

# Petworth Monitor Farm

## Labour and machinery review

Date: 14 November 2019

Speakers: Alex Hall (Strutt & Parker), Harry Henderson (AHDB)



## *Labour and machinery review*

### Take-home messages

- There is no right or wrong labour and machinery policy
- Know your key objectives
- More hectares isn't necessarily the right way to offset fixed costs – being more efficient with what you have is the place to start!
- Know your work rates required for particular operations in an 'average' weather season
- How much or little risk are you willing to take particularly when stretching work rates?
- A farm can be over powered or have over-capacity for machine operations as long as there is good justification however, you still need to know the operating costs
- Develop machinery maintenance schedules and ensure you use the right machine for the right job!
- Have a machinery replacement plan / policy in place (this can be linked to depreciation)
- Staff are crucial to a successful business so encourage their business involvement, and ensure they are adequately trained
- Know the value of your time: is it more productive sitting in a tractor or doing business strategy management in the office (contractor v DIY)

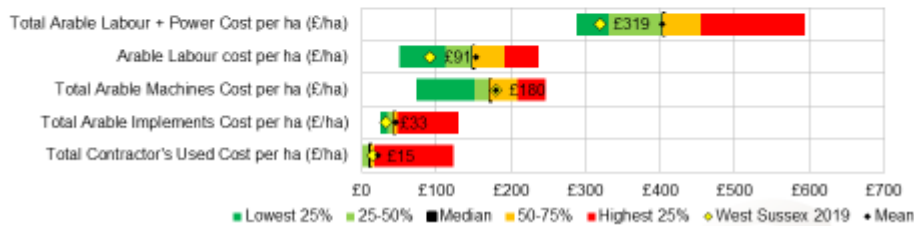
## *Calculating cost of machinery*

- There was a wide range of crop establishment/drilling techniques but the average operational cost per from the MF group was in the region of £26/ha

## Benchmarking: Results



### The Monitor Farm Group



- Traits of the lowest cost 25%:
  - Depreciation below £63/ha
  - Low repairs through tactical hiring and experience
  - Diesel use below 100 litres/ha
  - Size (500–1,000 hectares)

### Take-home messages

- There is not one crop establishment technique that suits every farm so what may work for one farm isn't necessarily right for the next, even within a relatable area!

### Further information

- [Machinery cost calculator](#)
- [Labour and machinery webinar](#)

## AHDB resources

- Understand your business costs with AHDB's benchmarking tool Farmbench at [ahdb.org.uk/farmbench](https://ahdb.org.uk/farmbench)
- Monitoring tools are available at [ahdb.org.uk/tools](https://ahdb.org.uk/tools)
- Sign up to market information and research newsletters at [ahdb.org.uk/keeping-in-touch](https://ahdb.org.uk/keeping-in-touch)
- Find out what's going on at other Monitor Farms and Strategic Farms at [ahdb.org.uk/farm-excellence](https://ahdb.org.uk/farm-excellence)
- All AHDB events can be found at [ahdb.org.uk/events](https://ahdb.org.uk/events)
- For guidance on how Brexit will impact your business, see [ahdb.org.uk/brexit](https://ahdb.org.uk/brexit)

## Contact details

For more information contact: Paul Hill

E: [paul.hill@ahdb.org.uk](mailto:paul.hill@ahdb.org.uk) M: 07964 243 699

@Cereals\_SE