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MONTHLY FARMING UPDATE

August 2024



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I Policy issues

- 1 The Fair Dealings Obligations (Milk) Regulations have come into force covering all new contracts for the purchase of milk from producers. A transition period of 12 months will apply but all contracts must be compliant by 9 July 2025.
- 2 The Danish Government is to levy a climate tax on agriculture amounting to £34.04/t of CO₂e in 2030, increasing to £85.11/t by 2035. A basic deduction of 60 per cent will be applied to the average emissions from different types of livestock giving an economic advantage to climate-efficient farmers.

II Reform

- 1 As at 1 April, there were 35,100 Countryside Stewardship agreements in force, 6,300 Environmental Stewardships agreements, 13,900 2023 Sustainable Farming Initiative actions and 3,200 2022 Sustainable Farming Initiative actions.
- 2 An AHDB survey has revealed that 65 per cent of arable farm businesses in England did not reduce their arable cropped area and replace with Sustainable Farming Initiative options. Defra statistics show the figure at 53 per cent if all sectors are taken into account. There are wide regional variations with the South West top at 80 per cent following by the North West at 75 per cent, Yorkshire and Humber at 68 per cent, South East at 65 per cent, Eastern at 63 per cent, West Midlands at 59 per cent, North East at 55 per cent and East Midlands at 53 per cent.
- 3 The Rural Payments Agency has announced approximately 50 per cent of 2024 delinked payments will be issued from 1 August onwards with the balance following from 30 September.
- 4 The Welsh Government has confirmed a number of schemes to apply in 2025 ahead of the introduction of the Sustainable Farming Scheme in 2026:
 - Habitat Wales Scheme will be available to all eligible farms.
 - Existing Habitat Wales Scheme Commons agreements can be extended into 2025.
 - Organic Support Payments will be maintained in 2025.
 - Farming Connect, a knowledge transfer and innovation support scheme, will run until 2026.
 - An Integrated Natural Resources Scheme will support farmer-focused partnerships delivery of nature-based solutions across a landscape catchment or on a pan Wales scale.
- 5 In 2023, compared to 2022:
 - Direct payments to farmers fell by 0.6 per cent to £2.953 billions.
 - Basic Payments fell by 12 per cent to £2.05 billions.
 - Payments under agri-environment schemes rose by 81 per cent to £666 millions.

III Grants/regulations/legislation/environment

- 1 The 2024 Farm Practices Survey covering greenhouse gas mitigation shows:
 - 48 per cent of small farms have a Nutrient Management Plan, increasing to 69 per cent of medium-sized farms and 74 per cent of large farms.
 - On small farms, 61 per cent of the farmed area is covered by a Nutrient Management plan, this increases to 78 per cent on both medium-sized and large farms.

- 6 per cent of small and medium-sized farms use anaerobic digestion to process slurries or manures but only 5 per cent of large farms.
 - 54 per cent of small farms regard greenhouse gas decision-making as very important or fairly important, rising to 60 per cent for medium-sized farms and 89 per cent for large farms.
 - Manure or slurry is spread on grassland and arable land on 73 per cent of small farms rising to 84 per cent of medium-sized farms and 89 per cent of large farms.
 - 34 per cent of small livestock holdings store solid manure either under cover or in the open but under cover on a concrete base. This rises to 35 per cent for medium-sized farms and 37 per cent for large farms.
 - 34 per cent of small livestock holdings have no Farm Health Plan, falling to 13 per cent for large farms and 12 per cent for medium-sized farms.
 - 59 per cent of small livestock holdings sow at least 40 per cent of their temporary grassland with a clover mix rising to 61 per cent for large farms and 65 per cent for medium-sized farms.
 - 23 per cent of small farms use a ration formulation programme or expert nutritional advice either always or most of the time rising to 48 per cent for medium-sized farms and to 63 per cent for large farms.
- 2 Scientists at the University of Reading have reported that bees and other beneficial bugs are disproportionately harmed by air pollution compared to crop-destroying pests. Pollinators experience a 39 per cent decline in foraging efficiency after being exposed to elevated air pollution levels whereas aphids and other pests were not significantly impacted.
 - 3 Growing Kent & Medway has awarded Business Innovation Vouchers worth a total of £310,000 to 13 businesses to work with technical specialists at 3 local research institutes to advance sustainable innovation in horticulture and plant-based food production.
 - 4 Applications for RABI's Return to School grant have opened with eligible parents and guardians able to apply for £200 per child for up to 6 school-aged children.
 - 5 The UK Centre of Ecology and Hydrology is offering farmers a free and confidential farm environmental health check with funding from UK Research and Innovation.
 - 6 Galloway has been proposed as the new location for a National Park in Scotland.
 - 7 Seed producer Tozer has become a Silver corporate member of the Surrey Wildlife Trust.

IV Other matters of farm finance and tenure

- 1 In 2022/23, average Farm Business Income in Great Britain rose by 19.4 per cent to £86,000. 41 per cent of farms had Farm Business Income of over £50,000 but 17 per cent failed to achieve a positive result.
- 2 In 2023, compared to 2022:
 - UK Total Income from Farming fell by 9.8 per cent to £7.2 billions.
 - Livestock output fell by 0.7 per cent to £19.2 billions, with milk down 10 per cent and sheep for meat down 2.7 per cent.
 - Crop output fell by 9.7 per cent to £12 billions with wheat down 28 per cent, barley down 26 per cent and oilseed rape down 45 per cent.
 - Inputs fell by 2.8 per cent to £21.1 billions with a fall of 28 per cent in the value of fertilizer.

- Agriculture's contribution to the economy fell by 4.5 per cent to £13.7 billions, 0.6 per cent of the total.
 - Total Factor Productivity fell by 5.1 per cent.
 - Output volumes fell by 5 per cent with crop outputs down 7.9 per cent and livestock for meat down 5.4 per cent. Only industrial crops registered an increase at 2.7 per cent.
 - Input volumes increased by 0.1 per cent, mainly due to fertilizer volumes.
 - The price index for outputs increased by 1.4 per cent, mainly due to poultry, pigs and potatoes, while the inputs index fell by 5 per cent.
- 3 Data has been published on the structure of UK agriculture in 2023, compared to 2022;
- The Utilised Agricultural Area fell by 2.3 per cent to 17 million acres covering 70 per cent of the total land area.
 - The total croppable area was unchanged at 6.1 million hectares.
 - The cereals area fell by 2.7 per cent to 3.1 million hectares.
 - The oilseed rape area increased by 4.7 per cent to 418,000 hectares.
 - The number of cattle and calves fell by 0.8 per cent to 9.6 per million head with the beef herd falling by 3.8 per cent to 1.4 million head while the dairy herd fell by 0.3 per cent to 1.8 million head.
 - The number of pigs fell by 10 per cent to 4.7 million head with female pigs in the breeding herd falling by 1.5 per cent to 338,000 head.
 - The number of sheep and lambs fell by 4.1 per cent to 32 million head.
 - Poultry numbers fell by 2.9 per cent to 178 million birds.
 - The labour force fell by 1.7 per cent to 462,000.
- 4 In 2023:
- 498,000 hectares were farmed organically.
 - 60 per cent of organic land was in England, 23 per cent in Scotland, 15 per cent in Wales and 1.4 per cent in Northern Ireland.
 - Permanent pasture accounted for 62 per cent of organic land while 10 per cent was used to grow cereals.
 - 3 per cent of cattle were reared organically.
 - Organic operators totalled 5,230.
- 5 Data on Total Income from Farming (TIFF) in England has been published:
- TIFF in 2023 was £4.5 billions, down 19 per cent on 2022.
 - Agriculture's contribution to the economy, Gross Value Added, fell by 8.7 per cent to £10 billions.
 - Total crop output fell by 13.2 per cent to £9.9 billions.
 - Livestock output was stable at £12.4 billions with an increase of £380 millions in poultry offsetting a fall in milk of £353 millions.
 - Inputs totalled £15 billions, a fall of 2.6 per cent.
- 6 In 2022, the agri-food sector in the UK achieved Gross Value Added of £146.7 billions, 6.5 per cent of the total, up 15 per cent on 2021. Wholesaling increased by 31 per cent. Total factor productivity increased by 3.7 per cent compared to a decrease of 0.2 per cent across the wider economy.

- 7 Employment in the agri-food sector in Great Britain rose by 5 per cent in 2023 to 4.4 millions with the main change being a 12 per cent increase in the wholesaling sector.
- 8 In 2023, consumer expenditure on food and alcoholic drinks fell by 1.2 per cent to £245.5 billions although expenditure on eating and drinking out increased by 0.6 per cent to £117.6 billions.
- 9 In 2022/23, the average Off-Farm Income in England was £12,200, up 41 per cent on 2021/22. Off-Farm Income was highest on cereal farms, up from £1,500 to £12,600 while the lowest was on dairy and specialist pig and poultry farms at only £500. Pensions were the most common type of Off-Farm Income, found on 25 per cent of farms, while income from green energy technologies was found on only 2 per cent of farms.
- 10 As at 1 June 2023, the agricultural workforce in England totalled 292,000, down 2.9 per cent on 2022; farmers, business partners, director and spouses totalled 179,000, down 0.6 per cent; regular workers fell by 4.2 per cent to 65,000; and casual workers fell by 11 per cent to 37,000. Of the principal farming group, 12 per cent were female across all age groups except the 16-24 year olds where 26 per cent were female. 35 per cent of farmers were over 65 with only 16 per cent under 45.
- 11 The Agricultural Price Index for outputs for May shows an increase of 4 per cent, compared to a year earlier, and an increase of 1.2 per cent compared to April. The index for inputs shows falls of 5.1 per cent and 0.1 per cent respectively.
- 12 A survey conducted by Investec Wealth and Management has reported that one in three farmers described their debt as 'high or very high' while two in three have experienced rising costs during the past 2 years averaging 12.9 per cent. 27 per cent reported cost increases in excess of 15 per cent.
- 13 Knight Frank has reported the average value of bare agricultural land in England and Wales as being £9,335 per acre in the quarter to June, up 0.9 per cent on the previous quarter and 5.5 per cent on a year ago.
- 14 Lloyds Banking Group is offering fee-free lending, financial support and resources for agroforestry projects costing over £25,000, through its Clean Growth Financing Initiative.
- 15 A study commissioned by Scottish Forestry has revealed that Scotland's forestry contributes £1.1 billions to the Scottish economy each year and supports more than 34,000 jobs. 10,380 people are directly employed, 5,630 work in wood processing and forestry activities and 18,130 in forestry-related tourism.

V Product prices

A Market background

- 1 Sterling closed marginally up against the Euro and more significantly up against the US Dollar this month, having been stronger against both earlier in the month. Opening the month against the Euro at 84.6p, Sterling improved to peak mid-month, and again later in the month, at 83.9p but relaxed to close at 84.2p per € (0.4p stronger). Against the US Dollar, Sterling improved from its opening position of 79.1p, peaking mid-month at 76.7p, a 12-month high, but then falling back to close at 77.8p per \$ (1.3p stronger).
- 2 The gold price reverted to a higher level of volatility this month, with numerous rise/fall cycles. Opening at £1,843 per troy ounce, it peaked at £1,906 and fell to £1,836, before settling at a closing price of £1,861 per troy ounce (a gain of £18).

- 3 Crude oil price movements were less volatile this month, albeit with a negative trend. Brent Crude opened at \$86.40 per barrel and peaked early on at \$87.34 before steadily falling, with a small mid-month recovery, to a close of \$79.78 per barrel, a net fall of \$6.62.
- B Crops
- I The cereals market spent the month in a state of flux as results from the progression of the northern hemisphere harvest started to unfold. Forecasts for UK, EU and Russian harvest outcomes have improved after earlier concerns, as have those in the US grain belt, whilst Russian wheat continues to be competitive in the marketplace. Average milling premiums are softening but remain above £60 per tonne. Feed wheat futures fell in the short term, with harvest underway in the northern hemisphere, but gained in the longer term; by late July deliveries for November 2024 and 2025 were £192/tonne (-5) and £203/tonne (+6) respectively; whilst deliveries in March 2026 closed the month at £208/tonne (+7). The oilseed rape market strengthened this month on the back of weather concerns pushing down global yield forecasts for rape and for soya, but the longer term outlook is less bullish as those concerns have since been allayed. In light of general northern hemisphere yields, actual and expected, the pulse markets underwent a 'readjustment', falling materially.
Average spot prices in late July (per tonne ex-farm): feed wheat £175 (+3); milling wheat £238 (-2); feed barley £142 (-7); oilseed rape £388 (+28); feed peas £245 (-40); feed beans £241 (-40).
- C Livestock
- I The average live-weight cattle prices for steers and heifers both closed marginally down this month. The average steer price, from its opening average of 274p/kg lw, dropped to 268p/kg, bounced back to 274p/kg before falling again to close at 271p/kg lw (down 3p, to sit 13p/kg above the average a year earlier). The average finished heifer price first rose marginally from its opening position of 281p/kg lw to peak at 283p/kg before falling back to a closing average of 279p/kg (down 2p, to sit 11p above the average a year earlier). The average dairy cow price remained volatile: falling from its opening position of £1,528 per head to £1,368, then peaking at £1,616 before dropping back to £1,366 and recovering to close the month at £1,483 per head (down £45 to sit £366 below the prior year average).
- 2 The average finished lamb price (SQQ liveweight, new season) continued to fall early on, after the exceptional highs seen in May, but levelled out as the month progressed. Opening at 354p/kg lw, the average fell to 299p/kg in the first two weeks but held steady and gained by a small margin in the latter weeks to close the month at 303p/kg, down 51p/kg but still sitting 42p/kg above the average a year earlier.
- 3 The average UK all pig price (APP) remained flat this month, moving only by fractional margins. From an opening position of 212p/kg dw, it rose over the course of the month to 213p/kg before falling back to 212p/kg dw, where it closed the month (unchanged, sitting 10p below the closing average a year earlier).
- 4 The UK milk price, in the most recent reports, fell in May, albeit from an amended (higher) April figure of 38.41ppl. The UK average 'all milk' price for May, reported in July, was 37.86ppl: 0.55ppl below the restated April average and 0.99ppl above the price a year earlier. The EU average for May fell to 40.48ppl; 0.17ppl below the April average and 0.29ppl below the price a year earlier).

VI Other crop news

- 1 MARS, the European Crop Monitoring Service, has released its latest July crop yield forecast, compared to June:
 - Spring barley has improved to yields at 4.4t/ha, above the 5-year average of 4.08t/ha.
 - Soft wheat has increased from 5.86t/ha in June to 5.87t/ha.
 - Oilseed rape has fallen from 3.16t/ha to 3.1t/ha.
 - Winter barley has fallen from 5.96t/ha to 5.76t/ha.
 - Maize is down from 7.55t/ha to 7.24t/ha.
 - Sunflower is down from 2.2t/ha to 2.09t/ha.
- 2 The latest AHDB Planting and Variety survey, conducted between 15 April and 14 June, shows an increase of 6 per cent in the barley area in Great Britain and a 9 per cent increase in the oats area but falls of 9 per cent in the wheat area and 21 per cent in the oilseed rape area. However, in Northern Ireland, the total wheat and barley areas are up 2 per cent on 2023 and 6 per cent above the 5-year average. For the UK:
 - The total wheat area is estimated to be 1.56 million/ha, 9 per cent down and the second lowest planted area since 1981.
 - The barley area is up 6 per cent at 1.207 million/ha, 1 per cent above the 5-year average.
 - The spring barley area is up 18 per cent at 804,000 ha, the third largest for 20 years, but winter barley is down 12 per cent at 402,000 ha, 2 per cent below the 5-year average.
- 3 DBV and DRV, two associations which represent German farmers, have reported lower yields and specific weights for winter barley. DBV is predicting a fall in production of 3 per cent while DRV is forecasting a fall of 6 per cent with the same fall in wheat production.
- 4 In France, by 15 July, only 14 per cent of wheat had been harvested compared to 43 per cent for the 5-year average. A 15 per cent fall in production is forecast with some suggesting the fall will be even higher.
- 5 In 2023, compared to 2022:
 - Wheat output fell by 11 per cent to 13.9 million tonnes while the value fell by 28 per cent to £2.9 billions.
 - Barley fell by 5.7 per cent to 7 million tonnes with the value down by 26 per cent at £1.4 billions.
 - Oilseed rape fell by 11 per cent to 1.2 million tonnes with the value down by 45 per cent to £483 millions.
 - Sugar beet increased by 39 per cent to 7.7 million tonnes with the value up 82 per cent at £368 millions.
 - Vegetables increased in value by 10 per cent to £1.9 billions.
 - Fruit increased in value by 2 per cent to £1 billion.
- 6 RGT Goldfinch, a high-quality wheat with breadmaking potential and resistance to barley yellow dwarf virus and orange wheat blossom midge, will be available to UK farmers this autumn. It also has outstanding foliar disease resistance.

- 7 Bayer's annual Dekalb National Oilseed Rape Benchmarking Study has revealed that growers in northern England and Scotland took an average 85 per cent of the planted crop area to harvest in the period 2019/20-2023/24 compared to 83 per cent in Yorkshire and Humberside, 79 per cent in East England and 76 per cent in East Midlands but in 2024 Yorkshire and Humberside has fallen to 61 per cent.
- 8 In the period July to May, total animal feed production is up 1.5 per cent at 12.2Mt but if feed for Integrated Poultry Units is excluded, production is down 0.3 per cent.
- 9 The Agricultural Price Index for May shows increases of 4.6 per cent for barley, compared to a year earlier, 30.5 per cent for oats, 107.4 per cent for potatoes, 102.9 per cent for forage plants, and 0.3 per cent for fresh vegetables but there were falls of 1 per cent for wheat, 5.3 per cent for oilseed rape and 0.6 per cent for fresh fruit. Compared to April, there were increases of 10.6 per cent for wheat, 7.2 per cent for barley, 16.2 per cent for potatoes, 2.6 per cent for oilseed rape, 7.1 per cent for forage plants and 7.7 per cent for fresh vegetables but falls of 4.3 per cent for oats and 2.9 per cent for fresh fruit.
- 10 Farms in Nocton Fen, Edlington and Leadinshall are conducting trials for the Transformative Reduced Input in Potatoes project to test methods of growing potatoes with fewer inputs of inorganic nutrients, fungicides, herbicides, insecticides and energy. The project is supported by controlled environment agriculture specialists Light Science Technologies.
- 11 British Sugar has restarted carbon dioxide production at its Wissington factory having entered into a long-term agreement with Air Liquide. The plant is located next to the Wissington bioethanol facility which will produce biogenic CO₂ as a by-product. The residual juice from sugar beet is used to produce E10 fuel and CO₂ is produced during the fermentation process.
- 12 Figures from Defra report a 4.9 per cent fall in vegetable yields in 2023 and a 12 per cent decline in fruit production, largely due to the wettest 18-month period on record.
- 13 The British On-Farm Innovation Network is recruiting 'slug sleuths' as part of phase two of the Strategies Leading to Improved Management and Enhanced Resilience against Slugs trial. To participate visit slimers.co.uk.
- 14 Vertical farm GrowUp has begun converting a 5-acre site at the Discovery Park complex in Sandwich with £38 millions of investment from Generate Capital. The site will be the equivalent of 1,000 acres of grade one farmland and will increase production to 1.4 million bags of salad every week.
- 15 The University of Reading and Oracle Corporation have created the FruitWatch project which collects widespread data contributions from the public, improving the prediction of flower onset times with a focus on real-time and geographically diverse data acquisition.
- 16 RapidAim, a pheromone-based detection system developed in Australia, has been introduced into the UK by UPL to monitor codling moth numbers in real time.
- 17 A British Apples & Pears Limited report into the Current Position of Single-Use Plastic Packaging in the UK Top Fruit Sector has called for a cross-retailer/industry taskforce to find solutions to minimise plastic pollution.
- 18 NIAB East Malling has developed an everbearer strawberry variety – Malling Ace. Over a nine-month cropping period in NIAB's GreenTech Hub growth room facility, the mean Class 1 yield per plant was 2.6kg with the best performing plant producing over 3.1kg.
- 19 Scientists at Arizona State University have indicated that far-red light in sole-source lighting can enhance the growth and fruit production of indoor-grown strawberries.

- 20 Overland Ltd has developed a system of recycling coconut coir for use in strawberry production. Coir bags are subject to the removal of plastic, plant leaves, roots and crowns and then treated creating a product which does not adversely affect yield.
- 21 Rijk Zwaan has opened a new breeding greenhouse at Dinterloord in the Netherlands dedicated to research and development of new berry varieties.
- 22 GEGE Machinebouw of Holland, in association with Haygrove and Nourse Farms, has developed an elevated tray field system which reduces labour costs, increases production capacity and improves working conditions. Trials in Massachusetts have been well received.
- 23 Following the appointment of an independent commission to review farm assurance standards, led by Dr David Llewellyn CBE, Vice Chancellor of Harper Adams University, AHDB has created a survey to gather evidence focused on cereals and oilseeds assurance. The survey can be completed at app.onlinesurveys.jisc.ac.uk/s/promaraf-2021/the-uk-farm-assurance-review. The survey closes on 31 August.

VII Other livestock news

- 1 In 2023, compared to 2022:
 - Beef and veal production increased by 4.2 per cent to £3.9 billions but home-fed production fell by 2.5 per cent to 904,000 tonnes.
 - Pig meat production increased by 6.2 per cent to £1.8 billions but home-fed production fell by 11 per cent to 887,000 tonnes.
 - Mutton and lamb production fell by 2.7 per cent to £1.6 billions but home-fed production fell by 1.8 per cent to 296,000 tonnes.
 - Poultry meat production increased by 12 per cent to £3.5 billions although home-fed production fell by 0.8 per cent to 1.967 million tonnes.
 - The value of milk and milk products fell by 10 per cent to £6 billions.
 - The value of eggs increased by 30 per cent to £1 billion although production fell by 8 per cent to 900 million dozen.
- 2 Farming Minister Daniel Zeichner has stated that the eradication of bovine TB by 2038 is his 'top priority'.
- 3 During June, UK prime cattle slaughterings fell by 5.8 per cent, compared to a year earlier, to 163,000 head; beef and veal production fell by 6.7 per cent to 71,000 tonnes; sheep slaughterings fell by 19 per cent to 86,000 head; mutton and lamb production fell by 18 per cent to 20,000 tonnes; pig slaughterings fell by 3.2 per cent to 791,000 head; and pigmeat production fell by 1.7 per cent to 73,000 tonnes.
- 4 Kingshay's latest Dairy Costings Focus Report reveals that concerns over milk pricing and failure to cover the cost of production are the biggest worries facing UK dairy farmers. It reports for the 2023/24 year:
 - Average milk yields stable at 8,441 litres per cow.
 - Milk from forage down 3 per cent to 2,691 litres per cow.
 - Milk prices down 17 per cent to an average of 38.2ppl.
 - Margin over purchased feed £2,210 per cow.
 - Margin over purchased feed per litre 26.2p.
 - 1,068 conventional herds and 83 organic herds.
 - Herd size up 1 per cent to an average of 291.
 - All purchased feed use 2,984kg/cow.

- Organic milk price down 10 per cent to 45.62ppl.
 - Mastitis down 3 cases to 26 cases per 100 cows.
 - Lameness up 4 cases to 37 cases per 100 cows.
 - 50.2 per cent of cows leave the herd within their first 3 lactations.
- 5 A report entitled Cost of Climate Resilience, published by Kite Consulting, estimates the average price of capital infrastructure investments together with additional land to ensure environmental resilience will amount to £472,539 per dairy farm over the next 10 years. Additional silage storage of 1,350 tonnes would be needed to increase capacity to 18 months for cover in case of drought or late grazing turnouts. Data was taken from 850 dairy farms comprising an average herd size of 236, housed for an average of 30 weeks.
 - 6 Sainsbury's has partnered with Vet Vision AI to trial new technology which has been designed to spot when cattle are happy and healthy and why, by monitoring through low-cost portable cameras.
 - 7 The Agricultural Price Index for May shows increases of 19.7 per cent for sheep and lambs, compared to a year earlier, 2.7 per cent for milk and 3 per cent for eggs but falls of 2.5 per cent for cattle and calves, 4.3 per cent for pigs and 13.3 per cent for poultry. Compared to April, there was an increase of 0.1 per cent for pigs but falls of 0.2 per cent for cattle and calves, 0.3 per cent for sheep and lambs, 12.2 per cent for poultry and 1.4 per cent for milk.
 - 8 Arla has increased its price by 0.81ppl taking the manufacturing price to 41.7ppl. The organic milk price has increased by 1.7ppl to 52.57ppl.
 - 9 Meat and Livestock Australia has reported that one-in-two beef producers have a positive outlook, 16 per cent have a negative outlook while 31 per cent are uncertain.
 - 10 Saputo has increased its price by 0.75ppl taking the negotiated base price for core volume litres to 40.75ppl.
 - 11 During May, milk available to processors totalled 1,332 million litres, up 5.6 per cent on April. Liquid milk production increased by 5.3 per cent to 543 million litres, cheese production by 4 per cent to 46,400 tonnes and milk production by 7.8 per cent to 13,600 tonnes but there was a fall of 0.4 per cent in butter production to 19,100 tonnes.
 - 12 First Milk has increased its price by 0.7ppl taking a manufacturing standard litre to 41ppl.
 - 13 Trewithen Dairy of Lostwithiel, Cornwall has been acquired by German dairy Ehrmann which intends to invest £20 millions in the dairy's processing capacity. 260 new jobs are expected to be created.
 - 14 During June, average butterfat fell by 1.5 per cent, compared to May, to 4.09 per cent but was up 0.9 per cent on a year earlier. Average protein was up 0.1 per cent and 0.7 per cent respectively at 3.37 per cent.
 - 15 The number of cases of bluetongue virus BTV-3 in the Netherlands, Germany and Belgium has increased with some animals showing severe clinical signs. The disease is primarily transmitted by midges and so cattle in Norfolk, Suffolk, Essex, Kent and East Sussex are deemed to be at greatest risk.
 - 16 Arla has ceased production at its Tuxford and Tebbutt Creamery site in Melton Mowbray.
 - 17 Pembrokeshire Creamery has opened its milk processing facility with the capacity to bottle one million litres of milk per week and will supply Asda and Lidl across Wales. Capacity will rise in due course to 2 million bottles per week.

- 18 Since June, African swine fever has continued to be found in wild boar in Hesse, western Germany, which neighbours North-Rhine Westphalia, the highest pig-producing state in Germany. Outbreaks have also been found in Rhineland-Palatinate, to the west of Hesse. Four outbreaks have been reported in domestic pigs in Hesse, one of which was a finisher unit with 1,100 pigs.
- 19 AHDB has established a hoof-health registry with producers being asked to share their foot trimming and hoof-health records.
- 20 In the 3 months to June, 249 million dozen eggs were produced, up 6.4 per cent on a year earlier and 0.3 per cent on the March quarter; the average farm-gate price was 144p per dozen, up 8.6 per cent and 0.6 per cent respectively; and production of egg products totalled 19,000 tonnes, down 5 per cent on a year earlier but up 2.2 per cent on the March quarter.
- 21 During June, UK commercial layer chick placings fell by 17 per cent, compared to a year earlier, to 3.1 million chicks; broiler chick placings rose by 1.7 per cent to 93.6 million chicks; turkey chick placings rose by 5.8 per cent to 1 million chicks; turkey slaughterings fell by 2.5 per cent to 500,000 birds; broiler slaughterings fell by 3.2 per cent to 87.8 million birds; and poultry meat production fell by 1.7 per cent to 150,000 tonnes.
- 22 Since 17 June, there have been 2 outbreaks of HPAI H7N8 avian influenza in poultry in New South Wales, 2 further outbreaks of HPAI H7N3 in Victoria and an outbreak of HPAI H7N8 in Canberra.

VIII Inputs/Supply businesses

- 1 The British survey of fertilizer practice for 2024 shows:
 - Nitrogen application rates increased by 6kg/ha with increases of 7kg/ha for crops to 125kg/ha and 4kg/ha for grass to 38kg/ha.
 - Phosphate application rates were stable for both crops and grass at 17kg/ha and 4kg/ha respectively.
 - Potash application rates on grass were stable at 6kg/ha but rates on crops fell by 1kg/ha to 23kg/ha.
 - Sulphur application rates on crops increased by 1kg/ha to 28kg/ha and by 2kg/ha on grass to 5kg/ha.
- 2 In 2023, compared to 2022:
 - Agricultural inputs totalled £21.086 billions, down by 2.8 per cent.
 - Animal feed fell by 4.8 per cent to £7.82 billions.
 - Energy costs fell by 0.8 per cent to £1,913 billions.
 - Fertilizer costs fell by 28 per cent to £1.362 billions.
- 3 The Agricultural Price Index for May shows fall of 8.1 per cent for energy and lubricants, compared to a year earlier, 16.8 per cent for fertilizers, 9.9 per cent for chemicals, 9.1 per cent for animal feedingstuffs and 2 per cent for buildings maintenance but increases of 1.7 per cent for seeds, 6.2 per cent for equipment maintenance and 3.2 per cent for veterinary services. Compared to April, there were falls of 0.2 per cent for energy and lubricants, 0.3 per cent for seeds, 1.1 per cent for fertilizers and 1.6 per cent for chemicals but increases of 0.2 per cent for animal feedingstuffs, 0.2 per cent for equipment maintenance and 0.8 per cent for buildings maintenance.

- 4 Bartholomews has carried out trials in Wiltshire and Hampshire of Fertiberia's DS + Zero Impact, a low carbon, slow-release nitrogen fertilizer which can boost crop Nutrient Uptake Efficiency by up to 20 per cent and reduces the number of passes farmers have to make. The fertilizer features a biodegradable coating around the granule to control nutrient release and prevent leaching in addition to a nitrification inhibitor that reduces volatilisation. It is manufactured using green hydrogen.
- 5 PepsiCo Europe and Yara have announced a long-term partnership in Europe whereby participating PepsiCo farmers will be equipped with best-in-class crop nutrition products and advice as well as precision farming digital tools to increase nutrient use efficiency, boost yields and reduce the carbon footprint of their crops.

IX Marketing

- 1 In 2023, compared to 2022:
 - Food, feed and drink exports fell by 11 per cent to £24.4 billions while imports fell by 8.8 per cent to £61.1 billions.
 - Principal destinations for exports were the Netherlands at £4.8 billions, Ireland at £4.1 billions, France at £2.7 billions and the US at £2.4 billions.
 - The main sources of imports were the Netherlands at £7.6 billions, France at £6.3 billions, Belgium at £4.9 billions and Ireland at £4.8 billions.
 - Whisky had the highest export value at £5.8 billions but was down 18 per cent.
 - Fresh fruit and vegetables remained the highest value category for imports but fell 2.2 per cent to £7.1 billions.
 - Exports of fresh vegetables fell by 8.9 per cent to £82 millions but exports of fresh fruit rose by 4 per cent to £70 million.
- 2 The Welsh Government has reported the Welsh food and drink supply chain as having a turnover of £24.6 billions in 2023, up by 10 per cent. The number of businesses increased by 1 per cent to 28,768 employing 228,500 people, 17 per cent of the total workforce.
- 3 In partnership with British Universities and Colleges Sport, AHDB has launched 'Milk Every Moment', a campaign to provide students with information on milk's role in a healthy, balanced diet. In future, the BUCS Rugby Union National Championships will be known as The Milk Cup.

X Miscellaneous

- 1 The Agricultural Engineers Association has reported that, while tractor sales fell by 13.2 per cent in the 6 months to June, those over 241hp saw a 46.5 per cent increase over 2023. Registration of new machines in June was down 23 per cent on a year earlier.
- 2 A survey conducted by the NFU has revealed that farming is the public's second most valued profession, behind only nursing. 74 per cent have a favourable view of farming with 91 per cent feeling that it is important to the UK economy.
- 3 A study by the Migrant Advisory Committee has reported that it is vital the Seasonal Workers Visa scheme is retained to protect food security.
- 4 The first edition of the newly formed UK Food Security Index, covering the period 2023/24, has been published. All indicators, such as global food supply and agricultural land, are defined as 'broadly stable', the only changes are for Agriculture total factor productivity and Energy and fertilizer prices, both of which are defined as 'some reduction in risks.'

- 5 New Holland has announced a partnership with autonomous technology company Bluewhite to collaborate on the distribution, manufacturing and integration of Bluewhite's AI-driver autonomous solutions for New Holland tractors in North America.
- 6 Steve Reed OBE is the new Secretary of State at the Department for Environment Food and Rural Affairs while Daniel Zeichner is the new Minister of State.
- 7 Minette Batters, former NFU president, has been awarded a life peerage.
- 8 An NFU survey has reported that 75 per cent of farmers have 'some level of unreliable mobile signal' on their farms. 6 per cent of members had 'no access to 4G or 5G' on smartphones although farmers had experienced a 10 per cent increase in 5G access.
- 9 The National Association of Agricultural Contractors has issued new Terms and Conditions for its members relating to contracting agreements.

Postscripts

Nun Grading Papers

The poor nun is still wading through the test papers!

1. David was a hebrew king who was skilled at playing the liar. he fought the finkelsteins, a race of people who lived in biblical times.
2. Solomon, one of davids sons, had 300 wives and 700 porcupines.
3. When mary heard she was the mother of jesus, she sang the magna carta.
4. When the three wise guys from the east side arrived they found jesus in the manager.
5. Jesus was born because mary had an immaculate contraption.
6. St. john the blacksmith dumped water on his head.
7. Jesus enunciated the golden rule, which says to do unto others before they do one to you. he also explained a man doth not live by sweat alone.
8. It was a miricle when jesus rose from the dead and managed to get the tombstone off the entrance.
9. The people who followed the lord were called the 12 decibels.
10. The epistels were the wives of the apostles.
11. One of the oppossums was st. matthew who was also a taximan.
12. St. paul cavorted to christianity, he preached holy acrimony, which is another name for marriage.
13. Christians have only one spouse. this is called monotony.

Monthly Farming Update

Play it safe!

It is generally understood that it is sensible to enter into a pre-nuptial agreement when there is a material disparity between the assets that parties are bringing to a marriage. However, there remains a reluctance to do so for understandable reasons – ‘Darling, I do love you so much but please sign here’!

The consequences of the absence of a pre-nuptial agreement can be considerable but there is much confusion as to what the entitlement of each party will be on divorce. It is reasonable to assume that assets created by the parties acting together, in whatever form, will be shared equally. But what about assets brought to the marriage by one or other party?

In a case in 2021, His Honour Judge Booth referred to the concept of ‘matrimonialisation’, a word which does not feature in the Oxford English Dictionary and, as the sitting judge said at the time, ‘is a word that I hope will not acquire common usage.’

To his regret, his hope has not come to fruition as, in the 2024 case of *Standish v Standish*, counsel for the wife invited the court to ‘remove the category of matrimonialised assets from the lexicon of the law on financial remedies’. However, Lord Justice Moylan ruled ‘it should continue to be applied’.

The principle set out by Moylan LJ is that ‘fairness may require or justify treating property, which was not purely the product of the parties’ joint endeavours, as matrimonial property and, therefore, within the scope of the sharing principle.’ It is ‘about when an asset or assets which were at one stage non-marital property might be included within the sharing principle.’ He went on to say, the principle ‘should be applied narrowly. This is so that it is not used by parties in a way which would undermine the clarity of the sharing principle, namely that it is the sharing of property generated by the parties’ endeavours during the marriage.’

As time passes, property may, but not necessarily will, become matrimonialised.

Better safe than sorry. Get a pre-nup in place.

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

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CHAVEREYS