Latest news and views from *September 2026*

The Dairy Group

For more information on any article contact Christine Pedersen on 07831 172940 or christine.pedersen@thedairygroup.co.uk

Dairy business drought strategy

Susie Felix, Senior Consultant

Many dairy farmers are facing a similar forage situation to last year with the long drought adding pressure to forage stocks and with lower milk prices dairy farmers are considering their options.

The starting point should be to assess current silage stocks and to produce a feeding plan for the winter. We use our MCi web-based system to calculate the current silage stocks and then produce a monthly forage plan for the next 12 months, which can then be monitored. Many farms have already harvested maize so the current forage stocks can be assessed, although the plan could still be to make late silage cuts if and when the rain arrives.

Where a forage shortfall is identified, the main options to consider are:

1. Reduce forage requirements
2. Buy in forage
3. Buy in forage substitutes

The two main ways of reducing forage requirements are to reduce the livestock numbers and/or feed less forage, which could include feeding a straw based diet to youngstock if practical and cost effective (straw price dependent). Reducing livestock numbers could mean selling beef cattle, surplus youngstock or milking cows (fresh calvers or culling cows early) rather than buying in additional forage or forage substitutes.

The relative merits of the options will vary from farm to farm depending on a range of factors with milk price and forage costs having the most significant effect. A good way to assess options is to use a partial budget to evaluate the potential impact on profitability.

The following partial budget is based on buying silage at £75/t delivered and milking planned culls for the last 100 days of lactation to 300 days in milk compared to selling them at 200 days in milk. It assumes that there is sufficient housing to retain them without compromising stocking density i.e. the space they occupy is not required by fresh calvers. In this example, the budget assumes that the late lactation planned culls produce 2,000 litres in the last 100 days at a milk price of 40ppl. Buying the forage means you benefit from additional milk sales and liveweight gain but of course there are additional costs for forage, concentrates, bedding, electricity, water, labour and interest. Most other overhead costs remain unchanged although there could be some marginal increases in power and machinery costs.

EDITORIAL

Welcome to the September newsletter. This summer has presented challenges for many producers due to low milk prices, heat stress and drought. The first article advises assessing forage stocks now and discusses strategies to consider where forage shortfalls are identified.

The latest BCMS figures show a 2.2% decline in both GB milking herd and dairy heifers. The second article reminds producers to review cull rates and replacement numbers for the next 24 – 32 months so corrective action can be planned.

The third article looks at soil sampling and nutrient planning now to correct crop nutrient deficiencies and give them the best chance of exploiting available water.

UK Dairy Day is on Wednesday 16th September at Telford International Centre. Please join us at stand TB37 on the First Floor to meet the team.

If you would like to discuss any of the topics featured in this newsletter, please speak to your consultant or ring the office on 01823 444488.

Christine Pedersen

In this example the calculated gain by purchasing the forage and retaining the planned culls for the final 100 days of lactation is £4,915 or £246/cow:

Partial budget to buy forage to feed planned culls for the last 100 days of lactation

LOSSES						**GAINS**				
Reduced Income					**£**	**Income**	**Cows**	**litres/kg**	**ppl / ppkg**	**£**
						Milk	20	2000	0.4	**16,000**
						Liveweight gain	20	50	2.5	**2,500**
Increased Costs	**Cows**	**Days**	**Units per cow per day**	**£/unit**		**Cost Savings**				
Silage	20	100	0.047	75	**7,050**					
Feed concentrates	20	100	0.005	300	**3,000**					
Bedding	20	100	0.002	120	**480**					
Electricity	20	100	1	0.2	**400**					
Water	20	100	0.12	2.5	**600**					
Labour	20	100	0.033	25	**1,667**					
Interest		**£**	**Interest £**	**Dep.£**						
Cows : 20 @ £1200	20	1200	389		**389**					
Total (A)					**13,585**	**Total (B)**				**18,500**
Change in profit (B-A)					**4,915**					

The budget is very sensitive to milk price: +/- 1 ppl = +/- £20 per cow. Therefore, at a milk price of 35ppl the gain would be £146/cow and at 30ppl the gain would be £45/cow.

Each farm will have its own costs and circumstances to consider. The partial budget approach can also be used to assess other options such as buying in forage substitutes and feeding youngstock on straw based diets.

Susie Felix specialises in farm business consultancy, working across the North West, West Midlands and North Wales. She can be contacted on 07471 035199

Replacement heifers and cull rates

David Darlington, Dairy Business Consultant

The latest BCMS figures show that both dairy cow and under 2-year-old dairy female numbers declined by 2.2% in the year to 1 July 2026. Improvements in sexed semen success and favourable dairy-beef economics are cited as the main reasons for the reduction in dairy heifer replacements being born. Whilst the availability of dairy replacements going forward might be a challenge for some, the BCMS dairy heifer numbers allow for a replacement rate of 28% (assuming age at first calving (AFC) is 24 months) to maintain the GB herd, compared to a target of 25%.

This serves as a reminder for dairy farmers to review herd cull rates and culling reasons. Those affected by TB and other disease have less control over total cull rates, but reductions in culling due to fertility, mastitis, lameness and involuntary culls can be targeted and strategies developed to reduce the number of cows leaving the herd.

At the same time, planning dairy heifer numbers against planned herd size and cull rate will help identify potential surpluses or shortfalls allowing breeding, purchase or selling strategies to be implemented. The number of expected dairy-sired pregnancies can also be assessed allowing you to forecast herd replacements for up to 32 months ahead, again assuming average AFC is 24 months. AFC is one of the most critical drivers of dairy farm profitability. Extensive research proves that 22 - 24 months is the optimum economic AFC; when the average AFC slips beyond 24 months, daily rearing costs continue to mount up, housing and working capital is tied up in non-productive animals whilst lifetime milk production and survivability reduce.

David Darlington specialises in both technical and business aspects of milk production, working across the Midlands and the North. He can be contacted on 07831 477296.

Plan now for 2027/28 forage crops

Naomi Read, Senior Consultant

Following a second successive drought year, dairy farmers will be wondering what they can do to reduce the risk of low forage yields. A first step should be to review crop nutrition; no nutrient plan can compensate for an absence of rain during critical growth stages, but nutrient deficiencies can compound the effects of drought.

Potassium is widely recognised as having a key role in helping crops tolerate heat and water stress. Unlike nitrogen, phosphorus and sulphur, potassium is not incorporated to a significant extent into organic compounds within the plant but acts as physiological regulator, especially in relation to stomata control which provides:

- Improved water use efficiency
- Improved photosynthesis
- Better regulation of transpiration
- Reduced susceptibility to wilting

Potassium deficiency is not always visually obvious, and crops can continue to produce acceptable yields. However, where soil K availability is declining, potassium deficiency can impair stomatal regulation, water regulation and photosynthetic activity, potentially making crops more susceptible to drought stress.

Magnesium also has an important role to play in crop resilience as it provides the central component of the chlorophyll molecule and is directly involved in photosynthesis. Maintaining adequate magnesium supply is an essential part of protecting crop performance during heat stress by increasing the crop's ability to capture and utilise energy effectively. Sulphur deficiency will have a direct impact on crop yield as an adequate supply contributes to protein synthesis and enzyme activity and plays an important role in efficient nitrogen utilisation.

Maintaining appropriate soil pH helps create conditions for healthy rooting and nutrient availability. Soil structure and compaction should also be assessed, as a well-developed root system is critical to accessing available soil water during dry periods. The message is clear, crops perform best with adequate nutrients and the starting point is to have up to date soil analysis so that a nutrient plan can be developed in advance of the next growing season.

Our recommendations are:

- Get up to date soil analysis this autumn (any fields not sampled in the past 4 years or where cropping, nutrient removal or field history indicates that an updated analysis is warranted). The cost of soil analysis is negligible compared to the potential value of forage.
- Develop a field-by-field nutrient plan for the crops to be grown in 2027.
- Maintain appropriate soil pH through liming.
- Manage soil P, K and Mg indices in line with crop requirements and current RB209 recommendations.
- Assess sulphur requirements and apply sulphur where required to support efficient nitrogen utilisation.
- Consider soil structure and correct compaction in advance of crop establishment.

Maintaining soil fertility, supporting healthy rooting and providing balanced nutrient availability can help crops to better withstand periods of drought and give your crops the best chance during periods of drought or heat stress.

Naomi is a dairy business management consultant based in Somerset. She can be contacted on 07768 701135.

We will be at UK Dairy Day on Wednesday 16th September at Telford International Centre. Please join us at stand TB37 on the First Floor to meet the team:

Ian Powell

Ian is Managing Director and is responsible for our dairy data including MCi dairy costings, accounts analysis & milk price modelling. Ian works with dairy farmers in the south of England providing dairy technical and business advice including business strategy, forward budgets and monitoring. Ian is FACTS and FAR registered and is experienced in both feed and fertiliser planning.

Ian Ohnstad

Ian has worked as a Milking Technology Specialist for 33 years, including the last 20 years as a Director of The Dairy Group. He leads a team of dairy consultants offering advice on all aspects of milk harvesting and milk quality across the UK and overseas. He is actively involved in several international mastitis and milk quality organisations and is the Chairman of the British Mastitis Conference.

Christine Pedersen

Christine is an experienced dairy business consultant working with farmers across Southern UK on all aspects of dairy technical and business management performance. Christine is FAR registered and specialises in Ruminant Nutrition (dairy and beef). She manages the compound feed sourcing offer which is available for clients of The Dairy Group.

David Darlington

David provides advice to dairy farmers in the Midlands & the North to improve technical and business performance. Business advice includes appraisals & planning, budgets & cashflow forecasts and grant applications. Areas of technical consultancy include nutrition & feed planning, milk forecasting and milk price analysis.

Jamie Radford

Jamie works with businesses in the South-West. Drawing on extensive practical experience, his focus on technical performance (milk output, fertility, health) allows his clients to maximise the potential of their herd. Jamie helps farmers make informed business decisions which drives sustainable growth and improves profitability.

Naomi Read

Naomi works with dairy businesses in Somerset & Devon. She advises clients on a range of business and technical issues including business analysis & planning, grant schemes and dairy herd performance. She has specialist knowledge of environmental legislation and compliance and works with the E.A. and aligned agencies on behalf of clients. She is FACTS and BASIS qualified and skilled in nutrient planning.

Richard Lane

Richard delivers consultancy across Southern England to cover nutrition, herd monitoring & benchmarking, business planning & management. He works with farm businesses to drive productivity & efficiency and reduce waste whilst improving animal welfare and environmental sustainability. Richard's key interests are maximising feed efficiency through forage production for both housed and grazing systems.

Susie Felix

Susie works with farmers in North-West England & North Wales. Her focus is business management; business reviews, plans, cashflow forecasts and investment planning. Other areas of consultancy include dairy herd nutrition, NVZ compliance, environmental stewardship and grant applications. Alongside her clients, Susie also works closely with accountants, bank managers and Government agencies.

Tim McKendrick

Tim specialises in Dairy Husbandry and Dairy Design. Designing new milking facilities, including robotic milking and dairy cattle buildings for all ages of cattle, to maximise animal welfare and enable efficient operations, using current research and technology to ensure the most up to date and modern buildings are provided for the client.