection of wellbeing measures, however, for both areas there was a decline in wellbeing between 2018/19 and 2021/22 suggesting an impact from the Covid-19 pandemic.
 - There were 50 dentists per 100,000 patients in Predominantly Rural areas compared to 59 in Predominantly Urban areas.
 - The number of childcare providers in Rural areas declined by 20 per cent between 2015 and 2020 but the number rated as Good or Outstanding by Ofsted increased by 10 per cent.
- 4 The Welsh Government has awarded £80,000 to the Wales Farm Safety Partnership to help reduce the number of serious incidents and deaths on Welsh farms.

Postscripts

1. Tea is an evil substance! Tea is much more dangerous than beer. Please avoid drinking tea. Last night I had drunk 14 beers at the pub until 3am while my wife was drinking tea at home. You should have seen how violent and angry she was when I got home. I was peaceful, silent and headed to bed as she shouted at me, all night long and into the next morning. Please ladies, if you can't handle your tea, just don't drink it!
2. Morris and his wife Esther went to the local fair every year and every year Morris would say, 'Esther, I'd like to ride in that helicopter.'

Esther always replied, 'I know Morris, but that helicopter ride is fifty pounds, and fifty pounds is fifty pounds'.

One year Esther and Morris went to the fair as usual, and Morris said, 'Esther, I'm 85 years old. If I don't ride that helicopter, I might never get another chance.'

Esther replied, 'Morris that helicopter ride is fifty pounds, and fifty pounds is fifty pounds.'

The pilot overheard the couple and said, 'Folks, I'll make you a deal. I'll take both of you for a ride, and if you can stay quiet for the entire ride and not say a word, I won't charge you. But if you say one word, it's fifty pounds.'

Morris and Esther agreed and up they went. The pilot did all kinds of fancy manoeuvres but not a word was heard. He did his daredevil tricks over and over again, but still not a word.

When they landed, the pilot turned to Morris and said, 'By golly, I did everything I could to get you to yell out, but you didn't. I'm impressed!'

Morris replied, 'Well, to tell you the truth, I almost said something when Esther fell out, but you know, fifty pounds is fifty pounds.'

3. My flight from Gibraltar to Glasgow has been cancelled.

Now I'm stuck between a rock and a hard place.

4. My wife and I went to the Kent Show and one of the first exhibits we stopped at was the breeding bulls. We went up to the first pen and there was a sign attached that said "THIS BULL MATED 50 TIMES LAST YEAR".

She playfully nudged me in the ribs, smiled and said 'He mated 50 times last year, that's almost once a week.'

We walked to the second pen which had a sign attached that said "THIS BULL MATED 150 TIMES LAST YEAR".

She gave me a healthy jab and said, 'Wow, that's more than twice a week! You could learn a lot from this one.'

We walked to the third pen and it had a sign attached that said “THIS BULL MATED 365 TIMES LAST YEAR”.

My wife was so excited that her elbow nearly broke my ribs, and said ‘That’s once a day. You could learn something from this one.

I looked at her and said ‘Go over and ask him if it was with the same cow.’

My condition has been downgraded from critical to stable and I should eventually make a full recovery.

5. Will my idea of glass coffins be successful?

Remains to be seen.

Monthly Farming Update

Taxpayers I HM Revenue & Customs I

Two interesting cases have come out of the judicial system in the past month.

Tufton Warren Farm was effectively acquired by Tufton Warren Farm LLP in 1997. The activities of the LLP comprised farming, commercial lettings and a wedding venue business operated from an historic barn. The dispute with HMRC was whether the activities consisted of 'wholly or mainly of ... holding investments' and the determining factor in this case was the wedding business. If it did, the claim for Inheritance Tax Business Property Relief would fail. At the time of the testator's death, the wedding venue business employed a managing director, a sales and administration person, two maintenance staff and two seasonal maintenance staff.

Because of the deteriorating health of the testator, an external events manager was appointed which took on all the usual aspects associated with a wedding. The LLP continued to provide the setting, the ambience and the equipment while the events manager organised catering, music etc. and all the usual matters which make a wedding day special.

However, the First Tier Tribunal found that the wedding venue business fell short of a fully-serviced conference venue and the amenities that it provided did not go beyond those that are provided in a property held predominantly for investment purposes.

The tribunal judge went further and stated that he would have reached the same conclusion had the external events manager not been appointed and had all its responsibilities continued to be undertaken 'in house'.

This ruling may come as a shock to many events venue businesses and the points raised in the case warrant detailed consideration.

The second case is somewhat simpler.

The taxpayers purchased a plot of land in 2010, demolished the existing house and built a replacement which they occupied from 2013. A year later the property was sold and a claim for Private Residence Relief was made.

HMRC claimed the relief only covered the period since the property was available to occupy.

The Upper Tax Tribunal ruled that the relevant period of ownership to enable the relief to apply applied to the 'dwelling house' and not the 'land'. HMRC therefore lost the case.

We welcome feedback on the MFU.

Does this issue raise any questions in your mind?

Would you like more information on a particular item?

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

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



CHAVEREYS