

# **Rural and Land based Businesses and the take up of Train to Gain**

## **Contents**

3. Introduction

4. Land Based Skills - an Overview

9. The survey

11. Train to Gain – Sector event “Growing your business”

12. Findings

13. Recommendations

14. Conclusions

15. Appendix 1 – TNA questionnaire

17. Appendix 3 – agenda for sector event

\* Appendix 2 – Survey results (separate attachment)

## **Introduction**

The Devon Rural Network has been commissioned to undertake research into the training needs of the land based sector in Devon and how this sector links into Train to Gain.

The research has two elements, firstly a desk top study of the sectors needs undertaken internally by DRN staff and an industry survey undertaken by the Agri-BIP team whilst attending local shows and workshops during the year. Further an event was run by a partnership of Train to Gain, Lantra and BIP to promote Train to Gain to the sector.

This report is split into 3 main areas, firstly the desk top research, an analysis of the survey work and report on the event, conclusions from the research and finally recommendations to increase uptake of Train to Gain by the sector.

## **Land-based Skills – An Overview**

There is currently a wealth of research available on the skills needs, gaps, and issues in the land-based sector in the South West. The most comprehensive analysis of the information available has been conducted by Lantra, the Sector Skills Council for this sector. As part of the Sector Skills Agreement process, prompted by the Leitch review, they have analysed surveys, statistics, and reports, generally on an England and regional scale, and also by specialised industry of which Lantra have identified 17. These are:

- Agricultural livestock
- Agricultural crops
- Animal care
- Animal technology
- Environmental conservation
- Aquaculture
- Farriery
- Fisheries and fisheries management
- Trees and timber
- Game and wildlife
- Land based engineering
- Veterinary nursing
- Fencing
- Floristry
- Landscape
- Production horticulture
- Equine

Within the South West the main sectors beyond agriculture (crops and livestock) are production horticulture, landscape, environmental conservation, equine, and trees and timber.

They have used a variety of sources, including their own Business Surveys, HESA enrolment figures, Further Education (FE) enrolment data, LSC records, research by the Lantra Agricultural Livestock Focus Group, Small Business Annual Surveys, Labour Force Surveys and Office for National Statistics (ONS) data. However, it is worth noting the individual Sector Skills Agreements for each industry were produced in 2007, with the most recent figures quoted as 2005 data, therefore current market conditions are not reflected or accounted for.

For the purposes of this document, other sources of information include the Devon Renaissance Business Survey 2007, State of the Countryside 2008 report, the Rural Business School publications, and the South West Observatory data.

### **Sector Overview**

Lantra estimate that there are 23,600 businesses falling within the land-based sector category in the South West, and farming and food production are key elements in the economy of the South of England as a whole.

Businesses are predominantly micro-enterprises, and approximately 40% employ no staff. Nationally, over 90% of land-based businesses employ less than 10 staff. The total workforce is estimated to be composed of 58% proprietors and 42% employed staff. Nationally, there are 235,200 to 342,000 migrant workers employed on a casual, temporary, or part time basis, and also an estimated 300,000 regular volunteers.

The business breakdown of the sector varies with information source. The Devon Renaissance Survey estimates that the food & drink industry (including agriculture, manufacturing and production) makes up 15% of the businesses in Devon. Lantra, meanwhile place estimates on each individual sector, with agricultural livestock (50.2%), agricultural crops (9.15%), production horticulture (9.03%) and animal care (6.22%) businesses showing the top four industries in the region. It is worth noting that the sample sizes that form the basis for these estimates will differ greatly, and that the Lantra estimates cover the whole of the South West region, not just Devon.

The productivity values given for these industries also differs greatly, with Lantra giving an estimated contribution to national GDP of 5.67%, the Devon Renaissance Survey giving a GVA per FTE worker in the South West sector of £24,959, making them relatively non-comparable.

In terms of workforce and proprietor, there is a strong gender bias within the whole of the land based sector, with males accounting for 50.8% of the employed workforce and 65.9% of the proprietors. However, within each industry, the figures can be very different. For example in the trees and timber sector 89% of the workforce is male, agricultural livestock 78.4%, game and wildlife management 70%. Industries within Lantra's footprint which reverse this trend are floristry (86% female workforce), veterinarian nursing (no exact figure given but enrolment figures show that these are predominantly female); and equine, where 66.8% of the staff are female, although only 54.5% of proprietors.

### **Land-based sector skills – the issues and gaps**

A number of different business surveys have been conducted by various organisations; however the issues and skills gaps that are highlighted are common to all. All report difficulties in:

- Recruitment
- Retention
- A historically poor image of long hours and low pay
- The land-based sector is often seen to be a non- academic route for students
- Finding suitably skilled staff and bridging skill gaps
- Increasing legislation and health & safety
- Lack of awareness of training provision and the benefits to business development

In terms of skills, there are a number of gaps that are common to all of the industries within the land-based sector, alongside the more industry specific requirements. These include:

- Management and planning (including people management)
- ICT
- Technical (high level sector specific)
- Communications and customer service
- Numeracy and literacy
- Business planning, including financial and risk management
- Environmental and land management
- Continuous Professional Development (CPD)
- Health and safety (compliance and law)
- Legislation, e.g. food safety, license requirements, livestock handling, disease control
- Fundraising and marketing
- Wildlife management
- Team working and leadership
- Sector specific skills, e.g. animal care and handling, deer management, machinery operation, practical skills, etc
- Language (ESOL)

Alongside specific needs, employers have also raised concerns over the relevance and inflexibility of many taught courses, i.e. the adequacy of courses for industry needs; the lack of practical experience in those recently qualified; lack of “work readiness”, i.e. lack of motivation and willingness to learn; that many people in the sector have a high degree of technical skills that is not formally recognised as they have been gained through vocational experience rather than formal qualifications; the lack of awareness of training providers and qualifications available; the lack of recognition as a regional economic priority, despite its contribution; the aging workforce and lack of young recruits; the lack of funding available for those over 24 years of age (particularly important in terms of those looking for a career change); the costs associated with training; and providers have stated that there can be difficulty in sourcing suitable placements for students that will provide the full range of experience and skills development required. Due to the geography of Devon, distance to recognised training centres can also be an issue in terms of accessibility.

A ‘Developing Skills for the Future’ workshop, organised by the Devon Rural Network, Lantra, and Duchy College highlighted a number of issues not specified in other studies. These included:

- Youth involvement – no funding was available for the “Year of Farming and Food” programme, resulting in the poor uptake of an excellent engagement activity
- There is an over-reliance and exploitation of volunteers within some industries
- There needs to be a mechanism for sharing best practise and information on increasing productivity
- More joined up training is needed
- Pre-college experience is needed
- Is the land based sector failing on PR and marketing in terms of attractiveness of the sector for employment

Interestingly, the employers surveyed through Lantra, Devon Renaissance, and others stated a number of their own recommendations to help address these issues. Suggestions included:

- On-the-job training provision by providers
- Most employers would increase the amount of training offered to employees if it was partly subsidised or publicly funded
- Greater recognition of vocational skills, as many employers value experience over qualifications
- Provision of distance, online, or bite sized training modules to ensure that time away is kept to a minimum
- Training Providers should offer learning units as part of a competence framework or skills passport, which would assist in attraction of funding
- Training providers to provide better advice, information and guidance, and more appropriate signposting to provision that meets business need
- Greater degree of flexibility in training and/or qualifications provision and content
- A lack of training provision geographically can create a barrier to businesses accessing the necessary training
- Better careers advice in schools to raise awareness of the opportunities in the land based sector at an earlier age
- Need to ensure greater partnership working to ensure funding is targeted and information is flowing.

### **Current training and development investment**

The research by Lantra shows that just over half (52.1%) of establishments reported that they enrolled their employees on general training courses, although of these only 26.7% are for a full qualification, and 57.1% on some form of certified course. However, when questioned, only 30.8% of establishments stated they had funded or arranged on or off-job training in the last 12 months, although most businesses had undertaken training of one employee during this timescale. In addition, 34.4% of businesses had undertaken some form of free training over a similar period. Of those businesses that had arranged or funded training and development for staff over the last 12 months had spent an average of between £500-999.

The Business Survey conducted by Devon Renaissance in 2007 showed that employers highlight the difficulty in recruiting skilled staff but that expectations for skills were not matched by the businesses own training plan. Some businesses commented that they did not need training, especially those of one or two people or family run. Many of those questioned recognised that a lack of suitable skills was a constraint on growth and productivity, however 31% had no plans to undertake or offer any form of training over the next 3 years, and only 32% of agricultural businesses stated that they had plans to offer training in the next twelve months (2007 figures). In terms of identifying training needs, 69% of businesses either used no specific method or did so informally, whilst the most common form of training was informal or in-house.

Overall, it can be shown that the skills needs of many businesses are historical, alongside an increasing need to 'keep up' with technological advancements, including use of ICT. There are a number of barriers to training that require a new approach if businesses are to access the training they need to maximise the potential of their businesses. Communication and awareness could be the first step of this, and the provision of a single gateway to access a comprehensive range of business and training advice would play an important role in not only allowing employers and proprietors to establish exactly what training *and* funding is available to them, but should also provide a vital feedback mechanism to allow employers to shape and inform training providers to offer the flexible training that many businesses need.

## **The Survey**

The survey (attached at appendix 1) was developed by the Agri-BIP team with the aim of gaining an understanding of the sector through identifying:

- The needs for training
- Current knowledge of Train to Gain
- Barriers to undertaking training
- What motivates individuals to take up training
- What organisations individuals and businesses turn to for support

The original intention was to survey the sector as the Agri-BIP team attended local shows during the summer of 2008, the Business Link mobile display vehicle was hired and stand space booked. However the wet weather disrupted this plan with poor attendance at Totnes and North Devon shows, the cancellation of Okehampton Show, with only Honiton going ahead as planned. To alleviate very low numbers to analyse the survey was undertaken by business owners at various training events run by BIP during the autumn.

Sixty-two businesses responded to the survey with the following results. A full analysis of the results is attached at appendix 2.

Size of Business- The majority of businesses were small 53 with 0-5 employees, typical of the region, 8 employed between 6 and 50 employees with one employing more than 50.

When asked how often the respondent attended training sessions, there was a wide range of replies from never to once a week; 3-4 times per year was most common.

They were then asked where the training was sourced, on the job and training agencies were popular but the most popular was other, with colleges, trade organisations and consultants the least popular.

Awareness of the Train to Gain service was patchy with 40% of respondents responding positively to the question, it was observed that as the year went on awareness rose, an indication of the effectiveness of the national advertising campaign. However when asked if they knew how to contact Train to Gain only 13% people were able to say yes.

Distance to access training is often an issue in rural areas and this survey identified that people's willingness to travel reduced markedly after 20 miles with only 29% of people happy to travel beyond 20 miles.

To understand what motivates people to make changes within their business (and stimulate demand for training) they were asked what factors lead to change. Not surprisingly, falling incomes, new markets and competition came out as the most influential with 65% of people. Regulation was stated as a reason to change by 44% of respondents.

To understand who business would turn too when seeking help with their business issues, they were asked to state which organisations they would turn to. Most popular was Business Link with 57% closely followed by Enterprise Agencies at 52%, least popular were accountants and solicitors.

To understand the barriers that stand in the way of people undertaking training they were asked the main reason for not attending training courses. 53% stated lack of time was their main reason, closely followed by cost (33%). Childcare and distance was much less of an issue with only 5% stating this was a problem.

**What training do these businesses require?**

Using BIP's standard Training Needs Analysis (TNA) template the respondents indicated subject areas where training is required.

	Combined totals (304 responses)	
Subject Heading	Training required (numbers)	%
Environmental Scheme Awareness	102	34%
Financial Management	57	19%
Business Management	93	31%
Tourism Skills	58	19%
Marketing	60	20%
Staff Management	18	4%
ICT	161	53%

The most demanded need identified continues to be ICT followed by, Environmental Scheme Awareness, Business Management, and Marketing. Predictably the small nature of the businesses determines staff management training is not required!

## **Train to Gain – Sector Event “Growing Your Business”**

In a partnership with the local Train to Gain team and Lantra, the sector skills council for the land based sector, an event was held in Exeter to promote Train to Gain to the Lantra business sectors.

The event was held at the Gypsy Hill Hotel and was modelled on a successful event run by Lantra in Somerset in early 2008. A further event was planned at Duchy College for businesses in Cornwall and West Devon. The marketing for the event was undertaken by the Train to Gain team in conjunction with Business Link. E-alerts to targeted business was the main method of communication to seek bookings for the event, take up was slow with 21 businesses booked prior to the event. Attendance was poor in the end with only 8 businesses turning up on the day.

The format for the day (agenda enclosed appendix 3) included presentations from L. Byrd (Lantra), A. Cox (Train to Gain) and S. Horne (BIP) followed by an interactive session to help the businesses determine areas within their business where improvements can be made.

The reaction from the businesses that attended was very positive, the evaluation forms read very well with only one negative score against the booking procedures. Comments on the forms were as follows;

“Yes! Relevant and Positive”

“Excellent, great to speak to people in the same boat and also finding out other ways to obtain information”

“Excellent and useful networking event. Useful content from speakers/presentations”

“Very interesting opened my mind to what’s available”

“Informative”

The poor take up meant that the event at Duchy College was cancelled as it too had very few bookings.

## **Findings**

### *Training Needs*

Both the research and the business surveys identified similar requirements for training, the most popular being;

- ICT
- Environmental Scheme Awareness
- Marketing
- Business Management

### *Training Delivery*

Businesses prefer short sharp bouts of learning in subjects that have a direct impact on their business performance, and the current economic situation makes this even more important. Small businesses rarely seek qualifications from training; they are more interested in acquiring knowledge which they can apply in their particular circumstances. Larger businesses are more interested in qualifications for their employees.

The barriers to training identified are distance from a training venue and finding the time to attend training away from the workplace, in most small businesses no one is available to run the business in the absence of the owner/manager. Whilst subsidies for staff cover are often made available in training projects these are rarely taken up.

### *Train to Gain*

The low level of awareness amongst businesses of the Train to Gain service, especially in how to access the service, is concerning. Train to Gain is a key component of the Solutions for Business portfolio and will form part of the governments recovery support for businesses as the recession bites. The rural and the land based sector in particular are often hard to reach through conventional means as demonstrated by the poor attendance at the "Growing your Business" event.

## **Recommendations**

### **Train to Gain**

Respondents indicated that Business Link was the most important source of information for their business, this is the preferred route to Train to Gain under Business Support Simplification, however other agencies were identified as important providers of support and linkages need to be improved between these partners. The lack of any reward for referrals (both ways) means that at times these linkages are weak (at best) or non-existent (at worst). There needs to be an element of financial reward, however small, to lubricate the partnerships.

The emerging sector compact between Train to Gain and Lantra affords the opportunity to deliver a more flexible offer tailored to the needs of the land based sector. Appropriate brokerage and partnership is the key to engaging with both the industry and other partners, Cornwall is piloting a specialist brokerage service in an LSC/ESF funded project which seeks to increase the sectors take up of the Train to Gain service. Developing a similar service through either the Train to Gain team and or local partnerships should be investigated.

### **Training**

The recently announced change to Train to Gain to fund smaller "bite sized" training activities through units of qualifications is to be welcomed. This will allow businesses to get what they have been asking for many years' short relevant chunks of learning. Over time these units can be accumulated to gain a full qualification. This offer needs to be widely promoted to recruit businesses and to meet the needs of the industry.

### **Barriers to Training**

Training delivery must be flexible to overcome the time issue stated by many businesses as an issue, the land based sector in particular is very seasonal and training organisations need to recognise that 9.00-5.00 sessions do not work for this sector. During the winter months an 11.00am to 3.00pm session is effective but at other times of the year evenings can work well.

### **Communications**

The main source of communications for the Duchy event was e-alerts, farmers have indicated that they have trouble accessing the internet in parts of Devon therefore miss out on DEFRA updates and e-bulletins. Other methods of communications should be considered e.g. flyers

## **Conclusions**

Both training organisations and business owners must recognise that Train to Gain can offer solutions to the training needs of the sector and provide the funding to make that happen. Similarly the Train to Gain brokerage team need to recognise that differing business sectors need different approaches to engagement and local partners to be truly effective.

The skills of all business owners and employees will be tested over the next few years given difficult trading conditions, acquiring the right skills may turn out to be the difference between business failure and success.

Appendix 1

**Training Needs Questionnaire**

Name: (Optional)	Postcode:
<p><b>1 How many people are involved in the business?</b> 0 – 5, 6 – 10, 11 – 20, 21 – 50, 50+</p> <p><b>2 How often do you attend training courses?</b></p> <p><b>3 How are the training courses provided: -</b></p> <ul style="list-style-type: none"> <li>• On the job</li> <li>• Trade</li> <li>• Colleges</li> <li>• Training Agencies</li> <li>• Consultants</li> <li>• Other</li> </ul> <p><b>4 Are you aware of the Train to Gain service?</b> Yes/No If yes, do you know how to contact Train to Gain? Yes/No</p> <p><b>5 How far would you travel to attend training?</b></p> <ul style="list-style-type: none"> <li>• 0 – 10 miles</li> <li>• 11 – 20</li> <li>• 21 – 50</li> <li>• 50+</li> </ul> <p><b>6. What motivates you to make changes in your business?</b></p> <ul style="list-style-type: none"> <li>• Falling income</li> <li>• Regulatory reforms</li> <li>• Climate change</li> <li>• New markets &amp; competition</li> <li>• State of the economy</li> <li>• Taxation</li> <li>• Other</li> </ul> <p><b>7 Where would you seek help to make changes in your business?</b></p> <ul style="list-style-type: none"> <li>• Enterprise Agency</li> <li>• Solicitor / Accountant</li> <li>• Business Link</li> <li>• Business Associates / Groups</li> <li>• Local / National Press</li> <li>• Professional / Trade Association</li> <li>• Other</li> </ul> <p><b>8 What is the main reason for NOT attending training courses?</b></p> <ul style="list-style-type: none"> <li>• Distance to travel</li> <li>• Cost</li> <li>• Availability of training</li> <li>• Lack of time</li> <li>• Access to childcare</li> <li>• Other (specify)</li> </ul>	<p><b>Please tick the topics you or anyone connected with the business are interested in</b></p> <p><b>Conservation and the Environment</b></p> <p>Environmental scheme awareness</p> <p>Practical environmental skills</p> <p>Woodland skills</p> <p><b>Financial management</b></p> <p>Understanding your accounts</p> <p>Budgeting</p> <p>Book keeping</p> <p>Loans, repayment and the bank manager</p> <p><b>Business management</b></p> <p>Developing and controlling a business plan</p> <p>Organisation of paper work</p> <p>Set business outcomes</p> <p>Using accounts to improve your business</p> <p><b>Agricultural Skills (specify)</b></p> <p><b>Tourism Skills</b></p> <p>Customer care</p> <p>Health &amp; Safety</p> <p>Food law / Food Hygiene</p> <p>Other</p> <p><b>Marketing</b></p> <p>What does your customer want?</p> <p>Securing new customers</p> <p>Preparing a marketing plan</p> <p><b>Staff management</b></p> <p>Managing people</p> <p>Preparing job descriptions</p> <p>Training &amp; developing staff</p> <p>Communication skills</p> <p><b>Computing and communications</b></p> <p>Using a computer</p> <p>Word processing</p> <p>Spreadsheets for Accounts</p> <p>Database</p> <p>Accounts packages</p> <p>Internet / Email</p> <p>Promoting my website</p> <p>How to Use Microsoft Vista</p> <p><b>New vocational skills (specify)</b></p> <p>Butchery</p> <p>First Aid</p> <p>Fire Safety</p> <p>Food Handling &amp; Safety</p> <p><b>Legal and statutory requirements</b></p> <p>Insurance</p> <p>Employment</p> <p><b>Other (specify)</b></p>

## GET GROWING – BUSINESS IMPROVEMENT DAY

VENUE – Gypsy Hill Hotel, Gypsy Hill Lane, Exeter, EX1 3RN  
Telephone 01392 465252  
9:30 – 2:30

### AGENDA

Arrival – 9:30	Tea and Coffee
10:00 – 10:10	Welcome – Lyndsay Bird, Lantra Regional Partnership Manager.
10:10 – 10:25	Stewart Horne, Business Information Point, Challenging the Barriers to Training
10:25 – 10:40	Alison Cox, Train to Gain Partnership Manager The Train to Gain Offer
10:40 – 11:00	Coffee Break
11:00 – 12:30	Alison Cox - Get Growing: Business Improvement workshop
12:30 – 12:45	Question and Answer Session – Lyndsay Bird, Alison Cox and Stewart Horne
12:45 – 1:30	Lunch
1:30 – 2:30	Networking opportunity with brokers and Partnership Managers

