

The fencing industry primarily includes residential fencing, high security fencing, agricultural and stock fencing, automatic gates and access barriers, environmental fencing, vehicle restraint systems and electrical fencing. This factsheet provides an analysis of data for the fencing industry collected by Lantra and taken from official sources.

Overview

The fencing industry is covered by several SIC (Standard Industry Classification) codes and consequently it is difficult to ascertain an accurate size of the industry. Therefore top-down research, namely that which relies on national statistics, is not feasible. Due to this shortcoming in national data sources, in 2010 Lantra conducted primary research into the fencing industry. This included the size of the industry to try and address this challenge, however we recognise that there are still 'hidden' fencing businesses that are not included in our figures.

Business figures:

- Lantra primary research indicates that there are 3,150 fencing businesses in the UK¹.

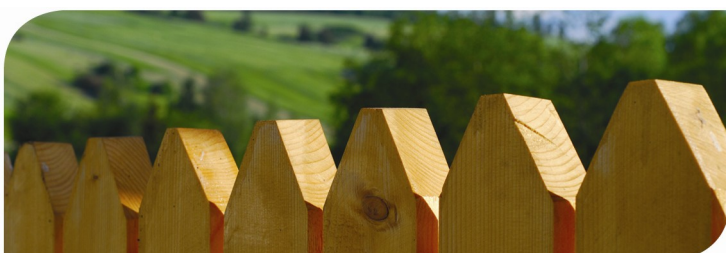
Employment figures:

- Lantra primary research indicates that there are 27,000 fencing employees in the UK¹.

Businesses by size:

- Fencing businesses have a slightly smaller than average business size; 85% have fewer than ten members of staff, and 14% have between ten and 49 employees compared with 83% and 14% across all

	Fencing UK ¹	All sectors UK ²
0-4 employees	67%	68%
5-9 employees	18%	15%
10-49 employees	14%	14%
50+ employees	2%	3%



Size and scope

Nation/Region	Businesses		Employment	
	1,3,4		1,3,4	
UK	3,150	100%	27,000	100%
Northern Ireland	50	2%	300	1%
Scotland	250	8%	1,650	6%
Wales	100	3%	750	3%
England	2,750	87%	24,350	90%
East of England	350	13%	4,100	17%
East Midlands	250	9%	2,400	10%
London	200	7%	3,300	14%
North East	100	4%	1,000	4%
North West	300	11%	2,200	9%
South East	600	22%	4,000	16%
South West	300	11%	1,700	7%
West Midlands	300	11%	1,700	7%
Yorkshire and the Humber	300	11%	4,000	16%



Workforce demographics^{1,4}

Gender			
Male	83%	Female	17%
Age band			
16-24	14%	45-54	21%
25-34	25%	55-64	11%
35-44	29%	65+	1%
Employment			
Full-time	91%	Part-time	9%
Ethnicity			
White	97%	Non-white	3%
Occupations			
Managers			18%
Supervisors			8%
Sales and administrative			13%
Skilled trades			24%
Fence installers			21%
Other elementary roles			16%

- Residential fencing is a principal activity for 78% of fencing businesses
- 65% of fencing businesses have operations in more than one sub-industry type
- 33% of businesses produced turnovers in 2009-10 of over £250,000
- 45% of businesses said turnover had decreased in 2009-10
- 41% of businesses expected turnover to increase in 2010-11
- 75% of fencing businesses identified 'economic conditions' as the key challenge in 2010-11.

Principal activity	
Residential fencing	78%
High security fencing	48%
Agricultural and stock fencing	44%
Automatic gates and access barriers	42%
Environmental fencing	30%
Vehicle restraint systems	23%
Electrical fencing	17%
Other	8%

Training¹

- The fencing workforce is highly skilled but is often developed through non-accredited training methods, rather than full-accredited qualifications
- Around 40% of the UK fencing workforce received some form of training between 2009-10
- 64% of business reported that lack of funds was their main barrier to training
- 6% of fencing businesses report offering an Apprenticeship scheme; the main reason for those that didn't was a 'lack of knowledge'
- The most frequently reported future skills need was vehicle/machinery/tool use (e.g. fork lift truck driving, chainsaw operation)
- The fencing industry has a well established accredited card scheme, Fencing Industry Skills Scheme (FISS)/ Construction Skills Certification Scheme (CSCS). Although the vast majority of the sector is skilled to a high level, Lantra research shows only 20% of employees possess current FISS/CSCS certification.

Learning supply

Robust and reliable data on learning supply in the fencing industry is difficult to ascertain, therefore the following information is indicative only:

- Around ten apprentices undertook a framework in fencing in 2006-07 in the UK⁵
- An estimated 40 learners enrolled on qualifications or courses delivered by FE colleges/work-based learning in fencing in the UK in 2008-09⁶.

Employment projections 2010-20^{7,9}

- In the next ten years (2010 to 2020) the sector will need a minimum of 9,000 more people
- The largest need for people is expected to be for managerial occupations (2,000) and skilled trades occupations (2,000)
- Over the period 2010-20, the following amount of people will be needed:
 - 2,000 people at Level 4 and above (graduate)
 - 2,000 people at Level 3 (A Level)
 - 2,000 people at Level 2 (GCSE A-C)
 - 2,000 people at Level 1 (GCSE D-G)
- Forecasts suggest that 1,000 people without qualifications will be needed.

Skills issues

Incidence of skills shortage vacancies¹

- 2% of fencing businesses had a vacancy at the time they were surveyed.

	Fencing UK ¹	Lantra sector ⁸	All sectors ⁸
% of businesses reporting a vacancy	2%	7%	12%
Vacancies as a % of employment	<0.5%	2%	2%
% of businesses reporting a hard-to-fill vacancy (HtFV)	1%	3%	3%
HtFVs as a % of total vacancies	54%	43%	22%

- The most common reasons for HtFVs given by businesses were 'lack of interest in this type of work' and 'lack required skills'
- Lantra research highlights that the number of workers leaving the UK fencing industry has not been fully replenished by the number of new recruits taken on. Research indicates that in 2009-10 the UK fencing workforce declined by five percentage points
- 58% of employers reported to agree that 'when looking to take on new recruits' they had found problems identifying people with the appropriate skills needed to perform in the role.

Incidence of skill gaps¹

- The incidence of skill gaps reported in the UK fencing industry is low, 97% of businesses reported that their current staff had the skills required to perform in their role
- Of the few businesses that did report skill gaps, skills found to be lacking most often in staff were technical and job specific skills
- One quarter of businesses reported a lack of employee experience as the main cause of underlying skill gaps
- The main course of action taken to overcome skill gaps was to increase training activity or spend (25%), although a further 22% of businesses reported to have taken no action.



Drivers for change

Economic conditions

- Impact of the recession
- Urban/rural regeneration
- Sustainability/globalisation of markets
- Understanding and responding to changing consumer demand
- Traceability and ethical requirements
- Natural resource management
- Quality assurance schemes.

Impact on skills

- Business advice, guidance and support
- Business management skills
- Sales, marketing, ICT and commerce
- Customer service skills.

Labour supply

- Attracting skilled new entrants of all ages
- Image of the sector
- Ageing workforce
- Succession planning by industry
- Providing opportunities for career progression and development
- Harder to source migrant labour now.

Impact on skills

- Effective marketing of careers in sector
- Proper recognition of competence for all
- Integrated frameworks to support lifelong learning and Continued Professional Development (CPD)
- Entrepreneurial education
- Improve management skills
- Opportunities for career progression/development
- Influencing migration policy and operation of control mechanisms e.g. SAWS.

Climate change

- Reduction in greenhouse gas (GHG) emissions
- Need to adapt to climate change in the long-term
- Increased incidence of flood events.

Impact on skills

- Adoption of methods to mitigate climate change, such as sustainable business practice
- Respond to specific skills/re-skilling issues.

Energy and fuel security

- Cost to business of fuel and energy.

Impact on skills

- Research community to provide knowledge.

Technology change and knowledge transfer

- Increasing business efficiency through technology
- Environmentally sustainable businesses
- Better integration of knowledge transfer into skills programmes.

Impact on skills

- Research into new methods and processes
- Technology transfer skills
- Business development
- Higher level technical skills for new methods
- More flexible employer focused training.

Health and safety

- Legislative requirements
- Safer working environment
- Reduction in occupational hazards.

Impact on skills

- Awareness raising, knowledge of requirements and how to comply
- Improved learning provision in terms of CPD
- Recognition of health and safety competence.

Regulations

- Construction Skills Register (CSR) cards
- Fencing Industry Skills Scheme/Construction Skills Certification Scheme (FIS/CSCS)
- Construction Plant Competence Scheme (CPCS) cards
- Reduce environmental impact.

Impact on skills

- Increase awareness through marketing
- Increase access.

Access to knowledge, funding and training

- Confusion around FISS/CSCS Cards - may need staff to undertake qualifications/training
- Access to funding and support
- Diploma in Fencing Level 2 and 3 and Fencing Apprenticeship Framework (where to access/costs)
- Plant and machinery training and CPCS testing – providers and costs
- Co-ordinated creation of a 'Fencing Knowledge Hub' within Lantra Fencing Group website pages
- Joint work between Lantra/Lantra Awards and industry to improve understanding of the benefits of the FISS/CSCS card scheme.

Impact on skills

- Clarify FISS/CSCS card requirements
- Marketing activity to promote the above
- Increase awareness of providers/costs.

Additionally the following may impact on the fencing industry:

New approaches to land management (applicable to agricultural related fencing)

- Cross compliance
- Water Framework Directive
- Nitrate Vulnerable Zones
- EID – Electronic Identification
- Decisions on land use.

Impact of new animal health and welfare legislation (applicable to agricultural related fencing)

- Higher professional standards and duty of care now required of all people handling animals
- Link to animal disease control and cost sharing of disease control
- Difficulty for very small businesses in keeping up-to-date on latest rules and regulations.

Sources and information

1. UK Fencing Industry: Labour Market Information Research, Lantra 2010
2. Inter-Departmental Business Register (IDBR) 2010
3. Figures have been rounded to the nearest ten and may not add up to the total due to the rounding of percentages used when calculating figures. Figures quoted for the nine English regions make up the England total
4. Percentages may not add up to 100% due to rounding
5. Data Service (England), framework unavailable in Scotland, Wales and Northern Ireland
6. Data Service (England), DCELLS (Wales), Skills Development Scotland/Scottish Funding Council (SDS/SFC), no publicly funded provision in Northern Ireland
7. Lantra Model for Employment Forecasting (LMEF) 2010. Figures represent estimates of minimum job openings to satisfy replacement and expansionary demand. This may be higher or lower depending on future conditions
8. National Employer Skills Survey (NESS) 2009
9. Figures have been rounded to the nearest 1,000.

Lantra website

More information about Lantra research can be found at: www.lantra.co.uk/research



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