

Agribusiness NEWS



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News in brief

November 2024

Positive trends in red meat exports

October saw the release of 2024's June Agricultural Census results as well as preliminary harvest estimates for Scotland. Neither provided any great shocks. [Agricultural Census data](#) indicates a continuation in the long-term trend of declining livestock numbers (0.9% for cattle, 3.8% for sheep and 6.5% for pigs), a decrease of overall cereal area, with a decrease in winter cereals but increase in spring cereals compared to the five-year average (see Policy Brief on page 2 for more detail). [Harvest outcomes](#) have not been perhaps as poor as expected given the weather throughout the year and challenging harvest conditions, but are still distinctly average (for more detail see our Cereals article on page 3).

Recent [trade statistics from QMS](#) have shown a notable increase in the value of red meat exports (95% of which to the EU) from the UK over the last year, reflecting both export growth, price inflation, and greater interest in lamb (See Beef and Lamb articles for global market trends). Given reducing livestock numbers, opportunities to add value to product are particularly welcome. Just this month, Scotland Food & Drink have announced new grants of up to £5,000 for promotion of regional food and drink products and establishment of new markets.

While these releases are welcome, a [recent national NFUS survey](#) of over 1,700 people concluded that consumers find labelling of food products "confusing, vague and often misleading", and recommends greater attention to transparency in labelling from retailers and through legislation. Renewed interest in communicating the value of provenance of food for both home and export markets would support value addition to Scottish products.

Next month:

- American Agricultural Bill
- Costs of extending calving periods

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This month's editor:
Anna Sellars

Policy brief

Scottish Suckler Beef Support Scheme

The Scottish Minister for Agriculture and Connectivity Jim Fairlie MSP has confirmed that the 410-day calving interval threshold for eligibility the Scottish Suckler Beef Support Scheme will be kept for the 2026 Scheme year. However, under the Scheme terms and conditions, the calving interval threshold could be reduced by up to 10 days in subsequent years. Notification of which will be provided in advance.

From 1st January 2025, calves will only be eligible for a Beef Support Scheme payment if their dam has a calving interval threshold of 410 days or less. The first calf of any dam will be exempt from the calving interval conditionality.

To help answer any questions that suckler producers may have with regards changes being implemented from 2025, please see online at [Scottish-Suckler-Beef-Support-Scheme-FAQ-June-2024-v2.pdf](#)

UK Budget October 2024 Snapshot

- From April 2025, the Employers National Insurance rate is increasing from 13.8% up to 15%, with the National Insurance payment threshold dropping from £9,100 to £5,000.
- From April 2025, The Employment Allowance which allows smaller companies to reduce their National Insurance liability is to increase from £5,000 to £10,500.
- From 30th October 2024, Capital Gains Tax rates were increased, the lower rate from 10% to 18%, and the higher rate from 20% to 24%.
- From April 2025, the minimum hourly wage is set to rise to £12.21 for over 21s; to £10 for 18-20 year olds and to £7.55 for apprentices.
- The current Inheritance Tax threshold of £325,000 will be frozen until April 2030.
- From April 2026, the 100% Agricultural & Business Property Relief Tax will remain at a zero rate for the first £1 million of combined agriculture and property assets. However, gains will be charged at 20% thereafter.

June Agricultural Census 2024

As highlighted in the Scottish Agricultural June 2024 Census results, the long-term trend is continuing in terms of declining livestock numbers. From 2023 to 2024, the number of beef breeding females fell by 1.1% to 648,018; breeding ewes numbers fell by 2.3% to 2.451 million, with breeding hogs falling by 5.7% to 543,713 and breeding pig numbers falling by 7.9% to 28,688.

In contrast, dairy breeding females rose by 0.8% to 266,146. Interestingly, goat numbers rose by 5.7%, deer numbers by 7.8%, donkeys by 8.9% and camelids by 11.1%, but the number of bee hives recorded fell by a staggering 23.8%.

Although the total area of land used for growing cereals (wheat, barley, oats and other cereals) decreased by 0.8% from 2023 to 2024; with adverse weather affecting sowing, winter plantings of wheat fell by 8.5%, barley by 7.5% and oats by 8.1% while in contrast, spring plantings of barley rose by 3.2% and oats by 12.2%. While planting of oilseeds fell by 10%, field beans were up by 10% and peas up by 23.2%.

On a positive note, the Agricultural Census showed that the total workforce on agricultural holdings in Scotland in 2024 increased by 1% to 67,392 people, with casual and seasonal staff numbers up by 0.3%.

For more details on the census results please see online at: [Agricultural Census Statistics, June 2024 - gov.scot](#)

Seasonal worker visas scheme 2025

In recognition of the importance of seasonal workers to Scottish agriculture, under the Seasonal Agricultural Workers Scheme (SAWS) for 2025, 43,000 visas will be made available to the UK horticultural sector and 2,000 visas will be made available to the poultry sector.

Published alongside the announcement was Defra's [2023 seasonal worker's survey report](#). The survey found that 91% of respondents reported a positive experience from their time in the UK and 95% expressed a desire to return.

Scottish Aggregates Tax

A new Scottish tax aimed at encouraging the use of recycled materials in construction has been approved by the Scottish Parliament. The Aggregates Tax and Devolved Taxes Administration (Scotland) Bill will replace the UK Aggregates Levy. As the Bill has still to receive Royal Assent, the rate of tax has not yet been defined.

For further details of the Bill please see online at [Scottish Aggregates Tax](#)

Key Dates

Date	Action
30 Nov 24	Scottish Upland Sheep Support Scheme application window closes
31 Dec 24	Scottish Suckler Beef Support Scheme application window closes

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Cereals

Scottish Harvest Estimate

The first estimate of Scotland's 2024 cereal and oilseed rape harvest has been issued by RESAS (Rural and Environmental Science and Analytical Services, within Scottish Government). Following industry consultation, total cereal production is expected to remain at around 3.1 Mt, just above the ten-year average. Wheat, winter barley and oilseed rape see overall production falls, contrasting with increases in spring barley and oat production. Final results will be published in December and the infographic shown below illustrates the interim estimates of National production and yield per ha.

Figure 1: Scottish cereal production 2024 (tonnes). Source: ScotGov

	Production (Tonnes)	Change from 2023/ 2024	
Total cereals	3,087,784	up 1%	↑
Spring barley	1,700,857	up 8%	↑
Winter barley	329,215	down 5%	↓
Wheat	866,651	down 12%	↓
Oats	191,061	up 21%	↑
Oilseed rape	132,843	down 20%	↓

Figure 2: Scottish cereal production 2024 (t/ha). Source: ScotGov

	Yield (Tonnes per hectare)	Change from 2023/ 2024	
Total cereals	7.22	up 1%	↑
Spring barley	6.59	up 4%	↑
Winter barley	7.63	up 2%	↑
Wheat	8.81	down 4%	↓
Oats	6.91	up 14%	↑
Oilseed rape	3.61	down 11%	↓

Similarly, AHDB published the 2024/25 Early Balance Sheets for wheat and barley for the UK. Wheat production, at 11.05 Mt, is down 21% on last year and despite the heaviest opening stocks for over 20 years, home produced availability for 2024/25 will be down 9% requiring an estimated import requirement of 2.63 Mt. A 3% rise in barley production more than offsets declines in opening stocks and imports therefore national availability of barley is expected to increase 1% to 8.49 Mt.

Indicative grain prices week ending 28/10/2024 Source: SAC//United oilseeds/Farmers weekly/AHDB)

£ per tonne	Basis	Nov '24	Mar '25	Nov '25
Wheat	Ex farm Scotland	200	205	201
Feed Barley	Ex farm Scotland	170	175	171
Oats milling	Ex farm Scotland	330		
Oilseed Rape	Ex farm Scotland	402	405	385
Beans	Ex farm Scotland	225		

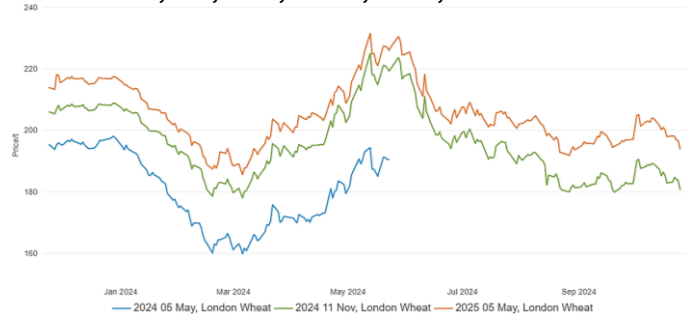
Domestic consumption on farm is anticipated to rise by 8% as inclusion in rations looks more favourable to wheat given relative pricing. With H&I (Human & Industrial, i.e. for flour, malting, brewing & distilling) barley consumption set to fall 4%, net domestic consumption is forecast up 4% on 2023/24.

Wheat market remains pressured

Markets are reacting to weather issues across Europe and the Black Sea Region. Russia's autumn planting campaign was stalled by very dry conditions and consequently 2025's wheat crop is being projected at 80 Mt (down 1 Mt from the 2024 harvest); this represents a fourth successive fall in output in as many years.

France, the EU-27's largest producer, has not only seen its smallest wheat crop in 40 years, but is also well behind in its autumn planting campaign for 2025, having experienced persistent wet weather through September. Markets are trying to balance these bullish factors of potentially lower production and stock reductions against the general lack of global demand acting to suppress prices. Currently, Russian and Ukrainian export price trades lower than EU origin grain and this, together with the pace of exports, continue to set the market.

Figure 3: London wheat prices, May 2024-May 2025. Source: ECD, ICE, CME, MGEX, MRCI, DCE



UK malting barley demand is reported lower by 83 Kt (4%) compared to last year and playing its part in stifling premiums. Rapeseed, conversely, sees strong support mostly driven by the fundamentals of supply and demand and the expectation of lower global production this year into next is likely to keep prices supported.

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Beef

Demand holds finished cattle above £5/kg

Finished beef prices have surged to unprecedented levels throughout October – more than 20% higher than the 5-year average - driven by demand and as predicted, reduced supplies of finished cattle are now having a real impact on deadweight prices. Beef trade continues to be strong, with little sign this will change as we are into the last quarter of the year and Christmas, when prices traditionally rise in preparation for increasing prime cattle requirements for the festive period.

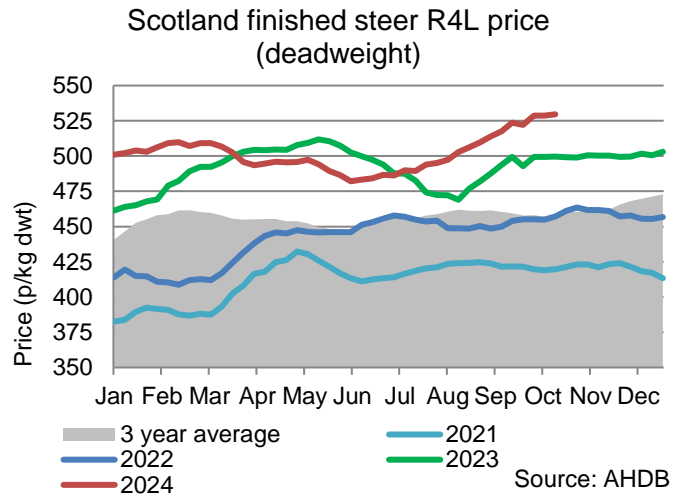
The R4L price for Scotland, for week ending 19 October was 529p/kg/dwt. However, reports suggested that several processors were offering several pence more to secure supplies. With processors now entering the Christmas buying period, it is likely that prime beef prices will remain firm into early December. In 2023 beef sales performed well in the weeks before Christmas, with consumer purchasing increasing by over 12%, and it is anticipated that beef sales will see an uplift again this year.

Consumer demand remains strong. Although seasonal events such as Halloween and Bonfire night may not be typically associated with increased beef sales, Kantar data has highlighted that in 2023, beef sales performed well in two weeks to November 5th recording the second largest seasonal uplift of the year.

Finished cattle price supports calf trade

At store sales, tight supply, and finished prices holding above £5/kg has led to a buoyant trade for store cattle and weaned calves, with prices historically firm throughout the start of the main autumn selling period. Store cattle sales have been boosted in numbers in October as the suckled calves have come onto the market. Well fleshed forward stores continue to be a good trade, as finishers battle to secure numbers. Suckled calves are trading at phenomenal levels, well above £3/kg,

with some suckler producers reporting an uplift of £100/head compared to a year ago. Feed prices being less is also contributing to the trade for suckled calves this autumn, although the price of straw and availability in some areas is cause for concern.



Cull cow values

The cull cow trade also continues to be strong sitting around 420p/kg deadweight. The autumn bull sales have just recently passed, with many producers fearing a subdued demand as suckler numbers continue to decline, trade was however reasonable, for the numbers forward, - on par with a year ago - with strong prices paid for the best commercial bulls. Continental breeds achieved the highest prices, with the Simmental breed topping the sale.

In recent weeks prices have begun to ease back, with more numbers coming available with weaning, housing and spring calving herds scanning cows. Processors will look to reduce cull cow throughput to make room for increasing prime numbers, which will affect prices. However, it is anticipated that cull cow prices will see a short-term uplift in price during the school half term, as mince is a popular, cheap and quick family friendly meal choice.

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Scotland prime cattle prices (p/kg dwt) (Source: drawn from AHDB and IAAS data)

Week Ending	R4L Steers (p/kg dwt)			-U4L Steers		Young Bulls -U3L		Cull cows		
		Change on week	Diff over North Eng.		Change on week	Diff over North Eng.		Diff over North Eng.	R4L	-O3L
03-Aug-24	495.1	1.2	-1.8	489.7	-0.9		488.1		406.6	378.1
10-Aug-24	497.4	2.3	-1.6	496.9	7.2		490.1		410.4	373.6
17-Aug-24	502.8	5.4	-3.4	503.3	6.4		494.0		414.9	378.1

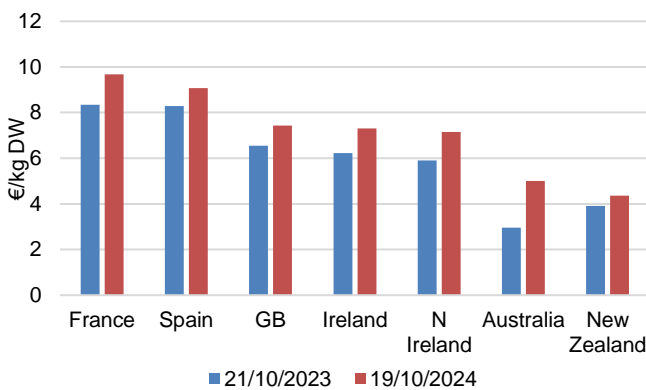
Sheep

Supply and Demand

The sheep trade currently shows a true reflection of the balance between global supply and demand. AHDB have recently shown that the UK clean sheep slaughter for Jan-Sept 2024 stands at 8.19 million head, some 700,000 head or 7.9% less than that in the same period in 2023.

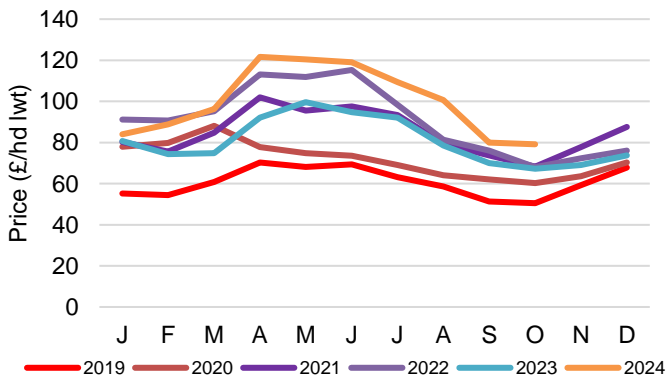
With less lamb being produced and processed, our import and export markets have been affected. With more lamb being imported to supply our domestic demand, and less being available for export.

Figure 1: Deadweight price across key countries (€/kg). Source: Bord Bia



If we look to Europe, the effect is very similar, with less sheep in the national flock, production is reduced and exports in the first half of 2024, have shown to be 14% lower than that of 2023, with a forecast of 10% by the end of 2024. However, with

Figure 2: Scottish Cull Ewe Price 2019-2024. Source: AHDB



the imbalance between supply and demand, the price is at a premium, at a time of year when it is usually not. For the week ending 19/10/2024 the French lamb price stood at €9.67/kg DW, a 15.9% change on the same week last year.

With fewer ewes in the UK national flock, we are witnessing a greater price for culls. With cull ewes averaging higher than the last five years since March this year.

Land Use Change

New Zealand producers have received news in October of the Alliance Smithfield, Timaru abattoir closing, this has the processing capacity for 900,000 lambs and ewes; this is a reflection of the effect on changing land use in New Zealand. Beef and Lamb NZ have recently published a report they commissioned and conducted by Orme & Associates looking at the “Land-use change from pastoral farming to large-scale forestry”. This shows that between 2017 and the end of June 2024, a total of 261,733 ha of sheep and beef producing land was purchased for conversion to forestry. Beef and Lamb NZ estimate for every 10,000 ha of land that is planted in forestry, equates to around 1 million stock units being lost. Showing the extent of how the land management is changing and how their national flocks and herds are declining.

Disease Threats

Bluetongue continues to spread across Europe, making a risk for importing animals from countries who currently have disease. As of the 20th October England has 145 cases and Wales has 2 cases confirmed. The English Winter Fair has recently been cancelled due to fears of how close the venue at Staffordshire is to the Bluetongue restricted zone.

Bluetongue is spread by certain biting midges, movement of infected animals or products (semen, embryos, etc) and infected pregnant animals transmitting to their young. Producers are being urged to source stock responsibly, and to have strict biosecurity measures for any purchased stock, while remaining vigilant for signs.

[Kirsten Williams](#); 07798617293

Week ending	GB deadweight (p/kg) 16.5 – 21.5kg				Scottish auction (p/kg)				Ewes (£/hd)
	R3L	Change on week	Diff over R2	Diff over R3H	Med.	Change on week	Diff over stan.	Diff over heavy	Scottish All
05-Oct-24	626.6	-13.9	-4.2	1.4	271.70	-0.5	26.1	3.0	76.01
12-Oct-24	619.5	-7.1	-3.5	-1.6	277.70	-11.1	9.0	4.5	76.15
19-Oct-24	621.1	1.6	-2.9	-2.4	278.90	1.2	15.9	4.3	85.26

Deadweight prices may be provisional. Auction price reporting week is slightly different to the deadweight week. Source: AHDB and IAAS

Standard weight 32.1 - 39.0kg; Medium weight 39.1 - 45.5kg; Heavy 45.6 - 52.0kg

Note: From 11th May, prices transition to new season lambs

Sector Focus:

Finding the right advisor

Is Your Advisor Right For You?

In recent times landowners and tenants face more complex matters when it comes to property. Whether it's an approach from a wind turbine developer, or a business is progressing their succession planning, having the right advisor in place is imperative to avoid costly and timely delays and errors.

Developers and Wayleaves

When approached by a developer or a utilities firm, it is crucial that you do not commit to any agreement until you have sought further guidance. This can come from a Solicitor and/or a Land Agent. No approach is too small to seek further advice, whether it's access across a farm track, or a new phone mast.

A request over land you own or tenant can be for one-off access, or a long-term arrangement. Instructing a Land Agent with the relevant experience in the sector, along with knowledge of your local area, can prove advantageous as they will act on your behalf to negotiate terms that are beneficial to your business, both on the ground but also financially.

Solicitors should also be engaged where a contract between parties is required. You may have worked with a local firm for generations, however I would advise that where more specialist advice is required, such as Agricultural Law, using a firm that specialises in this sector can be indispensable. It may seem daunting and costly to engage a new Solicitor, however your business will benefit greatly from an efficient and comprehensive service that will ensure you are protected from the larger developers.

Finances and Tax Matters

Undertaking the annual accounts for your business is unavoidable. But are you getting the support and advice you need from your Accountant? Farming business can present in many ways – Sole Traders, Partnerships, Limited Companies. It's important that your Accountant understands how tax and VAT operates for agricultural business which can be different to other commercial enterprises.

It is good practice be having at least one meeting through the financial year to discuss matters such as

large purchases, changes to the business, and the projection for profit and tax by the year end. Then there should always be a meeting once the annual accounts are produced to review them.

Similar to with Solicitors, your business may have worked with the same firm of accountants for generations, however now we're in the digital age of accounting are you satisfied with the service you are receiving, or have you considered moving to a firm that can provide the appropriate advice and service for an agricultural business?

The country has also just heard the Labour Government's budget plan and a major impact on agricultural businesses are the changes to Capital Gains Tax, Inheritance Tax and Agricultural Property Relief. Never before has it been more important to ensure that the advisors you use understand how this may impact your future and can advise you accordingly, whether it involves succession planning or buying or selling land.

Succession Planning

Whether this involves property that is owned, or a tenancy, thought can never begin too early as to how best to transfer to the next generation.

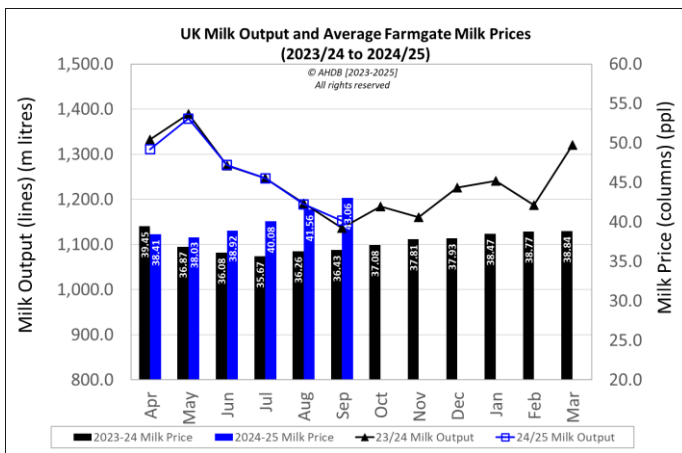
Having a written Will in place that instructs how you wish for land and property to be inherited is strongly recommended. But before committing to any plans, speaking to advisors such as Land Agents, Accountants and Solicitors can provide guidance as to the best route when considering taxes and legal responsibility.

An opportune time to start succession planning is when you come in for your SAF appointment in the Spring. Having an initial, informal chat with your SAC Agricultural Consultant can start the thought process about who you need to speak to. They can also be involved in any kitchen table discussions with family which can sometimes seem like a daunting task.

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Milk production data

AHDB's latest GB monthly milk production data is estimated at 970m litres for September, which is down 20m litres from August and 9m litres more than in September 2023. Good grass growth and improved quality on the back of more favourable weather conditions have boosted milk output. Despite the recent uptick in milk volumes, GB production from April to September was back 0.6% (or 6,230 m litres) on the same period in 2023. The current production forecast for the 2024/25 milk year is 12.28b litres, just 0.3% less than the previous year. The Defra UK milk volume for September was 1,153m litres, down 3.4% on August but 1.4% above September 2023 volume.



Farm-gate prices

Despite milk volumes rising and commodity prices now on the turn, milk price rises for November are still being seen from the main Scottish milk buyers.

Milk Prices for Oct/Nov 2024 Scotland	Standard Ltr ppl
First Milk ²	Nov 43.85
Müller - Müller Direct - Scotland ^{1,3}	Nov 42.25
Grahams ¹	Oct 40.00
Aria Farmers ²	Nov 47.65
Lactalis / Fresh Milk Co. ²	Nov 44.1

1. Liquid standard litre - annual av. milk price based on supplying 1m litres at 4.0% butterfat, 3.3% protein, bactoscan = 30, SCC = 200 unless stated otherwise.
2. Manufacturing standard litre - annual av. milk price based on supplying 1m litres at 4.2% butterfat, 3.4% protein, bactoscan = 30, SCC = 200 unless stated otherwise.
3. Includes 1.00ppl Müller Direct Premium. Haulage deducted depending on band for 2023 vs 2021 litres, ranging from -0.25 to -0.85ppl.

Dairy commodities & market indicators

The wholesale markets for dairy commodities have eased back from the all-time highs seen in the fats market last month. With milk production up in September and higher fat levels in the milk, along with a slight fall in demand, buyers are wary of purchasing too much stock in case prices fall further. However, butter and cream supplies are still tight, with less butter being produced, as processors favour selling cream rather than going to the expense of manufacturing butter. As cheese prices are slower to react to market forces than butter or cream, mild cheddar bucked the

trend and rose on average by 4% in October. However, forward price futures contracts for cheddar and other cheeses are down for both Q1 and Q2 next year. The movements in prices are reflected in the market indicators, with AMPE back 1.66ppl and MCVE up 1.79ppl from September.

UK dairy commodity prices (£/tonne)	Oct 2024	Sep 2024	Apr 2024
Butter	6,500	6,730	4,910
Skim Milk Powder (SMP)	2,090	2,150	2,000
Bulk Cream	3,096	3,147	2,037
Mild Cheddar	4,300	4,150	3,470
UK milk price equivalents (ppl)	Oct 2024	Sep 2024	Apr 2024
AMPE	45.49	47.15	36.14
MCVE	46.60	44.81	35.57

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Positive outlook for dairy profits

The average milk income in 2023/24 was £2,910/cow, 19% less than the previous year according to the Old Mill and Farm Consultancy Group's annual Cost of Production report. With the cost of production at £3,153/cow, the loss was £243/cow. Given the low milk prices in the 2023/24 year, profit/cow was only £152, compared to the five-year average of £478 and a huge drop compared to £914 in the previous year. Although feed and other variable costs are down from their highs in 2022, the fixed costs, power, labour, machinery and contracting costs are 10.7% higher than previously and are having a greater influence on the overall financial performance of dairy businesses. However, with milk prices continuing to rise, profit is expected to reach £590/cow for the 2024/25 year, with a milk income of £3,308/cow and a cost of production of £3,122/cow.

Are your calves happy?

Recent research by the University of Reading has looked at the positive effects of providing dairy calves with enrichment i.e. toys to interact with to enable them to show their natural behaviours, which in turn is thought to improve their mental wellbeing. Toys included plastic balls filled with hay; fixed broom brushes, a rope or plastic chain and a teat fixed to a board. Calves were disbudded at seven weeks of age and then assigned to either enriched or unenriched pens. Calves in the enriched pens showed higher levels of play activity and investigative behaviour. They also interacted more with other calves, showed less standing time (lay down more) and exhibited less undesirable behaviours such as cross-suckling. By improving the housing environment for calves by group rearing, ad-lib milk feeding and providing more enriched environments, the researchers believe that there will be long-term benefits by rearing more robust cows that are more adaptable to stressors and changing environments experienced by adult cows.

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Sector Focus: Extreme Weather

Farming with Extreme Weather Events

It is well known that productive farming can be heavily dependent on the weather and with more extreme weather events occurring, it can be increasingly challenging to plan ahead and build resilience.

In 2017-18 alone, extreme weather events cost Scottish farmers [£161 million](#) due to livestock losses and lower crop yields. Scotland has already experienced changes in climate, and these are projected to continue and intensify with further episodes of persistent rain, storms and drought.

Alternative management practices (commonly described as regenerative agriculture) are often promoted to help build resilience, with Scottish Government including these principles ([Agricultural Reform List of Measures](#)) within the [Agricultural Reform Route Map](#) and, as such, will be linked to future rural payments. But how much of an impact can these methods really have in practice? SAC Consulting's Environment Team investigated this by surveying Scottish farmers to learn more about their experiences of extreme weather events through a [WWF Scotland funded project](#).

Regenerative Agriculture

Firstly, what do we mean by alternative management practices or regenerative agriculture?

There are five main principles for regenerative agriculture, which puts soil health at the centre of agricultural practices:

1. Maintaining a living root within the soil
2. Minimising soil disturbances
3. Maximising crop diversity on farm
4. Keeping soil covered throughout the year, and if possible
5. Integrating livestock into an arable system.

Five core principles of Regenerative Agriculture



A total of 37 farmers responded to our survey, which asked farmer's opinions regarding their experiences with past weather events and whether there are any particular practices that they feel have contributed to farm resilience and productivity through those challenging episodes of weather.

When asked if weather related events in the last 5 years have impacted the economic viability of their

farm, 49% said they had experienced a decrease in profitability, 35% had not experienced any negative economic impact and a small proportion (11%) said they had experienced an increase in profitability.

Within the 49% of farmers that experienced decreased profitability due to weather events, 29% had already made changes to the way they farmed in an attempt to alleviate or mitigate the impacts of extreme weather events specifically. Twenty percent had not made any changes).

When asked what potential can different land management practices have on farm resilience to weather impacts - the top 3 responses for having a 'significant positive impact' were:

- Optimising grazing management
- Reduced bare soil
- Increase/ conserve soil organic matter

There did not seem to be any correlation between location or farm type with the number of farmers that had made changes to the way they farm due to weather events.

The survey showed that understanding the impacts of weather events across different farm types can be difficult due to may complex interlinking factors such as geographical location, land use history, farm type, management practices and personal attitudes. This poses challenges in terms of proving guidance with respect to how changes in farming practices could impact farm resilience. However, the survey did highlight some common concerns across farmers in relation to the future of UK agriculture, including international, political, governmental and societal pressures.

A common concern raised within the survey was farmers receiving a fair price for their products to ensure a viable business is possible and sustainable.

Additionally, it was raised that more support and clearer guidance could be provided as well as a need to address negative language used in the context of farming and climate change.

The short study provided some qualitative evidence that making changes to land management practices can positively impact the productivity and resilience of farms, but the extent to which this may occur differs across farms.

For more information and the full report <https://www.wwf.org.uk/our-reports/impact-extreme-weather-events-scottish-agriculture>

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Input Costs: Homegrown Proteins

Over the past few years there has been an increase in the area of protein crops grown to meet the need of livestock. The increase can be put down to a number of factors:

1. Pressure to reduce the use of imported soya and associated carbon footprint;
2. Making the ration more sustainable and reducing the amount of bought in feed;
3. Adding another crop to lengthen the rotation for disease and soil health benefits.

What are the options?

In Scotland there are four main options available if you would like to grow your own protein. These are:

- **Winter beans:** Varieties such as Vespa, Honey and Tundra have been grown successfully. Sown in October winter beans tend to be earlier in maturing and can be cut in September/October.
- **Spring beans:** Varieties such as Lynx and Fuego have been grown successfully. Spring beans need to be sown early in the spring and can be late to harvest depending on the season (October/November).
- **Spring peas:** Varieties such as Kactus, Orchestra and Daytona have shown good ability to stand over the past few years. Yields have been typically 4.0t/ha. Sown in end of April/May crops have typically been harvested at end of August/September.
- **Lupins:** Less common in Scotland but grown in some areas. Typical yield is around 2.5t/ha. Sown in April, harvest tends to be similar to spring beans (October/November)

All of these can be tricky to dry and store. If harvested wet then part drying and then allowing to sit to let the moisture equalise through the seed and then drying again can help. Otherwise, seeds can be treated with propcorn to allow storage at higher moistures.

What are the carbon and soil benefits?

All of these crops are nitrogen fixing and therefore require only a small amount of phosphate and potash for their growth. They also leave a higher residual nitrogen for the following crop and provide a break from within a traditional arable rotation. This has a reduction in the carbon footprint in the crop itself and the following crop.

There are also lower emissions associated with feeding these protein crops. Soya has a carbon footprint of 698 kgCO₂e/t compared to winter and

spring beans at 150 kgCO₂e/t and peas at 144 kgCO₂e/t. Lupins although no exact figure are likely to be similar to peas.

What are the nutritional values?

Crop	Metabolisable Energy	Crude Protein
	MJ/kg DM	g/kg DM
Winter beans	13.1	27
Spring beans	13.4	33
Spring peas	13.5	26
Lupins	14.2	34
For comparison		
Soya	13.3	49
Rape seed meal	12.0	40

Although slightly lower in protein than alternatives the home-grown alternatives do have good protein levels and can be cheaper on a per tonne basis.

What do they cost to grow?

(£/ha)	Winter Beans	Spring Beans	Spring Peas	Lupins
Seed	136	136	140	148
Fertiliser	75	75	41	0
Sprays	158	158	130	130
Total	369	369	311	278
Labour and machinery	318	318	318	318
Total cost	687	687	629	596
Typical yield (t/ha)	5.5	4.5	4.0	2.50
Cost per t	125	153	157	238
Cost (£) per kg of protein	0.46	0.46	0.60	0.70

As a comparison soya is around £0.72 per kg of protein and rape seed meal is around £0.76 per kg of protein.

Cost per tonne is very dependent on yield which can be variable with these crops. However, growers who have started growing beans tend to stick with them as they try to increase self-sufficiency and the benefits of having a nitrogen fixing crop in the rotation. In some cases, arable farmers are linking up with local livestock farmers to supply their protein requirements.

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Management Matters: Biodiversity and the Whole Farm Plan

Biodiversity and the Whole Farm Plan

The term biodiversity has been creeping around the farming industry for some time now and many have already engaged through options such as Agri environment schemes. Now we are starting to see it become more mainstream as it is brought into Basic Payment Scheme (BPS) requirements through [Whole Farm Plans](#).

With the requirement to have at least two of the audits/plans in place by the 15th May 2025 and all the applicable audits and plans for your business in place by 15th May 2028 at the latest; now is a good time to start thinking about your biodiversity audit and where to start.

Biodiversity Audit

The biodiversity audit is basically a map showing the different habitats on your entire farm and something that a farmer/crofter can do themselves.

The habitat map can be completed online using:

- The habitat layer of the RPID Land Parcel Information System (LPIS).
- The Farm Biodiversity Scotland app (which is currently being tested by more farmers and crofter and should be widely available in 2025).
- By providing a map to RPID, which would need uploaded to your 2025 SAF form.
- The map is the first step on the journey to managing biodiversity on the farm. Once complete the audit will need updated every 5 years.

Take stock of what you have

Use your habitat map to start thinking about those parts of your business that may be highest value for biodiversity. These may be the least productive areas of the farm which are often field margins, rougher grazings, native trees and water features.

One of the most important actions for biodiversity is to link up these areas forming corridors for wildlife across the ground. This allows all species to have a refuge, habitat, and cover, allowing them to move freely across the farm. Links could be hedgerows, walls with rougher grassland or fenced watercourses.

Walk through the fields on a dry day in the growing season and think about how many different varieties of plants are growing with the grass in each field. The fields with more varieties have more biodiversity potential if the grazing allows the plants to flower and set seed each year.

Scrub is a valuable habitat for biodiversity, this includes hawthorn, blackthorn or wet corners with willow growing. Scrub provides habitat, food, and shelter for many species particularly insects and farmland birds.

Watch out for invasive species such as Rhododendron ponticum, Skunk cabbage, Japanese knotweed, Giant Hogweed and many more. These are easiest to remove as they first appear and before they become established causing serious damage to habitats. They can be very expensive to remove at a later date and will degrade your biodiversity potential in the future.

If you need help or ideas to identify the habitats and features important for biodiversity on your farm you can access a specialist consultant. This is grant aided, often covering costs up to £1,600. To access help, apply for the Biodiversity specialist plan on the grants page of the FAS website and choose an consultant from the list. [Specialist Advice | Helping farmers in Scotland | Farm Advisory Service \(fas.scot\)](#).

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Key Economic Data

General Indicators		Price indices for June 2024 (Defra 2020 = 100)			
		Output Prices		Input Prices	
Base interest rate	5% (5.25% July 24)	Wheat	112.9	Seeds (all)	106.8
ECB interest rate	3.25% (4.00% Sept 23)	Barley	131.8	Energy	144.4
UK (CPI) inflation rate	1.7% (target 2%)	Oats	143.5	Fertiliser	149.4
UK GDP growth rate	0.5% (Q2 2024)	Potatoes	279.9	Agro chemicals (all)	113.2
FTSE 100	8,219.61 (29/10/2024)	Cattle and Calves	145.6	Feedstuffs	121.7
		Pigs	131.0	Machinery R&M	127.2
		Sheep and Lambs	140.3	Building R&M	136.9
		Milk	143.6	Veterinary services	110.1

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