

ABOUT LOTHIAN'S MONITOR FARM

Farm name	Prestonhall & Saughland, Pathhead, Midlothian
Meeting Number	03 – Soils, Grain Store Options, Soils, Collaborative Grazing Options, Cattle Performance, Market Updates
Meeting Date	Wednesday 19th July 2017
Next Meeting	Thursday 5th October 2017

Group Chairman Willie Thomson welcomed over 50 farmers and trade members to Saughland. Willie reiterated his encouragement for the community group to get involved and put their views and suggestions forward. He also asked for the group to contribute to discussion and continue to think of the collaborative options between both farms, given that the groups would be split for most of the day.

KEY MESSAGES

Soils

- Good soils should be 50% mineral, 25% water & 25% air
- Do broad spectrum soil analysis, don't do W shape, Do specific soil types
- Autumn cover crops will help the top layer but still doesn't solve deeper problems, encourages weeds and adds cost
- Dig soil at side of field to see what it should look like, compare with the centre of the field to see the effect you have had
- Get a spade out and have a look

Arable

Grain Store and Drier Options

- New Store needs to be in place for harvest 2018
- Build for the future not now - Blueprint option looks sensible
- Biomass could be better utilised, current batch boiler requires upgrading or replacing

Machinery Discussion

- Cultivation equipment - up scaling opportunity with cultivation, but would have a knock on effect i.e larger tractor required and possibly need to synch other machinery working width.
- Potential to save 25% time – but decision must consider staff succession going forward

Market Update

- Watch US Weather Conditions – Fund Positions – South American Exports

Livestock

Cattle Performance

- Technical Performance is good and variable cost are controlled, fixed costs are high



- Sucklers look to be losing £106/cow but the cattle provide massive benefit to sheep performance in the paddock grazing system.
- Need to measure and account for the contribution the cattle make to the improved sheep performance by tidying up behind the sheep in the paddock grazing

Cattle Options

- Group split 50/50 on whether to increase cattle numbers
- Increasing cows with outwintering could be one option but any increase in cows has longer payback and how can they be financed
- Potential to sell more through the store market than fat market – be flexible and sell at optimum times
- Look at maximising current resources before increasing cows
- Investigate economics of pigs, Indoor, Outdoor, help fertility Soil Benefits
- Make more use of arable land - would broadcasting forage crops into standing cereals work?
- Collaboration potential with Rosemains and other farms

Collaboration

- The collaborative pilot projects will go ahead with a winter grazing cover crop option and longer term 2-year grazing option
- Livestock benefit short term and easy to measure, Arable benefit is longer term but more difficulty to measure

Colin MacPhail then introduced the agenda for the day. The meeting was made up of the following topics

- Soils – AM Livestock Group at Saughland – PM Arable Group at Rosemains
- Arable AM – Upsizing Equipment – Grain Storage Options, Biomass Option, Market Update
- Livestock PM – Suckler Performance, Market Update, Cattle Strategy Group Discussion

FARMERS UPDATE

Peter and Bill gave a quick farmers' update to the whole group prior to them splitting for the morning session. Peter revealed that he had purchased 500 ewes with lambs at foot since the last meeting. This was an opportunity which came up and allowed him to purchase these ewes and lambs at a reasonable price to increase numbers and make use of the excess grass generated from better grazing.

Bill briefly covered the arable operations since the last meeting and was now waiting to see how crops yield. He also mentioned the grain storage and drier project and how he had looked at many different systems which had possibly raised more questions than answers and he now wanted the group to help him come to a decision. Regardless, the new grain store needs to be ready for harvest 2018.

ARABLE SESSION

- The arable group were given a more in-depth farmers' update from Bill where he explained that an opportunity had come up to purchase a 5m Simba SL cultivator but this would force him to upscale and change a tractor.
- There was much discussion and contribution from the group. Ultimately, there are many reasons to be considered. The machine would be able to cover 25% more ground and upscaling now may help mitigate the succession issues when the most senior tractor driver retires.
- In principle, the group supported the change in machinery policy and Bill has gone off to crunch some more figures and make a decision on this.
- Sam Scott gave the group a market update which highlighted the need to be aware of the USA weather conditions, South American export and fund positions as these are the main factors which will influence the markets. **Market Update can be found in Annex 1 of the report**
- Prior to the meeting, the management group had visited several grain storage facilities locally and Bill had been to Fife and the Borders to look at systems. Bill highlighted some of the issues and limiting factors with the locating the new store.
- Proximity to the power supply and the biomass boiler influences where the store will be located.
- Zander Bruce from Greenheat renewables highlighted some of the issues with current batch boiler biomass system and suggested some alternative options which would serve the new grain store and residential requirements at Rosemains.
- After much discussion thoughts were fed back to the group and a summary of the outcomes can be **found in Annex 2 of the report**
- A grain store progress report will be given at the next meeting on 5th

LIVESTOCK SESSION

- Peter explained to the group his rationale for buying the additional 500 ewes with lambs at foot. The group agreed that at £50/head they were a very good buy and Peter pointed out that he would hope to get a large proportion of his money back in 6 months and have 350 ewes and 300 hogs left.
- The livestock group requested at the May meeting that the cattle performance be analysed to establish if they were paying and if numbers could be increased to utilise the surplus grass at Saughland.
- Colin and Peter talked the group through the suckler enterprise financials which sold the calves out at weaning and into a finishing enterprise. Gross Margin level was okay but fixed costs pulled down the performance. The cows looked to be losing £106/head with SCBS and BES included
- The benefits the cows provide in following the sheep and tidying up paddocks and the impact this has on improved lamb performance, was highlighted by the group. The group felt we should try to value the contribution cows are having on sheep performance.
- The suckler performance presentation can be **seen in Annex 3 of the report**

- Similarly to the sucklers, the finishing cattle performed well to gross margin level but once their proportion of fixed costs were allocated they also made a loss.
- The figures are important but the discussion around the figures is much more valuable. Allocation of fixed costs to each enterprise was discussed by Colin and Peter
- Jonny Williams gave a market update on current beef and lamb markets. He stated that farmers were generally up to date with lambs but due to the high prices, the abattoirs would be feeling the pain. He said it may be this which will influence the market more than lamb numbers. He did not expect major changes in the beef market
- Following on from the cattle discussion a breakout session invited members to participate in the “more cattle” or “Other Options Group”. Interestingly the split was 50/50 and generate some good ideas and debate.
- The “Other options” suggested there was significant potential to be met with current resources and suggested pigs, broadcasting forage crops into standing cereals, adding herds to create more diverse grassland, outwintering cattle, grow fodder beet and take in cattle for summer grazing.
- The “more cows” group suggested increasing numbers would spread fixed costs, make better use of resources, support the sheep enterprise, build resilience and spread risk. The challenges to doing this is timescale, longer payback, disease risks and finance. If possible 3 groups of 40 cows may work best and in winter and outwintered may offer opportunity.
- The afternoon discussion notes can be viewed **in Annex 4 of this report.**



SOILS SESSION

- The soil sessions were split into arable and livestock to allow all participants the opportunity to contribute to discussion and see first-hand the soil pits.
- Mark Hodgkinson delivered excellent soils sessions which highlighted some of the issues and benefits which may be gained from collaborative working.
- Although the arable field was picked to be able to demonstrate some issues it was obvious roots were struggling to get below the plough depth
- The livestock soil pit was better but could do with sulphur
- The notes from the soils session are **in Annex 5 of this report**



COLLABORATION OPPORTUNITIES

- The collaboration pilot project handouts were distributed to the group and discussed briefly during lunch.
- There will be a short-term cover crop option and longer term 2-year grass based option sown at Rosemains in Autumn 2017. There has been much discussion within the group with regards to measuring the longer-term benefits and the management group feel it is important to establish some crops this year.
- Detail of the Collaboration pilot project can be viewed in **Annex 6 of this report.**

FACILITATOR CONTACT DETAILS

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