



Minutes of the Greater Lincolnshire LEP Food Board

20th January 2022

MS Teams

Present:

Sarah Louise Fairburn (Chair), Martin Collison, Rhonda Thompson, Richard Priestley, Mos Kalbassi, Oliver Shooter, Jonathon Oldfield, James Truscott, William Naylor, Gemma Clarke (New member), James Dallas, Robert Smith, Hugo Marfleet, Sharon Young, Simon Pearson, Mark Finn (New member), Neal Collishaw, Mark Suthern, Alan Metcalfe, Kate Storey (GLLEP), Caroline Illingworth (GLLEP, Observer) Amy O'Sullivan (GLLEP, Note taker)

Apologies and Declarations of Interest:

Apologies: Ruth Carver, Amy Conyard, Duncan Worth, Simon Dwyer, William Burgess, George Read, Matthew Naylor, James Arnold, Nick Hay, Mark Aitchison

Full declarations of interest for each individual Committee Member can be found at:

<https://www.greaterlincolnshirelep.co.uk/about/boards/>

Welcome and introductions - Sarah Louise Fairburn

Chair welcomed members to the meeting and new Members introduced themselves to the Board Mark Finn Lincolnshire CoOp; Gemma Clarke of Cope Seeds and Terrafarmer, apologies from Amy Conyard Next Frontier Brands (and Bottomley Distillers)

Round table discussion on next steps on labour supply - since the October meetings:

EFRA Select Committee continued work on labour & report due spring 2022 - GLLEP submission in annex 3 circulated prior to the meeting

- The EFRA Select Committee has been looking at this in detail, Simon Pearson, who sits on this board, has been Co-Chairing a review in the horticulture sector of labour supply with Defra and believe this report is due for release in 1-2 months.

DEFRA 24th December announcement of a 3-year Seasonal Worker Visa Route: 30,000 (+10,000 potentially) for horticulture, but tapering from 2023 and clear direction to industry to reduce reliance on migration and embrace a UK workforce, annex 2 circulated prior to the meeting Government wants industry to produce a plan to meet these aims

- Setting the minimum wage for the seasonal staff above the national living wage. Wage has not been confirmed but it could be £10.20, 8% above what the national living wage, equating to about £20,000 a year.

Key questions:

- Given the gauntlet thrown down by government to reduce reliance on migration over 3 years, what needs to happen or change to meet the challenge government has set?
- What changes could deliver more UK worker recruitment and/or support the introduction of more automation to reduce reliance on staff recruitment

Action: Martin to share comments into government via a submission to the EFRA Select Committee on 21st January - MC to action

Comments

RS - seasonality often focuses on horticulture however food manufacturing needs to be highlighted. Focus on homegrown labour rather than reliance on oversea workers and automation. We know automation needs to be increased, however, timescales are currently unrealistic as government need to gain a wider understanding of lead in times for investment in automation.

We need to consider highlighting examples of automation in this industry, in the county, a **PR opportunity**, to show to government those developments are happening, we are just waiting on the solutions.

SF - longer timescales are now needed to cater for lack of staff and extended delivery times of materials such as steel.

NC - same issues have been identified with getting materials, this has been severely delayed and will not be able to be implemented until May this year. We've also got robotics on order at Horizon robotic welding units which has been delayed. Although completely different - food production and manufacturing farm machinery, are having the same supply chain challenges. We have committed £5,000,000 over the next three years in automation and are trying to move forward with the developments as quickly as possible.

People and the skills are not available, particularly within manual welding roles, and the cost of salaries are rising every 3-6 months to retain and maintain production

SF - Measurables for central government - what's the value of hours as a sector? How much is the sector? Are we investing in robotics? Over what period? So, it shows the strength in terms of what we're doing as an industry, however, there is still a gap, even with a significant amount being invested.

JT - £6,000,000 invested, which will arrive next summer. We have 3 factories, which we cannot automate all at once. Workforce would be gradually reduced over time for existing operations

KS - Work on mapping investment has been undertaken and we can use to build a campaign although mindful of balancing that still need support.

Action: **Volunteers for headline case studies to share interest with Kate Storey**

HM - Good strategy but the supply chain is a mess. There are challenges with importing, and process for sending pallets of goods is more complicated. We need the finer details of Brexit tidying up and revisiting.

RT - Farming investment funds amount offered is not enough for the way in which the government want us to innovate. [Farming Transformation Fund Improving Farm Productivity grant - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/news/farming-transformation-fund-improving-farm-productivity-grant)

[Farming Investment Fund - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/news/farming-investment-fund)

The NFU have been contacted by a secondary school in Boston who have been given £2million funding to enhance their curriculum. Reached out to Riseholme College to put a proposal together, how they could link up with the secondary school to deliver agricultural education. Next meeting will be in February, and updates will be given at the next Board meeting

Action: **KS to invite Clare Hughes to next Food Board meeting to discuss skills, funding, and cross-board collaboration**

Action: **Enterprise Advisor opportunities to be shared with Board within bulletin**

SP - What are the policy measures to implement the recommendations? We need government intervention to create new technologies and innovation. We have been voicing this need for 3-4 years with only small interventions actioned. There is a lot of focus on net zero, and we won't be able to reach this, without our industry.

A review of packhouse automation is being funded by charitable trust, the Gatsby Foundation - University is consulting with several businesses in the Lincolnshire area, with LIAT leading. The initiative, investigating the STEM skills which people need to help them adapt automation within packing environments will report by June 2022.

Action: MC - volunteers in the supply chain (supplier and user side) to feed into the review are welcome, please share interest with Martin

WN - different levels of support are being offered, often with foods processing and food manufacturing being overlooked and horticulture being the focus.
Currently have 1000+ vacancies across our 9 factories in South Lincolnshire, with possibility another 1000 when seasonality is factored into the roles.

SF - succinct page of statistics needs to be created to show clearly where and how much were investing in automation, but also what our main challenges are as a contributing factor

RP - Automation still needs staffing input. Lost 10% of workforce due to competing companies such as Amazon. What we require has not been given full recognition and does not recognise the overall scope of the challenges we are facing.

SF - If we don't retain that business, where would it go, and would it be in out of the UK? So, what will the UK be losing if we couldn't compete to other countries?

SP - Compelling case studies to be created voicing the concerns of businesses losing out to Holland etc and food inflation, to add weight to our case

RP - There is still a lack of understanding of how the food supply the food chain works, and that's a real challenge because it's viewed very simplistically

MF - Suppliers have already indicated to retailers that ranges are going to shrink. Inevitably they will focus on ranges that are more profitable.

SF - links in with IGD to obtain rich data from the main retailers

Action: MC - to invite IGD representative to next Food Board meeting

If Board members feel as though any information has been missed, please do inform Martin or Sarah (Chair)

LEP Updates:

Headlines on actions taken by the LEP and UK Food Valley team and Q&A

Successful £430,000 bid for the seafood sector - part of UK Food Valley - launched 13th January 2022

Land for food chain development - demand for glass houses and trying to source land for fish and insect farms. Interested to hear from businesses who may have space available.

LEP focus on food sector, but also Energy sector, particularly around renewables. Keen to identify the needs within the energy sector, both to make sure we have the supplies that we need, but also to drive the low carbon agenda. Interested to hear from businesses on how we can link up more with the Energy sector

Interest from Midlands Engine embracing the food sector. What is it that we need support with? Currently pushing transport, energy, water, innovation, and skills.

JO - low carbon transport - How do we ensure that that that fleet can be a low carbon fleet as it as it moves goods around our county?

Action: Agreed need across the industry to focus on securing support to develop a Low Carbon transport and logistics programme, potentially a national pilot, **MC to discuss with University and LEP colleagues.**

Round table discussion on priorities for 2022:

- What impact is Covid/EU exit having on the industry currently, & are government actions helping (e.g., priority Covid testing)
- What areas (in addition to labour supply) does the food industry need help with in 2022?
- What one change could government make which would benefit the development of the industry?

RS - increased workload on businesses to keep their workforce safe. Not a lot of support given from government for COVID or EU exit, resulting in significant administrative burden and costs.

MC - potential to rebuild export trade? Where does the government need to drive more exports?

JO - Due to inflation, we are seeing that energy costs and labour shortfall, driving costs up; reducing exporting because of a commodity market. If your costs are higher, you will not move the goods in the same way to previously. Availability of vets has limited meat exports to the EU

GC - Importing well, however, exporting has led to significant additional costs and time constraints, frustrating to try and address demand in the UK. Lost contracts due to increased timescales.

Action: Case study to highlight border challenges from GC

RP - life span of products needs to be taken into consideration with additional time constraints

JT - we are focusing on sustainability but finding more barriers within the Environment Agency processes to develop business opportunities

RT - Vegetable growers in South Holland took part in carbon audit. Results to be presented at event in May/June to show what they found, what they've done, and what changes they're going to bring to their farming operations moving forward.

Action: **RT to invite Board members to event**

MC - Logistics and supply chain function - are we still seeing pressures around drivers or not?

Challenges were raised regarding varying sizes of vehicles transporting the goods, resulting in the push for decarbonisation and overall industry efficiency of moving to these larger vehicles. Unloading of the goods was also discussed, surrounding the varying levels of health and safety requirements depending on the size of the vehicle.

AOB

What do members want future meetings to focus on?

Future meeting format (quarterly, virtual and/or face to face when circumstances allow)

Face to face meeting was agreed, with blended virtual approach. Next meeting focusing on logistics, transport, and the low carbon agenda.

The meeting was closed.

Date of next meeting

12th May 4-6pm