Lloyds reinforces support for UK farmers as prolonged dry weather adds pressure to rural businesses

Lloyds is reinforcing its support for farmers as ongoing dry weather creates further pressure for the UK farming sector, affecting yields, feed supplies, water use and cashflow.

Through Lloyds and Bank of Scotland, specialist agriculture managers are working closely with farming businesses to understand the local conditions and consider tailored support to help manage short-term financial needs. Support for eligible customers may include working capital solutions, overdraft support, loan repayment holidays, interest rate reductions, temporary lending facilities or wider lending arrangements.

Support for farmers

Tom and Samantha Summerfield, who run Keele Dairies Ltd near Newcastle-under-Lyme, have worked with Lloyds to increase the farm’s cashflow facility, giving the business greater flexibility and buying power for essential inputs and to ensure future growth. The support is helping the farm respond to challenging conditions, including periods of drought and low market prices, while continuing to prioritise the welfare and productivity of its herd.

The impact of dry weather

The support comes as farm businesses navigate a range of seasonal pressures, with the impact of dry weather varying by region, crop and farm type. As the UK's largest lenders to the agricultural sector, alongside immediate financial support, Lloyds continues to help farmers invest for longer-term resilience.

This includes its Clean Growth Financing Initiative, which offers discounted lending for eligible green investments such as energy efficiency, renewables, water management and waste management, and Agriculture Transition Finance, which is designed to support UK farmers moving towards regenerative farming practices.

Dry conditions can affect farming businesses in different ways, from reduced grass growth and higher feed requirements for livestock farmers to pressure on yields, harvesting patterns and water use for arable businesses. These challenges can quickly translate into cashflow and working capital pressures, particularly where farms are also managing wider cost pressures and planning future investment.

Lee Reeves, UK Head of Agriculture at Lloyds, said: “Prolonged dry weather is creating real challenges for many farming businesses, from pressure on yields and feed availability to water use and cashflow. As the UK's largest lenders to the agricultural sector, our specialist managers are speaking with customers

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across the UK to help provide tailored support, including options to manage working capital, overdraft needs, or wider lending arrangements.

“British agriculture is vital to food security and rural communities, and we remain committed to supporting farmers with the finance and expertise they need to grow and remain resilient.”

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Partnering with the agricultural sector

Lloyds works with partners across the sector to help farmers make practical, commercially viable changes. Its partnership with Soil Association Exchange provides tools and guidance to help farmers assess environmental performance, including soil health, carbon emissions and biodiversity. Lloyds is also supporting the Woodland Trust’s MOREwoods and MOREhedges schemes and has worked with Wildfarmed on the Food & Nature Resilience Fund, a model designed to support investment in regenerative farming without taking land out of food production.

About Lloyds Banking Group

- Lloyds Banking Group is a leading UK based financial services group providing a wide range of banking and financial services, focused on personal and commercial customers.
- As part of the Group, Lloyds provides expert financial support and guidance to the households, businesses and communities of Britain.
- We help businesses across the regions and nations of the UK, and across all different sectors and sizes, giving them the funding and support they need to grow both at home and abroad.

Our support for businesses

- We’re proud to support almost one million UK businesses with leading digital and relationship banking services, as they start up, grow and thrive.
- In 2026, we’ll make over £35 billion of new finance available to companies operating and investing in the UK – supporting jobs, growth and prosperity for our communities. And of this, £9.5 billion will be dedicated to SMEs.
- Through a network of relationship teams based across the UK, as well as internationally, we deliver a mix of local understanding and global expertise necessary to provide long-term support to our clients to help them fulfil their growth aspirations.
- We offer a broad range of finance beyond term lending, spanning import and export trade finance, structured and asset finance, securitisation facilities and capital market funding.
- Our product specialists provide bespoke financial services and solutions, including tailored cash management, international trade, treasury and risk management services.

To see the latest factsheet setting out how we support UK businesses please visit: Supporting British businesses - Lloyds Banking Group plc

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