

Committee Name: NFU Cymru Dairy Board

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Meeting Date: 10/10/2025

Location: Theatr Felinfach

Chairman: Jonathan Wilkinson

Secretary: Tori Morgan

Tel: 01982 554200

**Present:** Gareth Richards, Martin Griffiths, Hopkin Evans, John Lougher, Jeff Evans, Gethin Hughes, Abi Reader, Jonathan Wilkinson

**In Attendance:** Aled Davies, Tori Morgan

**Apologies:** Trevor Lloyd, Tudur Evans, Nick Davies, Andrew Giles, David Gravell, Des Jones, Tudor Williams, Ifan Evans, William Hughes, Carys Jones, David Edwards, Gary Yeomans, Maurice Jones, Aled Rees

## NFU Cymru Dairy Board Minutes – 10<sup>th</sup> October

This short board meeting followed a visit to [Arla Foods Ingredients Factory](#) at Felinfach a write up of which can be found in the November 2025 edition of Farming Wales.

### Summary:

- Board discussed the milk market situation and NFU Cymru's role in supporting members. This could include advice on the new contract regulations but also practical advice such as accessing additional support from banks.
- The Board heard updates on animal health and SFS, they wish to thank NFU Cymru President Aled Jones for his work on SFS.
- Red Tractor continue to take forward recommendations from the Farm Assurance Review and the Chairman sits on the Red Tractor Dairy Board to ensure the views of Welsh dairy farmers are considered as part of this.

### 1. Welcome and apologies

The chairman welcomed everyone to the visit and apologies were recorded as per the minutes. All present agreed it had been an excellent visit to Arla Foods Ingredients plant that morning.

### 2. Minutes of the last meeting and matters arising

The minutes of the previous meeting were agreed as a true and correct record. There were no matters arising.

### 3. Market discussion

The Chairman outlined the current state of play with relation to the milk market. It was noted that some producers have seen a drop of 18% for November with more expected in December. AHDB data shows UK production is up over 5% YOY, EU production is increasing, and global demand is lacklustre. It was noted that some processors are asking

farmers to reduce production and manage volumes for the remainder of the milk year. it was highlighted that commodity and wholesale prices continue to fall.

Board members expressed concerns about the impact price drops will have on producers but also for processors, especially in terms of what devaluation means for stock in store. In addition, it was noted that thanks to favourable market conditions many dairy farming businesses may have invested to improve facilities and to ensure compliance with NVZs, board members expressed concern in this context about what the milk price reduction may mean for highly geared businesses.

Board members felt that NFU Cymru has a role in supporting members under stress and in raising concerns on behalf of farmers with processors / the wider market. Those present felt there was a need to see earlier market signals from processors and farmers should have access to better forecasting. In this context, DPOs and Co-Ops should be relaying messages to members earlier as for many farmers, the scale of price drops has come as a shock

It was noted that the FDOM regulations are not there to set price but instead are intended to improve price transparency, accountability and overall fairness in the supply chain. NFU Cymru will continue to monitor the situation in terms of compliance the board were encouraged to raise any concerns. It was noted that this reduction in price was the first real test for the regulations. It was agreed that Farming Wales was a good way to highlight to members a reminder of what the regs say and what they mean for farmers.

Banks – it was noted that there may be a need to engagement with bank to highlight impact market conditions will have on dairy farming businesses. Board members suggested NFU Cymru could consider an article in Farming Wales highlighting what farmers should do and the information required such as budgets and cash flows, if they need to approach the bank for support.

The board noted that with tax bills due in January, we could see farmers offloading barron cows to support cash flow.

#### 4. Red Tractor

The chairman updated the board on recent Red Tractor Dairy meetings he's attended where discussion has focused on the new Red Tractor Dairy Sector Strategy and taking forward the findings of the Farm Assurance Review (FAR). The farmer reps continue to press the need for standards to recognise differences in devolved administration and for any future standards to place farmers at their heart.

Tori updated the board that she now sits on the Red Tractor Technical Advisory Committee (TAC) which are tasked with providing technical input into the discussions around standards. There is a review of standards on going in line with the findings of the FAR to identify which standards are needed, where they need updating and where they can be streamlined. There is also a focus on better use of data and technology.

Board members highlighted that Red Tractor inspections and other regulatory bodies e.g. NRW, should be more supportive of new entrants, especially as these businesses may not have the required paperwork immediately available.

#### 5. Animal health to include Bluetongue and bTB update

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Tori updated the board on several animal health policy areas since the previous board meeting as follows:

- bTB – the TB Focus group has submitted evidence to the Welsh Government bTB TAG on enhanced measures, thanks to dairy board members who fed into this. There will also be a change in policy to the treatment of resolved standard IR animals, post 1<sup>st</sup> January 2026 these animals will be restricted to the farm they are found on with no moves other than to slaughter permitted. This is because the scientific evidence shows these animals are significantly more likely to become reactors and hence, this policy change aims to reduce the opportunity for onward spread. Board members noted that APHA should be giving farmers / vets individual test data to help industry proactively manage disease on farm better.
- BTV-3 – NFU Cymru continues to meet the CVO for Wales and his team to discuss BTV-3 and the restrictions currently in place. We are expecting some movement in November as temperatures continue to drop. NFU Cymru continues to offer 1-2-1 support to members alongside coordinating the response effort across industry.

Board members highlighted concerns about APHA resource and noted that communications with farmers continuing to be an issue.

## 6. SFS

The board noted the various policy announcements on SFS and the opportunity to attend their respective County meetings and surgeries to learn more about the detail of the proposed scheme. The Board wish to thank NFU Cymru President Aled Jones and the staff team for their ongoing work and commitment to this issue.

The board expressed concerned about the ability of dairy farmers to access the optional and / or collaborative area if they do not enter the universal layer. Tori highlighted that the Welsh Government guidance suggests those in the Universal Layer would be higher up the queue to access the higher tiers in a competitive process.

The board were challenged to think about what the current version of the SFS scheme means for dairy farmers. Whilst the scheme is largely set for 2026, there may be opportunity to influence the design of future additional temporary habitat options and board members are encouraged to bring ideas forward to the next meeting.

## 7. AOB

A board member raised issues with accessing the Welsh Government Small Grant Scheme, this was referred to the relevant County Adviser.

The Chairman highlighted that NFU Cymru will be hosting the other UK Farming Unions Dairy Chairs and Advisers in Wales in December. This will give the four UK Farming Unions – NFU, NFU Cymru, NFU Scotland and UFU – the opportunity to discuss areas of common interest.

NFU Cymru will have a stand at the Welsh Dairy Show later in the month, please encourage members to see us for refreshments. We will also be announcing the winner of the Dairy Stockperson Award and board members were reminded on the importance of making nominations.

NFU Cymru Conference is in Llandrindod Wells at the start of November, we have an excellent line up of speakers and members are encouraged to register their attendance.

Date of next meeting AGM 16<sup>th</sup> December