Given all the uncertainty of Brexit and the challenges of a start-stop harvest, it would be understandable to throw one’s hands up in despair. However, there is still plenty that can be controlled through good management.

At Cereals 2017, Jack Watts launched his ‘Brexit bucket list’ of actions to help future-proof businesses for whatever the Brexit negotiations will bring. This is a really sound list that I would implore everyone to look at and use.

Many of the topics raised, such as succession planning and investment strategies, are being addressed at our Monitor Farm meetings this winter. I spent time this summer putting together the meeting programmes with our South West Monitor Farm hosts and their steering groups. The meetings at Truro, Malmesbury and Blandford are open to all and detailed at the end of this publication. Contact me for further details.

In addition, we have three other major meetings across the region:

- 27 November 2017, Dorset College of Agriculture: Harriet Wilson, from The Co-op, will be our keynote speaker in a conference looking at supply chains
- 21 February 2018, Exeter: our regional arable agronomy event with nationally recognised speakers on weed control and nutrient management
- 23 February, RAU, Cirencester: the Regional YEN Conference, in association with ADAS, will look at how farmers from around the country have pushed themselves to the limits to try and find economic ways of raising yields

To finish where I started, our key message for the future is that being competitive is the best way to face volatility and the post-Brexit world. Achieving this relies on relentless effort to drive down the costs of production. Be part of AHDB’s activities in the south west this winter to help meet these challenges.
Here is a very quick run-through of what the South West Monitor Farms covered in 2016/17. All of the meeting reports are on the website – follow the links below to read more.

Blandford: James and Georgie Cossins

cereals.ahdb.org.uk/blandford

James, Georgie and the Blandford Monitor Farm group are now a year into their meetings. They covered soil physics, chemistry and biology, profitable rotations, cultivation strategies and breaking the yield barrier.

On choosing a profitable rotation, the group discussed how it was important to define the business objectives, and what rotation gross margin was required to meet drawings, tax, debt repayment and investment requirements. They then went on to discuss the following:

- Work on five-year crop gross margin averages to evaluate a change of rotation strategy
- Aim to calculate net margin (of all fixed costs) per crop. Allocate as many fixed costs to specific crops as possible and minimise averaging per hectare across farm
- Compare arable with grass and maize gross margins to ensure arable is competitive
- Evaluate the other rotational benefits that forage crops bring, other than just pure gross margin

- Cover crops: if there is no income, price them into following spring crop. If there is income, evaluate as a separate crop
- Evaluate spring cropping with added income from Countryside Stewardship
- Could soya be considered as a spring alternative?
- Consider and include the value of straw to the business
- Consider the impact of rotation choice on labour and machinery resource profile requirements and cost thereof
- Can average field yields and margin be raised first to more profitable advantage before changing rotation strategy? Use multiple years of field maps overlaid to identify poor areas
- The group considered variable rate seeding the most cost-effective first adoption of precision strategy. Fertiliser was less so because so many variables affect efficacy
- Make use of data and staff skills for precision farming
- Think outside the box: machinery sharing, contractors, making fixed costs variable

Soil management and improvement was a frequent feature of the meetings. In February, members of the group had a masterclass with Joel Williams, who set them this quiz:

1. Sap pH is low (acidic) – what four cations are likely lacking?
2. Brix is low – which mineral is lacking?
3. Sap pH is low (acidic) and Brix is low and crisp – which mineral is likely lacking?
4. Sap pH is low (acidic) and Brix is moderate and blurry – which minerals are likely lacking?
5. Brix is lower in younger leaves – which mineral is likely lacking?
6. Brix is lower in older leaves – which mineral is likely lacking?
7. Brix reading is same in morning as it was yesterday afternoon – which mineral is likely lacking?
8. Sap pH is high (alkaline) – what four anions are likely low?
9. Insect and disease are prevalent together – what four nutrients are likely lacking?

Brix is an indication of the sugars in plant sap, measured with a refractometer

Brix answers: 1) Ca, Mg, K, Na. 2) Any! 3) Ca or Mg. 4) Na or K.
Truro: Howard Emmett
cereals.ahdb.org.uk/truro

Soil health, fixed costs, cover crops, variety choice and choosing a profitable rotation all featured at the Truro Monitor Farm during the last 12 months.

Howard summarised some of the findings at the summer meeting:

- P & K holidays widely distort annual cost of production figures so you need to look at rolling averages and whole rotation margins
- There is no single right or wrong answer when it comes to ploughing versus min-till. It's important to make the decision year by year, field by field and to assess the soil with a spade as often as possible
- Sludge on bean stubble ploughed in before winter wheat may be wasting nutrients and ground could then be min-tilled. Sludge was better ahead of spring crops
- In the quest for more wheat crops in the rotation, spring beans and rape were still considered advantageous to fallow, contributing gross margin and organic matter

How to assess healthy soils:
- Dig and compare the headland, cropped field, fallow and under the hedge
- Only dig the front and back of a hole to leave the sides unsmeared for inspection
- How does the surface look – smooth, broken?
- How easy is it to dig? Are there hard layers, coloured layers?
- Does it smell earthy (a sign of organic matter)?
- Does it crumb easily or shear horizontally?
- Worm count – count worms in a 20x20x20cm block of soil. Multiply by 25. Healthy number is 150

How to dissect fixed costs:
- Compare your own business costs year on year against budget and then more widely in the industry
- Make a two-minute assessment of the major cost items: labour, power, machinery, rent and finance
- What resource limits profitability? Measure it and manage it
- Proportional analysis and trends give the facts but are not benchmarking until they are compared with others
- Benchmark against the ‘better than average’, your competitors and the best in your area
- Benchmark using timely data, figures prepared with a similar methodology and from farm management accounts, not taxation accounts. Take care with the sample size
- To allocate costs on a mixed enterprise business, establish a quick, easy, cheap methodology. Be pragmatic and ‘right enough’. Ninety per cent accuracy giving +/- 25p per tonne is not a problem. Allocate as much as possible to specific enterprises. Fall back to percentage of output allocation for a minimum, eg insurance, accountancy
- Depreciation: to drive a business forward, use replacement costs to calculate depreciation funding requirements
- To plan strategy, calculate cash requirements for reinvestment (depreciation), capital repayments and drawings, then work backwards
- Continual improvement is the aggregation of marginal gains. Drive efficiencies in a downturn, hang on to them and gain from them in an upturn. Challenge yourself beyond your comfort zone

Find out more

- AHDB Cereals & Oilseeds soil research: cereals.ahdb.org.uk/soil
- Cover crops: cereals.ahdb.org.uk/covered
- Download Soil Biology & Soil Health Partnership: cereals.ahdb.org.uk/publications
Monitor Farm meetings

Blandford
Meetings begin at 10:30 at the Langton Arms, DT11 8RX
Precision farming:
1 November 2017, 10:30am
Cover crops:
6 December 2017, 10:30am
Agronomy:
7 February 2018, 10:30am
Labour management:
7 March 2018, 10:30am

Malmesbury
Meetings begin at 11:00 at Oaksey Golf Club, Oaksey, Malmesbury SN16 9SB
Precision farming:
7 November 2017
Soil management:
4 December 2017
Grassland weed management:
6 February 2018
Succession planning:
6 March 2018

Truro
Meetings begin at 18:15 at Tregairewoon Farm, Portscatho, TR2 5EP
Precision farming:
7 November 2017
Machinery replacement strategies:
6 December 2017
What to learn from organic farming:
1 February 2018
The great crop protection debate:
1 March 2018

Could you be the next Monitor Farm host?
This winter we are looking for new Monitor Farm hosts, to start in summer 2018. Get in touch or visit cereals.ahdb.org.uk/monitorfarms to find out more

Farm Excellence Platform
Monitor Farms are part of AHDB’s Farm Excellence Platform. It is a new approach to harness the proven benefits of farmer-to-farmer learning by focusing activities on an individual’s needs, improving regional coverage and access to information, accelerating innovation via on-farm trials and developing new partnership approaches.

Farmbench
If you are interested in benchmarking your figures against other farmers in a group, please contact:
David Pett
Regional Benchmarking Officer
david.pett@ahdb.org.uk
07813 454537

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