

Norfolk & Suffolk Skills Economy Project

Rural Economy Skills Report – Farming, Food & Drink Processing

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For: Norfolk County Council & Shaping Norfolk's Future

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Executive Summary

Context

The rural economy encompasses a diverse range of industries. This report focuses on business activity ranging from growing food to processed product. Various definitions of self sufficiency have arisen over the last the last century and in an international market place with high demand for foods which can't easily be grown here, a pure self-sufficient food economy is too simplistic to countenance. A more important measure of sufficiency is probably food security, defined by DEFRA as "consumers having access at all times to sufficient, safe and nutritious food for an active and healthy life at affordable prices."

This report's focus is on the training needs of farming, food and drink processing businesses in Norfolk & Suffolk. It attempts to highlight the critical skills factors which could make a difference to the rural economy, looking at the local context for the farming, food and drink manufacturing sectors and talking to businesses and colleges about the key skills issues facing them.

Telephone Research and Visits

For this report we carried out both telephone interviews and company and college visits to gain a better understanding of the skills issues facing the rural economy. Some of the findings from these interviews are mentioned below. A more detailed discussion is contained in section 3 of the report.

On Apprenticeships..

Many of these businesses do not yet believe that apprenticeships are relevant to them. They believe they are for traditional trades, and for big companies. But even those food manufacturing businesses who currently have a shortage of engineers do not believe the answer lies in apprentices. They want ready qualified staff to employ not young people to train. This suggests that a multi-skilling course for older unemployed engineers could be highly valued by employers in the region.

Of the 25 businesses contacted only a very small percentage actually had experience of apprentices either currently or in the past. The most popular reason cited here was 'we're too small'. Several companies interviewed, were indeed micro businesses who felt they had neither the work need nor the skills level required to justify taking an apprentice.

On the whole the use and awareness of apprenticeships seemed poor; there seemed to be an assumption that apprenticeships fitted only the traditional trades. 'Oh I don't think that's for us' was a popular response.

A number of companies expressed openness to apprenticeships should the college put forward any willing candidates or make contact at all.

The Training Association does not offer apprenticeships because they don't currently fit in with the company ethos of delivering short upskilling programmes which employers seek. But Jo Bruce believes that training associations such as hers, could provide a vital bridge between employers and colleges especially for marketing apprenticeships. With a client base of hundreds of small rural companies, they are in an ideal position to market apprenticeships but Jo is concerned about the quality of the training on offer – and would need to be reassured that it was a good offer before taking it to her clients.

Several companies believed there were insurmountable barriers to taking on apprenticeships as expressed below:

“If a good lad came to me looking for an apprenticeship I'd say yes, but it's about the quality of these candidates, someone who is going to be good and put in the work” (Pig farmer in Suffolk)

“our apprentices would need transport because of our location, the college seem to have quite a few individuals who would like to be on an apprenticeship but the location is a problem”. (Drinks company in Suffolk)

“If there were young people who wanted to learn our trade - in fish - then we'd be interested, it doesn't seem to interest many of them though” (Fish Merchants – Suffolk)

Chris Bushby (from the Suffolk Agricultural Association) is a big supporter of apprenticeships but surmises that many don't stay the course. Equally he believes that many students coming out of college do not have the appropriate skills, aptitude or attitude for the farming sector, a theme taken up by several other interviewees.

However Chris does not see this as a simple one way equation. Farming businesses fail to sufficiently reward young people coming into the sector and the perception of farming continues to be poor – manual labour, long working hours, and few career prospects often cited by students as a reason for choosing other sectors. This in itself is interesting, since much farming work these days is mechanised, requires highly skilled labour and can command excellent salaries from day one. Tractor drivers, for example, may well start on a pro-rata of £30,000 per year.

Qualified Engineers not Apprenticeships..

“We do food manufacturing and production, our apprentices are engineers. We have problems recruiting engineers but that's got nothing to do with the shortage of skilled engineers. Our engineering skilled workers shortage cannot be addressed through apprenticeships. We need qualified engineers now”. (Large Food Processing Company – Norfolk – which does employ many young apprentices).

Multi-skilled Engineers...

A continual challenge for the farming industry is the availability of multiskilled agricultural engineers. Engineers are in short supply across several sectors and farming is often the sector of last resort for qualified engineers from a different industry background. This suggests that there is a case for running courses specifically for multi-skilling engineers for the agricultural sector. If this could be combined with the needs of the food and drink sector (see e.g. Copella below), it may be possible to achieve viable numbers for course delivery.

This point is reinforced throughout the report several times:

“Our engineering skilled workers shortage cannot be addressed through apprenticeships. We need qualified engineers now”. (Large Food Processor – Norfolk)

“There is a real lack of multiskilled engineers and this is something other food and drink processing companies are also looking for.”

“Getting multi-skilled engineers is a continuing challenge for this company (anon). Older unemployed engineers who retrained to become more multiskilled would easily gain employment. The ideal profile for these vacancies is an older engineer who has retrained to provide engineering support across a range of functions.”

One area where Copella have been less successful in recruiting staff is in multi-skilled engineers. The profile of an ideal candidate for Copella is someone who is an experienced mechanical engineer and who has upskilled to incorporate electrical engineering into their area of competence. Angela Wood, HR and Training Administrator for the Boxford Site, insists that there is a real lack of multiskilled engineers and that this is something other food and drink processing companies are also looking for. But she has had no success in trying to engage colleges in this discussion. Finding the right contact at the college, ensuring an appropriate learning environment for mature engineers wishing to learn new skills and being able to provide courses to fit around a 24/7 business, which might mean classes in the evening or early morning would enable Copella to find and create the talent pool that they need.

One of the key recommendations of this report is that the Employer Skills Board should look at the components required to create a course for engineers to enable them to become multi-skilled and fit for employment in a range of sectors – from food and farming, to manufacturing and energy.

On labour and economics – A View from Suffolk Food Hall

Over the last 20 years employment on farms has significantly declined – a 2000 acre farm for example might have employed 15 labourers whereas now that land will require just one skilled worker. At the same time global crop yields have grown substantially (by 115% between 1967 and 2007 according to the Beddington Report - Future-of-Food-and-Farming 2011). Diversification is not just about increasing

profits and managing risk; it is also an excellent way of creating employment. New Suffolk Food Hall employs 55 people – significantly more than are employed on the family farm.

Butchery – A dying Art? – The Meat Ipswich View

The average age of British butchers is 59 according to Jane Dale – Owner of Meat Ipswich. So there is a huge amount to do to ensure that the next generation of butchers are trained. However Jane Dale comments on the state of the retail butchers market by referring to the change over the last 20 years. “In the 80’s and 90’s there were around 24,000 butchers shops in England. That number has now dwindled to just 6,000”. So whilst training young people in the trade is certainly important, the urgency is somewhat mitigated by the substantial fall in independent vacancies. Of course supermarkets will have their own butchery training requirements but much of the boning work is now done in meat processing factories by semi skilled meat labourers and those who train up to serve customers in supermarkets usually have to multiskill across a range of food preparation areas.

Specialist butchery, could become a dying art if independent butchers don’t find a new generation of willing apprentices to learn the trade and take over the retail businesses.

On the need for colleges to respond quickly... A view from Bernard Matthews

“Marks & Spencer won’t wait for us so why should I have to wait for a college” is Bryan Hurst’s riposte when asked about working with the local FE sector. Bernard Matthews used to do more work with a local college but now much of that has either been taken in-house or has been contracted out to private providers. Responding to employers needs is rarely the key focus of a college (whose key client group are government funded full time students). So it is little surprise when they don’t manage to deliver training specifications at the right time or the right price. However EAGIT was signalled out for praise. Bryan has had five engineering apprentices through EAGIT and is pleased with the results; “very good, a change for the better” he remarked.

Training Provision Visits

The report notes that there is a mismatch between what employers need and what colleges provide. The rural economy is an interesting case because there have been two training schemes aimed at providing employers exactly what they need: Beyond 2010 covers 10 sectors including food processing, and is aimed at SMEs with business critical skills needs. The Rural Development Programme has a scheme for land based businesses or businesses operating in the countryside, to train staff in anything they need. These two programmes are briefly discussed below (Is there a Skills Problem), and in the report at the end of section 3.

Rural Economy

The Farming and food economy is worth some £86 billion to the UK economy. A fifth of land based businesses in the UK are based in the South East according to Lantra (2010/11). Norfolk and Suffolk are both vital to the food supply chain – providing much of the country’s cereal output and also producing large amounts of processed food and drink. The two counties rural economy provides employment for some 27,000 people, 52% and 48% in Norfolk and Suffolk respectively.

The food sector highlights the contradictions evident in attempting to match the supply and demand of skills in any one sector. Whilst there are many highly skilled jobs in food processing one cannot avoid the 48% of low skilled labour required for the industry to deliver its produce to the supermarkets, fast food chains and other outlets on a daily basis.

In the farming, food & drink processing sector most training is compliance related, which isn’t surprising given the onerous amount of food safety legislation and the need for extremely high standards of food hygiene required by the principal buyers – the powerful supermarket chains. However, it would be misleading to give the impression that this sector only trains people to comply with outside pressures. In many companies there is a culture of training and development which pervades the organisation.

Migrant Labour

One can’t avoid the question of migrant labour when it comes to discussing training the workforce of the food processing sector. Around 95% of Bernard Matthews factory workforce are non UK, coming from Poland, Portugal and several other EU countries. If these workers stay, and from Bryan Hurst’s experience, many do, then the investment in training (for example in adult apprenticeships) is worthwhile and a means of upskilling the future workforce of Britain. But if they return to their home countries within a year or two, then one has to ask whether the (government subsidised) investment has been worthwhile – especially given the shortage of public sector subsidies for the development of the future UK workforce. Although not necessarily a problem for Bernard Matthews, the question of subsidising training for short term EU migrant labour needs to be out in the open. It brings to the fore, the issue of the perception of the food processing sector, how to encourage young local people into the sector and how to influence employers so that they do more to provide clear employee benefits: this could include shorter working hours in the factory, guaranteed management training for those who want it; and subsidised travel for those coming from a distance. However, as Bryan Hurst points out, even these measures will not guarantee that British workers will not leave the industry.

Is there a Skills Problem?

Its difficult to describe the supply and demand of skills in the rural economy in Norfolk and Suffolk without sounding contradictory. On the one hand there are few skills gaps or shortages, on the other there is a skills crisis just waiting to happen. How can both of these views be true?

On the 'do nothing' side, the rural economy is less reliant on indigenous labour than ever before. Not only are complex machines (e.g. combine harvesters) doing the work of many labourers but migrant labour from Europe is plentiful. Add to this the fact that young indigenous students appear to have little appetite for work in any parts of the rural economy and one might well conclude that there is nothing to be done.

However this wouldn't be telling the whole story. Both the RDP training programme run by LandSkills East and the Beyond 2010 Programme administered by Food East attest to the huge demand for industry courses. Businesses from the rural economy are as keen as ever to up-skill, develop better management skills, and keep ahead of the legislative requirements for health, safety, pesticide control, animal welfare and other areas. Moreover, there is plenty of evidence to suggest that many businesses in food, drink or farming are keen to recruit multi skilled engineers but find it difficult to find such skilled personnel.

Apprenticeships too, are popular among agricultural businesses and Easton College has suggested a new model of delivery which will benefit the students, the businesses and the college; teaching on site at Easton for two terms and spending the final term (Easter) entirely at the farm is surely a good step forward. So whilst a 'do nothing' approach is the least ambitious and the least costly, a more interventionist approach could substantially grow the Norfolk and Suffolk rural economy. This could include a series of actions around multi-skilling engineers. The demand from businesses is evident. Although the ONS figures for October 2011 show that there are almost three times as many jobs sought as there are vacancies in Norfolk and Suffolk (29,885 sought & 11,363 vacancies notified), it is important to note that multi-skilled engineers consistently come up as a need among employers.

Perceptions of the Industry & Opportunities for the Future

As pointed out by Bernard Matthews training Manager Bryan Hurst, food companies have many kinds of job roles – from marketing and design, to accounting, HR and of course, training. But the sector often is seen as an homogenous entity – processing raw food materials into some processed form. Changing the perceptions of teachers students and parents about these businesses is a real challenge. It may be a good start to look at a rural economy marketing exercise, aimed at reshaping the image of farming, food and drink businesses to better reflect the changes that have taken place over the last twenty years.

The merger of Easton and Otley College also brings opportunities for re-branding and repositioning the education offer in the region. Many businesses we spoke to for this report referred to Harper Adams as the university of choice for young aspiring farmers – and many farming families in East Anglia rely on this kind of education to continue the family farming connection. However, with university education becoming more expensive, could there not be an opportunity for the new Easton/Otley group to deliver more higher education skills in short bursts (to fit in with the pressure of the farm working year) and at much less cost than a full-time university degree course? Easton College already has high credibility in the market

place – and presumably the Centre for Contemporary Agriculture could be an ideal vehicle to explore higher skills options for the farming community across the two counties.

Summary of Recommendations

1. Co-ordinate the elements required for a successful multi-skilling course for engineers
2. Undertake a 'rural economy' marketing exercise to reshape the perceptions of the farming, food and drinks sector in East Anglia.
3. As part of the above, encourage apprenticeships in this sector working with employers to identify key benefits.
4. Encourage Easton College to take a lead in designing more short higher skills courses aimed at the farming community in East Anglia.

