

# Job Market Report: Lancashire & Greater Manchester

Food Industry - *March 2018*



[www.FoodCareers.net](http://www.FoodCareers.net)  
Introducing Food Manufacturing Professionals

About the Author: Chris Burns has been assisting Food & Drink manufacturers to recruit food industry professionals since 1998. He set up Food Careers Limited in 2002.

## EXECUTIVE SUMMARY

As an organisation dedicated to providing recruitment support and advice to the Food & Drink manufacturing sector, Food Careers has produced a report into Food sector salaries in the Greater Manchester and Lancashire region. This report provides salary information across key Functions and Disciplines and quotes current salary information for food industry professionals. Also covered within the report is advice on recruiting food industry professionals and a spotlight feature on Engineering salaries.

# The Food Manufacturing Sector in Lancashire, Greater Manchester and the North West

## Lancashire

Lancashire has an outstanding manufacturing skills base. With just under 78,000 employed in manufacturing overall, Lancashire has a significant employee base with manufacturing expertise. 13.1% of the workforce is employed in manufacturing operations, considerably higher than the national average of 8.6%.<sup>1</sup>

The Food & Beverage Manufacturing sector in Lancashire is a £950 Million turnover enterprise employing 12,000 people, being the second largest Manufacturing sub-sector after Aerospace, which employs 13,000 people and sits within the top 5 regions in the World for numbers employed.

The rate of employment in the Food & Beverage Manufacturing sector is 54% higher in Lancashire compared to the National average, with 2% of all employees employed in the sector in Lancashire, compared with 1.3% Nationally.<sup>2</sup>

A diverse range of food and drink businesses are represented in Lancashire, including meats, seafood, fish, frozen, bakery, snacks and cereals. The mix of companies ranges from Multinationals such as PepsiCo and Dr Oetker to small artisan producers and family owned businesses that have operated for generations.

The region is responsible for the manufacture of well-known brands that are mass-produced and sold throughout the UK and Internationally such as Walkers Snacks, Fishermen's Friend, Stella Artois, Budweiser and Hollands Pies.

At the other end of the scale the County boasts many smaller producers that trade on heritage, provenance, the quality of ingredients and authenticity of their production methods. In particular, the Ribble Valley and Trough of Bowland is home to a number of smaller businesses that meet a growing consumer demand for premium artisan foods.



## Greater Manchester

Greater Manchester is a densely populated area made up of 10 Boroughs (City Manchester, Stockport, Trafford, Tameside, Oldham, Rochdale, Bury, Bolton, Wigan, Salford). Greater Manchester is home to more Food & Beverage Manufacturers than Lancashire and the average size (in terms of turnover and staff) is also larger.

A number of large multi-National Food & Beverage manufacturers operate within Greater Manchester, such as Heineken, Kelloggs, Unilever and Heinz. Over three-quarters of the world's top-25 food companies have a base in Greater Manchester.<sup>3</sup> It is estimated that the Food & Beverage sector in Greater Manchester is a £3 Billion+ turnover enterprise that employs over 20,000 people.

## North West

The wider Food and Drink Manufacturing sector across the North West region (encompassing Lancashire, Greater Manchester, Cheshire, Merseyside, Cumbria) has a combined turnover of in excess of £9 Billion per annum and directly employs 55,000+ people. It is estimated that 33% of these employees are from the EU. <sup>4</sup>

The North West region has one of the largest concentrations of independent food manufacturing enterprises of any UK region, is home to some of the food industry's most recognisable names and is one of the largest food and drink manufacturing regions in terms of sales turnover, contributing approximately 10% of the total UK sales turnover.

There are **1250+** businesses in the North West classified as Food & Drink Manufacturers. Of these 92% (1150+) are Small and Medium-Sized Enterprises (SMEs) employing less than 100 staff.<sup>5</sup> To further demonstrate the size and importance of the North West's Food & Drink manufacturing sector, the region accounts for **11%** of the UK total for Food and Beverage GVA.<sup>a</sup>

## Salaries in Lancashire & Greater Manchester

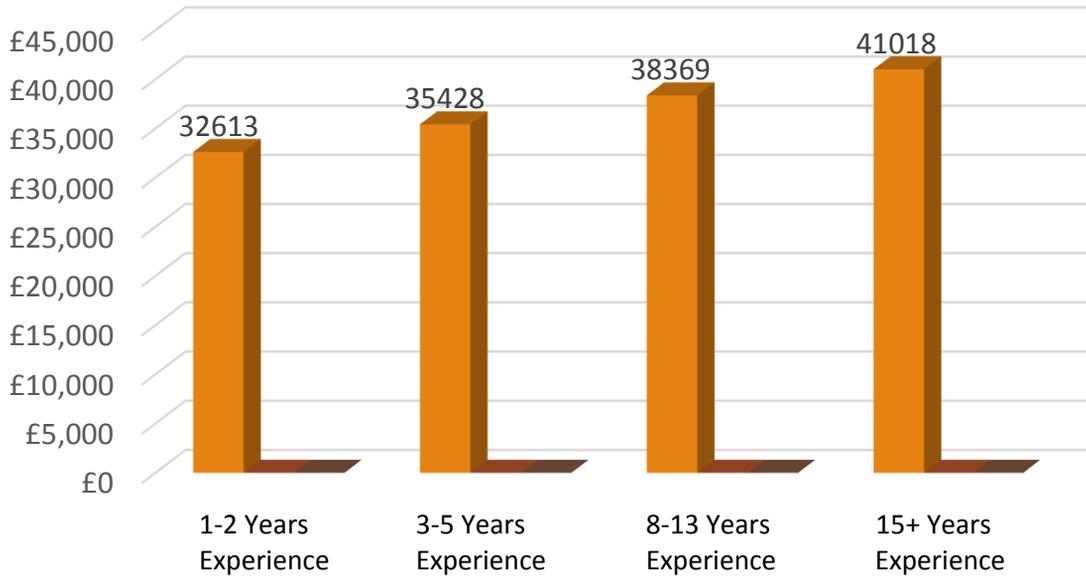
The following information details current salary information based on level of experience for specific positions within the following disciplines: Manufacturing & Production, Technical & Quality, Supply Chain / Logistics, Product Development, Engineering. The salary information quoted is based on 242 known salaries as at March 2018.<sup>b</sup>

<sup>a</sup>GVA (Gross value added) measured as the value of goods (food & drink) produced in the North West region.

<sup>b</sup>Although Food Careers have carried out checks to ensure that the basic salaries and structural features of the data are sound, it is impossible to validate every salary. The aim in constructing the salary information at this level is to provide a useful salary benchmark.

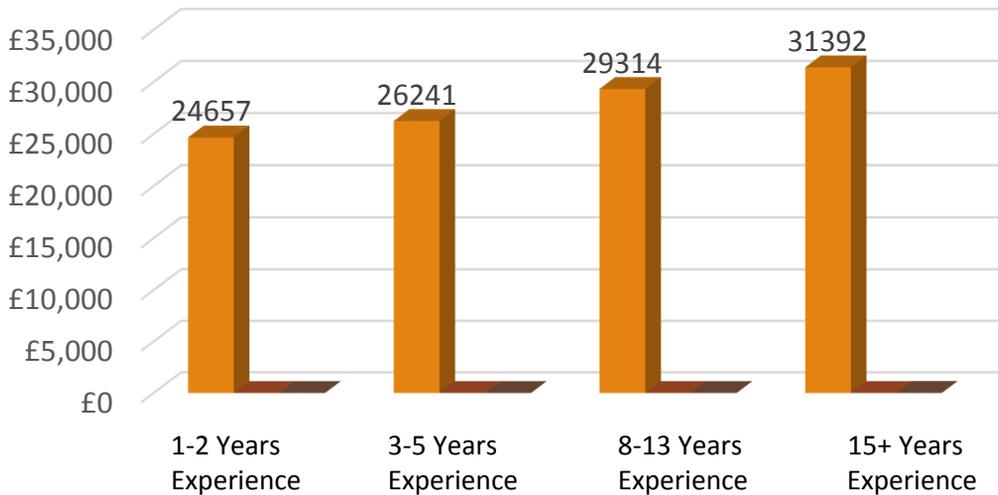
## Manufacturing & Production

### Production Manager



**Average Salary - £37,719 pa**  
*(representing a 1.2% increase on 2017 average)*

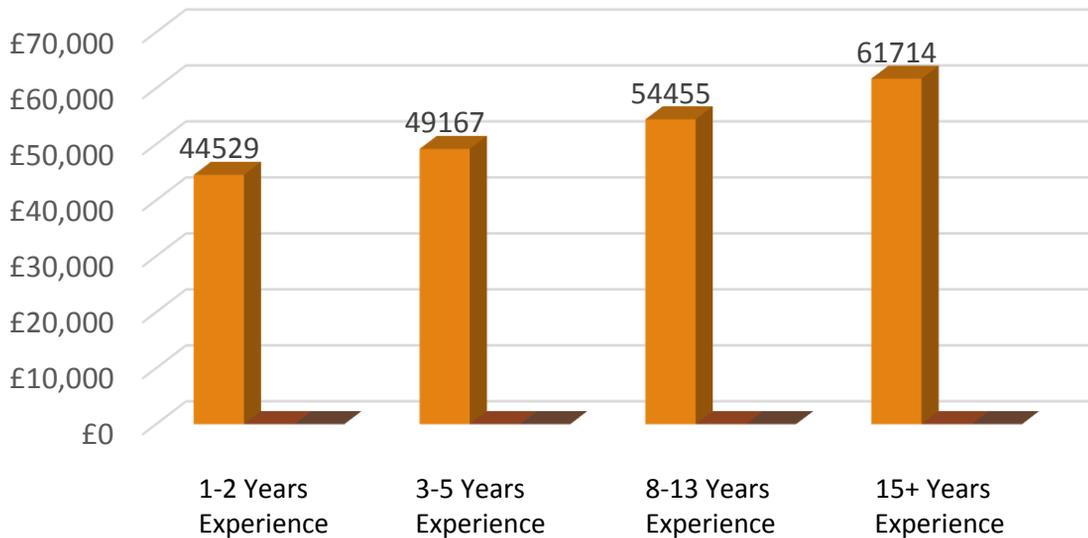
### Production Supervisor / Production Team Leader



**Average Salary - £28,193 pa**  
*(representing a 1.5% increase on 2017 average)*

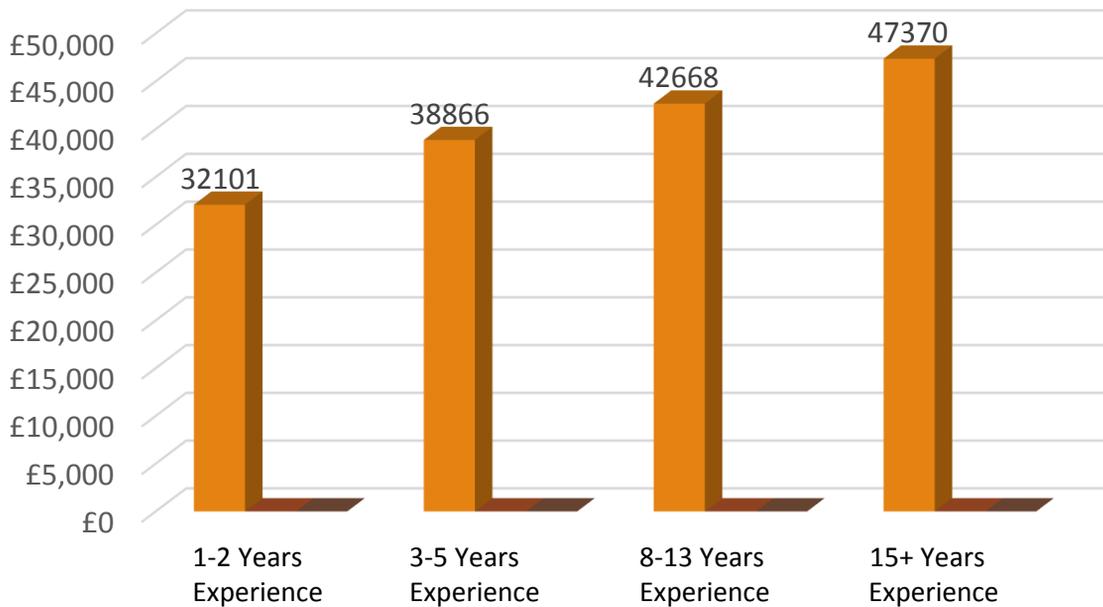
## Technical & Quality

### Technical Manager / Technical Head



**Average Salary - £51,283 pa**  
*(representing a 1.2% increase on 2017 average)*

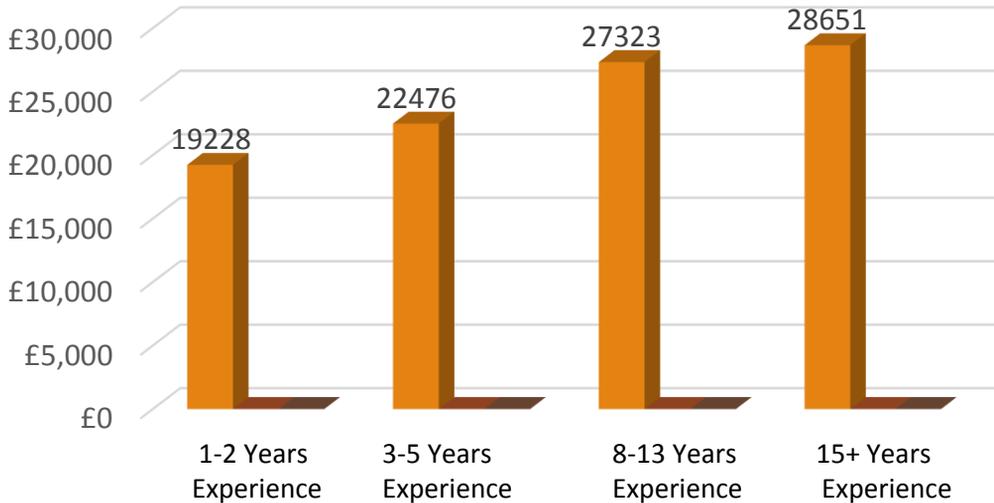
### Quality Manager / QA Manager



**Average Salary - £41,360 pa**  
*(representing a 1.1% increase on 2017 average)*

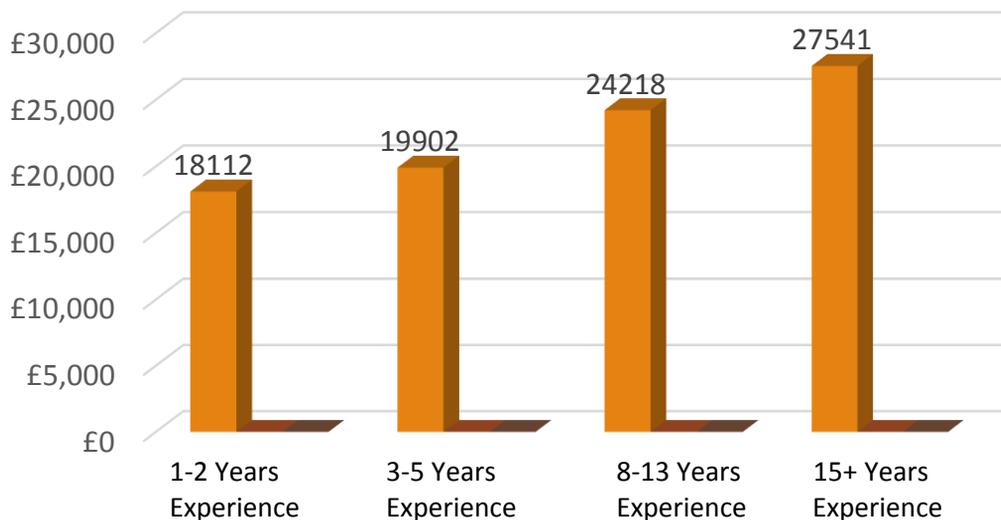
## Technical & Quality continued.....

### Technical Assistant



**Average Salary - £23,098 pa**  
*(representing a 1.0% increase on 2017 average)*

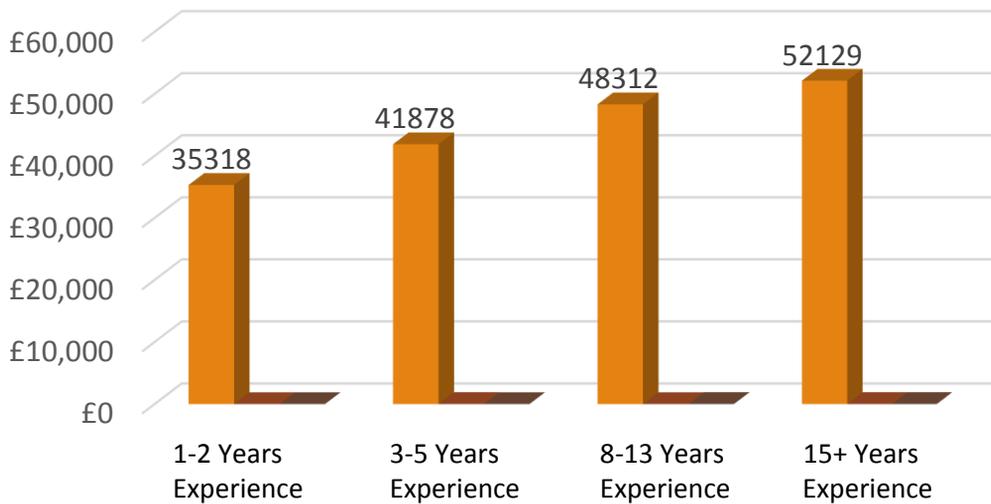
### Quality Assurance Technician



**Average Salary - £21,212 pa**  
*(representing a 1.1% increase on 2017 average)*

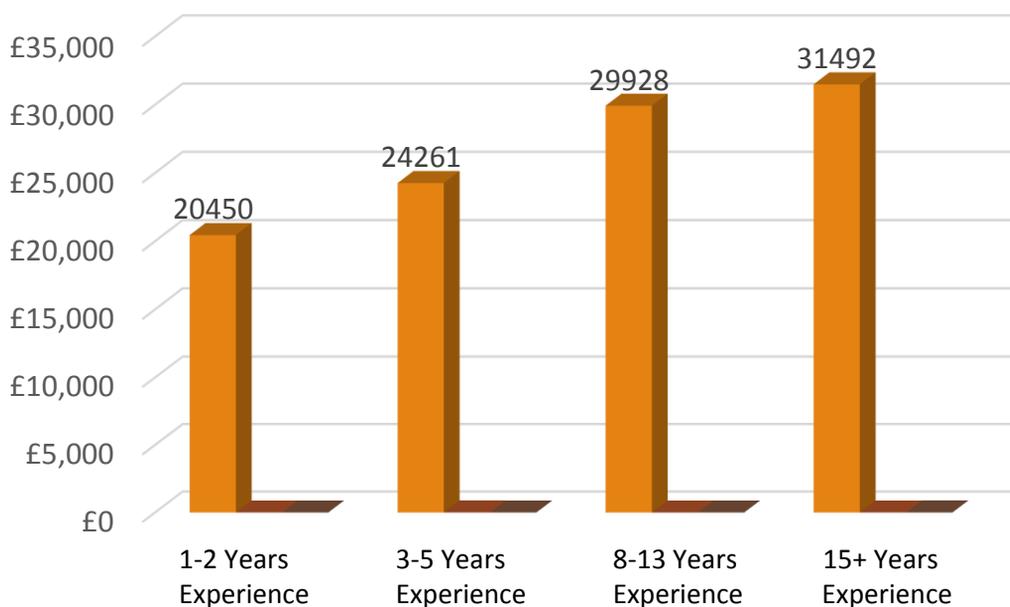
## Supply Chain / Logistics

### Supply Chain Manager



**Average Salary - £44,189 pa**  
*(representing a 0.9% increase on 2017 average)*

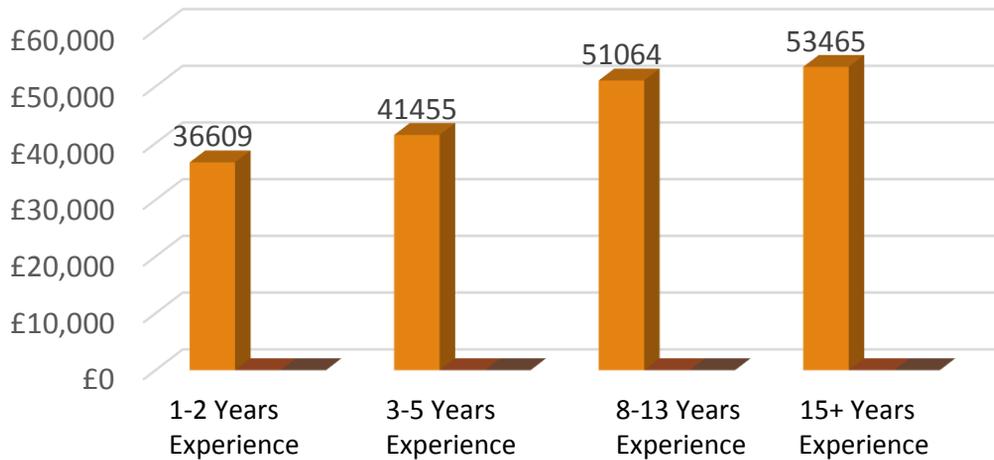
### Production Planner



**Average Salary - £26,671 pa**  
*(representing a 2.4% increase on 2017 average)*

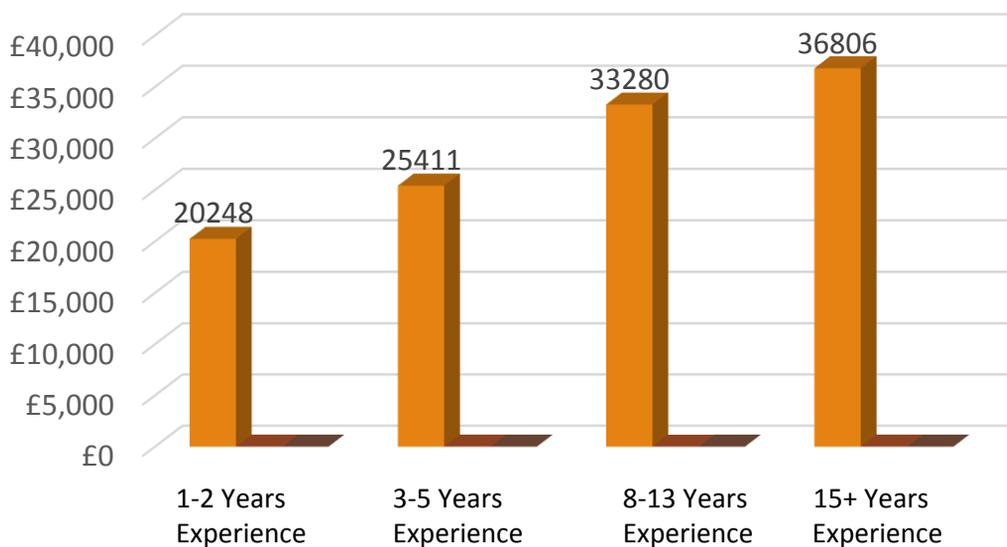
## Product Development

### NPD Manager



**Average Salary - £45,418 pa**  
*(representing a 0.8% increase on 2017 average)*

### NPD Technologist

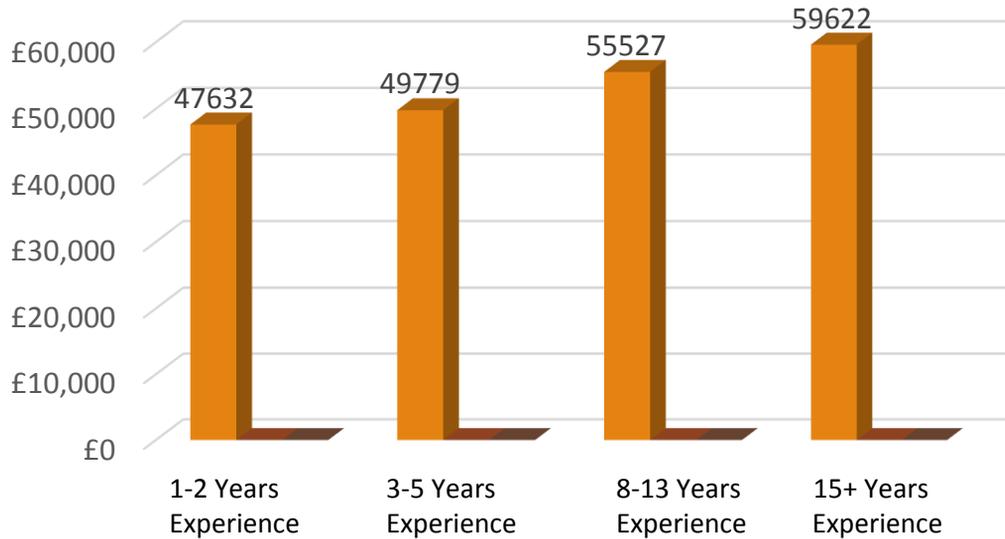


**Average Salary - £29,431 pa**  
*(representing a 0.9% increase on 2017 average)*



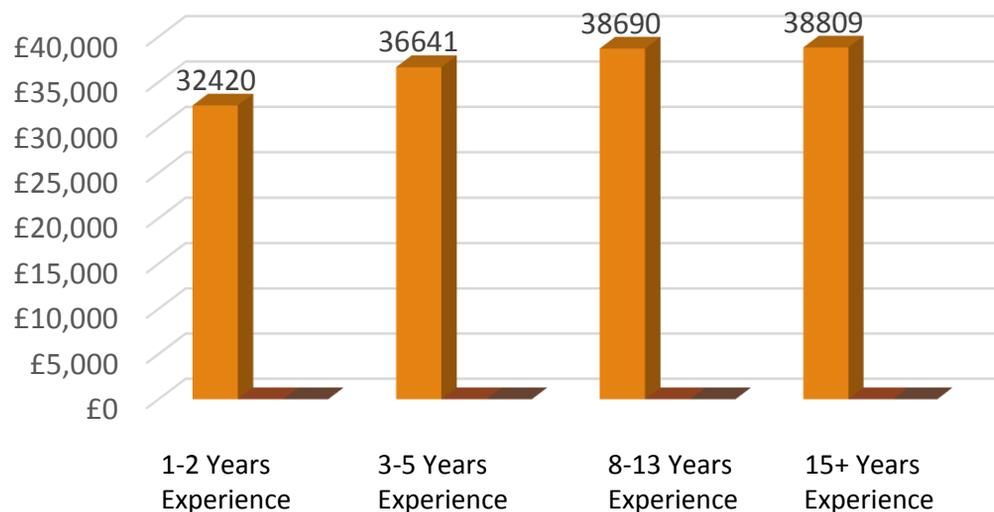
## Engineering

### Engineering Manager



**Average Salary - £54,871 pa**  
*(representing a 1.3% increase on 2017 average)*

### Maintenance Engineer



**Average Salary - £38,202 pa**  
*(representing a 1.5% increase on 2017 average)*



## Salary Spotlight on Maintenance Engineers

The recruitment market for Maintenance Engineers within the Food & Drink Manufacturing sector remains highly competitive, and 2018 has seen a continuation of the trend witnessed in 2017 where demand for Maintenance Engineers with Food & Drink manufacturing experience outstripped supply across Greater Manchester and Lancashire.

A big challenge for many food & drink manufacturers has been the upward trend of Maintenance Engineer salaries, due in part to the lack of experienced Maintenance Engineers on the market, as Engineers have retired or moved into other sectors. Chief Engineers and Hiring Managers are reporting a lack of relevant responses to job adverts and salary expectations of good Engineers are often breaking the ceiling of existing salary structures of Engineering departments.



Although demand for Maintenance Engineers has been strong across all levels of experience, we have seen many employers proactively seek to appoint less experienced Engineers with a particular demand for Food Industry Maintenance Engineers with 1 to 4 years post-apprenticeship experience.

Engineers falling within this level of experience are receiving a lot of interest from Employers and we believe the reason for this is Engineering Managers and HR Departments actively seeking to lower the average age of their Maintenance teams, with several Engineering Department Managers reporting recent or imminent retirements within their Maintenance teams, and difficulty identifying suitable replacements.

Anecdotally at least, another driver for the desire to recruit less experienced Engineers appears to be the perception that salaries for younger Engineers will be lower, so will fit with departmental budgets and existing Engineer pay structures. This is the perception, but we have seen over the past 12 months, Food industry businesses making concerted efforts to retain their younger and less experienced Maintenance Engineers by offering inducements such as career development opportunities and significant pay rises.



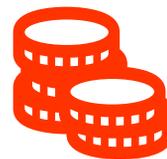
For example, a Food Industry Maintenance Engineer in Lancashire & Greater Manchester with 3-5 years' experience is paid an average salary of £36,641 pa, which is only 5.9% less than an Engineer with 15+ years' experience who is paid £38,809 pa.

In many cases, we have seen relatively inexperienced engineers with 2-3 years-experience on remuneration parity with Maintenance Engineers with 15+ years' experience.

We have witnessed good Maintenance Engineers with 2-3 years-experience commanding base salaries of £37-39k pa when moving from one Food Manufacturer to another and there are examples of Maintenance Engineers with only 3 years-experience being offered £40-£42k (inclusive of shift premium) to move to large Multi-National Food producers.

The perception that less experienced Engineers earn lower salaries than experienced Maintenance Engineers is therefore incorrect, and in our view, Food & Drink Manufacturers in Lancashire and Greater Manchester offering >10% less than the average salary (£38,202 pa) for the region may struggle to recruit and are at a distinct disadvantage to companies paying the average.

There is a realization amongst Maintenance Engineers that a shortage of Engineers with solid skills exists, which can exacerbate the difficulty to recruit. For example, a shift pattern that includes substantial weekend working and night shifts, further compounds the difficulty in recruiting Maintenance Engineers, as we have seen Engineers become more particular about the shift patterns they are prepared to work.



Wage inflation for Maintenance Engineers in Lancashire & Greater Manchester outpaced average UK wage inflation in 2016 and 2017. However, we have seen some evidence of salaries for Food manufacturing stabilize in 2018, with our report highlighting that average salaries for Maintenance Engineers have increased by 1.5% year-on-year, a reduction on the previous two years.

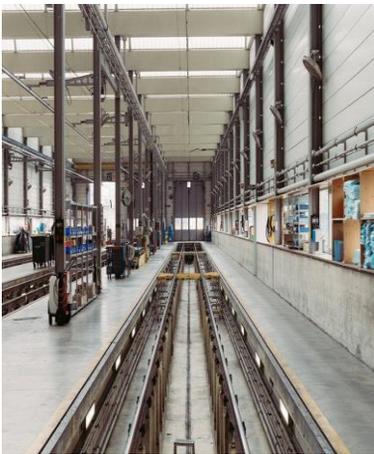
This should provide some respite for food & drink manufacturers struggling to keep up with the substantial increases in Engineer pay from 2015-2017 when many Food industry businesses resigned themselves to the realization that salaries for Maintenance Engineers would have to increase in order to attract competent applicants and compete with Engineer salaries offered by other industries.

Engineering Managers and Chief Engineers we have spoken to in 2018 are generally bullish as to the commercial prospects of their companies for this year. The majority feel their businesses will have a financially positive year; asked about how the size of their Maintenance Engineering team will change as the year progresses, the majority feel team size will increase slightly or stay the same in 2018, with no Managers citing that they are looking to decrease the size of their Engineering team.



A theme of 2017 was Engineering Department Heads being less bullish in terms of CAPEX pipeline and expansion plans, with some reporting the mothballing of previous plans. This has continued in 2018, although the view is that many of these CAPEX plans will eventually come to fruition.

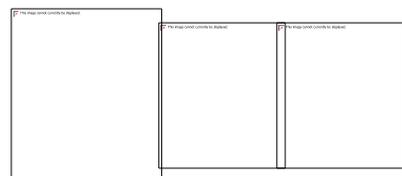
Generally, the feeling is that the need to recruit Maintenance Engineers will remain strong in 2018 and career prospects for Maintenance Engineers remain good with Automation continuing to be an area that is becoming increasingly relevant to Maintenance Engineer positions, with many Engineering Departments moving away from a culture of 'fixing and preventing' to a more holistic approach with involvement in process design and maximizing performance and increasing productivity.



This has provoked a need to recruit Engineers who understand software and HMI systems, understand modern control systems, can carry out modifications, configure, diagnose and fault find on PLC's, and understand industrial networking such as Ethernet, Profibus and ASI.

This march of the machine and move towards automation is proving beneficial to Maintenance Engineers with Control System, Automation or Electrical skills as more career opportunities, and higher salaries, are opening up for them compared to their Mechanically biased Maintenance Engineer counterparts.

Our view based on speaking to senior Engineering figures within the Food industry is that Electrical skills will increasingly be sought over Mechanical skills and the role of the modern Maintenance Engineer will focus more on systems engineering, continuous improvement, productivity improvement, programming of software, with much less emphasis on 'hands-on' preventative and reactive maintenance work.



## Recruitment Challenges and Advice for Food & Drink Manufacturers

### *Recruitment challenges in 2018*

Food manufacturing, like other food sectors, has become systemically reliant on migrant workers, especially EU migrants over the past 10-12 years. Around a third of the UK food & drink manufacturing workforce is made up of EU migrants supplied mainly through Agencies.<sup>6</sup> This trend has accelerated in recent years.

Food & drink manufacturers within Lancashire, Greater Manchester and across the UK need to put effort into attracting young people into the industry and help change perceptions. The Food manufacturing sector has historically been perceived as an industry that doesn't pay the highest salaries, and particularly for the best graduates, there are other 'racier' industries to work within that offer high starting salaries.



This perception adds to the difficulty in recruiting graduates for the sector and although the UK Food and Drink Federation plays its part in promoting the industry, it is difficult job. In one promotional item the FDF states that salaries in food Manufacturing Management positions pay up to £45,000 pa and for Technical positions salaries of £38,000 pa are available.<sup>7</sup>



These quoted salaries sound quite enticing, but it is only when you compare salaries in food manufacturing to food retail, that you see there is a disconnect. For candidates looking for a career in food retail management, all the major food retailers offer tempting opportunities and structured career paths.

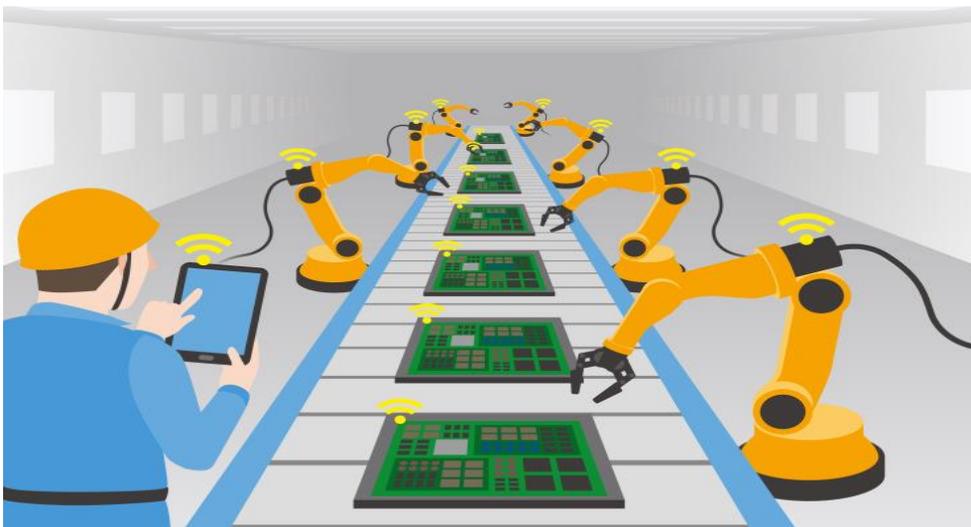
One of the largest salary payers is Aldi, who invite both graduates and more experienced candidates to apply for their Area Manager Programme. The programme offers a starting salary of £44,000 pa + a fully expensed A4 car, rising to £75,360 pa after four years.<sup>8</sup>

On a positive note, Food & Drink Manufacturers have been given some much needed clarity with the UK Government announcing on 19 March 2018 that the UK will transition out of the EU on 31 December 2020 and any EU nationals entering the UK during the transition period will have the same rights as those EU nationals already in the UK.<sup>9</sup> Agreeing this transition is a critical milestone that will provide many food manufacturers with the confidence to put their contingency planning on hold and keep investing.

However, whether food manufacturers will have any access to the EU talent pool after 31 December 2020 is still unclear and the food manufacturing sector faces being squeezed by the twin challenges of a potential labour shortage of EU migrants after Brexit, plus the need to recruit up to 100,000 new workers by 2024 to replace retirees.<sup>10</sup>

Recruitment in the food and drink industry for many companies is still a big challenge and will remain so given the number of people exiting the sector and the widely-held view that to produce the food we need, the industry needs to recruit thousands more people than current levels.

A 2017 survey by BDO LLP the accountancy and business advisory firm revealed that **57%** of food & drink manufacturers surveyed said they were experiencing difficulties in recruiting the skilled people they require. Although this sounds high it contrasts favourably with their 2016 survey, which revealed that **70%** of food & beverage manufacturers surveyed said they were experiencing difficulties in recruiting skilled people and indicates a softening of the recruitment market.<sup>11</sup>





***“Acquiring and retaining employees with the right aptitude and technical skills for working in the food and drink industry is a perennial problem, and though counter-intuitive this challenge is likely to increase as we move further down the road towards greater automation, big data utilisation and Industry 4.0. But signs are that Government and industry bodies are recognising the importance of attracting bright young technically literate people into the industry and beginning to take action to address these challenges.”***

**DR TIM FOX FIMechE, Chair, IMechE Food and Drink Engineering Committee**

### Recruitment Advice



The North West as a region is experiencing a sustained period of economic growth, with Lancashire and Greater Manchester beneficiaries of a relatively buoyant economy. Both locations are also at the epicentre of the Northern Powerhouse transport initiative and Manchester is currently being hailed as one of the fastest growing cities in Europe.<sup>12</sup>



Food & drink manufacturers in the region are well placed to take advantage of the inward investment and favourable economic conditions and look to grow, and we are seeing many food & drink businesses looking to add to their existing teams, which intensifies the highly competitive nature of the jobs market in the region right now.

However, many food & drink businesses seeking to grow are advised to review their recruitment practices and speed up their recruitment process. We have witnessed inertia within some food & drink businesses and a lack of action is costing some employers the opportunity of making successful appointments.

**In the present market for food professionals, employers need to be prepared to make an offer of employment quickly. If you find the right candidate don't procrastinate. Such is the competitive nature of the jobs market, particularly in technical areas such as engineering, we have seen some food & drink manufacturers make job offers purely on the basis of reviewing a CV and conducting a telephone interview.**

If you want to maximise the opportunity of making a successful appointment, it is not possible to spend 4-weeks conducting first and second stage interviews before making a job offer as such an approach is likely to see your chosen candidate snapped up by another company.

In the current market for food professionals, companies have to complete recruitment processes quickly (days not weeks) or risk losing good quality candidates. The better talent might be considering three or four jobs, so to stand any chance, food manufacturers need to move quickly.



We advise limiting the recruitment process to a maximum of two interviews. If you are able to complete everything in one stage/visit (*interview, meet the team, factory tour, technical test*) even better; As you will maximise your opportunity of making a successful appointment.

Our advice to achieve a shorter recruitment process is to plan ahead, block book time in your diary to complete the recruitment tasks in a timely matter, get colleagues to do the same.

Be flexible to see candidates for interviews in the evening or at the weekend and utilise technology such as Skype where diaries cannot be synced.

We appreciate in the real world it may be nigh on impossible to complete all the recruitment tasks in one stage, so if two stages are required, try and conduct the second stage/interview within 3 working days of the first stage/interview.

Make an effort to get to know the individual you recruit before they join you. They may be serving a notice period of one-to-three months, so use this time to engage with them. Invite them to site to meet the team, or even suppliers or customers. Make them feel part of the team before they are (officially) part of the team.



If you have any corporate events, away days, end of quarter nights out etc invite them along.

You want to make them feel wanted. As well as gaining buy-in from the candidate, the new employee will be able to learn more about the business, it's culture, it's people, which will make it easier to onboard them into the business, and as a positive consequence, they may be more productive from an earlier stage of their employment.

As a business recruiting, go into an interview with a food professional understanding that you may have to sell the company to them, just as much as they will have to sell themselves to you. With a lack of good candidates in the market-place, we are seeing food professionals receiving 2 or 3 job offers within a fortnight of commencing their job search, and it is often the company who makes the best impression whom the candidate will choose.



Video is becoming more popular on websites as bandwidth capacity increases, so add a range of videos covering a number of disciplines such as, a Production Manager, an Engineer, a Supply Chain professional, a Graduate. Video storytelling can be a cost-effective method for creating authenticity, where prospective employees will learn a lot about your business and careers paths open to them.

## Google for Jobs

Be ready for future developments in recruitment. Ask your website developer if they are aware of 'Google for Jobs' and what they are doing to ensure your vacancies will appear high up in the 'Google Jobs' search results.

'Google for Jobs' is active currently in North America and is set to go live in the UK within the next 18 months, and this could be a real game changer, as (if done correctly), it will allow job adverts on company websites to be found much more easily in 'Google Jobs' search results.

There are certain protocols required to achieve a high ranking for your vacancies in 'Google Jobs'. For example, a key factor to ensure your jobs can be found with ease is to make sure your jobs are on your domain.

This is straight-forward to check by going to your careers page on your website or careers portal and searching for a job. Review the web address and if you see your company full web address (domain) and the words careers, jobs, or the job title, then your job will show up in Google Jobs. If you see only part of your company web address (domain) or an external web address (domain), then your jobs may not appear in Google Jobs.

Other tips to help your job adverts appear high up in the search results in Google Jobs, once rolled out in the UK, is to include keywords and search phrases in the job advert content. Keywords have been the backbone to Google search results, so using the most important words like the Job Title, Location and words relevant to the job, the duties, responsibilities, industry, and your brand will assist in your job advert appearing closer to the top when a relevant person searches for jobs.

Salary is also very important. I have seen many Food & Drink manufacturing company websites where they don't disclose the Salary, and such adverts will appear low down the rankings in Google Jobs as one of the main search criteria job seekers detail is their salary requirements. With thousands of jobs to choose from, many food professionals I speak with will not apply for a job online unless the salary is disclosed as they feel the company has something to hide or the salary is low.



## References

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- 1 Lancashire Enterprise Partnership. Advanced manufacturing <http://goo.gl/FiSBci>
- 2 Lancashire Enterprise Partnership. Food & drink <http://goo.gl/u1SZqr>
- 3 Manufacturing always been synonymous with Manchester. Manchester Evening News, 28 February 2018 <http://goo.gl/wjTB4w>
- 4 House of Commons Library Briefing Paper Number 8069, 3 August 2017, Employment of other EU nationals in the UK
- 5 FoodNW Facts & Figures <http://goo.gl/4ffxh4>
- 6 Earning a Crust – A review of labour trends in UK Food manufacturing, Page 1 (2017) <http://goo.gl/CBBSYZ>
- 7 Food & Drink Federation. (undated). Taste Success: Discover Careers in the Food and Drink Industry.
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- 9 Britain and EU agree Brexit transition deal, The Times, 19 March 2018 <http://goo.gl/CjW86A>
- 10 Earning a Crust – A review of labour trends in UK Food Manufacturing (2017) <http://goo.gl/CBBSYZ>
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- 12 Manchester boom in building makes it European Leader. Delloite Crane Survey (2018). Manchester Evening News, 31 January 2018 <http://goo.gl/3qwrk5>