



CHAVEREYS

CHAVEREYS.CO.UK

MONTHLY FARMING UPDATE

August 2023



August 2023

I Policy issues

- 1 The Government has announced that regulations concerning dairy supply contracts will be introduced in the autumn and this will be followed by reviews into the egg and horticulture supply chains.
- 2 The Government has unveiled its third National Adaptation Programme setting out a strategic 5-year plan to boost resilience and protect people, homes, businesses and the cultural heritage against climate change risks such as flooding, drought and heatwaves. The plan includes commitments to:
 - An all-encompassing approach to climate resilience to review standards, assurance and regulation of infrastructure sectors improving systems and capabilities.
 - A new UK Health Security Agency Adverse Weather & Health Plan.
 - A dedicated Local Authority Climate Service to provide localised climate data.
 - A healthy environment through measures in the Environment Act, Plan for Water and Environment Land Management Schemes.
 - Assist Historic England to model long-term impacts of climate change on cultural heritage caused by increased temperatures, increased rainfall, sea level rise and extreme weather.
 - Establish a senior government officials Climate Resilience Board.
- 3 The Government has deferred the introduction of new rules to ensure packaging producers pay for the cost of recycling their packaging until October 2025.

II Reform

- 1 The Rural Payments Agency made advance Basic Payment Scheme payments of up to 50 per cent of the annual entitlement on 1 August.
- 2 With the closure of Glastir in December, the Welsh Government has announced a new agri-environment scheme to be introduced next January to support the protection of habitats on agricultural land pending the introduction of the Sustainable Farming Scheme in 2025.

III Grants/regulations/legislation/environment

- 1 Natural England and Defra have launched six new landscape-scale recovery projects supported by funding of £7.4 millions. The projects are:
 - East of Eden, Cumbria – the creation of habitats for species such as curlews, black grouse and the Teesdale Violet, over 100,000 hectares with natural flood management techniques and the rewetting of peat.
 - The Lost Wetlands, Cheshire to Lancashire – the restoration of 5,000 hectares previously lost to historic industrialisation, urbanisation and agricultural intensification.
 - Tees Estuary Recovering Nature, Northumbria – the restoration of 11,000 hectares of coastal, estuarine and land-based habitats.
 - Heathlands Connections, Surrey – the connection of the Thursley, Hankley and Frensham Commons Special Protected Area with surrounding heathlands covering 16,000 hectares.
 - Bradford and South Pennines, Yorkshire and North Lincolnshire – covering 30,000 hectares, the project will restore upland peat landscapes.
 - Seaford to Eastbourne, Sussex and Kent – the project will cover 12,000 hectares and will build on research into chalk aquifers to deliver clean water.

- 2 Modelling by Cranfield University has suggested that by establishing silvopastoral systems on 30 per cent of England's grasslands, pastoral systems would produce net zero greenhouse gas by 2051.
- 3 Defra has announced that £5 millions of funding will be available under the Farming Innovation Investor Partnership Competition to provide solutions that support productivity, environmental sustainability, farming resilience and progress towards net zero emissions. Up to 45 per cent of project costs can be covered by grant funding but must be matched by at least twice that amount in private investment.
- 4 The Environment Food and Rural Affairs committee has reported that current arrangements for species reintroduction are 'completely inadequate', citing the problems associated with the release of beavers.
- 5 A report from the Centre for Innovation Excellence in Livestock has revealed that current technology and practices in the livestock sector will only deliver a 24 per cent reduction of the UK Committee for Climate Change set target.
- 6 £10 millions is to be made available via the Animal Health and Welfare Infrastructure Grant to replace ageing cattle buildings with new and upgraded calf housing being given priority. Grants of between £15,000 and £500,000 are available.
- 7 The National Bee Unit has confirmed the sighting of Asian hornets in the Dover area, the sixth confirmed UK sighting since April, following sightings in Canterbury and Ashford.
- 8 A new Anti-Social Behaviour Action Plan will result in anyone caught littering or dumping waste facing fines of up to £1,000.
- 9 Information on UK Greenhouse Gas emissions has been published:
 - Between 2019 and 2020, the UK's carbon footprint fell by 13 per cent and was 39 per cent down on the peak in 2007.
 - Emissions relating to imports were 4 per cent higher than in 1996 but those associated with imports from China were up 62 per cent.
 - Emissions relating to the consumption of goods and services produced in the UK were 53 per cent down on 1996.

IV Other matters of farm finance and tenure

- 1 Figures from the Office for National Statistics show that labour costs in the Agriculture, Forestry and Fishing sector grew by 10 per cent in 2022 to an average weekly wage of £462 while provisional data has indicated the growth has continued in 2023 with average weekly earnings in March of £476.
- 2 Figures released by Defra for 2022, compared to 2021, show:
 - The Utilised Agricultural Area fell by 2.2 per cent to 17 million hectares, 69 per cent of the total land area.
 - The total labour force increased by 0.7 per cent to 471,000.
 - The average Farm Business Income increased by 55 per cent to £72,000 with 41 per cent of farms having a FBI of greater than £50,000 but with 10 per cent making a loss.
 - UK Total Income from Farming rose by 17 per cent to £7.9 billions.
 - Agriculture's contribution to the economy rose by 15 per cent to £13.9 billions, 0.6 per cent of Gross Domestic Product.
 - Total Factor Productivity increased by 3.4 per cent with the volume of outputs down by 0.1 per cent and the volume of inputs down by 3.3 per cent.

- The average price index for outputs rose by 19 per cent but the index for inputs rose by 28 per cent.
 - Direct payments to farmers fell by 3 per cent to £3.213 billions.
 - Basic Payment Scheme payments fell by 7.9 per cent to £2.603 billions.
 - Payments linked to agri-environment schemes rose by 0.5 per cent to £357 millions.
 - Organic farming covered 509,000 hectares with 61 per cent of the organic area in England.
 - There were 5,500 organic operators.
- 3 The 2023 Knight Frank Rural Sentiment Survey has revealed that 25 per cent of rural businesses feel that natural capital income will be important to farms; 66 per cent consider land values will continue to rise over the next 2 years; 84 per cent claim that Government emphasis on food security is too weak; 36 per cent are involved or are planning to be involved with biodiversity net gain; and 22 per cent are worried that climate change will adversely affect profitability.
 - 4 The Agricultural Price Index for May for outputs increased by 0.2 per cent, compared to a year earlier. The index for inputs fell by 6.1 per cent.
 - 5 Strutt & Parker's Farmland Database has shown that the average value of arable land rose by 2 per cent in the first 6 months of 2023 with the average sale price of £11,100 per acre. However, the volume of land marketed fell to 18 per cent below the 5-year average at 30,800 acres.
 - 6 Permitted Development Rights have been increased from 28 days per year to 60 days enabling farmers to offer more camping pitches.
 - 7 Defra has published the results of the 2021 seasonal workers survey. 772 responses were received from a total of 6,600 survey invitations of which 50 per cent were Russian and 30 per cent from central Asian countries. 90 per cent of respondents would work in the UK again; 89 per cent confirmed that managers on farms were respectful and polite when communicating; 83 per cent were treated equally by farm managers; 78 per cent felt supported by managers while working; but 10 per cent stated they had been threatened by farm staff. 93 per cent stated that they were paid in full; 99 per cent were paid on time; and 85 per cent had their contractual agreements adhered to. 85 per cent stated their accommodation matched the description given prior to starting work. 95 per cent thought their physical working conditions, hygiene, health and safety were good; 89 per cent were happy with the intensity of work and working hours; and over half were provided with all the supplies they needed to do their work, 35 per cent with some but 12 per cent with none.
 - 8 The Scottish Government has extended the Croft House Grant to enable crofters to apply for grants of up to £38,000 towards the cost of home improvements which will help save energy.

V Product prices

A Market background

- 1 Another month of false hope for Sterling. Against the Euro, Sterling opened at 86.1p per € and, by the middle of the month, had risen to 85.1p per € but soon fell back to 86.6p per € before staging an end of month rally finishing almost where it had started at 85.8p per € (0.2p stronger). The story was similar as against the US Dollar. Starting the month at 78.9p per \$, Sterling rose to 76.1p per \$ mid-month before falling back to end the month at 78.1p per \$ (0.8p stronger).

- 2 A rollercoaster month for Gold. Opening the month at £1,513 per troy ounce, the price plunged to £1,494 mid-month before bouncing back to £1,535 and then slipping in the last few days to £1,527 per troy ounce.
- 3 Crude oil prices generally saw an upward trend albeit with some temporary falls. Having started the month at \$74.9 per barrel, there was a steady climb closing the month at \$82.5 per barrel, up \$7.6.

B Crops

- 1 Cereals reacted strongly to Russia withdrawing from the Black Sea initiative. Further, Ukraine has been using the Danube as a means of export resulting in Russia attacking grain storage warehouses on the river. This led to uncertainty in the markets. By late July, wheat deliveries for November 2023 and 2024 were £205/tonne (+8) and £209/tonne (+6) respectively with March 2025 deliveries also up at £211/tonne (+3).
Average spot prices in late July (per tonne ex-farm): feed wheat £188 (+11); milling wheat £254 (+15); feed barley £160 (-7); oilseed rape £365 (+33); feed peas £225 (-24) and feed beans £229 (-20).

C Livestock

- 1 The average live-weight cattle prices this month, for both steers and heifers, showed a downward trend with weaker domestic demand, increased cattle slaughter in June, falls in Irish cattle prices and increased Irish imports. The average steer price saw a gradual fall from its opening price of 267p/kg lw to close at 258p/kg lw (down 9p: but 14p/kg above the average a year earlier). The average finished heifer price saw a similar movement, opening at 275p/kg it fell to 268/kg (down 7p, but 11p up on the average a year earlier). The average dairy cow price, which is frequently volatile, was the opposite of June falling from an opening all-time high of £1,901 per head to close at £1,117 per head (down £784 and down £488 on the average a year earlier).
- 2 The new season average finished lamb price (SQQ liveweight) continued its decline, falling from an opening position of 310p/kg to 261p/kg, down 49p/kg and almost unchanged from a year earlier.
- 3 The average UK all pig price (APP) had a quiet month with no movement to the opening price of 222p/kg dw but it remained higher than the average a year earlier of 195/kg dw.
- 4 The UK average 'all milk' price continued its downward trend in May, falling from 39.43ppl in April to 37.58ppl, down 1.85ppl and down 2.81p on a year earlier but still 3.75p above the rolling 5-year average. The EU average for May was 41.39ppl, 1.73ppl down on April and 0.6p down on a year earlier.

VI Other crop news

- 1 The US Department for Agriculture has revised its forecasts for crop production compared to the June forecast. Maize is up by 1.4 per cent to 389.1 million tonnes, soyabean production is down by 5.7 per cent to 117 million tonnes and wheat production is up 2 per cent to 47.3 million tonnes.
- 2 The European Commission has reduced its forecasts for all cereal and oilseed rape crops with the exception of winter barley. Soft wheat is down 2 per cent on June to 5.8t/ha, spring barley is down 3 per cent to 3.62t/ha, grain maize is down 1 per cent to 7.5t/ha, oilseed and turnip rape are down 3 per cent to 3.2t/ha and sunflower is down 4 per cent to 2.12t/ha.

- 3 The results of the 2023 AHDB Planting and Variety Survey have been published:
 - The UK wheat area is estimated to be 1.746 million hectares, down 3 per cent.
 - The barley area is estimated to be 1.154 million hectares, up 5 per cent. The Great Britain spring barley area is estimated to be up 7 per cent at 702,000 hectares while the winter barley area is estimated to be up 2 per cent at 434,000 hectares.
 - The GB oat area is estimated to be 161,000 hectares, down 7 per cent.
 - The GB oilseed rape area is estimated to be 402,000 hectares, up 11 per cent.
- 4 Between July 2022 and May 2023, the UK exported 1.477 million tonnes of wheat, more than 3 times the volume shipped in the same period a year earlier and the largest volume in the same period since 2015/16.
- 5 The Agricultural Price Index for May shows increases of 24.2 per cent for potatoes, compared to April, and 18.7 per cent for fresh fruit but there were falls of 3.6 per cent for wheat, 6.7 per cent for barley, 4.1 per cent for oats, 8.7 per cent for oilseed rape and 2.1 per cent for fresh vegetables. Compared to a year earlier, there were increases of 77.9 per cent for potatoes, 37.1 per cent for fresh vegetables and 52.9 per cent for fresh fruit but there were falls of 26.2 per cent for wheat, 32.8 per cent for barley, 18.7 per cent for oats, 51.6 per cent for oilseed rape and 12.2 per cent for forage plants.
- 6 Figures released by Defra for 2022 for the UK, compared to 2021, show:
 - The total croppable area was unchanged at 6 million hectares.
 - The cereal area fell by 1.7 per cent to 3.2 million hectares.
 - The oilseeds area increased by 13 per cent to 398,000 hectares.
 - Total crop output increased by 22 per cent to £13.3 billions mainly due to a 50 per cent increase in the value of wheat.
 - Wheat production increased by 11 per cent to 15.5 million tonnes; barley increased by 6.1 per cent to 7.4 million tonnes; oilseed rape increased by 39 per cent to 1.361 million tonnes; and sugar beet fell by 18 per cent to 6 million tonnes.
 - The value of vegetable production increased by 4.8 per cent to £1.8 billions while fruit increased by 9.5 per cent to £1 billion.
- 7 Jersey Royal growers have called for more support from the Jersey Government following a 25 per cent fall in sales to the UK over the past 5 years.
- 8 Colorado beetle, the scourge of potato growers, has been discovered in Kent and Hampshire.
- 9 Veg Power and ITV have indicated that 5-year evaluation data from their Eat Them to Defeat Them campaign shows 53 per cent of parents with children involved in the schools' programme reported a long-term benefit in both the volume of vegetables consumed and the variety.
- 10 The Scottish Government has allocated up to £6 millions over the next 2 years to Scottish Borders Produce, East of Scotland Growers and Angus Growers to extend the Fruit and Vegetable Aid scheme.
- 11 Enza Zaden has acquired a carrot breeding programme from Carosem of Germany.
- 12 Laurence J Betts Ltd, a Kentish grower of salads for over 90 years, has been acquired by the Regan family, the owners of Hugh Lowe Farms Ltd, the renowned soft fruit grower.
- 13 Initial estimates by Interpera suggest that the European pear harvest will be one of the smallest in the past 10 years at 1.9 million tonnes.

- 14 Indoor farming company Fischer Farms is trialling the production of soft fruit at its research and development facility at Lichfield.
- 15 Riverford has reported that UK blueberry growers are reducing production and grubbing plantations due to increasing competition from cheap imports from Peru.
- 16 The EU is to introduce in September new measures to control tomato brown rugose fruit virus. If the presence of the virus is officially confirmed in the territory of a Member State, a demarcated area should be established to ensure the eradication of the pest and the prevention of its spread. Rules will also be established for the movement of seeds of *Solanum lycopersicum* and its hybrids as well as *Capsicum* and plants for planting.
- 17 Sakata Seed has reported that the company's phytopathologists have confirmed intermediate resistance to tomato brown rugose fruit virus in four of its varieties of tomato.

VII Other livestock news

- 1 New regulations are to be introduced into the dairy supply chain this autumn including:
 - Clearer pricing terms, with contracts setting out the factors which determine the milk price and allowing farmers to challenge the pricing process.
 - Contracts may not be changed without farmers' agreement.
 - Contracts must promote accountability and have a timely resolution mechanism.
 - Notice periods and contractual exclusivity must be unambiguous.
 - An enforcement mechanism will be set up.
- 2 Figures from Defra for 2022 for the UK, compared to 2021, show:
 - The total number of cattle and calves was unchanged at 9.6 millions with the beef herd down 1.5 per cent at 1.5 millions and the dairy herd down 0.4 per cent at 1.8 millions.
 - The total number of pigs fell by 2.5 per cent to 5.2 millions with female pigs in the breeding herd down 14 per cent at 343,000.
 - The total number of sheep and lambs rose by 0.3 per cent to 33 millions.
 - The total number of poultry fell by 1 per cent to 188 million birds.
 - Total livestock output increased by 16 per cent to £19.3 billions with a 40 per cent increase in the value of milk.
 - The value of beef and veal increased by 18 per cent to £1.7 billions; pigmeat increased by 18 per cent to £1.7 billions; mutton and lamb increased by 3.3 per cent to £1.6 billions; poultry meat increased by 3.9 per cent to £3.1 billions; milk and milk products increased by 40 per cent to £6.7 billions; but eggs fell by 4 per cent to £786 millions.
- 3 AHDB data covering the year to March shows that sales of sexed semen increased to 76.5 per cent of all dairy semen, up from 70 per cent in 2021/22 with Holstein semen being the most popular at 77.9 per cent. Beef semen sales to the dairy herd rose by 1 per cent to 49 per cent.
- 4 New requirements for post-movement TB testing have come into force. Cattle moved into herds in annual surveillance testing in parts of the Edge area may require compulsory pre-movement testing if they originate from Wales, the High Risk area of England or the six-monthly surveillance testing parts of the Edge area.

- 5 During June, UK prime cattle slaughterings rose by 3.7 per cent, compared to a year earlier, to 171,000 head; beef and veal production rose by 3.2 per cent to 75,000 tonnes; sheep slaughterings rose by 21 per cent to 1,059,000 head; mutton and lamb production rose by 20 per cent to 25,000 tonnes; pig slaughterings fell by 11 per cent to 814,000 head; and pigmeat production fell by 11 per cent to 75,000 tonnes.
- 6 The Agricultural Price Index for May shows increases of 1.1 per cent for pigs, compared to April, and 8.1 per cent for sheep and lambs but there were falls of 0.1 per cent for cattle and calves, 13.4 per cent for poultry and 4.7 per cent for milk. Compared to a year earlier, there were increases of 13 per cent for cattle and calves, 26.3 per cent for pigs, 6.5 per cent for sheep and lambs, 3.4 per cent for poultry and 31.7 per cent for eggs but there was a fall of 7.8 per cent for milk.
- 7 With a Defra grant of £2.9 millions, Breed for CH₄ng – Breeding Low – Methane Sheep is a 3-year industrywide project led by Innovis designed to breed sheep with a naturally low carbon footprint.
- 8 In April, global milk production grew by 4.7 per cent with all regions seeing growth apart from Australia.
- 9 Meadow Foods has reduced its milk price by 0.5ppl to 35ppl.
- 10 During June, average butterfat fell by 0.3 per cent, compared to May, and by 0.4 per cent, compared to a year earlier, to 4.05 per cent. Average protein fell by 1.5 per cent, compared to May, but was up 0.9 per cent, compared to a year earlier, to 3.34 per cent.
- 11 Muller has reduced its milk price by 1ppl to 37ppl. Saputo has increased its milk price by 0.5ppl to 37.5ppl.
- 12 African swine fever has been confirmed for the first time on pig farms in Bosnia and Herzegovina and Croatia. Further outbreaks have occurred in domestic pigs in Italy, Greece and Poland.
- 13 Black Brow abattoir in Cumbria has closed.
- 14 The Better Chicken Commitment now has 128 businesses committed to sourcing slower-growing chickens for their supply chains. The scheme involves using slower-growing breeds, lower stocking densities and environmental enrichment.
- 15 Outbreaks of Highly Pathogenic Avian Influenza H5N1 have been confirmed in commercial poultry at premises in Elham, near Folkestone and Angmering, West Sussex.
- 16 During June, UK commercial layer chick placings rose by 28 per cent, compared to a year earlier, to 3.7 million chicks; broiler chick placings rose by 2.5 per cent to 95.3 million chicks; turkey chick placings rose by 4.8 per cent to 1.2 million chicks; turkey slaughterings fell by 15 per cent to 500,000 birds; broiler slaughterings fell by 2.3 per cent to 88.4 million birds; and total poultry meat production fell by 7.7 per cent to 148,400 tonnes.
- 17 In the three months to June, 204 million dozen eggs were packed in the UK, 1.2 per cent up on the first quarter but 8.2 per cent down on a year earlier; the average farm-gate price was 134.2p per dozen, 7.9 per cent up on quarter one and 41 per cent up on a year earlier; and the production of egg products totalled 15,800 tonnes, 9 per cent down on the first quarter and 17 per cent down on a year earlier.

VIII Inputs/Supply businesses

- 1 June spot prices for ammonium nitrate fell by 12 per cent, compared to May, to £344 per tonne and are down 55 per cent on June 2022 but still up 16 per cent on June 2021.

- 2 CF Fertilisers is to permanently close its ammonia plant at Billingham. It will continue to produce ammonium nitrate fertilizer and nitric acid but using imported ammonia.
- 3 During 2021/22, the overall application rate of nitrogen for crops in Great Britain fell by 12kg/ha, compared to 2020/21, to 118kg/ha while for grass the application rate fell by 17kg/ha to 34kg/ha. For phosphorus, the overall application rate for crops fell by 5kg/ha to 17kg/ha while for grass the rate fell by 8kg/ha to 80kg/ha. For potash, the rate for crops fell by 4kg/ha to 24kg/ha and for grass the rate fell by 5kg/ha to 6kg/ha. For sulphur, the rate for crops fell by 3kg/ha to 27kg/ha and for grass it fell by 2kg/ha to 3kg/ha.
- 4 The Agricultural Price Index for May shows increases of 0.4 per cent for chemicals, compared to April, 0.1 per cent for veterinary services, 0.5 per cent for equipment maintenance and 1.1 per cent for buildings maintenance while there were falls of 0.2 per cent for seeds, 3.4 per cent for energy and lubricants, 5.2 per cent for fertilizers and 0.9 per cent for animal feeding stuffs. Compared to a year earlier, there were increases of 15.7 per cent for chemicals, 4 per cent for veterinary services, 7.4 per cent for equipment maintenance and 1.5 per cent for buildings maintenance while there were falls of 2.9 per cent for seeds, 5.8 per cent for energy and lubricants, 41.3 per cent for fertilizers and 2.8 per cent for animal feeding stuffs.
- 5 Figures from Defra for 2022 for the UK, compared to 2021, show:
 - The value of all inputs rose by 19 per cent to £22.1 billions mainly driven by a 24 per cent increase in the value of compound feed and a 78 per cent increase in the value of fertilizer.
 - The volume of all inputs fell by 3.3 per cent driven by falls of 13 per cent in fertilizer, 12 per cent in seeds and 6.7 per cent in animal feed.
 - The value of energy increased by 48 per cent to £2.138 billions while the value of fertilizer increased by 78 per cent to £2.49 billions.
- 6 The European Food Safety Authority has found no 'critical areas' of concern in glyphosate use.

IX Marketing

- 1 Campaign body Feedback has initiated a judicial review of the UK-Australia Free Trade Agreement contending the UK Government acted unlawfully in opting not to assess the carbon intensities of beef in the two countries.
- 2 Data from the Office for National Statistics shows that, in 2022, 11.8 per cent of household expenditure was on food and non-alcoholic drinks, up from 8.7 per cent in 2021 and 8 per cent in 2020.
- 3 Figures released by Defra for the UK for 2022, compared to 2021, show:
 - The value of food, feed and drink exports increased by 13 per cent to £24.9 billions while imports increased by 5.3 per cent to £58.1 billions.
 - Principal destination for exports were the Irish Republic at £3.9 billions, France at £2.7 billions, the USA at £2.4 billions and the Netherlands at £2 billions.
 - The main sources of imports were the Netherlands at £7.3 billions, France at £5.8 billions, the Irish Republic at £4.5 billions and Belgium at £4.3 billions.
 - Whiskey had the highest export value, up 28 per cent at £6.4 billions.
 - Fresh fruit and vegetables had the highest category for imports at £6.6 billions but this was a fall of 1.9 per cent.
 - Exports of fresh vegetables rose by 19 per cent to £85 millions while exports of fresh fruit rose by 3.3 per cent to £64 millions.

- 4 The Big British Butchers Survey, conducted by National Craft Butchers, has revealed that 55 per cent of independent butchers had an increase in customer numbers in 2022 and 56 per cent had increased turnover.
- 5 Pork imports in May rose by 16 per cent, compared to April, to 68,600 tonnes and by 2 per cent compared to a year ago. Exports fell by 4 per cent to 24,000 tonnes and were 33 per cent down on a year earlier.
- 6 From 13 December, non-assured UK livestock farmers will need a declaration signed by a veterinarian following an annual farm visit for their products to be eligible for export to the EU.
- 7 Figures from Kantar show that, despite low wholesale and retail prices, volume sales of carrots fell by 2.3 per cent in the year to 14 May following on from a fall of 7.7 per cent in the previous year.
- 8 Welsh Single Malt Whisky has been granted Protected Geographical Indication Status.

X Miscellaneous

- 1 The Office for National Statistics has reported that more than 40 per cent of farmers are over 60 while nearly 30 per cent are 65 or over. This compares to 10 per cent and 4.3 per cent respectively of the wider workforce. Only 11 per cent of farmers are aged 25 to 35 compared to 25 per cent of the wider workforce.
- 2 The Farmer Opinion Tracker for England for April has been published:
 - Farmers on 64 per cent of holdings either fully (7 per cent) or partly (57 per cent) understand Defra's vision for farming. This is up from 60 per cent in the October survey.
 - Farmers on 35 per cent of holdings are making changes to their business while a further 43 per cent expect to do so in the next 3 to 5 years.
 - Farmers on 77 per cent of holdings believe that being paid for environmental outcomes will be very (57 per cent) or moderately (20 per cent) important.
 - Farmers on 71 per cent of holdings lack confidence that changes to schemes and regulations will lead to a successful future for farming, up from 67 per cent in October.
 - Farmers on 39 per cent of holdings feel positive about their future (6 per cent very positive; 33 per cent somewhat positive).
- 3 The Health and Safety Executive has reported that agriculture has the worse rate of fatal injury per 100,000 workers with 42 deaths in 2022/23.
- 4 Arla has signed a Power Purchase Agreement to supply 20 per cent of its UK operations from new solar parks in Lincolnshire and Kent.
- 5 Anglia Ruskin University and Writtle University College are to merge.
- 6 The Agroforestry event is to be held in Swindon on 6 and 7 September.

Postscripts

- Sign outside a café – ‘We do not have Wi-Fi ... talk to each other ... pretend it’s 1995.’
- When I was 9 months pregnant with my son, my mum and I were on the side of the road struggling with a flat tyre. A car with 4 men stopped, not to help, but to ask for directions to a local golf course. My mum sent them 15 miles in the wrong direction. She is the legend who shaped me.
- In the 1970’s I was riding my bike and fell off and hurt my knee. I’m telling you this now because we didn’t have social media then.
- Remember when air was free at your local petrol station. Now it’s £1.50. Do you know why? Inflation!
- Healthy eating – I pick fresh vegetables every day. I feed them to my pig and he converts them into bacon.
- An Englishmen, a Frenchmen, a Spaniard and a German are all standing watching a street performer do some excellent juggling. The juggler notices that the four gentlemen have a very poor view so he stands up on a large box and calls out, ‘can you see me know?’

‘Yes’

‘Oui’

‘Si’

‘Ja’

Monthly Farming Update

Looks as though you're doing your bit for the country!

Are people's incomes generally rising or is the freezing of tax bands really starting to bite. The answer is a bit of both according to statistics published by HM Revenue & Customs covering the tax years 2020/21 to 2023/24.

The number of basic rate taxpayers is expected to increase by 8 per cent to 80.4 per cent. The number of higher rate taxpayers is forecast to have increased by 40.7 per cent to 5.6 millions or 15.6 per cent of the taxpaying population. But it is the movement in additional rate taxpayers which is most eye watering as, over the period, there will have been a 99.2 per cent increase taking the total to 862,000.

The top 50 per cent of taxpayers were liable for 50 per cent of total Income Tax in 2020/21 while the top 1 per cent were liable for 29.1 per cent. Interestingly, this latter figure is forecast to fall to 28.5 per cent in 2023/24.

Of the total of all earned income, in 2020/21 74.5 per cent was received by the top 50 per cent of taxpayers.

It therefore comes as no surprise to learn total tax receipts in the 3 months to June were £10.5 billions, or 5.5 per cent, higher than in the same period in 2022. While a small part of the total, Inheritance Tax receipts in the period rose by 10 per cent to £2 billions.

Some changes come as no surprise. Tax receipts from Air Passenger Duty rose by 30 per cent as overseas travel became easier; receipts from tobacco tax fell by 34 per cent as people became more health conscious; and stamp taxes fell by 29 per cent as the housing market stagnated.

In times of high inflation, this data is unlikely to bring you much cheer!

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

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 Gleed

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



CHAVEREYS