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Farm Business Survey



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FARM BUSINESS SURVEY

Pig Production in England
2023/24

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Farm Business Survey

2023/24

Pig Production in England

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Foreword

The Pig Production in England Report is one of a series of reports being produced based on the results of the Farm Business Survey (FBS) for England. The Farm Business Survey is carried out by Promar International Ltd and is the most comprehensive annual survey of farm incomes in England. The survey is commissioned by the Department for Environment, Food and Rural Affairs (Defra) and has two main purposes. Firstly, it provides unbiased information required by Defra and the farming community to monitor economic trends in farming year by year. Secondly, it provides aggregated farm data which is used in advisory work, teaching and research.

This series of detailed reports for various farm types and enterprises, covering the 2023/24 financial year along with the 2022/23 series can be found at <https://www.farmbusinesssurvey.co.uk/>.

It is important to recognise that all surveys, including the Farm Business Survey (FBS), are subject to sampling error, as they do not represent the entire population. Readers should be aware that the figures derived from FBS data carry a certain level of uncertainty and are, by nature, estimates. In general, smaller sample sizes tend to result in greater sampling error, which reduces the confidence we can place in the estimates. For further details on the FBS sample, please refer to the Defra FBS publications at <https://www.gov.uk/government/collections/farm-business-survey>.

Acknowledgements

Promar International Ltd would like to express its sincere gratitude to all the farmers who have voluntarily provided their records and information, which form the foundation of the annual Farm Business Survey and this report.

The core data used in this report was collected on behalf of, and financed by, the Department for Environment, Food and Rural Affairs (Defra) and is Crown Copyright.

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1.0 Overview of the UK Pig Industry

Sources used as part of this commentary on the pig industry are not from the Farm Business Survey but have been included to give the reader an overview of the wider industry for the period covered.

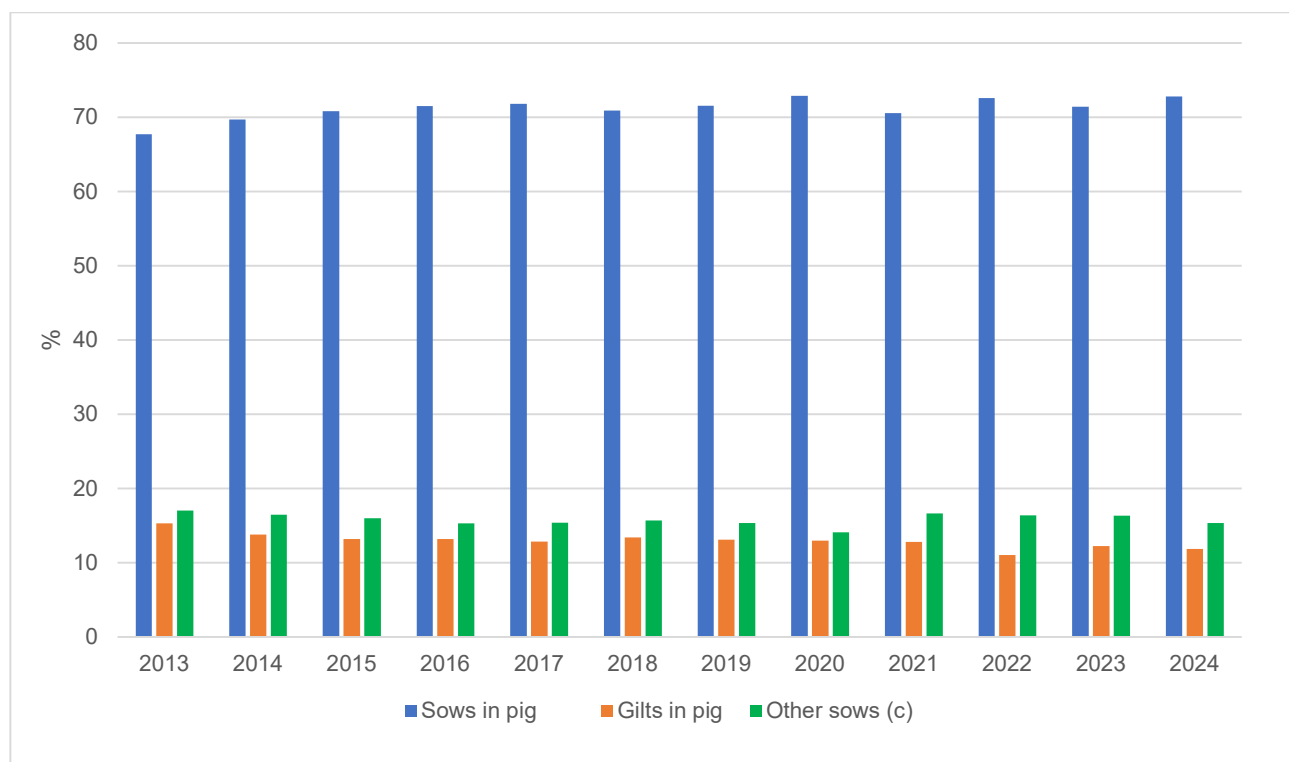
- Total pig numbers have decreased 9.49% between 2013 and 2024 with 3,680,000 pigs in 2024. (Table 1.1)
- Total number of pigs in England in 2024 has increased slightly by 1.3% when compared to 2023 but remaining below the 4 million animals recorded between 2018 and 2022. (Table 1.1)
- The clean pig slaughtering in the United Kingdom continued to decrease to 10,050 thousand head in 2023, the lowest rate since 2013. (Figure 1.2)
- Following a general reduction in sow and boar carcass weights over the last decade, 2023 saw a rise to average weights of 143.09kg, the highest in 9 years. Clean pig carcass weights levelled off in 2023, averaging just over 90kg. (Figure 1.3)
- Deadweight Standard Pig Price (SPP) continued to decline, falling from a peak of 225.31/kg in August 2023 to 207.47/kg at the time of writing in October 2024. (Figure 1.5)

Table 1.1 Breeding Pigs on Agricultural Holdings in England 1st June ('000)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	% change 2024/2023
Total pigs	4,066	3,954	3,826	3,911	3,969	4,038	4,060	4,021	4,238	4,109	3,633	3,680	1.3%
Total breeding pigs	434	411	413	417	416	408	410	405	403	329	329	326	-1.0%
Female breeding herd	346	329	328	334	334	327	327	319	313	261	257	251	-2.2%
Sows in pig	234	230	232	239	240	232	234	232	221	189	184	183	-0.3%
Gilts in pig	53	46	43	44	43	44	43	41	40	29	31	30	-5.3%
Other sows^(c)	59	54	52	51	51	51	50	45	52	43	42	39	-8.1%
Other breeding pigs	88	82	85	82	82	82	83	86	90	68	72	74	3.4%
Boars for service	13	12	13	13	11	11	10	9	10	9	8	8	-3.6%
Gilts not yet in pig	75	70	72	69	71	71	73	76	79	59	64	66	4.3%
Fattening pigs (liveweight)	3,632	3,542	3,413	3,494	3,553	3,630	3,650	3,616	3,835	3,781	3,304	3,354	1.5%

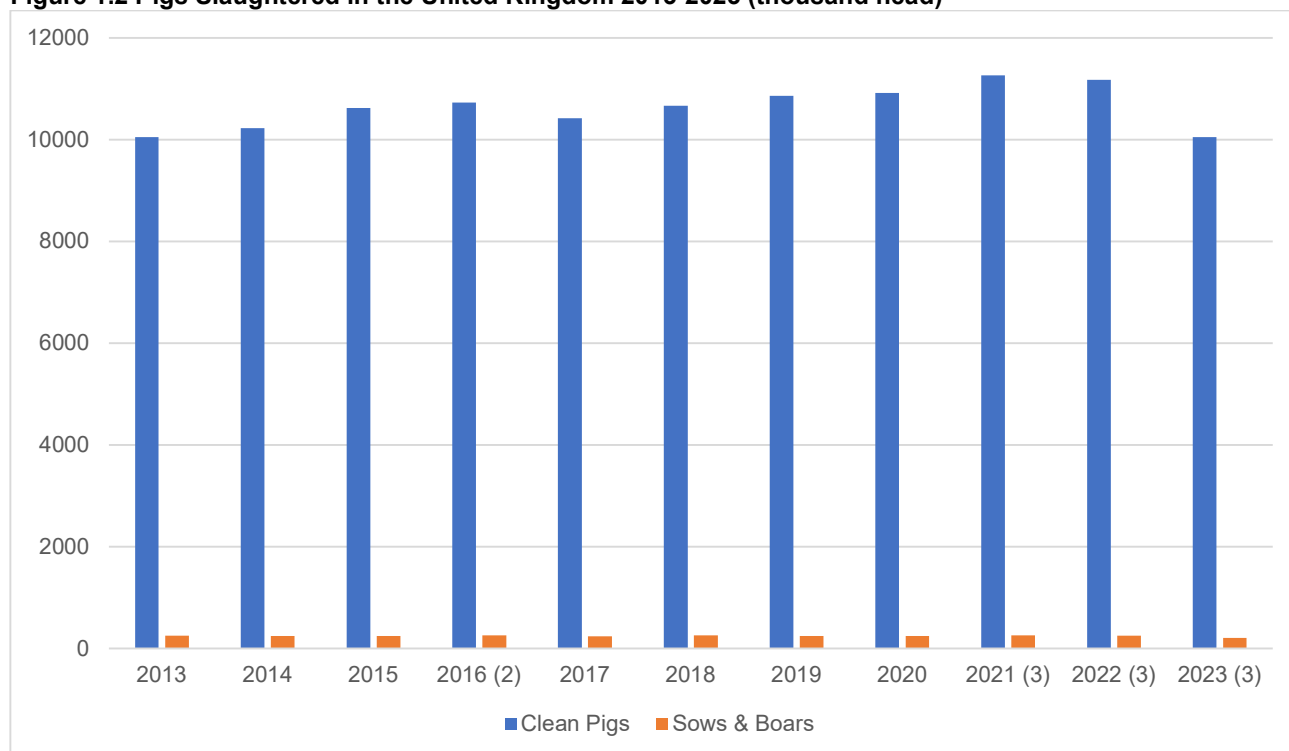
Source: Defra, 2024 Department for Environment Food and Rural Affairs – Defra June Survey of Agriculture
(c) Either being suckled or dry sows being kept for further breeding.
[Livestock-populations-in-england-29Aug24.ods](#)

Figure 1.1 Breakdown of the English female pig breeding herd 1st June 2013-2024



Source: Defra, 2024 Department for Environment Food and Rural Affairs – Defra June Survey of Agriculture [Livestock populations in England at 1 June 2024 - GOV.UK](https://gov.uk/government/statistics/livestock-populations-in-england-at-1-june-2024)

Figure 1.2 Pigs Slaughtered in the United Kingdom 2013-2023 (thousand head)

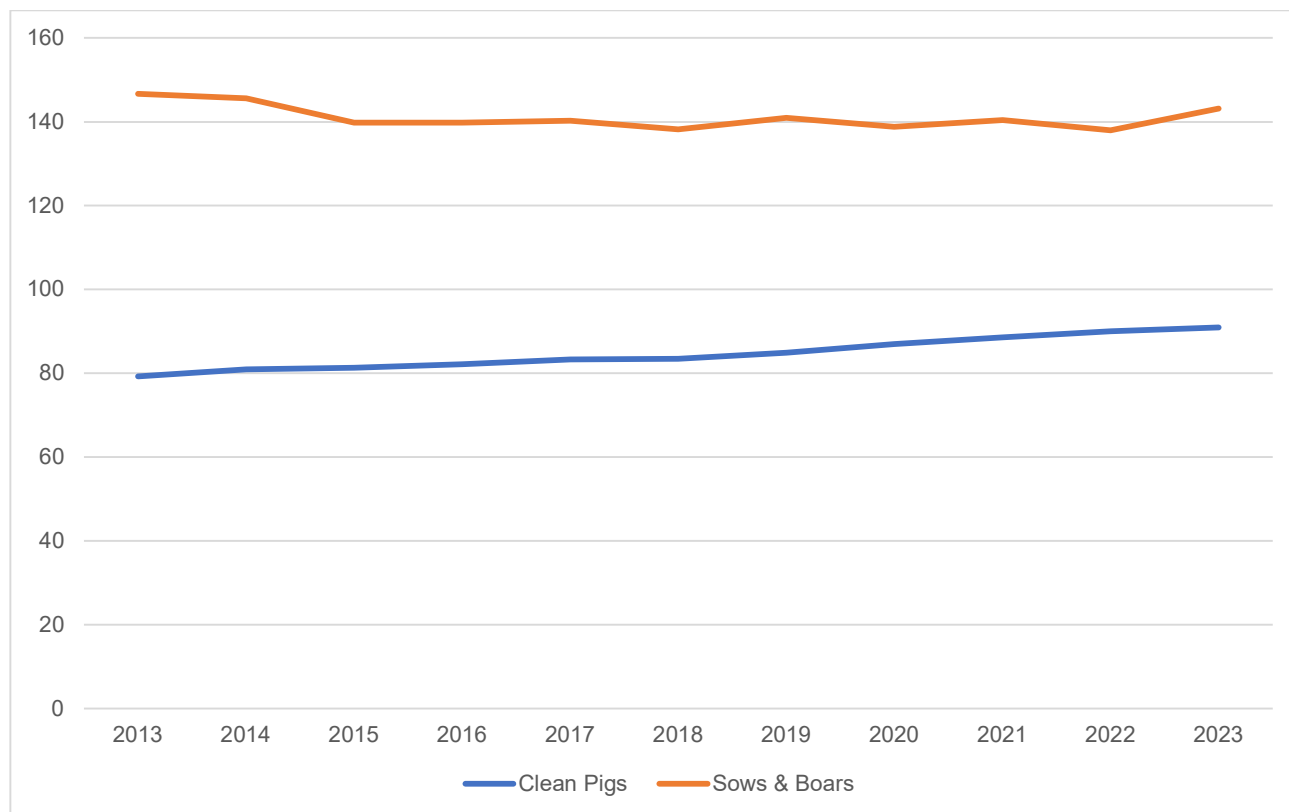


Source: Defra, [Latest cattle, sheep and pig slaughter statistics - GOV.UK](https://gov.uk/government/statistics/latest-cattle-sheep-and-pig-slaughter-statistics)

2. Data up to and including January 2016 is based on statistical months; Data from February 2016 is based on calendar months

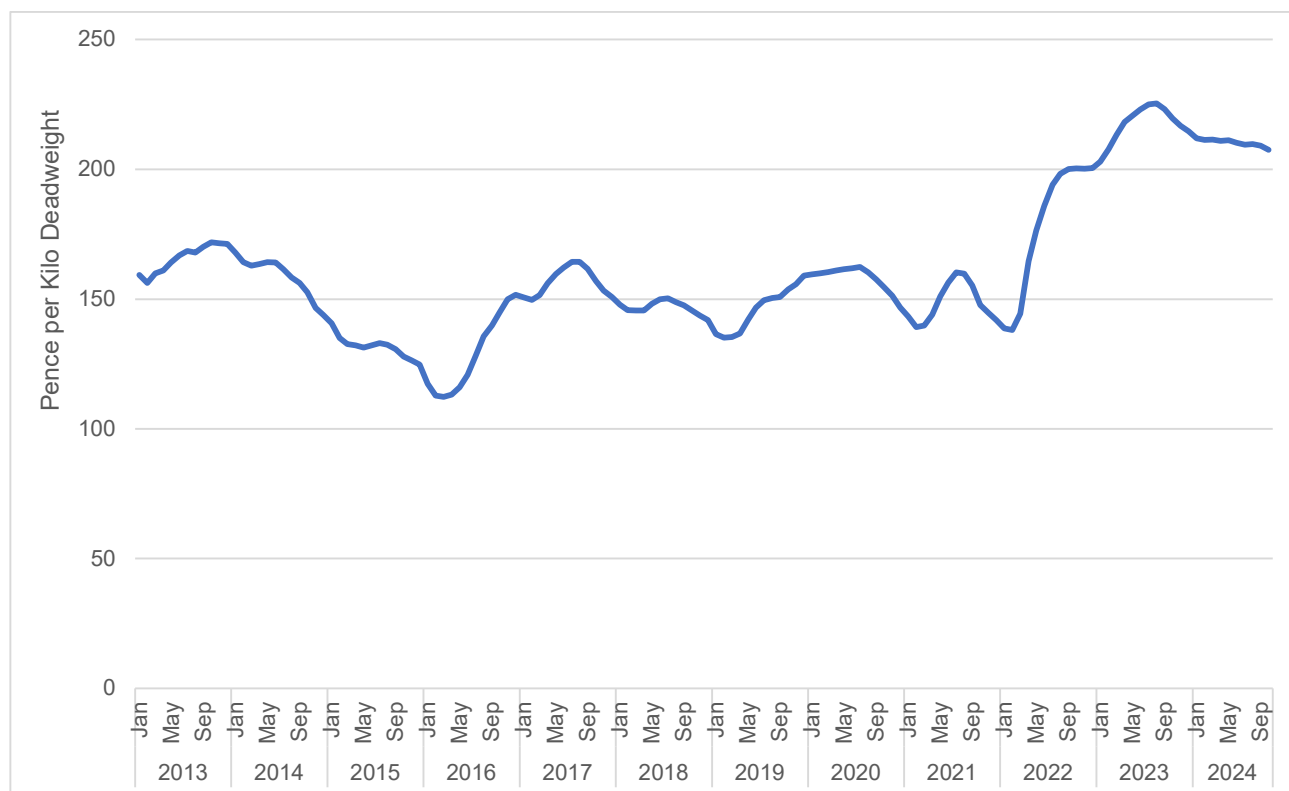
3. From April 2023, data from January 2021 - March 2023 have been revised using updated Food Standards Agency administrative data for the livestock slaughter numbers for England and Wales.

Figure 1.3 UK Average Carcase Weights 2013-2023 Kg



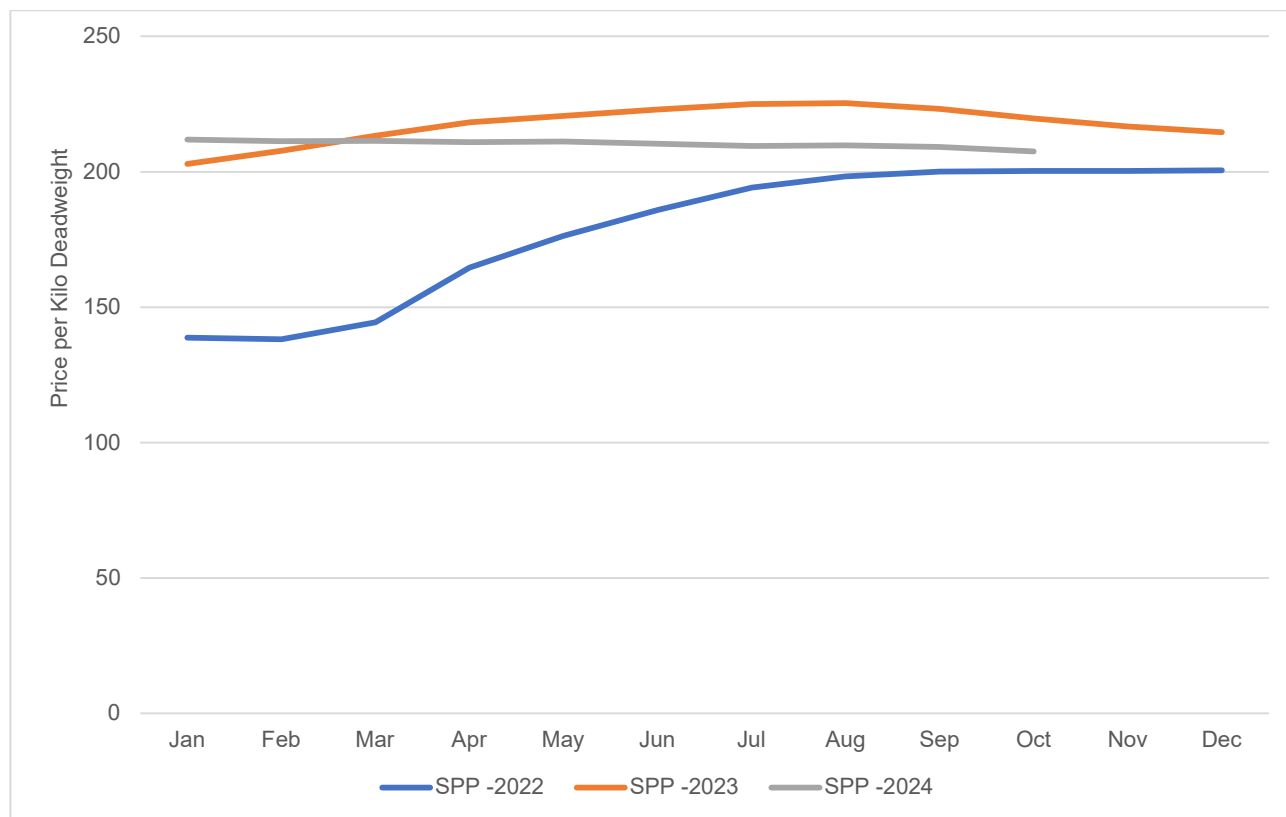
Source: Defra, [Latest cattle, sheep and pig slaughter statistics - GOV.UK](#) [GB deadweight pig prices \(UK spec\) | AHDB](#)

Figure 1.4 UK Deadweight Average Pig Price (SPP) 2013-2024



Source: AHDB, [GB deadweight pig prices \(UK spec\) | AHDB](#)

Figure 1.5 UK Deadweight Average Pig Prices (SPP) 2022-2024



Source: AHDB, [GB deadweight pig prices \(UK spec\)](#) | [AHDB](#)

Footnotes: SPP (Standard Pig Price) is the average price for GB standard pigs, those that have not received a premium for the production system, feed regime or breed.

2.0 Financial Performance of Specialist Pig Farms

The data in this report has been extracted from the 2023/24 Farm Business Survey (FBS). This presents data for all farm types on both a national and Government Office region (GOR) basis. The basis for the classification of farms in the FBS is described in Appendix A.

In the 2023/24 FBS there were 42 farm businesses that were classified as Specialist Pig Farms. Farms are classified according to Standard Outputs (SO). Please see the explanatory document at <https://www.gov.uk/guidance/changes-to-farm-typology-use-of-2017-standard-output-coefficients> for further details on Standard Outputs.

To be classified as a Specialist Pig Farm at least two-thirds of the total SO from the enterprises on the farm must have been generated by pigs.

All the results presented in this report are based on weighted data to produce population estimates for England. The Standard Output coefficients were updated for the 2023/24 FBS Sample (2017SO), when these were applied to the 2022/23 Sample a number of farms changed type and as such the weighting framework had to be updated. For comparability purposes all 2022/23 figures published in this report are 2017SO updated figures. For more information regarding the Standard Output updates please refer to Appendix A.

2.1 Classification of Farms

The 42 Specialist Pig Farms subdivided into three Particular Farm Types (PFT) as follows:

PFT	No of farms	Description
5110	19	Specialist Pig Rearing
5130		Specialist Pig Rearing & Fattening Combined
5120	23	Specialist Pig Fattening

Due to the small sample numbers for type 5110, types 5110 and 5130 have been combined. Thus, this group refers to farms predominantly with sows selling either weaners or fat pigs and type 5120 are predominantly farms without sows but selling fat pigs, many on a contract basis.

2.2 Financial Results

Across all Specialist Pig Farms, average Farm Business Income amounted to £135,761 (Table 2.1) which was 87% higher than the previous year.

Total Output was 16% more than the previous financial year, averaging £1,111,545 per farm. Variable Costs increased by 8% on the previous year, and Fixed Costs increased by 11%.

Table 2.2 shows the range of Farm Business Incomes (FBI) for Specialist Pig Farms, with farms grouped in order of descending performance. The table demonstrates the range of farm business incomes seen in the sector with the top 25% achieving an average FBI of £344,658 whilst the bottom 25% have a negative income of -£18,967.

Table 2.3 shows the range of Management and Investment Incomes (MII) for Specialist Pig Farms, with farms grouped in order of descending performance. The results showing the top 25% achieving £334,761 and the bottom making a loss of -£5,817 in terms of MII.

An analysis of the results split between businesses classed as 'Predominantly Sows' and those classed as 'Predominantly Growing and Fattening Pigs' is presented in Table 2.4. The overall Gross Margin and FBI per farm is higher for those farms with 'Predominantly Sows'.

In order to examine the influence of size of farm on financial performance the results have been analysed in terms of SO. Table 2.5 shows the results and indicates the range of SO for each size category. The results show an almost two and a half times increase in FBI from the smallest group (0-500) to the middle group (500-1000), this correlates with a similar increase in Pig Output between the two groups. The increase from the middle group to the large group (1000+) is not as large, being only 1.8 times the FBI of the middle group. An interesting point is the differences showed between the small and the large group; Pig Output is over 9 times more from small to large, yet FBI is only just over 4 times higher (£47,307 vs £209,416).

In Table 2.6, the farms have been grouped by Performance Ratio, this is a measure of farm business output in comparison to farm business costs, including Unpaid Labour. The farms are then grouped into quartiles, high, medium (2 quartiles) and low. The low performing group have a much smaller output than the other two higher performing groups. Interestingly, the high performing group have a slightly lower total output than the medium performing group, despite having a higher Pig Output. The highest performing group had smaller total costs (Variable and Fixed) as a percentage of total output when compared to the other two groups; 79% compared to 95% and 126% respectively.

Table 2.1 Specialist Pig Farms – Financial Results*Please Note – 2022/23 data is based on 2017SO updated figures*

	2022/23	2023/24	% Change
Number of farms	42	42	
Output			
Pigs	633,947	793,370	25
Other livestock	27,913	21,588	-23
Crops	126,788	132,372	4
Miscellaneous	170,009	164,216	-3
Total output	958,657	1,111,545	16
Variable costs			
Feed	443,161	456,327	3
Vet and medicines	16,155	18,596	15
Other livestock costs	52,237	64,465	23
Crop costs	41,935	56,961	36
Total variable costs	553,488	596,349	8
Farm gross margin	405,169	515,196	27
Fixed costs			
Labour	- Paid 72,246	91,857	27
	- Unpaid 44,060	42,001	-5
Machinery	- Contract 25,501	29,482	16
	- Depreciation 30,328	32,468	7
	- Repairs 22,855	28,799	26
	- Fuel and oil 22,505	18,366	-18
Occupiers' repairs	26,705	27,946	5
Rent and rates	65,690	71,377	9
Other farm costs (including bad debts)	69,429	80,010	15
Total fixed costs	379,318	422,306	11
Management and investment income	25,851	92,889	259
Less management charges	338	3,122	824
Plus farmer and spouse labour	32,579	32,636	0
Net farm income	58,092	122,404	111
Less net interest payments	17,541	16,477	-6
Less building depreciation and insurance	36,772	37,226	1
Less director's remuneration	947	1,135	20
Plus rental value and imputed rent	58,197	58,830	1
Plus imputed labour	11,481	9,365	-18
Farm business income	72,510	135,761	87

Table 2.2 Specialist Pig Farms 2023/24 – Grouped by FBI per Farm

	Top 25%	Middle 50%	Bottom 25%
Number of farms	14*	19	9*
Output			
Pigs	1,283,897	738,830	349,826
Other livestock	31,849	23,692	5,779
Crops	195,503	146,049	33,640
Miscellaneous	421,764	80,741	41,685
Total output	1,933,013	989,312	430,930
Variable costs			
Feed	771,277	398,919	216,595
Vet and medicines	29,751	18,571	6,063
Other livestock costs	93,071	62,896	35,357
Crop costs	59,117	68,026	32,266
Total variable costs	953,215	548,413	290,282
Farm gross margin	979,797	440,899	140,649
Fixed costs			
Labour			
- Paid	148,727	89,856	31,735
- Unpaid	48,184	42,237	34,553
Machinery			
- Contract	57,684	23,506	9,697
- Depreciation	48,213	31,278	17,105
- Repairs	53,671	19,390	19,679
- Fuel and oil	26,063	17,542	11,343
Occupiers' repairs	41,086	31,857	5,255
Rent and rates	130,174	57,203	33,578
Other farm costs (including bad debts)	132,541	77,421	25,967
Total fixed costs	686,343	390,290	188,911
Management and investment income	293,455	50,610	-48,263
Less management charges	5,296	3,455	0
Plus farmer and spouse labour	36,819	33,131	26,923
Net farm income	324,978	80,286	-21,340
Less net interest payments	25,317	14,093	11,301
Less building depreciation and insurance	73,591	24,824	21,166
Less director's remuneration	2,525	920	0
Plus rental value and imputed rent	109,746	46,002	27,210
Plus imputed labour	11,366	9,106	7,630
Farm business income	344,658	95,557	-18,967

*A part of this table was derived from data with less than 15 observations in the sample which could reduce the robustness of the results

Note: The farms are ranked in descending order according to performance and allocated to quartiles with the top quartile (25 percent) representing the top band (Premium Group). Note that the farm weights are used to allocate farms to quartiles so the number of farms in a quartile will not necessarily be equivalent to a quarter of the sample.

Table 2.3 Specialist Pig Farms 2023/24 – Grouped by MII per Farm

	Top 25%	Middle 50%	Bottom 25%
Number of farms	14*	18	10*
Output			
Pigs	1,521,559	743,235	104,156
Other livestock	32,221	23,664	6,106
Crops	106,143	178,599	71,531
Miscellaneous	122,616	246,128	51,150
Total output	1,782,539	1,191,626	232,943
Variable costs			
Feed	780,652	493,119	35,346
Vet and medicines	28,229	22,163	1,321
Other livestock costs	103,545	69,934	11,742
Crop costs	32,175	74,059	50,739
Total variable costs	944,601	659,276	99,148
Farm gross margin	837,938	532,350	133,796
Fixed costs			
Labour			
- Paid	114,902	119,097	14,452
- Unpaid	38,949	42,035	45,230
Machinery			
- Contract	30,092	42,113	4,467
- Depreciation	42,294	30,652	25,367
- Repairs	32,653	32,455	17,591
- Fuel and oil	19,813	20,552	12,589
Occupiers' repairs	32,771	34,811	9,499
Rent and rates	92,517	77,586	36,588
Other farm costs (including bad debts)	115,712	88,923	24,289
Total fixed costs	519,702	488,224	190,073
Management and investment income	318,236	44,126	-56,277
Less management charges	10,983	341	0
Plus farmer and spouse labour	27,450	36,026	31,695
Net farm income	334,703	79,811	-24,582
Less net interest payments	24,370	18,166	4,700
Less building depreciation and insurance	59,237	33,591	20,481
Less director's remuneration	4,215	0	0
Plus rental value and imputed rent	76,380	63,744	30,411
Plus imputed labour	11,499	6,008	13,535
Farm business income	334,761	97,806	-5,817

Note: The farms are ranked in descending order according to performance and allocated to quartiles with the top quartile (25 percent) representing the top band (Premium Group). Note that the farm weights are used to allocate farms to quartiles so the number of farms in a quartile will not necessarily be equivalent to a quarter of the sample.

*A part of this table was derived from data with less than 15 observations in the sample which could reduce the robustness of the results

Table 2.4 Financial Data for Specialist Pig Farms 2023/24 – Grouped by Type

	Predominantly Sows	Predominantly Growing & Fattening Pigs
Number of farms	19	23
Output		
Pigs	1,174,163	416,941
Other livestock	33,359	9,951
Crops	180,378	84,915
Miscellaneous	239,360	89,933
Total output	1,627,261	601,740
Variable costs		
Feed	733,877	181,958
Vet and medicines	31,068	6,267
Other livestock costs	101,479	27,876
Crop costs	73,613	40,501
Total variable costs	940,036	256,602
Farm gross margin	687,224	345,139
Fixed costs		
Labour		
- Paid	144,177	40,136
- Unpaid	45,048	38,989
Machinery		
- Contract	50,949	8,261
- Depreciation	31,817	33,112
- Repairs	34,175	23,485
- Fuel and oil	22,211	14,565
Occupiers' repairs	38,362	17,649
Rent and rates	94,681	48,340
Other farm costs (including bad debts)	102,994	57,289
Total fixed costs	564,415	281,826
Management and investment income	122,809	63,313
Less management charges	3,203	3,042
Plus farmer and spouse labour	36,884	28,437
Net farm income	156,490	88,707
Less net interest payments	22,546	10,477
Less building depreciation and insurance	44,511	30,025
Less director's remuneration	112	2,146
Plus rental value and imputed rent	74,588	43,252
Plus imputed labour	8,164	10,552
Farm business income	172,074	99,863

Table 2.5 Financial Data for Specialist Pig Farms 2023/24 – Grouped by Standard Output per Farm

,000's SO	1000+	500-1000	0-500
Number of farms	14*	18	10*
Output			
Pigs	1,506,511	442,844	163,668
Other livestock	23,073	23,723	16,300
Crops	230,523	84,221	45,575
Miscellaneous	300,419	99,734	40,531
Total output	2,060,527	650,522	266,074
Variable costs			
Feed	924,839	203,592	73,775
Vet and medicines	35,269	10,573	3,635
Other livestock costs	125,281	30,800	15,999
Crop costs	88,401	44,532	25,005
Total variable costs	1,173,790	289,497	118,414
Farm gross margin	886,736	361,025	147,660
Fixed costs			
Labour	- Paid 181,652	43,979	17,757
	- Unpaid 35,874	47,994	43,276
Machinery	- Contract 61,175	12,683	3,193
	- Depreciation 45,750	26,679	19,716
	- Repairs 47,314	23,184	7,617
	- Fuel and oil 27,756	14,994	8,351
Occupiers' repairs	53,363	12,740	9,267
Rent and rates	120,118	54,699	18,240
Other farm costs (including bad debts)	139,824	53,590	23,059
Total fixed costs	712,824	290,541	150,477
Management and investment income	173,912	70,484	-2,818
Less management charges	7,884	0	0
Plus farmer and spouse labour	30,120	39,386	27,209
Net farm income	196,148	109,870	24,391
Less net interest payments	26,114	15,959	2,113
Less building depreciation and insurance	58,616	33,850	8,438
Less director's remuneration	1,967	1,014	0
Plus rental value and imputed rent	94,212	48,782	17,399
Plus imputed labour	5,753	8,608	16,067
Farm business income	209,416	116,437	47,307

*A part of this table was derived from data with less than 15 observations in the sample which could reduce the robustness of the results

Table 2.6 Financial Data for Specialist Pig Farms 2023/24– Grouped by Performance Ratio

	High	Medium	Low
Number of farms	15	17	10*
Output			
Pigs	1,086,415	960,831	117,358
Other livestock	13,694	32,802	6,154
Crops	86,112	200,226	37,371
Miscellaneous	112,792	246,899	43,092
Total output	1,299,013	1,440,759	203,975
Variable costs			
Feed	513,666	623,209	37,137
Vet and medicines	21,696	25,067	1,392
Other livestock costs	63,292	89,123	12,986
Crop costs	23,882	84,366	34,203
Total variable costs	622,537	821,764	85,719
Farm gross margin	676,476	618,994	118,256
Fixed costs			
Labour			
- Paid	76,449	134,761	16,777
- Unpaid	39,070	43,958	40,994
Machinery			
- Contract	16,692	47,546	4,707
- Depreciation	40,691	34,541	19,118
- Repairs	29,239	33,313	18,665
- Fuel and oil	15,017	23,404	11,219
Occupiers' repairs	19,466	42,762	5,445
Rent and rates	65,752	92,696	31,867
Other farm costs (including bad debts)	95,564	98,283	24,052
Total fixed costs	397,940	551,265	172,844
Management and investment income	278,536	67,729	-54,588
Less management charges	5,620	3,315	0
Plus farmer and spouse labour	27,780	35,114	32,602
Net farm income	300,696	99,528	-21,986
Less net interest payments	17,757	21,203	4,976
Less building depreciation and insurance	49,103	39,507	19,468
Less director's remuneration	2,679	883	0
Plus rental value and imputed rent	61,404	73,171	25,357
Plus imputed labour	11,290	8,844	8,392
Farm business income	303,851	119,950	-12,682

Note: The farms are ranked in descending order according to performance and allocated to quartiles with the top quartile (25 percent) representing the top band (Premium Group). Note that the farm weights are used to allocate farms to quartiles so the number of farms in a quartile will not necessarily be equivalent to a quarter of the sample.

*A part of this table was derived from data with less than 15 observations in the sample which could reduce the robustness of the results

3.0 Margins for Pig Enterprises

The data in the following section utilises the net margins gathered from the 42 Specialist Pig Farms as included in Chapter 2. More data is available for other farm types who keep pigs but not as their sole interest, however, only those farms specialising in pigs have been included due to the nature of the way the data is collected. Variable Costs are allocated to different farm enterprise by estimation; however, some of the fixed costs are allocated econometrically, according to the set coefficients that are estimated. Data on the validity of these coefficients is being accumulated with a view to improving them over time. For Specialist Pig Farms, the Net Margins for the pig enterprise should be reasonably accurate. This is because these farms have few or no other enterprises and therefore most fixed costs are rightly attributable to the pig enterprise. Therefore Section 3 shows costs attributable to pigs alone rather than other parts of the business.

3.1 Classification of Farms

Net and gross margins were completed for 41 Specialist Pig Farms. These were classified as follows:

Type	Definition
112	Breeders selling fat pigs (finishers)
114	Contract rearing
115	Other*

*Other includes those farms with Mixed Pig Enterprises i.e. Breeders selling Mixed Weaners & Fat Pigs and Farms with Mixed Breeding / Buying Weaners selling Fat Pigs and Other Pig Enterprises.

Due to the small sample sizes, it is not possible to show the results for each type listed above. Consequently, results have only been presented for types 112 and 114, from table 3.2 onwards. Due to changes in the sample year on year it is difficult to compare year on year changes exactly, as some pig farms in the sample have dropped out or joined, hence it is not an identical sample comparison.

3.2 Net Margin Results

Table 3.1 shows the average Net Margin has increased from -£43,028 in 2022/23 to £54,119 in 2023/24.

Table 3.2 presents the results split into two different categories, namely Breeding Farms Selling Finished Pigs, and Contract Rearing only. Breeding Farms Selling Finished Pigs made a net margin of £170,597 and the Contract Rearing showed a net margin of £14,921.

Table 3.3 shows the costs and margins per £100 output for Breeders Selling Finished Pigs, (type 112). The feed costs for Breeders Selling Fat Pigs are by far the biggest proportion of the costs, 56.3% of the total output in 2023/24, whereas in 2022/23 the feed costs accounted for 69.3% of output, showing the slightly lower feed costs in comparison to the finished pig price this year.

Table 3.4 presents the results in terms of Net Margins per sow for Breeder Finisher farms. In 2023/24 there was a total Net Margin of £538 per sow compared to a net margin of -£160 per sow in 2022/23. It is difficult to compare year on year due to some changes in the sample of pig farms.

Table 3.1 Specialist Pig Farms – Average Net Margins (£/farm)*Please Note – 2022/23 data is based on 2017SO updated figures*

	2022/2023	2023/2024	% Change
Number of Farms	40	41	
	£ per farm	£ per farm	
Output	597,838	786,181	32
Variable costs			
Feed	413,659	449,420	9
Vet & medicines	14,460	17,887	24
Other variable costs	44,788	60,716	36
Total variable costs	472,908	528,024	12
Gross margin	124,930	258,157	107
Fixed costs			
Paid labour	45,959	68,870	50
Unpaid labour	8,466	6,587	-22
Contract hire	5,281	7,176	36
Machinery depreciation	8,456	12,358	46
Machinery repairs	7,335	10,328	41
Fuel & oil	7,473	7,024	-6
Electricity & heating fuel	16,852	26,885	60
Water	3,065	2,861	-7
Insurance	5,480	8,311	52
Professional fees	4,615	4,910	6
General farm costs	11,153	7,456	-33
Occupiers' repairs	7,433	13,885	87
Rent & rates	13,301	7,126	-46
Total fixed costs	144,866	183,779	27
Net farm income	-19,936	74,378	473
Less farmer and spouse labour	23,308	23,361	0
Plus managerial input	216	3,102	1333
Net margin	-43,028	54,119	226

Table 3.2 Specialist Pig Farms 2023/24 – Average Net Margins by Farm Type

	Breeders selling fat pigs	Contract Rearing
	£ per farm	£ per farm
Output	1,402,416	93,141
Variable costs		
Feed	779,221	25
Vet & medicines	30,085	16
Other variable costs	103,592	6,871
Total variable costs	912,898	6,912
Gross margin	489,518	86,226
Fixed costs		
Paid labour	117,752	10,771
Unpaid labour	6,902	5,677
Contract hire	11,931	1,066
Machinery depreciation	16,918	8,010
Machinery repairs	14,732	5,356
Fuel & oil	10,239	3,661
Electricity & heating fuel	48,761	2,209
Water	4,391	1,249
Insurance	12,539	3,654
Professional fees	7,747	1,731
General farm costs	11,351	2,902
Occupiers' repairs	23,181	4,087
Rent & rates	11,903	2,093
Total fixed costs	298,346	52,466
Net farm income	191,172	33,762
Less farmer and spouse labour	25,542	18,850
Plus managerial input	5,967	9
Net margin	170,597	14,921

Table 3.3 Specialist Pig Farms – Breeders Selling Fat Pigs, Costs and Margins per £100 Pig Output

Please Note – 2022/23 data is based on 2017SO updated figures

Breeders Selling Fat Pigs	2022/2023	2023/2024
	£ per £100 output	£ per £100 output
Feed	69.3	56.3
Other variable costs	9.5	9.5
Gross margin	21.2	34.2
Labour costs	7.5	8.9
Contract and machinery costs	2.9	3.0
Occupiers' repairs	1.1	1.4
Rent and rates	2.1	1.2
Other fixed costs	8.1	6.6
Net margin	-4.2	11.1

Table 3.4 Specialist Pig Farms – Average Net Margins per Sow (£/sow)*Please Note – 2022/23 data is based on 2017SO updated figures*

Breeders Selling Fat Pigs	2022/2023	2023/2024
Number of Sows	283	343
	£ per sow	£ per sow
Output	3,984	4,411
Variable Costs		
Feed	2,743	2,447
Vet & Med	102	97
Other Variable Costs	279	318
Total Variable Costs	3,124	2,862
Gross Margin	860	1,549
Fixed Costs		
Paid Labour	224	344
Unpaid Labour	63	37
Contract hire	19	28
Machinery Depreciation	55	56
Machinery Repairs	39	48
Fuel & Oil	46	33
Electricity & Heating Fuel	99	137
Water	22	19
Insurance	40	43
Professional Fees	24	22
General Farm Costs	100	32
Occupiers Repairs	51	65
Rent & Rates	82	55
Total Fixed Costs	865	919
Net Farm income	-5	630
Less Farmer and Spouse Labour	155	109
Plus Managerial Input	1	17
Net Margin	-160	538

4.0 Appendix A - Notes and Definitions

Classification of Farms in the FBS

Farms in the Farm Business Survey are grouped by type of farm based on the EC system of classification defined by Commission Regulation 1242/2008 (with minor modifications to adapt it to United Kingdom conditions). This classification system uses Standard Outputs per hectare of crop area and per head of livestock estimated over a 5 year period. For 2010/11 (in line with the EU regulation) Standard Outputs were first introduced and were calculated for the period 2005-2009 (referred to as 2007 Standard Outputs). Prior to 2010, farm classification was based on using Standard Gross Margins. From 2013/14, Standard Outputs were recalculated for the period 2008-2012 (referred to as 2010 Standard Outputs). 2013 Standard Output coefficients were averaged over the period of 2011 to 2015, and these were used up until the 2022/23 FBS year.

New Standard Output coefficients have been calculated for the period of 2015 to 2019 (referred to as 2017 SOs). Due to price and exchange rates, the 2017 SOs vary from the 2013 SOs, when the updated coefficients were applied to the 2022/23 FBS population, a number of individual farms changed farm types. As such, the 2022/23 FBS sample was updated based on the 2017 Standard Output coefficients and the weighting framework updated. Any figures relating to 2022/23 data published in this report use the 2017 SO updated figures to allow comparability between 2022/23 and 2023/24. For more information relating to Farm Typology Standard Output Coefficients please refer to: <https://www.gov.uk/guidance/changes-to-farm-typology-use-of-2017-standard-output-coefficients#changes-to-standard-outputs>

Weighting of results

All data presented in this report has been weighted to reflect the relative significance of each farm in the population. All FBS results are weighted so as to represent the whole population of farms rather than just the sample. The population in this case is all farms in England has a Standard Output of 25,000 euros. Weighting of FBS data is a two-stage procedure. The first stage applies a multiple to each farm to bring the number of farms to population level and to correct for differing probabilities of selection from the June agricultural census sampling frame; the second stage readjusts these weights to correct for biases identified from a range of variables in external data sources. For more information on the FBS weighting procedure please refer to: <https://www.gov.uk/guidance/farm-business-survey-technical-notes-and-guidance>

Definition of Terms

Management and Investment Income (MII) is defined as the return to the farmer and spouse for their management and on the tenant-type capital of the business. Management and investment income is NFI minus an imputed cost for the manual labour of the farmer and spouse plus paid management.

Net Farm Income (NFI) assumes all farms are tenanted and that all tenant type assets are owned by the farmer. It represents the return to the farmer and spouse for their manual and managerial labour and on tenant type capital in livestock, crops, machinery, etc., but excluding land and buildings. It is calculated before deduction of interest payments on any farming loans and also excludes interest earned on any financial assets owned. (Breeding livestock appreciation (BSA) is excluded from total farm output and, therefore, is not included in net farm income).

Farm Business Income (FBI) for sole traders and partnerships represents the financial return to all unpaid labour (farmers and spouses, directors, non-principal partners and directors and their spouses and family workers) and on all their capital invested in the farm business, including land and buildings. For corporate businesses it represents the financial return on the shareholders capital invested in the farm business. It is used when assessing the impact of new policies or regulations on the individual farm business. Although Farm Business Income is equivalent to financial Net Profit, in practice they are likely to differ because Net Profit is derived from financial accounting principles whereas Farm Business Income is derived from management accounting principles. For example, in financial accounting output stocks are usually valued at cost of production, whereas in management accounting they are usually valued at market price. In financial accounting depreciation is usually calculated at historic cost whereas in management accounting it is often calculated at replacement cost.

Unpaid Labour costs are based on the time spent in manual work on the farm, valued at the appropriate prevailing hourly earnings of agricultural workers. Farmer and spouse unpaid labour costs are added back in order to calculate NFI from MII.

Average number of sows

The average number of sows is an annual average calculated from the number of sows and in-pig gilts on the farm.

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