

Norfolk and Suffolk Agri-Food Industry Council Meeting

Date: 19 June 2020

Time: 1000 - 1130

Location and room: [Via Zoom](#)

Our vision: The future is a place where we make a telling contribution in growing the agri-food sector in Norfolk and Suffolk

Our vision is to be a shining beacon of how an LEP industry council supports its sector and businesses. As a result of our activities, the agri-food sector in Norfolk and Suffolk will become bigger, more prosperous and more economically and environmentally resilient.

Our mission: We will get there by maximising opportunities to generate economic prosperity

The Norfolk and Suffolk Agri-Food Industry Council's mission is to help our sector thrive and grow. Providing clear and demonstrable value, the Council will drive the delivery of the Industrial Strategy and Sector Deals, which will strengthen the agricultural and food sector in Norfolk and Suffolk, reinforce its economic prosperity, support its environmental objectives, and make it even more attractive to those who want to work, and invest, in the sector.

In attendance

Doug Field (Chair)	New Anglia LEP	Madeleine Coupe	New Anglia LEP
Philip Ainsworth	Suffolk Agric Assocn.	Emma Taylor	New Anglia LEP
Charles Hesketh	NFU	Robert Gooch	The Wildmeat Co
Jonathan Clarke	JIC	Andrew Fearne	UEA
Rachel Brooks	CLA	Clarke Willis	Food Enterprise Park
Greg Smith	RNAA	Nigel Davies	Muntons
Viv Gillespie	Suffolk New College	Martin Collison	Collison and Associates
Corrienne Peasgood	City College Norwich	Andrew Francis	Elveden Estate
Ben Turner	Ben Burgess and Co Ltd	Allan Simpson	Anglian Water
Jasmine Joolia	Suffolk County Council	Alex Dinsdale	Agri-TechE (secretariat)
Kate De Vries	Norfolk County Council		

Minutes

1	Welcome from the Chair; apologies and roundtable introductions (<i>if needed</i>), minutes of the last meeting; approval and matters arising	1000 – 1010	Chair / all /
	Following a welcome from the chair, he briefly introduced New Anglia LEP's Restart report and the continued focus of the LEP staff on the recovery. Minutes from the last meeting were approved and there were no matters arising. Apologies were received from Sarah Lucas, Belinda Clarke, Barry Chevalier Guild		
2	State of the nation: Context and how information is used	1010 – 1015	Chair
	The chair thanked the Council for their continued feedback and explained how previous 'state of the nation' input had been used to identify challenges and inform support and recovery, both locally by the LEP and nationally through feeding it up to HMG. The chair explained that the LEP's focus was on both stability and growth.		

3	State of the nation: Norfolk and Suffolk farming and food update	1015 – 1055	ALL
<p>Members of the Agri-Food Industry gave feedback and updates on their experiences of the impacts of the pandemic on the sector. For the purpose of the minutes, these have been grouped into themes.</p> <p>Agricultural incl. rural crime, inputs and weather</p> <ul style="list-style-type: none"> • Cut flower sector was hit very hard but has begun to rebuild and has now returned to near normal. • Garden centre trade has taken a lot longer to come back. Garden centres opening on 13 May has begun to address problems but hasn't addressed impact for earlier losses around Easter, so there are major cashflow problems for some. • NFU-led petition (to require food imports to have been produced at equivalent standards to British food) has reached 1million signatures. MPs in East Anglia have received around 8,000 emails on this subject, which is also gaining momentum with the Lords and backbenchers. • A Defra report published recently showed that East Anglian farmland receives the highest income on a per hectare basis. • There is high levels of rural crime, from opportunist garden thefts to organised crime stealing machinery. Additional patrols from police rural crime teams have helped. There are reports of increased flytipping. • Many research institutes still closed, meaning that on-farm trials that farmers are running aren't being serviced. Farm businesses are having to take a lot of the wok on themselves and hoping not lose our on effort and investment already made. However, the John Innes Centre is reopening, so it's likely that research input will be back on track shortly. • Raw materials supply is generating challenges, especially around building materials. For example, one business reported challenges in obtaining shed panels needed to repair a grain store. Concern exists about how businesses will adapt and trim back capacities while maintaining supply to businesses working at normal full capacity. • Farm businesses are voicing concern at 2021 inflation for next year's crops; some have reported that they are already seeing 4% for pesticides which will add cost to new crops. • Weather resilience as always is a challenge, and impacts of the extremes of wet and dry we've experienced over the past several months continue to be felt. • Low demand for potatoes (due to the earlier closure of the foodservice sector) is causing storage and on-farm difficulties • Supply and demand in general (agricultural supplies and machinery) have continued at a trickle during the crisis rather than shutting off completely. • Tractor sales have dropped but downtime has given the equipment sales industry time for training – John Deere is providing free distance learning and training for it's dealer staff, for example. • Council members believe the ongoing uncertainty around Brexit arrangements and slow progress with the successor funding schemes for agriculture, are a considerable concern to the sector. Major sector bodies are feeding in strongly to Government on this matter. • Public behaviour in the countryside, including issues around littering and fires/barbecues, is a concern, which has increased since lockdown. The CLA has written to the Education Secretary requesting that the Countryside Code is taught in schools. <p>Food processing, retail and supply</p> <ul style="list-style-type: none"> • The Food Enterprise Park about to launch new brochure and continues to generate interest. Plans for the Food Innovation Centre workshop are also moving ahead. • Businesses report that orders are running 200% for past few months but now beginning to stabilise and return to normal. • Only 50% above normal now, hoping demand levels continue at current higher level rather than dropping to pre-Covid levels. • One member reported that his egg business was still seeing strong demand in both retail and wholesale. • Food service and manufacturing beginning to recover; slow return to normal. • Food and homebrew sectors are buoyant and recruitment is underway to keep up with these sectors. 			

- Breweries are returning to production sooner than expected. The likely re-opening of pubs and cafes in some form was welcomed.
- Craft brewing sector has taken massive hit; not confident all businesses will come back.
- Flavours Connexions has done its job in re-focusing supply chains. Demand for shifting and distributing food product has settled down as distribution networks re-emerge.

Business environment and staff / labour

- Malting sector is extremely busy and expecting huge increase in demand when restrictions removed.
- Malting business has robust work at home and on-site measures in place. Online events are easier to attend and are achieving high numbers, which helps with training and CPD. Examples of how businesses are adapting to changes include a clear desks policy making them much easier to sanitise every day and only every other desk used. Personnel temperature checks on-site have built confidence in the workforce.
- One business reported that - capital projects have continued after initial blip but taking about 30% longer than previously.
- Businesses need to rebuild margins; many have seen costs increase and margins decline so big focus on productivity, automation, labour, how supply chain works in order to rebuild margins.
- Changes have come quickly in supply chain and distribution, businesses need to work hard to respond.
- Many food businesses want to increase proportion of UK input and enthusiasm too for supply chains to be simpler to help reduce risk.
- Council believes that consumer demand over next few years will focus on downward pressure on prices as people short of cash and unemployment increases, so premium end of market likely to struggle.
- Interest in opportunities to capitalise on a new emphasis on diet and health, with the expertise at Quadram Institute coming into play..
- Political and consumer enthusiasm to rebuild in a 'better way' means activity around single use plastics and other sustainability activity will shortly be back on the agenda. Businesses need to bring their focus back.
- Likely downward pressure on food prices in the coming months, due to increase in unemployment, and power of multiples will put pressure on small local food brands. Recent successes seen in independent food businesses will be undone without strong consumer action, and we'll see further consolidation and loss of diversity in the marketplace.
- G's Growers and Place UK both positive about British workers, proportion of which has increased from 0 - 25%. Some East European staff returning but both businesses quite relaxed about staffing levels for 2020.
- Retail and industry are now all preparing for Christmas and planning how to manage it with social distancing.
- A retail business reported an average number of applicants per vacancy has increased tenfold.
- SME retailers are at capacity with packing and shipping – the danger exists that they don't have time for longer term strategy and development.
- Investment in automation and digitisation is needed to support innovation and physical infrastructure improvements, necessary to maintain competitiveness.

Water

- Information circulated nationally by Water UK confirms that the UK is currently seeing the highest ever demand for water. People are using on average 20% more water, due to personal hygiene (Covid) and also watering gardens. Peak demand is 6pm - 10pm. Extra demand not generally an issue for reservoirs but is a challenge for distribution around networks.
- A national campaign is in development to put water on the agenda before summer demand peaks.
- Anglian Water has launched the Positive Difference fund via Community Foundations –£1m across whole region for community groups to bid into to help protect the vulnerable from Covid and impacts.

Brexit and Trade

- Members commented that the border issue is a real problem, only around 10% (border and customs) staff are trained and time is short.

- It is also unclear where border points and posts will be, and which food products will require these border checks.
- There are real concerns around these shortfalls in personnel and training in border controls and customs post-Brexit. Tens of thousands of regional businesses (including many food and ag businesses) rely on trade and border delays / problems will cause severe further difficulties down the line. It was suggested that the LEP look closely at this area of career opportunity and recruitment for school leavers.
- Concerns still exist about the impact of trade changes on UK agriculture.

Skills and education

- Questions remain over where long-term staff skills will come from in post-Covid food supply businesses.
- None of the agriculture apprentices have been furloughed locally that we are aware of.
- New Anglia LEP will be rolling out a Morrisons apprentice levy share scheme in Norfolk and Suffolk.
- Generally apprenticeships are 75% down but not in the agricultural sector where numbers hold up. It was warned that there will be a big impact if HMG doesn't fund apprenticeships next year.
- Suffolk New College is back up and open for certain activities; students are still to be assessed over summer and the college has opened up in a very measured way, such as with very small group sizes.
- As unemployment rises, colleges are expecting to see increases in student numbers in the autumn, but numbers will fluctuate according to availability of employment.
- Concerns exist around numbers of agriculture students for the coming year; marketing / exposure opportunities such as Royal Norfolk and Suffolk Shows have not happened and colleges don't expect to see high numbers of agriculture students in the autumn.
- Suffolk New College has been undertaking community work such as donating PPE, selling plants for NHS etc.
- School leavers haven't got jobs to go into so UEA applications still high.

Public sector

- LEP, County and District Councils are all working on recovery planning, and maximising available funding for businesses, including from pooled business rates. Issues for public sector include the need to focus on innovation needed throughout supply chain, together with infrastructure; planning and transport need to be fit for purpose, including energy and water, so that required growth is not constrained by infrastructure.
- The sector is currently providing training grants, supporting recruitment. There is a considerable focus on school, college and university leavers and their transition to employment challenges.
- IoT innovation network virtual will launch this summer; innovations from it will include measures to help tackle rural crime.
- Looking at tech adoption and skills development in tourism and other sectors.

Shows and events

- RNAA Local Flavours event likely to happen over 2 days with timed appointments, social distancing, potentially at the end of October. Royal Norfolk Show cancelled, and concerns about planning for 2021.
- Suffolk Show cancelled and Suffolk Skills and Careers Festival, planned for October has been repurposed as a virtual event.
- On the 1st and 2nd of July there will be activities in lieu of the Royal Norfolk Show itself, including a virtual Innovation Hub run by Agri-TechE.
- In July RNAA begin a series of drive in events including cinema, live music, comedy, and church.
- RNAA YIELD committee has organised some great evening Zoom meetings – helpful for those people isolated in farming whose isolation has been exacerbated by CV-19.

4	New Anglia LEP: Approach to recovery. Response, Restart and Rebuild	1055 – 1105	MC
<p>NALEP focusing on support businesses, with three phases of dealing with the crisis:</p> <p>1. Response: NALEP working closer than ever with businesses to support them. Programmes adapted to target Covid support. Weekly intelligence reports sent to Government to inform and influence. The LEP website has been expanded to include a Covid section, case studies on social distancing (including in food businesses) and job vacancies. Have introduced new grant schemes as reported in the Council paper.</p> <p>2. Restart – Initial restart plan being considered by LEP Board and County Councils this month, with input from Council members and others from the sector. It covers actions in the next 12 months, and will evolve.</p> <p>3. Rebuild – This has been a major economic shock and recovery will take time. A longer-term strategic document will be published in due course with 3-5 year plans to rebuild the economy. This will build on the Local Industrial Strategy and will be signed off by local partners and Government. The Council will have an opportunity to help shape the plan and its interventions.</p>			
5	Agri Food Sector ‘Voice’: Our approach to recovery and growth	1105 – 1130	ET ALL
<p>Emma Taylor, New Anglia LEP Feedback and intelligence from Council members has been collated and sent to BEIS and Defra, and we have feedback from Government that it has been very helpful.</p> <p>As we move into recovery planning, Emma Taylor set out a proposal to develop a standalone regular report on the agrifood sector specifically, to cover longer term intervention proposals and success stories. Council agreed to input into these reports when drafts are circulated.</p>			
6	ANY OTHER BUSINESS; DATE OF NEXT MEETING TUESDAY SEPTEMBER 15 TUESDAY DECEMBER 15	11.25 – 11.30	Chair
<p>It was suggested that the Council meets again sooner than the proposed September date, and ET indicated that a subgroup would be put together in the interim period to look more closely at developing the agrifood sector response, as explained above.</p>			

Actions from Norfolk & Suffolk Agri-Food Industry Council meetings

Date	Item	Action	Update	Actioned by	Target date
19/06/2020	Item 5: Agri Food Sector ‘Voice’: Our approach to recovery and growth	Circulate draft report for comment & input		ET	By September meeting
19/06/2020	AOB	Establish subgroup to develop agrifood sector response further		ET	By September meeting