

Newsletter December 2023

Straw Bales	Feed Barley	Finished Cattle	Lambs	Electricity	Arla	Saputo
£120 per Tonne plus delivery	£160	551-650 Kg 241 p/Kg	39-45 Kg 286 p/Kg	28.92 p/Kwh +298 Standing Charge	33.33 p/litre	35.50 p/litre

DE LINKED PAYMENTS

The 2023 50% payment farmers receive this December will be the last that linked to your holding. The next payment farmers receive in July/August 2024 will be based on a percentage of your 2020/21/22 payment. Payments will continue to be paid in two halves (August and December) until the last payment in 2027. Payments for 2024 will be in total 50% of what farmers received in 2020/21/22 the reference years. The RPA is intending to send out a statement declaring the value of BPS payments to farmers over the next 3 years.

If there have been changes to your business, new partnerships, new businesses, dissolution of partnerships, death or divorce affecting partnerships etc. RPA are expecting farmers to inform them of any changes that have happened in the last 3 years to ensure payments are made to the correct individual, partner or business. They will inform you of the date and the window of opportunity to let them know this information.

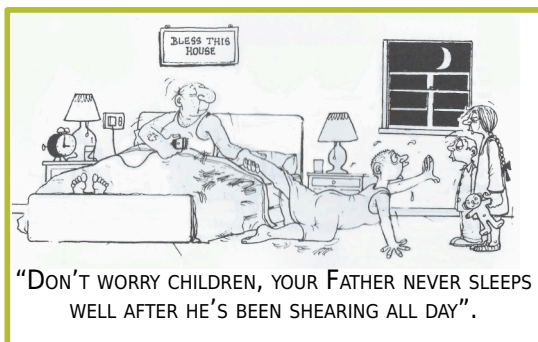
MILK PRICE

The milk price at 34-35.5ppl is causing severe financial difficulties to those dairy farmers supplying the four Cornish Processors, whatever was gained from the high price of 2022/23 is being quickly eroded away with costs of production 42-45ppl. Although when working out costings for farmers who are just milking cows, and everything is included as opposed to shared, with another enterprise, I would say the cost of production is much higher.

This isn't just an event that is effecting dairy farmers alone, the supply industry that supports the dairy industry is equally effected, as bills don't get paid!

There will also be a sting in the tail for many producers as the high milk price in 2022/23 will cause an income tax hike against your current income which is very much lower. Please speak to your accountant to give them some forewarning of what might be occurring within your business and how that could potentially be offset.

If you feel you and/or your family need help or are affected by this issue, please contact Farm Cornwall 07775667825 or the Farming Helpline 03000111333. Or RABI 01865724931



RED TRACTOR, "ADHB SLURRY WIZARD"

We are seeing farmers being asked to to fill in a slurry wizard to complete their Red Tractor (RT) requirements. The requirement is 6 months, calculated by using the slurry wizard, which will determine how much storage you have and how far you are from the 6 month requirement. If you are short of the 6 month requirement you have effectively triggered a non compliance for RT. However, RT realise that a slurry store takes time to be built and will be a lengthy process.

Which is as follows:

1. Complete slurry wizard,
2. Potential cost of store,
3. is there any grant aid <https://www.gov.uk/government/publications/slurry-infrastructure-grant>.
4. Planning will be required, a SCAIL report to assess ammonia emissions will also be needed as part of planning.
5. Do I want to carry on, do the next generation want to carry on milking cows, how much will I need to invest in the rest of the farm, is the landlord/bank supportive.

SFI

The SFI scheme has had a stumbling start, those who joined up last year under what DEFRA terms SFI 2022 will if they intend to go onto SFI 2023 must ensure that those SFI 2022 agreements are terminated. The new SFI 2023 is now available to all.

<https://www.gov.uk/guidance/apply-for-an-sfi-agreement>

Worked examples of what could be available are shown below, each farm will be different, it is no longer as simple as saying BPS was £80/acre multiplied by your farm size.

Payment levels on all grass farm 150ac (60ha) could be as follows.

Code	Description	Rate	Area covered	Total on 60ha farm
SAM1	Assess soils, test and soil management plan	£5.80/ha plus £95	60ha	£443
SAM 3	Herbal ley	£382/ha	30ha	£11460
NUM2	Legumes on Improved grassland	£102/ha	15ha	£1530
IGL2	Winter bird food on improved grassland	£474/ha	1ha	£474
LIG1	Low input grassland	£151/ha	4ha	£604
NUM1	Nutrient management plan	£589 total	60ha	£589
Start up		£20/ha	50ha max	£1000
		Total		£16100

Payment levels on Arable/horticulture farm 150ac (60ha) could be as follows.

Code	Description	Rate	Area covered	Total on 60ha farm
SAM1	Assess soils, test and soil management plan	£5.80/ha plus £95	60ha	£443
SAM 3	Herbal ley	£382/ha	30ha	£11460
NUM2	Legumes on Improved grassland	£102/ha	15ha	£1530
IGL2	Winter bird food on improved grassland	£474/ha	1ha	£474
LIG1	Low input grassland	£151/ha	4ha	£604
NUM1	Nutrient management plan	£589 total	60ha	£589
Start up		£20/ha	50ha max	£1000
		Total		£16100

Notes to the above scenarios :

Grassland - There could be a reduction in stocking rate on the grassland rate, however that would assume the farm is already stocked quite highly, and that isn't always the case, and there will be a cost to establishing the herbal leys.

Arable - There is a reduction in the cropped area as 10ha of land has been removed for the wild flower option which will affect overall physical sales from the farm and it too will have an establishment cost.