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Agri-food in Norfolk & Suffolk

New Anglia Local Enterprise Partnership

This is a report from the Agri-food Industry Council for Norfolk and Suffolk. It aims to share successes and highlight challenges in responding to Covid-19, as well as stimulating discussion about the opportunities and initiatives we are pursuing for the future prosperity of our sector.

The content has been informed by consultation across our sector and suggestions for future editions are welcomed.

February 2021

Welcome from Corrienne Peasgood



*Corrienne Peasgood,
Chair of Norfolk and Suffolk Agri-food Industry Council*

Welcome to the second edition of **Agri-food in Norfolk and Suffolk**, a regular report from the Agri-food Industry Council, a sub-board of New Anglia Local Enterprise Partnership which brings together expert leadership from across the private, public and education and research sectors.

This issue provides a snapshot of the impact of Covid-19 and Brexit on Norfolk and Suffolk agri-food businesses, with some particularly sharp impacts on exports since January, and concerns about the systems and support needed to trade competitively. We set out some of the initiatives we have planned or aim to develop to move the sector forward.

We also take the opportunity to celebrate success, with case studies from local businesses and the Norwich Research Park, and some news stories which have put our agri-food businesses in the public eye nationally.

And finally, we look at some of our leading wine businesses, an area of growing opportunity for Norfolk and Suffolk as the changing climate makes East Anglian wine production increasingly viable.

Adapting to succeed: food business stories

New innovations and key investments continue, supporting our sector to remain resilient at a time of change



Fox Robotics

A mobile robot which could revolutionise the harvesting of fruit and other produce is being developed with funding from New Anglia LEP. The Hugo RT will be capable of operating outdoors and negotiating rough terrain to support fruit pickers and farmers and allow harvesting to continue uninterrupted by journeys to and from the field. Fox Robotics, based at Innovation Martlesham, near Ipswich, is behind the project which has been awarded £25,000 from the Eastern Agri-Tech Research, Development and Prototyping Fund.



Future Farm

An online marketplace which helps farmers find the best price for produce has received a grant from the Eastern Agri-Tech Growth Initiative. FutureFarm (www.futurefarm.ag) is a mobile trading platform which has been developed to provide an online marketplace to match demand with supply at scale, automatically seeking out suppliers/buyers for a farm's produce at the best price possible at the time. A grant of £60,000 has been awarded from the Eastern Agri-Tech scheme.



GCB Cocoa

Malaysian-owned chocolate company Guan Chong Berhad (GCB) has officially taken ownership of the former Philips Avent baby bottle factory at Glemsford, near Sudbury. The news followed almost six months of discussions with New Anglia Local Enterprise Partnership's recently established Inward Investment Team and represents a significant boost for the local economy. The company has said it will invest £62.2m in the plant, with up to 150 jobs created by 2022.

Research & innovation

Iron biofortification of wheat

• Introduction/overview

- Scientists at the John Innes Centre have developed a new wheat variety enriched with iron.
- Flour from the new wheat variety has double the amount of iron.
- The team used Genetic Engineering technology to create the variety.

• Impact

- The high-iron wheat variety addresses the persistent problem of iron deficiency and anaemia, a nutritional deficiency that particularly affects girls and women in the UK and other parts of the world.
- The high-iron wheat removes the need to add iron powder to flour and breakfast cereal.

• Collaborative opportunities

- JIC is seeking partnerships to commercialise the variety in countries that allow GM Crops and partnerships with breeders to develop new high-iron wheats using traditional breeding
- Learn more about the project at <https://www.jic.ac.uk/iron-in-plants-for-human-nutrition/>

• Contact details

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Agri-food in the News

A south Norfolk farm was featured in [The Guardian](#) after embracing regenerative farming with a project that restores degraded soils and aims to reduce and ultimately eliminate artificial fertilisers and pesticides.

Stuart and Rebecca Mayhew from Old Hall Farm in Woodton have turned their back on the intensive farming practices of the past. Large fields have become smaller ones, grazing fields sown with up to 20 species of grass to provide healthier food for the cattle, and arable fields planted with clover crops that help improve the soil.



Credit: Old Hall Farm



Norwich-based snack company Novo Farina attracted coverage from Channel 4's Food Unwrapped series when it featured the science behind its healthy range of snacks. The company launched around four years ago and produces pea flour which it then uses to make snack and meat replacement products for its Simpleas brand.

The show was given a glimpse behind the scenes at its factory in Bowthorpe and presenter Amanda Byram found out about the pea flour it produces from local ingredients.



Meat processor Cranswick Country Foods took three awards in the 2021 Food Manufacture Excellence Awards. The company, which has a base in Watton, Norfolk, and a poultry facility in Eye, won the Food Manufacture, Food Manufacture Large Company, and Meat, Poultry & Seafood Manufacturing Company categories announced on 11 February.

Cranswick invested £78m in its factory in Eye and last summer reported a spike of almost 20 per cent in sales due to more people eating at home during the pandemic.

Wine in focus

We have 30,000 hectares of vineyards in the UK and a recent PhD completed at the University of East Anglia identified the potential for a further 30,000 hectares to be planted in the region alone, due to the increasingly favourable climate conditions for wine, especially sparkling. Here we raise a glass to some of our producers.

Flint Vineyard

Suffolk producer Flint, owned by Ben and Hannah Witchell, has made a real name for itself since entering the hugely competitive sector five years ago with support from the LEADER funding programme. Wines produced from its vineyards at Earsham, near Bungay, are now regularly featured by writers like Oz Clarke and stocked by leading London merchants Berry Bros and Rudd. The business has won several International Challenge silver and bronze awards and received accolades for its sparkling Charmat Rose and Pinot Noir Precoce.



Credit: Flint Vineyard



Credit: New Anglia LEP

Chet & Waveney Valley Vineyard

Wine maker and grower John Hemmant planted the vineyard in 2010 in Bergh Apton, Norfolk, and considers the vines to be in their prime. Last year its 2018 Skylark blush sparkling wine, made from Phoenix, Seyval Blanc and the Regent grape, won the Sommeliers Wine Award (SWA) Commended Medal. John is keen to use non-mainstream varieties that have a distinctive bouquet and taste, but that are resistant to disease allowing less use of pesticides.

Wine in focus

Giffords Hall

Nestling in the heart of the Upper Stour Valley, Giffords Hall is a family-owned vineyard which was planted around 25 years ago on an ancient riverbed near Long Melford in Suffolk. Its sandy/clay soil produces quality grapes, high in natural sugars and acids, that lend themselves particularly well to both sparkling and dry, aromatic still wines. And Giffords Hall has consistently produced award-winning wines, including the Waitrose Trophy for most outstanding rose and National English Wine Trophy for its Bacchus.



Credit: Giffords Hall



Credit: Winbirri Vineyard

Winbirri

History was made when the 2015 vintage of Winbirri's white Bacchus became the first ever still English wine to win the coveted Best Single Varietal White Wine in the World at the eminent Decanter World Wine Awards. And last year, its 2019 vintage was voted the number one wine in the world at under £20 by vivino.com. Lee Dyer, who owns the business in Surlingham, south Norfolk, says: "I think Bacchus has to be the jewel in the crown and, more importantly, for my site as it just works so well here. The flavour profiles and aromas we can achieve here from our vines are second to none."

Imports and implications of EU Exit

From Norfolk and Suffolk agri-food businesses

Import logistics flexibility reduced

The new documentation required means consignments need to be pre-planned and the combination of products on each lorry fixed at an early stage to ensure documentation is correct. Previously, efficiency and speed of transit relied on highly-flexible logistics loading – the pressure on supply chain teams is now considerable.

Implications for smaller businesses

Larger companies have been assembling and planning the new paperwork for export and import for some time and have access to the support of customs agents. Small companies do not have the resources for this, and it is difficult to find customs agents with the capacity to assist.

Protein sources for animal feeds

Protein import, especially soya, is especially crucial for the pig and poultry sector. There are plans to replace soya with UK-grown protein substitutes for birds later in their growing cycle, but soya is crucial to our meat production, with prices high and import times critical.

Ports delays for just-in-time supply chains

For eggs, poultry, vegetables and fruit, every hour of hold up is critical for freshness and shelf life. The huge delays still in evidence at UK ports are creating enormous issues, resulting in more expensive and less fresh products on the shelves.

Exports and implications of EU Exit

From Norfolk and Suffolk agri-food businesses

Export to Northern Ireland – and potatoes issue

Norfolk and Suffolk export significant quantities of chipping potatoes direct from farmers into Northern Ireland for chipping in fish and chip shops. Supplies have been getting through but slowly, with expectations that initial flexibility around forms and certification will be ratcheted up soon. The ban on exporting seed potatoes does also have an impact on our potato industry with concerns that negotiating the right to export seed potatoes to the EU may take some time.

Pork export concerns

Issues with exports of animal origin are affecting many of our businesses, with a particular concern around the cull sow trade and export to Germany for use in charcuterie. We have a number of major exporters of pork in our area, including Cranswick Foods..

Paperwork and shipping – issues for small businesses

Export issues for smaller businesses are especially acute and they have fewer resources to resolve them. Certification paperwork, invoicing changes and issues around tax and shipping costs are all highly complex and add cost which easily makes sales unviable. This not only affects small firms, but also larger businesses which only export a small proportion of their products and for whom it isn't cost-effective to make the investment to overcome the barriers.

Tech solutions for export and import management

There are some emerging tech solutions and systems which may help smooth and improve paperwork and systems processes and these need to be explored and accelerated, potentially with support and incentivisation for smaller businesses.

Agriculture – trends and challenges

From Norfolk and Suffolk agri-food businesses

Funding gap for farming businesses

The reduction in basic payments from 2021 and the proposed increase in environmental and welfare standards in farming leave our farmers with considerable uncertainty about the viability of their businesses. There is concern about the delays in implementing and testing the ELMS system, and a belief that increasing our food standards will result in unwelcome price increases for consumers, which may make UK food uncompetitive.

Diversification – challenges and opportunities

Farms which have successfully diversified into tourism have seen this income fall away for much of the last year, although demand during the summer of 2020, when restrictions were lifted, was very high – Norfolk and Suffolk were popular ‘staycation’ destinations. This trend looks likely to continue, and projects and initiatives to enable and support sustainable tourism venues and accommodation in farm businesses will be welcomed and encouraged.

Harvests and extreme weather

Climate change is continuing to contribute to challenging weather conditions – with issues from both drought and flooding as extreme weather events continue to dominate. This affected yields in 2020, and continues to present challenges globally in terms of supply and pricing.

Pests and diseases

The loss of certain active ingredients has had significant yield and income challenges for oilseed rape and sugar beet crops, due to the ravages of cabbage-stem flea beetle and virus yellows respectively, and reinforces the need to transition from synthetic solutions into integrated and ecological approaches. Experts on Norwich Research Park are involved in seeking solutions.

Food retail and hospitality

From Norfolk and Suffolk agri-food businesses

Challenge from ongoing reduction in food service

The food service and hospitality sector continues to be hit hard, both from lockdown and a stop-start winter, and uncertainty around restrictions. Noticeably fewer pubs and restaurants are offering a takeaway option in the latest lockdown, and some permanent closures are beginning to occur. However, there are success stories, with 'Dine at Home' and ready meal options proving popular and publicised via social media.

Beer switch to retail

Some brewers have switched production to pre-packaged for sale in supermarkets, while others have negotiated sometimes complex rules around sale of alcohol to enable online direct sales to loyal customers. The poor harvest has affected raw materials for the beer industry.

Food retail and direct delivery

Farm shops and other direct outlets for local food sales continue to see strong demand, and many are growing their businesses and facilities in anticipation of some of that demand continuing in the longer term. More farms are introducing direct sales for meat and other produce, often with local deliveries aimed at supporting families in self-isolation but enabling short supply chains for quality produce with potential to support business resilience for smaller farms.

Agricultural Shows and tourism

The cancellation of the Suffolk Show and Royal Norfolk Show in 2021 will have considerable knock-on impact on supply chains and local agri-food income. Food service and artisan producers will continue to be affected by the lockdown, although there is the expectation of a bumper tourist season in Norfolk and Suffolk once restrictions are relaxed.

Workforce, Skills and Education

From Norfolk and Suffolk agri-food businesses

Seasonal workers scheme is welcomed

Norfolk and Suffolk fruit and vegetable businesses, including major players like G's Growers, have historically relied on EU workers to pick their produce. In 2020, around 25% of that workforce was successfully replaced with UK workers and G's is planning a further UK recruitment campaign in 2021. The ongoing Seasonal Workers Scheme is welcomed by Norfolk and Suffolk businesses to ensure continued access to an experienced workforce, although there are concerns that Covid will deter some workers from entering the UK. There is disappointment that the ornamental horticulture sector has not been included to date in the seasonal worker arrangements.

Apprenticeships

The agri-food sector is not seeing the decline in apprenticeships of 75% reported across the wider economy, with starts in this sector remaining stable and no apprentices furloughed. New initiatives to encourage and support apprenticeships are now up and running in Norfolk and Suffolk to support the pipeline of young people into new opportunities.

Land-based education

The New Anglia Skills Advisory Panel has identified land-based education as an area where it wishes to improve take up, especially for the higher education offer at local colleges.

Adapting to change

Projects and initiatives in development

Food Innovation Centre

To stimulate innovation in our food sector, a Food Innovation Centre is being developed at the Food Enterprise Park, near Norwich. An ambitious project from Broadland District Council in collaboration with UEA, Hethel Innovation, Quadram Institute and other locally-based sector specialists, it will provide bespoke food business units and an Innovation Hub offering innovation business support. The new Centre is due to be launched in 2022, with a linked programme of innovation activity in food businesses from spring 2021 to 2023.

Food and Health

Work is ongoing with the LEP, Norwich Research Park, local authorities and businesses to develop investment propositions based on the food and health agenda, which is a Norfolk and Suffolk strength.

Business opportunities

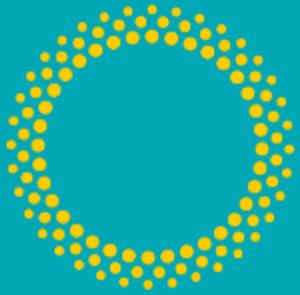
Our agri-food is being supported through New Anglia Growth Hub, Invest East and other key projects and programmes, with collaboration across the sector, the LEP and partners, to ensure businesses have access to the support they need. A new source of support and funds is the DRIVE programme an ERDF-funded business support and grants initiative from Norfolk and Suffolk County Councils with an emphasis on supporting rural businesses to thrive.

Tools to Thrive

Looking for Opportunity to make the maximum contribution

We are also seeking opportunities to:

- Encourage, scope and fund further **major processing projects** in the New Anglia area, including those from consortia of companies, inspired by the success of the Condimentum project. We are actively looking for projects which help stabilise and support supply chains, especially responding to new opportunities as trading routes and sources change.
 - Develop capacity to deliver advice and support to food businesses to help them **operate digitally, realise new supply chains** and re-scope their business models. The Food Innovation Centre project will provide some clear focused support for innovating businesses from 2021-23 but a broader package of advice and associated grants will be needed across the sector to mitigate the challenges presented by recovery from the pandemic and adjusting to post-Brexit trade arrangements.
 - Realise ambitious proposals for **natural capital interventions**, which enhance and improve the natural capital in our area, and deliver net carbon gains. We are especially keen to support regional natural capital planning initiatives from Water Resources East and Natural Capital East and to ensure effective collaboration between the farming and environment sectors.
 - Seek a clear understanding of **future trading opportunities** for sector businesses, and develop **import substitution options and alternatives** to meet emerging demand.
 - **Invest in robotics and other technological solutions** which improve productivity and increase competitiveness in our businesses
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