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# AGRI-BIP NEWSLETTER

## Cross Compliance Update

The Cross Compliance Handbook for England 2000 Edition indicates that where landowners let grass keep and have cattle on their farms they would need to keep on-farm records i.e. herd registers for the animals for which they are not the registered keeper.

This requirement has recently been changed when a Cattle Tracing System link has been put into place.

The following statement now replaces this section within the Cross Compliance Handbook – *‘The keeper will be liable for all animals that are or should be registered to them on the cattle tracing system. Landowners should note that where they provide land for grazing but are not required to become the registered keeper of the animals due to a valid CTS link being in place, they will not be liable for breeches of the Statutory Management Regulations 7 and 8 i.e. cattle tagging and movement. They will however be liable for all other Cross Compliance standards on the holding including the land being grazed.’*

If you have other people’s cattle on your holding it would be well worth checking with the owner that they have implemented a CTS link to your holding. This will then ensure that you are entirely free of this obligation. If the CTS link is not in place it will be necessary for the land owner to keep on the farm records and they would also be liable for any tagging issues. The clear message is **‘make sure that a CTS Link is in place’**.

**Stewart Horne  
Manager**

## Single Payment Issues

The outstanding Single Payment funds continue to ‘drip’ out at a snails pace. One would hope that the work to prepare for the 2006 payments is being attended to at the same time.

The 2006 Single Farm Payment is likely to be reduced in sterling terms due to a very strong euro this year. It is likely that the euro will be worth less than 0.68p this time around which will mean a small percentage reduction in sterling payments.

Interestingly, the Irish Department of Agriculture is submitting a strong case to the EU Farm Council to pay the farmers an 80% advance in October due to the extreme summer drought conditions.

*I wonder if Defra would consider there is a compelling case for this request within the UK?*

## Autumn Beef Store Cattle Sales on the Horizon

The beef market has been up and down somewhat this year due to a number of factors but thankfully not due to imported South American beef this time around!!

Earlier in the summer with deadweight prices above 200 pence, most beef farmers were breathing a sigh of relief thinking that the market was finally working with them. However, the hot summer weather has led to a decrease in beef sales across Europe and this has created a temporary overload on the market. Thankfully this overload has been cleared up and now the market is again heading upwards.

Many people will now be thinking about buying store cattle for next year and fattening them up during the winter months.

*What price should you be paying for store cattle?* There is only one way to determine how much you should pay for store animals and that is by understanding how much it will cost to keep them through to point of sale. If for example we take a 15 month animal purchased in October through to sale at 22 months of age in February / March, it could cost anywhere in the region of £150 - £300 per head, depending on the level of efficiency on the fattening farm. There is therefore a huge difference between what individual farmers can afford to pay for stock even if they are selling to the same abattoir.

You need to know how much your costs will be. Once you have established these, you can then by establishing a realistic end price, subtract your costs and work out what your break even price is to purchase the animals. This will then need to be reduced in order to give you a margin for profit and you can decide what you feel your time is worth and what you can afford and what level of risk you are prepared to pay.

## What is your fodder situation?

The very variable amounts of rain around the country means that many people are short of winter fodder. Certainly as you travel around the country you can see effects of differing amounts of rain.

I was recently on a train to London and around the Reading area the maize was only about 4ft high, a huge reduction in yield and certainly in Dorset it has been very dry as well as other parts of Devon, Cornwall and Wiltshire.

Now is the time to take stock before you start digging into your silage dramatically. The first job is to measure what you have got, which is easily done. The easiest way to measure this would be by taking the length x width x height in feet which will give you cubic feet of silage, divide by 45 to give you how many tonnes of fresh silage you have available. You can then multiply this by the estimated dry matter, these have been variable this year depending on when they were cut but certainly if you have high dry matter you will actually have more feed in your silage pit than you think you have.

Once you have worked out the tonnage you can then determine how long it will last for. In terms of feed requirements, a dry dairy cow will require 84 kilos of dry matter a week, a 200 – 250kilo heifer will require 35 kilos of dry matter a week and a 350 – 450 heifer will require 56 kilos of dry matter a week. You will be able to determine how long your winter will be and therefore will be able to determine how much silage you have available to feed them.

### **What if you are short?**

There are a number of options. You can increase concentrates and reduce the amount of silage feed. It is getting late now for alternative crops, at this late stage Italian Rye Grass could be sown to try and get some early bite. Please remember that I am writing this in the first week of September and we could be under 3ft of water by the time you read this newsletter.

Straw is getting expensive but other forage maybe available to buy and it is quite likely that the price will rise if we end up with a late spring, careful planning could save you quite a bit of money.

Store cattle are making good money because purchasers perhaps have not read the article in this newsletter about purchasing stores, maybe a reduction in stock numbers on the farm would be one of the easiest ways to get over the fodder shortage and improve your profits.

## Events Page

### Soil Management Planning Workshops – 11.30am – 3.30pm

Tuesday 17<sup>th</sup> October – Moretonhampstead Parish Hall, 12 Fore Street, Moretonhampstead

### Manure Management Workshops – 7.00pm – 9.00pm

Tuesday 24<sup>th</sup> October – Merton Parish Hall, Merton - TBC

### NVZ Record Keeping Workshop – 7.00pm – 9.00pm

Wednesday 11<sup>th</sup> October – The George Hotel, South Molton

Wednesday 25<sup>th</sup> October – Chulmleigh Town Hall, Chulmleigh

## Computer Training

These workshops are ideal for beginners through to intermediate, and offer you a choice of topics such as Internet & Email, Managing Files, Spreadsheets, Web Page Creation, Database and Publisher with individual support from our in-house tutor.

Tuesday 3<sup>rd</sup> October – The George Hotel, South Molton – 10.30am – 12.30pm – Maintain the Performance of your Computer **(Full)**

Tuesday 3<sup>rd</sup> October – The George Hotel, South Molton – 1.30pm – 3.30pm

Thursday 5<sup>th</sup> October – Tavy Business Centre, Pitts Cleave, Tavistock

Tuesday 10<sup>th</sup> October – West Devon BIP, Okehampton

Thursday 12<sup>th</sup> October – Teignbridge Business Centre, Heathfield

Wednesday 18<sup>th</sup> October – West Devon BIP, Okehampton

Thursday 19<sup>th</sup> October – Tavy Business Centre, Pitts Cleave, Tavistock

Wednesday 25<sup>th</sup> October – West Devon BIP, Okehampton

Thursday 26<sup>th</sup> October – Teignbridge Business Centre, Heathfield

Wednesday 1<sup>st</sup> November – West Devon BIP, Okehampton

Tuesday 7<sup>th</sup> November – The George Hotel, South Molton

Wednesday 15<sup>th</sup> November – West Devon BIP, Okehampton

For more information or to book a place on one of these workshops, please call the office on **Freephone 0800 592872**

## **Going Direct – Is it always the quickest route to success?**

Ever since the Foot & Mouth outbreak there has been a watershed in the policy and practice of marketing farm produce.

The term “marketing” itself, now so often heard, was barely part of farming’s vocabulary.

Sir Donald Curry’s report on the Future of Food and Farming urged us to reconnect with the public and for the public to reconnect with farming and food production.

Nowadays, five minutes sifting over the internet will produce countless references to direct marketing of farm produce, along with hundreds of farm websites marketing their beef, lamb, cheese, or wines, online.

So is going direct the way forward for us all? Is it the only way to sensibly get your farm business in shape for the future?

The answer is “maybe”! Selling direct is certainly a solution for some depending on the farm, the produce, the farming style and the farmer. It is not a cure-all for agriculture, but it may be just the right answer for your farm; adding-value, increasing profitability, and bucking trends in global market prices.

Unravelling the options, and working out the best for your business can be less than straightforward. The job will be made easier with the help of some independent, informed and practical support from one of our Agri-BIP Business Advisors. Why not attend one of our workshops and learn the principles and the pitfalls of direct marketing. There will be plenty of time to talk to the advisors about your individual ideas.

Not exactly out of the woods, but at least you’ll be able to see the woods for the trees!

For more information, contact us in the office on **Freephone 0800 592872**.

## Bookkeeping Help Clarified

In last month's newsletter an article was written offering bookkeeping help. I should point out that this bookkeeping help involves working with you to create a simple system so that you can carry out bookkeeping operations on your own behalf, rather than Agri-BIP offering to act as a bookkeeping agency.

We can help you with support to create a simple system for bookkeeping through to more complex financial models for predicting future performance and anything in between.

I am aware that for many people figures are a 'blind spot', but if we can work with you and help you to sort out the basics then I am sure that you will see that bookkeeping is not too difficult. Figures may well seem dull compared to practical work, and there is always a good reason for being outside rather than working in the farm office!!! However, business management decisions are vital to the continuation of your business. This work can show you where and how to improve the performance of your business.

A good starting point is to attend a practical workshop where we will show you how to enter figures into a template supplied by Agri-BIP. This free template can then be used to take control of your business's bookkeeping.

For more information, contact us in the office on **Freephone 0800 592872**.

## Game Meat Hygiene Courses

We are again able to offer training and certification in Game Meat Hygiene Courses.

This Level 2 certification meets the requirements of the Food Standards Agency. The training covers the requirements of food hygiene and its application to small game and deer etc. Later during the day, a test is taken to ascertain competence and to qualify for the certificate.

There will be no charge for these courses for people who work within the **land based sector**.

The dates for these courses are: -

**Friday 27<sup>th</sup> October at The Axewater Equestrian Centre, Kilmington, Devon**

**Monday 30<sup>th</sup> October at The Ockment Centre, Okehampton, Devon**

Both courses start at 9.30am and will last until approximately 4.30pm. Tea and coffee will be provided throughout the day but you will need to bring your own packed lunch.

If you are interested in coming along to one of our Game Meat Hygiene courses, please contact us in the office on **Freephone 0800 592872** to register your interest and to find out more information.

### **DISCLAIMER**

Every effort has been taken to ensure the information contained in these notes is correct, however, West Devon Business Information Point will not be liable for any loss arising from the use of these notes or any omissions or errors contained within.

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