

FARMING UPDATE

INTRODUCTION

Welcome to the Ceres Rural Farming Update, a publication that provides independent insights on agricultural issues, reports on policy, grant and administrative updates and key market information. To discuss any of the topics raised, please contact one of the [Team](#).

IN THE FIELD

EARLY BIRD SURVEY

As we look forward to harvest 2025, it's helpful to understand the planned crops. The Early Bird Survey provides a good indication of what's currently planted. However, we all recognize that this might not be very reliable due to increasingly unpredictable drilling conditions each year. Despite this, the data from November below clearly highlights the tough conditions UK arable farmers are dealing with, particularly shown by the reduction in cropped areas.

Arable fallow is up 51% year-on-year, a striking increase. As before, this is likely represented partially by an increased area taken out of production for wildlife options, as available through Countryside Stewardship and the Sustainable Farming Incentive. Though with the challenging weather of Spring 2024, it is also likely that this partially represents adversely affected crop plantings. As a point of reference, the area of arable fallow reported by Defra in 2024 was 581Kha, the largest uncropped arable area since 2003. Though the split of the land in arable fallow and land designated for environmental benefits specifically is not noted.

The table below shows the results of the Early Bird Survey conducted by AHDB.



CROP DRILLED	DEFRA JUNE SURVEY FOR HARVEST 24 ('000 HA)	FINAL EBS FORECAST 25 ('000 HA)	% YEAR-ON-YEAR CHANGE
All Wheat	1,531	1,614	5%
Winter Barley	384	381	-1%
Spring Barley	810	702	-13%
Oats	182	188	3%
Other Cereals*	59	55	-8%
OSR	293	244	-17%
Other Oilseeds**	24	19	-19%
Pulses	224	209	-7%
Arable Fallow	616	932	51%
Other Crops on Arable Land***	706	698	-1%
TOTAL	4,830	5,042	

*Crops included rye, triticale and mixed grains

**Crops included linseed and borage

***Crops included sugar beet, potatoes, vegetables, maize (33%) and temporary grass (20%)

Source: Defra, The Andersons Centre for the AHDB

2023/24 CEREAL HARVEST IN ENGLAND

Last year we saw large fluctuations in seasonal weather patterns from the excessive heat and very dry summer causing droughts, to the warm and wet winter causing flooding. This created challenging growing conditions year-round. Compared to the average yields of the past three years across our client farms, last year's harvest was 5% lower in Winter Wheat, nearly 11% lower in Winter Barley and 3.5% lower in Spring Barley. On the upside, Winter Oats increased by 0.3% and Spring Oats by 11%. Spring Wheat remained consistent, as shown below.

MEAN CEREAL YIELDS ACROSS CERES RURAL CLIENT FARMS

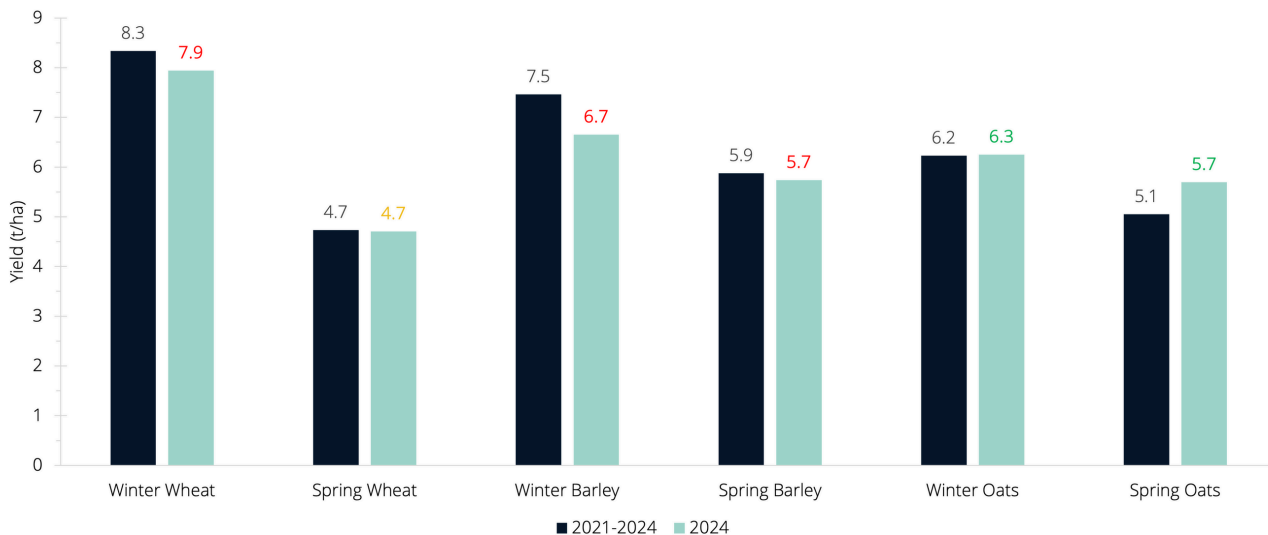


Figure 1. Mean cereal yields across client farms in 2024, compared with 2021-2024 average.

IN THE FIELD: EAST UPDATE

East Anglia was very wet at the end of last year which caused significant challenges with a huge amount of rainfall and flooding, due to a number of storms. The saturated ground made it very difficult to travel on, never mind the stormy above-ground conditions. Although, it was not as wet as Winter 2023/24. Compared with the five-year average, rainfall was about 36% lower in Winter 2024/25 as shown in the Figure below.

January and February 2025 saw much less rainfall compared to the previous winter. March was also significantly drier than the year before, with only 5.8 mm of total rainfall (compared with 44 mm last year).

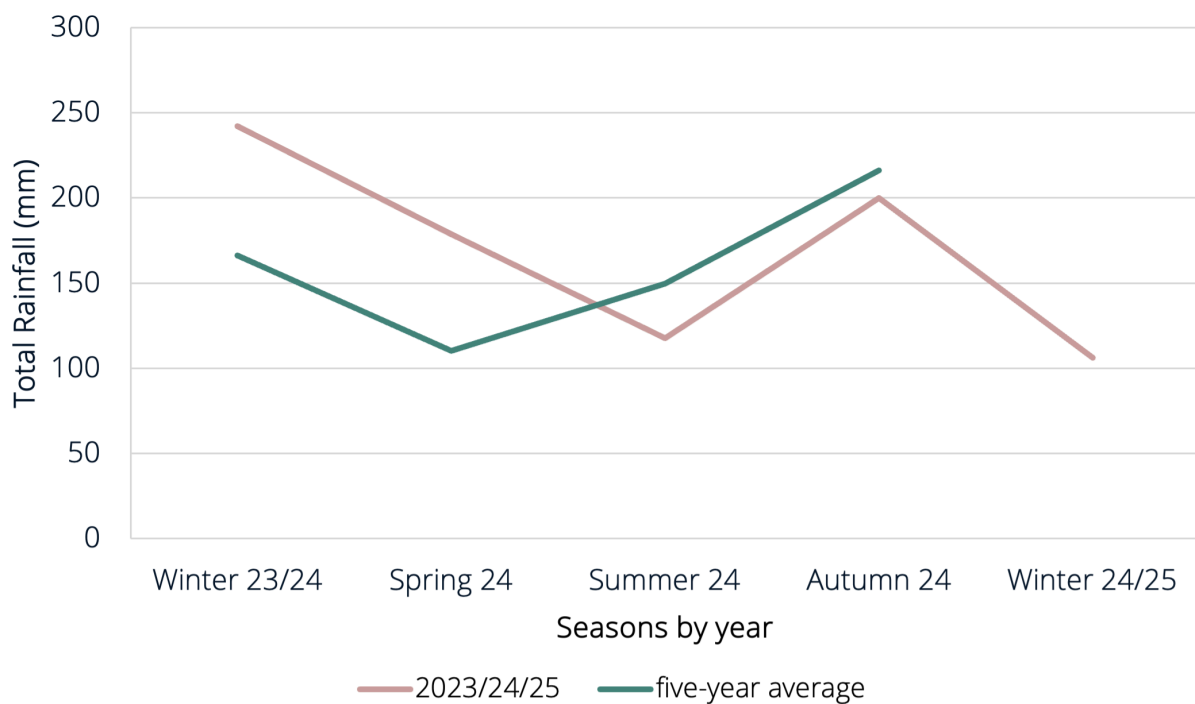


Figure 2. Total rainfall by season in the 2023/24 year, and winter of 2024/25 compared with the previous five-year average for the different seasons, in East Anglia.

The temperature in East Anglia has been fairly mild over winter but has got colder in the first few months of this year, including sub-zero temperatures. January was 1.3°C colder than January last year, and the same amount colder compared to the five-year average. However, March warmed up slightly (average temperature of 7.7°C), 1°C cooler than this time last year.

These shifts in rainfall and temperature extremes are becoming more prominent, meaning that our typical 'farming calendar' will inevitably shift with these changing seasons.



AUTUMN 2024 REFLECTIONS

Looking back on the autumn we've had, there are a few talking points. Good soil moisture through the 2024 harvest meant that oilseed rape could get in the ground early and well where it was drilled before the August bank holiday. A kind window in August allowed a lot of workloads to be completed with autumn cultivations running on time. However, we saw once again a high moisture level from rainfall that delayed drilling and, in some cases, really affected establishment with seed rotting in the ground. Luckily, a dry November saw a good window for crops to be drilled with some clients taking advantage of this and increasing their wheat growing area.

Residual chemistry worked well and soil moisture facilitated good efficacy in some areas. In areas where it was too wet to plant winter cereals, the dry start to 2025 has allowed for remedial cultivations and timely spring drilling in most places.

CEREALS

Most crops have now received their second dose of fertiliser with 150-170Kg N/ha having been applied. It is expected that no more will be applied until there is a significant rainfall event as fertiliser in the ground is yet to be taken up. Review the varieties that you are growing to check what disease scores the RL shows. Talk to your agronomist about what they are seeing and take a proactive approach to disease pressures in the spring. For example, if you've got Skyfall in the ground, rust has been found across multiple sites so will need to be treated with upcoming T0 applications. Currently, septoria levels are low due to lack of rainfall. Spring cereals have been established into high quality seedbeds but have been slower than normal to emerge due to low soil temperatures and lack of soil moisture. However, this has also meant that grassweed levels in these crops are also low currently. As crops are slower to emerge, this may create an opportunity for pre-emergence glyphosate if required.

Glyphosate resistance was detected in Kent at the end of last year, so we urge clients to revisit glyphosate management to reduce the risk of resistance. [Ceres Research](#) has highlighted some practical recommendations, based on WRAG guidelines [here](#).

BREAK CROPS

Pigeon damage has been seen widely across the southeast within oilseed rape and continues to be a problem. Most crops have now received all of their nitrogen, however it is unlikely that the crops have been able to take it all up due to slow growth caused by low temperatures and also soil moisture levels.

For winter beans, we are urging clients to have a look at the establishment and the thickness of the crop. This can inform potential disease pressure which may be faced when the weather warms up; giving you a head start in planning for disease.

SUGAR BEET

Despite the challenging sugar market, British Sugar and NFU Sugar have agreed the contract for the 2025/2026 growing season. They both agree that this is a fair deal within the current market, whilst offering flexibility to growers. The agreement presents growers with options of varying levels of risk, of which growers can choose to split their tonnage between any of these options:

- A one-year fixed price contract at £33.00/t, for up to 70% of your contract
- A one-year contract with a guaranteed base price of £30.70/t plus an improved market-linked bonus
- A futures-linked contract, for up to 50% of your contract

Sugar beet growers have been hit with a critical policy change, however. The use of 'Cruiser SB' neonicotinoid seed treatment used for the control of Virus Yellows (VY); has not been granted for use in England under emergency authorisation, as of January this year. Defra maintain their causation, citing clear and abundance evidence that neonicotinoids can be toxic to pollinators, such as bees. This is another striking blow to sugar beet growers because they do not have another solution at present to control a disease outbreak, should it happen. This may result in increased insecticide being used as a last resort. On the other hand, silicon has been mentioned as an alternative control measure, by strengthening plant cell walls and alleviating pest pressure and impact.

Growers are encouraged to monitor Rothamsted suction traps regularly to fully understand the pressures they may be facing this season.

Sugarbeet has been drilled into some very high quality seedbeds and are currently taking around two weeks to emerge.



IN THE FIELD: WEST UPDATE

The storms produced significant challenges across England, including the wet West of England. Despite the feeling that last winter was very wet, actually it was about 36% lower than the five-year average (see Figure 3 below). Autumn rainfall levels were closely aligned with the previous five-year average.

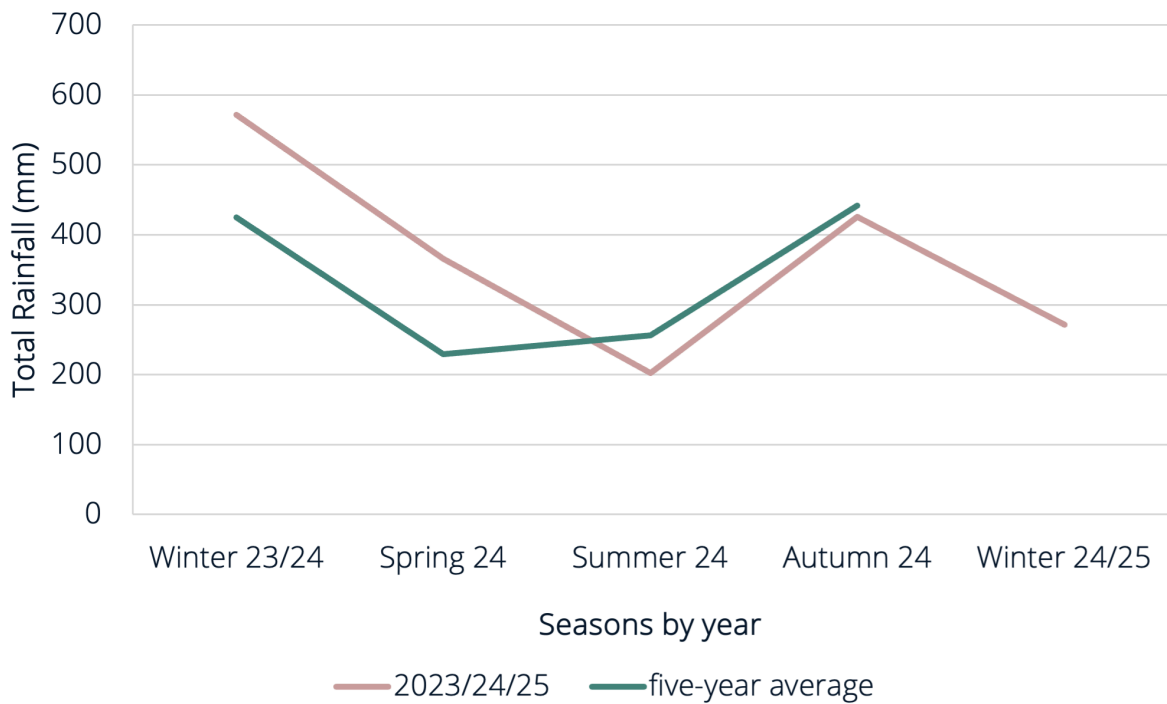


Figure 3. Total Rainfall by season in the 2023/24 year, and winter of 2024/25 compared with the previous five-year average for the different seasons, in the West of England.

Total rainfall and average temperatures in the West follow a similar pattern as to what was seen in the East over these past few months of 2025. In March alone, total rainfall was just 17mm compared to this time last year which saw 160mm of rain. That is the lowest total rainfall on record for March since 1961. On the other hand, temperature was not dissimilar to last year (averaging c.7.5°C).

CEREALS

Overall, despite a few hiccups, most winter crops for the 2025 harvest season in the West of England are looking pretty good. Clients are into early-season crop management, keeping an eye on diseases and applying spring nitrogen applications.

Of course, there have been some bumps along the way. Slug pressure has been high, especially for later-drilled crops. Some crops have faced frost damage, particularly winter oats in low-lying areas. Pigeon grazing has been a real headache for oilseed rape in some regions.

Some delayed herbicide applications have been ongoing, but early wet conditions and small crops have made it tricky. Fertiliser application is kicking off. Some of our clients are thinking about the range in total nitrogen rates, cutting back in crop where establishment is poor.

Disease pressure is steadily increasing as temperatures get warmer and night frosts get less. There are reports of septoria and yellow rust in wheat and light leaf spot in oilseed rape. Ground conditions for spraying and applying fertiliser have generally been good.

GRASS

The 2024 silage production season in the west of England had its fair share of challenges due to poor weather conditions. When we looked at first-cut silage samples, there was a noticeable difference in quality between early and late harvests. Silage harvested in March, April, and May had lower energy levels and rapidly fermentable carbohydrates compared to previous years. Clients who had to delay their first cut until June or later because of poor spring weather saw even lower energy levels in their silage.

MAIZE

As for maize yields in 2024, it was a mixed bag. Some crops did exceptionally well where good husbandry and favourable conditions came together, with fresh weight yields exceeding 50 t/ha in many cases. However, overall maize yields were lower than the five-year average, mainly due to the lack of sunlight in spring and summer.

Harvest conditions for maize were generally favourable, but there were still some maize crops to be harvested late in the season, indicating that not all farmers had ideal harvesting conditions.

In summary, while the 2024 season presented challenges for both silage and maize production, our clients adapted to the conditions, with some achieving good results despite the difficulties.

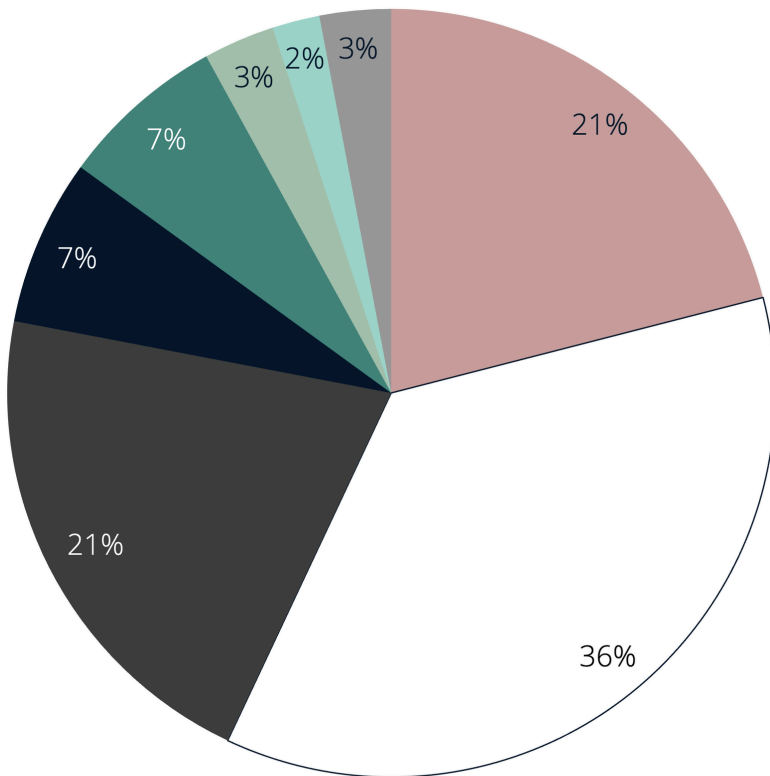


POLICY & BUSINESS NEWS

GRANTS & RURAL PAYMENTS

There have been plenty of announcements recently regarding the agricultural budget, unfortunately some are more detrimental than we expected. Below we provide detail on the budget, based on our current understanding.

BUDGET FOR 2024/25 & 2025/26 (£5B TOTAL)



- Delinked payments (£1050m)
- Live existing agreements (Higher Level Stewardship & Countryside Stewardship, £1800m)
- Sustainable Farming Incentive (SFI, £1050m)
- Other Environmental Land Management (ELM) schemes (£350m)
- Farming grants (one-off payments to help improve the environment or increase productivity, £350m)
- Animal Health, Welfare & Livestock Information Transformation (£150m)
- Mental health, Farming Resilience Fund, Prosperity Fund (£100m)
- Advice, pilots and technical support (£150m)

CAPITAL GRANTS

Capital Grants in England have been closed due to the unprecedented demand. However, Defra recently confirmed at the NFU conference that Capital Grants will reopen this summer. The 4,000 applications that were put on hold should also now be processed. These will be treated as 2024 applications, meaning they shouldn't block another application this year, or be restricted by the new limits being introduced for future applications, provided below.

The new limits for each category are as follows:

- £25,000 for water quality
- £25,000 for air quality
- £25,000 for natural flood management
- £35,000 for boundaries, trees and orchards

These limits do not apply to capital plans. Capital payments are currently available for the following plans, and the form for applying is available [here](#):

- PA1: Implementation plan
- PA2: Feasibility study
- PA3: Woodland management plan
- PA4: Agroforestry plan
- PA5: Moorland mapping plan
- PA7: Species management plan

HIGHER LEVEL STEWARDSHIP SCHEME

Defra is increasing the payment rates for those with existing agreements, although this amount has not been specified yet. Agreement holders are expected to be contacted by the end of April on the revised rate.

CS SCHEME HIGHER-TIER

The Countryside Stewardship Higher Tier (CSHT) focuses on creating and restoring specific habitats, including woodland. Applications opened in January of this year by invitation only and there seems to be a plan for a continued phased roll out approach. Natural England and the Forestry Commission have been working with invited customers on pre-application activities since the invitations were sent in January. Mirror agreements will be offered for expiring CSHT agri-environment agreements. Capital items can be included as part of the Higher Tier application.



SUSTAINABLE FARMING INCENTIVE (SFI)

Last month, we were notified with the rest of the UK farming industry that the SFI had closed, without warning. If you have an SFI agreement, you will continue to receive payments as normal under the terms of your agreement. If you were offered an agreement but haven't yet accepted it, you will need to accept your offer within 10 working days of it being offered. If you don't, they may withdraw your offer.

If you submitted an SFI before the applications were closed but have not yet received an offer, you should be offered an agreement providing correct eligibility.

If you started an SFI application but did not submit it before applications closed, you will not be able to submit your application.

Full details of the SFI announcement can be found [here](#).

MOVING AGREEMENTS

Defra maintains that existing agreements "can" be ended early, but there has been no new process announced for this yet. Currently, ending an agreement early before the year-end will result in forfeiture of that year's payments. In terms of transitioning agreements, an automated process is expected later this year. However, currently transitioning agreements may cause a funding gap due to the complexity and time needed to process changes, which could take several months.

SUSTAINABLE FARMING SCHEME (WALES)

In our last farming update, we highlighted The Sustainable Farming Scheme (SFS) in Wales as a scheme to watch in the coming months. Now, the SFS in Wales is due to come into effect from the 1st January 2026. This is much later than originally planned due to significant criticism of the initial scheme's mechanisms. The proposed details of the plan were published in November last year, available [here](#), but the document significantly lacks detail on specific actions and associated payment rates, hindering planning arrangements for Welsh farmers.

The scheme offers three tiers of actions: universal, optional and collaborative. Farmers must adhere to the set of actions in the universal tier to receive 'entry-level payments'. The actions in this tier may include managing 10% of their land as habitat

for wildlife, health and safety learning hours, soil testing and benchmarking, or increasing the size and density of hedges. Actions for the next tier (optional) do not currently have much detail, and the collaborative tier refers to a model whereby farmers collectively improve their landscape or catchment, for example water quality. The finer details of the SFS are due to be published this summer.

INHERITANCE & BUSINESS RELIEF

Significant reforms to Inheritance Tax (IHT), Agricultural Property Relief (APR), and Business Property Relief (BPR) were announced in the autumn budget, with changes set to take effect from April 2026. Despite numerous protests in London and other areas, there does not appear to be any movement on the changes to come.

The caps announced in the budget include:

- APR/BPR – £1 million limit for assets qualifying for 100% relief. For anything exceeding £1 million, relief will reduce to 50%.
- Freeze on Nil Rate Band – £325k to 2030
- Includes unused pension funds

Despite this, there is time to plan. Valuing all business assets, clarifying ownership and do not be led by tax. Assess future farming family members and the potential roles they could play (e.g. who might actively inherit and who might passively inherit). You should also assess the practical viability of any plan moving forwards, thinking about whether the land has mortgage charges or how much variation there is of existing wills. Succession planning is more important than ever before.

FARM RENTS IN ENGLAND 2023/24

The latest figures have been released by DEFRA for the average annual farm rents in England, paid under Full Agricultural Tenancies, Farm Business Tenancies, informal agreements and seasonal agreements, together with the area of land covered.

- The average annual rent for **Full Agricultural Tenancy agreements** in 2023/24, in current prices, **increased by 5%** compared to 2022/23
- For **Farm Business Tenancy (FBT) agreements**, average **rent rose by 3%** in current prices. Cereal farms had the largest percentage increase, rising by 8%. In real terms, the average FBT rent fell by 3%, with only cereal farms seeing an increase
- Average rent for **informal agreements saw an increase of 4%** in current prices, rising to its highest nominal value in the last decade
- **Seasonal agreements** average **rent rose by 8%**



LIVESTOCK

UPDATE

There have been recent outbreaks of Avian Influenza in various counties including Norfolk, Shropshire and Humberside. The requirement for bird keepers in large parts of the country is now to keep birds housed.

In some ways, we were lucky in 2024 that although Bluetongue Virus (BTV) affected the eastern half of the country, only 20% of the English sheep and cattle population were within a restriction zone and the western half of the country remained disease free. The worry is though that if infected midges survive the winter in the UK, the disease might be seen much earlier this year than last. This could lead to a spread westward, to involve much larger numbers of animals.

Farmers are reporting some abnormal lambs with typical signs of Schmallenberg, but perhaps more significantly, the barren rates in ewes seem higher this lambing season than in previous years.

And of course, anyone in the western half of the country or Wales will be subject to the ongoing issue with bovine TB. Although there have been some reductions in the number of new cases, some areas remain seriously affected by the disease, with 6-monthly testing now in place in several areas and a requirement for post movement testing in Wales. Also in Wales, is the compulsory monitoring of cattle for signs of BVD (Bovine Viral Diarrhoea) which came into force in July last year, and further rules and restrictions follow this year.

On a slightly more positive note, in England, funding is available under the Animal Health and Welfare scheme to help with the cost of producing herd and flock plans. This includes disease testing such as BVD in cattle and for wormer resistance in sheep. More information on the scheme is [here](#). A pilot project is underway in Wales to provide similar funding support for herd health planning. Beef and sheep prices also continue to rise, leading to a slightly more positive outlook on mixed and livestock farms.

MARKET UPDATE

Milling wheat was 10% higher this time last year, with growers finding good grain quality a significant challenge to achieve.

With regards to feed wheat, the price has increased by £10/t since this time last year. Ongoing weather dynamics in major producing regions like the USA and Argentina continue to influence these prices.

Malting premium has taken a hit since this time last year and is looking bleak moving forwards. As mentioned earlier, Spring Barley yields were on average 3.5% lower than the previous 3 years across England, so it is likely that the production has stalled, or what barley was produced last year is of lower quality, likely impacted by the weather extremes.

Oilseed rape prices have increased by £80/t compared to a year ago, a welcome increase to those still growing OSR. It has become clear that OSR is a challenge to grow, perhaps best highlighted by AHDB's Early Bird Survey results suggesting a 17% decline in hectareage of OSR year-on-year.

Beans and the pulse market remains quiet, despite growing research and wider interest into the impact of beans and pulses on soil health.

Harvest 2025 margins are likely to be tight, with global events not stimulating movement in the market that might have previously been expected. Farmers will need to look for small and frequent 'wins' to maximise their efficiency, leaning on those more easily accessible alternative income streams moving forwards.

ARABLE (£/T)	YEAR AGO	MAR 2025	NOV 2025
MILLING WHEAT	240	216 (April '25)	222
FEED WHEAT	170	180	185
FEED BARLEY	160	161	166
MALTING PREMIUM	50	25	20
OILSEED RAPE	355	435	410
BEANS	235	212	n/a

Source: Merchant East Anglia ex. farm bids (as of April 4th 2025)



HEALTH & SAFETY

Silage clamps pose several risks, including falls from height, collapsing silage, and machinery-related accidents. Ensure that you: have proper silage compaction and slope stability; avoid standing near unsupported silage faces; use machinery with caution and keep bystanders at a safe distance; and regularly inspect clamps for structural weaknesses.

Electrical safety is a significant concern on farms and rural estates. It is important to periodically test electrical safety. This should be routinely scheduled with certified electricians. This is important to identify potential fire hazards caused by faulty wiring, ensure compliance with UK electrical safety regulations and prevent electrocution risks for workers and livestock.

Power take-off (PTO) shafts are essential in agricultural machinery but can be highly dangerous if mishandled. Key safety tips include:

- Always using properly fitted guards on PTO shafts.
- Ensuring PTO equipment is turned off before maintenance or adjustments.
- Wearing snug-fitting clothing to prevent entanglement.
- Regularly inspecting and replacing worn-out PTO components.

Improperly **inflated tyres** or sudden bursts can lead to severe injuries. Best practices include ensuring the correct inflation pressure for different vehicles, standing to the side while inflating rather than directly in front of the tyre, and regularly checking for tyre wear, damage, or foreign objects before use.

Farms often have **confined spaces** such as grain silos, slurry pits, and storage tanks, which pose suffocation, toxic gas, and entrapment risks. Our advice is to:

- Testing air quality before entering confined spaces.
- Using safety harnesses and ensuring adequate ventilation.
- Having a trained rescue team on standby in case of emergencies.
- Avoiding solo work in confined spaces to prevent accidents.

Lantra has made its suite of Farm Safety E-Learning Courses freely available, with the aim of reducing the number of accidents on farms and estates. Please see [here](#) for more details by Lantra.

The full content of our **Health and Safety Bulletin** for April 2025 can be found [here](#).

FREE BUSINESS ADVICE

CERES RURAL CONTINUES TO BACK FARMERS

We are backing farmers by continuing to offer FREE business advice now the valuable FFRF has come to an end. We recognise that the period of change in our industry is not over and clients, both old and new, still need a helping hand in securing their farm business' future.

We will be focusing on those who haven't been able to take advantage of previous offers or are now needing more specialist advice. That means farms who weren't receiving BPS payments before 2022 are eligible for this new offer, as are those who want to improve business performance or are considering a change of direction or diversification.

Initially, 500 visits will be available – with business reviews being provided for those not previously advised by Ceres Rural and diversification reviews for existing clients. In addition, Ceres Rural's partnership with Ceres Property will allow clients, where relevant, to benefit from links with their planning, development, farm agency and land consultancy teams, covering various disciplines including valuations, estate management, minerals advice and more. This makes a notable difference to the offer and reflects wider, important considerations faced by farm businesses.

To find out more about Ceres Rural's 2025 free business advice, consider the [terms and conditions](#) that apply and register for an initial discussion,

REGISTER TODAY



ceresrural.co.uk/service/free-business-advice



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DATES FOR THE DIARY



- Ceres On The Farm Days – w/c 28th April
- Essex Young Farmers Show – 18th May
- Suffolk Show – 28th & 29th May
- Cereals – 11th & 12th June
- Wynnstay Arable Event – 18th June
- Lincolnshire Show – 18th & 19th June
- Norfolk Show – 25th & 26th June
- Groundswell – 2nd & 3rd July

GET IN TOUCH

If you would like to discuss any of the topics covered in this issue of the Farming Update, do contact the project leaders, George Catchpole at Ceres Rural and Dr Danielle Roche at Ceres Research, via the details below.



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