



6<sup>th</sup> September 2018

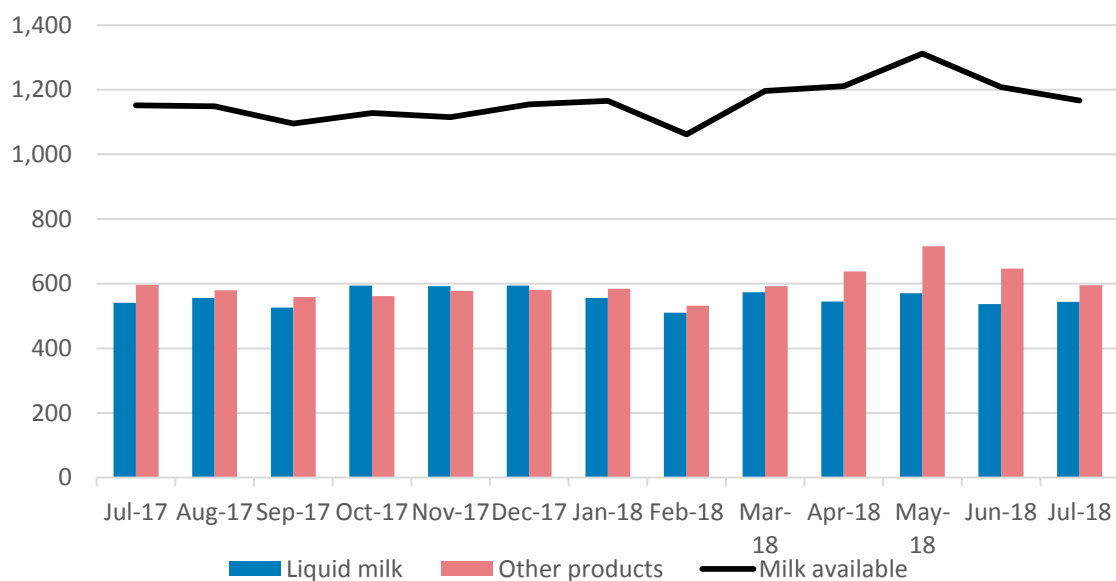
## Usage of milk by dairies in the United Kingdom – July 2018

This release shows the latest monthly information on the volume of milk used by dairies in the United Kingdom for the production of a range of milk products.

The key results for July 2018 are given below:

- In July, UK dairies processed 1,167 million litres of milk, 3.4% lower than June. The 12 month rolling average up to July saw a 0.1% increase on the milk processed compared to the 12 months to June (Figures 1 and 4)
- Production of liquid milk, which remains relatively constant between 500-600 million litres per month, increased to 544 million litres in July. Decreases were seen in the utilisation of milk for cheese and butter production.
- Cheese production continues to be the largest manufactured product (Figure 2) with cheddar the most popular cheese by far (Figure 3). The 12 months to July saw a 0.2% increase in overall cheese production compared to the 12 months to June.

Figure 1: Monthly milk use: liquid milk and other products: (million litres)



### Enquiries on this publication to:

Julie Rumsey, Department for Environment, Food and Rural Affairs, Room 201, Foss House, Kings Pool, 1 - 2 Peasholme Green, York YO1 7PX. Tel:++ 44 (0) 2080 266306, email:julie.rumsey@defra.gsi.gov.uk

Figure 2: Milk use by product, excluding liquid milk (million litres)

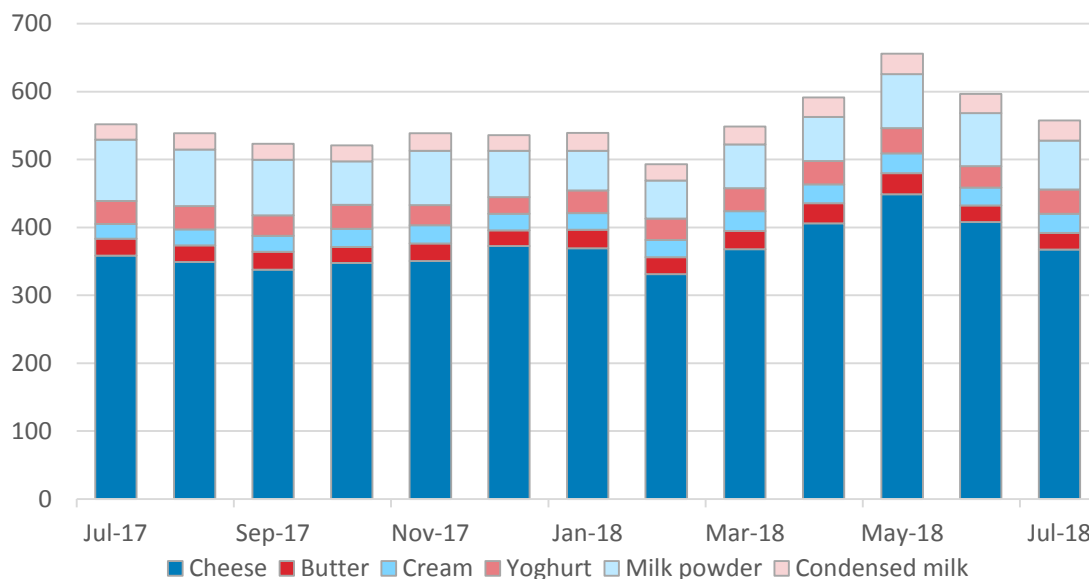


Figure 3: Monthly utilisation of milk by cheese type (million litres)

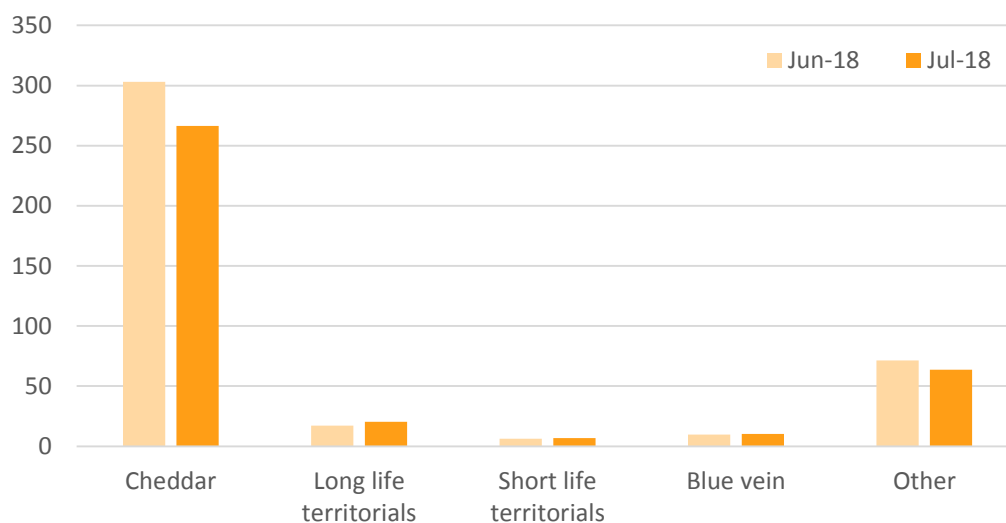


Figure 4: Use of milk at UK processors

	Monthly total			12 month rolling average to		
	Jun-18	Jul-18		Jun-18	Jul-18	
Milk available to processors (million litres)	1,208	1,167	-3.4%	1,162	1,163	0.1%
Liquid milk production (million litres)	537	544	1.4%	558	558	0.1%
Cheese production ('000 tonnes)	43	39	-9.7%	39.5	39.5	0.2%
Butter production ('000 tonnes)	11.8	11.7	-1.3%	12.7	12.7	-0.3%
Milk powder production ('000 tonnes)	8.1	7.4	-8.1%	7.4	7.2	-2.0%

The next monthly release will be published at 09:30 on 4<sup>th</sup> October 2018.

Full UK and England/Wales time series of milk utilisation, production of milk products (butter, cheese etc.) and import/export volumes of milk products are all available on the gov.uk website at "[Milk utilisation by dairies](#)"

## Revisions, data users, methodology and notes

### Revisions

Figures in this release are provisional and subject to revision. We will provide information about any revisions we make to previously published information in this statistics release, and the associated datasets. Revisions could occur for various reasons, including:

- if we have not received survey data from respondents we make an estimate based on their previous returns. These estimates are replaced with actual figures when they are received.
- survey respondents occasionally supply amended figures for previous periods.
- Estimates have been used for some companies while awaiting clarification on data.

Revisions to data from January 2018 – June 2018 have been included in this notice due to revised data being available.

### Data users

Users of the milk utilisation data include the EU Commission where the statistics are required monthly under Council Directive 96/16EC (and subsequent amendments). Detailed information on this legislation and successive amendments are available at: [European Commission legislation](#) European level statistics on the milk industry are available at: [European Commission statistics](#)

The milk utilisation statistics accompany another Defra monthly publication on farm gate milk prices (this is available at <https://www.gov.uk/government/statistics/uk-milk-prices-and-composition-of-milk>) which shows the prices paid to milk producers by dairies. This data, alongside the milk utilisation data, gives a comprehensive overview of the UK milk market and is used heavily by the dairy industry, in particular the division of the Agriculture and Horticulture Development Board (AHDB) known as DairyCo (who represent milk producers) and Dairy UK (who represent milk processors). DairyCo consider the price and utilisation statistics vital for assessing market trends and to carry out further analysis on how changing prices affect the sector. Milk utilisation data provides insight into market characteristics and to monitor where milk is being used for domestic production. It provides insight to how production of products (such as butter, cheese etc.) changes in response to changes in global demand and market conditions.

Milk utilisation statistics are also used heavily by the British Cheese Board to monitor volumes of national cheese production over time.

The information in this release is also used by the UK government as evidence for assessing market conditions and evaluating agricultural policy. Other users include academia and the general public.

Contact details are available on the front page of this release, for you to send feedback or ask questions about the information provided.

### Methodology

E&W statistics presented in this dataset are from the monthly survey of milk availability and usage by dairies in England and Wales. It is a voluntary sample survey with the largest 34 dairies sampled

monthly and an additional 20 dairies surveyed quarterly (the quarterly data is apportioned into monthly data for the relevant 3 month period). The response rate is regularly 100%.

These 54 dairies cover approximately 90% of the total milk available for processing (based on the long term comparison with RPA volume data) so the survey data is raised to 100% of milk delivered to dairies in England and Wales.

UK results are derived as a sum of the survey results from England and Wales, Scotland and Northern Ireland. Similar surveys are run by the Scottish Government and the Department of Agriculture, Environment and Rural Affairs (DAERA) for Northern Ireland. Northern Ireland results are available at: <https://www.daera-ni.gov.uk/articles/milk-utilisation-statistics> Data for Scotland are not available separately due to confidentiality reasons. Scottish Government publications are available at <http://www.gov.scot/Topics/Statistics/Browse/Agriculture-Fisheries/Publications>

The wholesale production figures (e.g. for butter and cheese) are estimated from the volume of milk used for each production and compared to conversion factors advised by the dairy industry. Conversion factors can be variable and fluctuate on a monthly basis so average conversion factors have been used for calculating production volumes. These are shown in Table A below:

Table A: Conversion factors: litres of milk to produce 1 kg of product

<b>Product</b>	<b>Conversion factor (litres/kg)</b>
Butter (from Cream)	2.04
Cheddar	9.5
Other Long Life Territorials	9.2
Short life Territorials	8.1
Blue vein	9.1
Mozarella	9.8
Cottage cheese /Fromage frais	3.6
Soft cheese	8
Non-specified cheese	9.7
Condensed Milk	2.7
Milk Powder (from Whole milk)	8.5
Milk Powder (from Skim milk)	10.1
Milk Powder (from Cream)	12.3
Cream (from cream)	1
Yoghurt	1.1

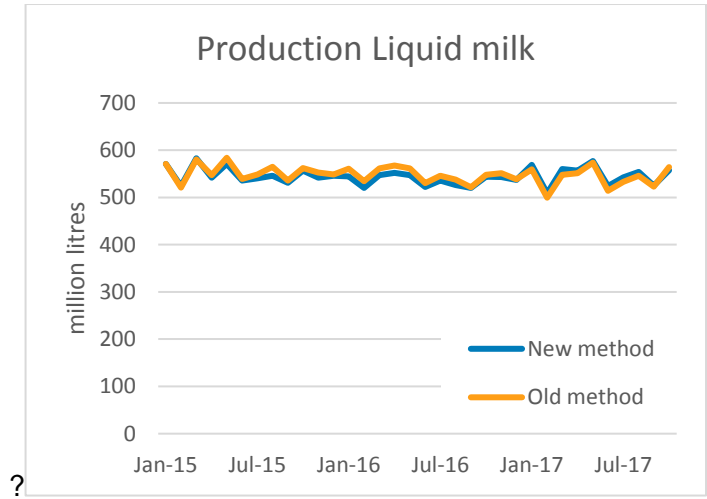
The data are subject to a variety of validation checks, which identify inconsistencies in the data. All data are cleaned prior to publication in discussion with the survey respondents.

### **Changes due to new methodology**

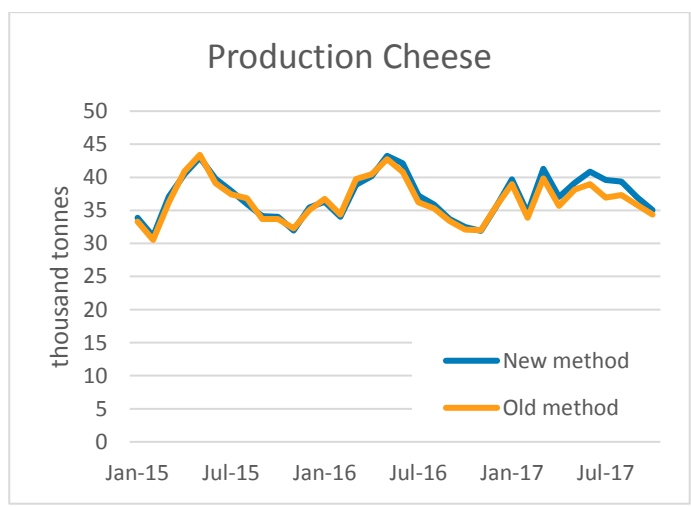
Following user consultation we have carried out an extensive review of the milk utilisation survey and have updated the methodology so it is more transparent, robust and has less risk of error. The England and Wales data now represent 100% of milk deliveries to dairies. The statistics no longer make estimates for direct milk sales from farms as this data is no longer available from the Rural Payments Agency and estimates were not sufficiently high quality for monthly results. We have also slightly updated some of the milk conversion factors. Data is presented on this new basis from November 2017 onwards and backdated to January 2015 to allow users to assess the scale of change.

Figure 5 below compares the data from the new methodology against that of the old methodology for the production of liquid milk, cheese and butter.

Figure 5 Comparison of data from new methodology against previous methodology



?



### Production Butter

