



BREXIT

HOW ARE BUSINESSES BEING AFFECTED?

A guide for public sector employees in the Black Country LEP area on the challenges and the support available



Introduction

Brexit represents a significant amount of change for local businesses. As it stands, businesses are already being impacted by Brexit related uncertainty. When the UK leaves the EU it will represent the biggest fundamental change to the UK's political and trading relationships for a generation. Making sure that businesses know where to go for support when they need it will be critical.

Due to the nature of your role you are frequently coming in to contact with businesses who may have Brexit related queries. The purpose of this document is to help you increase your knowledge of the types of questions businesses may have or the challenges they may be encountering and where to signpost them on to for support. It does not aim to make you a Brexit expert but to equip you with enough knowledge to navigate the local Brexit business support environment and help make sure local businesses are receiving the support they need.

This document has been prepared by the Black Country Chambers of Commerce on behalf of the West Midlands Combined Authority.



316,000
EU Citizens living in the West Midlands region



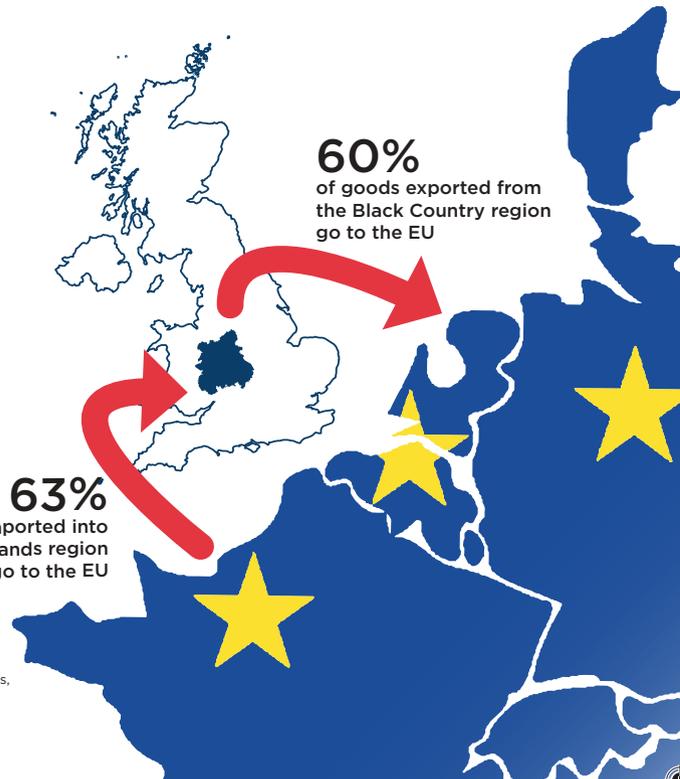
c. £163m
ERDF & ESF funding received 2014-2020

Across The Black Country:

8/10

Of the top export destinations for the Black Country are in the EU.

The West Midlands has an EU-born manufacturing workforce of **10%**



Sources: ONS - Population of the UK by country of birth and nationality, July 2017-June 2018; HMRC Regional Trade Statistics, 2018; The Impact of Brexit on Birmingham and the West Midlands, Birmingham City Council, 2018; <https://www.uktradeinfo.com/Statistics/RTS/Pages/default.aspx>

Summary

Local

Support

- How might Brexit affect my business?
- What steps can I take to prepare?
- Where can I find the latest information on Brexit?



- What impact could Brexit have on my imports/exports?
- How can I reduce my exposure to currency fluctuations?
- How can I reach new markets & find new suppliers/customers?
- What support & funding is there to help me grow my business internationally?



- Where can I find expert advice and guidance on Brexit?
- How can I find new local suppliers/customers?



- What funding & support is there to help me grow my business in the region?



- How can I ensure my business is complying with any changes in relevant legislation?



Summary

Key Statistics

WMCA Business Brexit Health Check: 3 Easy Steps



1. Complete your FREE Brexit Health Check

It won't take any more than five minutes to complete.

wmca.org.uk/BrexitHealthCheck



2. Receive your personalised report

A comprehensive and personalised report giving you advice and support based on your answers.



3. Request a follow-up call and additional support

We have access to a range of resources to help your business through Brexit, from training courses to Brexit-specific events.

On average, businesses across the West Midlands Combined Authority rate their



preparations

3/5

By Size...



SMEs 2.6/5



Large Businesses 3.4/5

By Sector...



Services 2.5/5



Manufacturing 3.5/5

Most frequently reported ways in which businesses may be affected by Brexit:

- 60% employ staff undertaking business trips to the EU
- 49% employ EU nationals
- 47% have EU staff, clients or business partners undertaking business trips to the UK
- 44% buy goods from the EU

Most frequently reported steps taken to prepare for Brexit:

- 60% have discussed the potential impact at board level
- 37% have conducted a review of their operations to identify areas that may be impacted
- 28% have conducted a review of major suppliers and/or customers to identify organisations that may be impacted

Most Confident



Least Confident

People & Skills

Regulation & Legal

Trade

Business Support & Procurement



Government Information for Business
euexitbusiness.campaign.gov.uk

British Chambers of Commerce: Brexit Hub
www.britishchambers.org.uk

Institute of Directors:
Navigating Brexit for Businesses*
www.iod.com

Confederation of British Industry:
Brexit Campaigns*
www.cbi.org.uk

Federation of Small Businesses: Brexit Guide*
www.fsb.org.uk

Make UK: Brexit Step by Step Guide*
www.makeuk.org

Advisory, Conciliation and Arbitration Service:
Brexit Information
www.acas.org.uk

* Please note: some information & support may be available for members only

Source: The WMCA Business Brexit Health Check Report, Greater Birmingham Chambers of Commerce, July 2019

What challenges are businesses already experiencing as a result of uncertainty?

Some local businesses are already being impacted by Brexit related uncertainty. Issues being experienced can include:

- Pressure on working capital arising from changing payment terms from suppliers or customers and/or stockpiling activity.
- Attracting investment to their business.
- Attracting and retaining international talent & labour.

BLACK COUNTRY MANUFACTURER (c. £12m per annum turnover)

"Recent World Trade forecasts show that global trade will drop from 5.4% to 3.2%. This is said to be due to an increase in tariffs and barriers in trade of 70%. Confidence in manufacturing is low as many indices are dropping to levels that make it difficult to operate at profitable levels (metal prices etc). Automotive production is down and unlikely to recover soon. The uncertainty around what type of Brexit we are going to have and when we will have it increases the lack of confidence. Investment decisions are being put off consequently.

We are quoting for work in Europe and have been told to reduce the UK content to a minimum so that our Customers minimise their exposure to Brexit. This may mean we cannot take advantage of UKEF's finance schemes which will severely affect our cashflow and mean we cannot fund contracts on existing terms. We have switched from concentrating on Europe to the US and having some success. We are having difficulties getting visas which is restricting our ability to work in the area - as are US Tariffs. Interestingly we are told this is due to the UK being downgraded below the EU due to Brexit.

If we need to get visas to work in Europe this will make sales and work in Europe harder still.

We are nearly 4 months into the financial year and have no capital sales this year. Our turnover is certain to drop and so redundancies are certain to follow.

CASE STUDY



WHO CAN HELP?

Black Country Chamber of Commerce

The Black Country Chamber of Commerce sits at the heart of a unique network of businesses across the Black Country.

Working together, we help firms of all sizes across Dudley, Sandwell, Walsall and Wolverhampton to achieve more. We believe it's our relationships with others that lead us to achieve goals beyond those we could ever achieve alone. We're the only organisation that helps Black Country businesses to build relationships on every level.

Across our network, we can connect your business with other businesses, with decision-makers and with opportunities. We are a respected voice for business in the region.

www.blackcountrychamber.co.uk

The Black Country Growth Hub

The Black Country Growth Hub is an impartial business support service for all businesses and entrepreneurs in Dudley, Sandwell, Walsall and Wolverhampton.

No matter the size, sector or status of your business, our dedicated Business Development Team can help with Starting a Business, Property, Apprenticeships, Mentoring, Access to Finance, International trade, Energy Efficiency, Supply Chain Opportunities and Business Growth.

www.bcgrowthhub.com/support

Other Business Membership Organisations
Business membership organisations such as the BCC, CBI, IoD, FSB and Make UK all offer local events and national resources related to Brexit and business issues/opportunities.

www.britishchambers.org.uk
www.cbi.org.uk
www.fsb.org.uk
www.iod.com
www.makeuk.org

Please note: some information & support may be available for members only

Acas

Acas provides free and impartial information and advice to employers and employees on all aspects of workplace relations and employment law. They support good relationships between employers and employees which underpin business success. But when things go wrong they help by providing conciliation to resolve workplace problems.

www.acas.org.uk

What questions do businesses have about Brexit?

Depending on their sector, the products or services they sell and the extent to which they engage with international, trade businesses may have a wide range of questions about Brexit and how it could impact them.

At the time of writing, the final outcome of Brexit is unknown. As a result, the Black Country Chamber of Commerce are advising businesses to ensure that they understand and would be able to manage a no deal Brexit scenario - by preparing for the most disruptive outcome they'll be best placed to adapt to whatever Brexit finally brings.

General Brexit Queries

Questions could include:

- How do I know if Brexit could impact my organisation?
- What should my organisation be doing to prepare?
- How can I find information about Brexit that's specifically relevant to my organisation?
- How do I know if my organisations' Brexit preparations are thorough enough?

BLACK COUNTRY MANUFACTURER

"If you make trade harder to do less trade will be done. As a consequence, UK jobs will be lost and individuals incomes, UK PLC tax take will drop and austerity measures will continue. Our Government has a duty to end Brexit uncertainty as soon as possible so that Businesses can begin the process of increasing confidence, trade, jobs and tax take."

CASE STUDY



WHO CAN HELP?

Government Information for Business

Gov.uk contains information on how leaving the EU may affect businesses and organisations, and what they can do to prepare.

euexitbusiness.campaign.gov.uk

WMCA Business Brexit Health Check

The Business Brexit Health Check is a free online tool. Businesses complete a short set of simple questions about their organisations and receive an automatically generated personalised report. The report highlights the key Brexit related risks and changes that they should be aware of and recommended steps to take to support their Brexit preparations.

It has been launched by the West Midlands Combined Authority, Greater Birmingham Chambers of Commerce, Black Country Chamber of Commerce and Coventry & Warwickshire Chamber of Commerce.

As well as being a resource for businesses, the Business Brexit Health Check is a source of intelligence for the WMCA and partners on how businesses are impacted by and preparing for Brexit.

www.wmca.org.uk/BrexitHealthCheck

Business Membership Organisations

The following all feature Brexit business advice portals and resources on their websites:

www.britishchambers.org.uk
www.cbi.org.uk
www.fsb.org.uk
www.greaterbirminghamchambers.com
www.iod.com
www.makeuk.org

Please note: some information & support may be available for members only

Trade Related Brexit Queries

- Will my business have to pay tariffs on imports from/exports to the EU?
- Will my business be able to continue to trade with nations that currently have EU trade deals on the same terms?
- Will my business have to pay VAT on imports from the EU?
- Will my export and import documentation and declarations need to change after Brexit?
- Who will be responsible for paying in the event of any delays/extra costs arising from Brexit – me or my customer/supplier?
- Is there anything I can do to reduce the risk of customs delays in the event of a no-deal Brexit? (e.g. registering for Transitional Simplified Procedures or exploring Authorised Economic Operator Status)
- Should I be exploring new markets for my products/services?
- Should I be looking to establish a presence in another country?
- How can I reduce costs caused by fluctuations in the value of the pound?
- Will there be any new UK standards (e.g. on product safety or labelling) that I should be aware of?

MANUFACTURER
(c. £3m per annum turnover)

We're headquartered in the UK but buy some components from Germany and sell them straight to China without them coming to the UK first. Same with buying in France and selling to Spain. All of our export docs just say "EU origin" at the moment but will we still be able to do this once we leave the EU and have UK rules of origin?

Our main business is importing raw material from the EU and Turkey (where we are benefitting from the EU - Turkey trade agreement with zero tariffs), processing it and then selling it all around the world. Does anyone know for sure if these terms will continue after Brexit?

CASE STUDY



WHO CAN HELP?

Black Country International

At the Black Country Chamber of Commerce, we are committed to helping our members and business across the region with the smooth passage of goods and services across international borders and reach new global markets.

Whether you're looking for assistance with export documentation, need your teams to develop specific skills, want to keep up to date with trends and topics or want to understand about how to import or export; we can help.

www.blackcountrychamber.co.uk

Government Information for Business

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euexitbusiness.campaign.gov.uk

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www.britishchambers.org.uk

www.fsb.org.uk

www.greaterbirminghamchambers.com

www.iod.com

www.makeuk.org

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People & Skills Related Brexit Queries

- Can my business continue to employ EU nationals already working for my organisation?
- What's the EU Settlement Scheme?
- Will my business still be able to recruit new staff directly from the EU?
- Will UK staff still be able to work in the EU post-Brexit?
- Will my employees' professional qualifications still be recognised by the EU?
- Will Brexit affect business trips to and from the EU?

SMALL MANUFACTURER

We manufacture our products at our factory in the West Midlands. We have just started exploring selling internationally and have had some early success in selling to new European customers. As part of our service, our staff travel with the product to install it on site. After Brexit, will our guys still be able to do this? Will they need work permits or special visas?

CASE STUDY



WHO CAN HELP?

The Black Country Chamber of Commerce

The Black Country Chamber of Commerce has frequent communication with local and national government on issues concerning People and Skills. Through the British Chambers (BCC), we also have strong links to organisations such as the Home Office and Migration Advisory Committee.

The Black Country Chamber also has direct links with the European Commission, through the Europe Direct Information Centre signposting service.

www.blackcountrychamber.co.uk

Government Information for Business

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Acas

Acas provides free and impartial information and advice to employers and employees on all aspects of workplace relations and employment law. They support good relationships between employers and employees which underpin business success. But when things go wrong they help by providing conciliation to resolve workplace problems.

www.acas.org.uk

The People Skills Project

The People Skills project provides "free-at-the-point-of-use" HR and people management support to help improve the performance of small firms.

It is enabling Greater Birmingham based businesses employing up to 50 people, to access: a People Management "Health Check", other online resources, and up to two days of very high quality, face-to-face and telephone HR advice and support, in the areas which each SME says they'd most welcome.

Email: peopleskills@cipd.co.uk

Regulation & Legal Related Brexit Queries

- My organisation is headquartered in the EU, will we still be able to run our UK offices?
- My organisation is headquartered in the UK, will we still be able to run our EU offices?
- My organisation trades in goods regulated by an EU agency, who will regulate these goods?
- My organisation trades in goods accredited to EU standards, what standards will I need to meet?
- Will my organisations' patents still be recognised by the EU and UK?
- Will my organisations' trademarks still be recognised by the EU and UK?
- How will my organisation protect our copyright across the EU?
- Do I need to change the terms of my contracts with EU/other partners in preparation for Brexit?
- Will my organisation still be able to transfer data into or out of the UK post-Brexit?

BLACK COUNTRY CHAMBER MEMBER

"We don't know what documentation is required to export or import goods into or out of UK post Brexit. This will result in delays to our goods, with consequent effect on profitability and cashflow. Will our EU workers leave? If significant numbers go, we are in trouble. There is continuing uncertainty due to lack of clarity."

CASE STUDY



WHO CAN HELP?

Other Business Membership Organisations
Business membership organisations such as the BCC, CBI, IoD, FSB and Make UK all offer local events and national resources related to Brexit and business issues/opportunities.

- www.britishchambers.org.uk
- www.cbi.org.uk
- www.fsb.org.uk
- www.iod.com
- www.makeuk.org

Please note: some information & support may be available for members only

Trading Standards
If businesses are concerned about whether their products continue to meet UK product safety and labelling standards post-Brexit (e.g. in relation to UKCA marking) your local trading standards team may be able to help. Please see the end of this document for contact details.

The Black Country Chamber of Commerce
The Black Country Chamber of Commerce has a wealth of trade and export documentation experience, including the new Black Country International trade offer.

The Black Country Chamber also hosts quarterly Brexit seminars with guest speakers covering a range of important issues, from customs declarations and intellectual property, to VAT post-Brexit and the recognition of trademarks post-Brexit.

www.blackcountrychamber.co.uk

Government Information for Business

Gov.uk contains information on how leaving the EU may affect businesses and organisations, and what they can do to prepare.

euexitbusiness.campaign.gov.uk



Funding & Procurement Related Brexit Queries

- Can we still apply for EU funding?
- What will happen if we leave the EU and we're mid-way through an EU-funded project?
- What's going to replace EU funding for business growth and innovation activity?
- Will my organisation still be able to access EU funded business support programmes?
- Will my organisation still be able to bid for contracts from European agencies?
- Where will my organisation find out about public procurement opportunities post-Brexit?

SMALL MANUFACTURER

"Our business is intrinsically tied into the EU. We operate in Northern Ireland and The Netherlands. We employ EU citizens working in the UK. There's no form of Brexit that puts our company in a stronger position. The only way our company continues to prosper, and grow is with the UK inside the EU."

CASE STUDY



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- www.fsb.org.uk
- www.iod.com
- www.makeuk.org

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Europe Direct
Europe Direct is a free and local information centre for anything EU related. They can answer questions on EU related matters. Black Country EDIC is delivered by the Black Country Chamber of Commerce.

www.blackcountrychamber.co.uk

Enterprise Europe Network
Enterprise Europe Network Midlands provides free advice and immediate access to live business and technology partnering opportunities in new markets for SMEs, business sectors, research institutions and other organisations in the Midlands.

www.greaterbirminghamchambers.com

The Black Country Chamber of Commerce
The Black Country Chamber of Commerce has consistently sought answers on what will happen to European funding post-Brexit, with particular emphasis on the logistics and delivery model for the proposed UK Shared Prosperity Fund.

www.blackcountrychamber.co.uk

The Black Country Growth Hub
The Black Country Growth Hub is an impartial business support service for all businesses and entrepreneurs in Dudley, Sandwell, Walsall and Wolverhampton.

No matter the size, sector or status of your business, our dedicated Business Development Team can help with Starting a Business, Property, Apprenticeships, Mentoring, Access to Finance, International trade, Energy Efficiency, Supply Chain Opportunities and Business Growth.

www.bcgrowthhub.com

Government Information for Business

Gov.uk contains information on how leaving the EU may affect businesses and organisations, and what they can do to prepare.

euexitbusiness.campaign.gov.uk

Organisation	Website	Contact	Can Help with Brexit Queries on:	Type of Support
The WMCA Business Brexit Health Check	www.wmca.org.uk/brexithealthcheck	Brexit@Birmingham-Chamber.com 0121 454 6171	All topics	Digital & Helpline
The Black Country Chamber of Commerce	www.blackcountrychamber.co.uk/	policy@blackcountrychamber.co.uk 0330 024 0830	All topics	Events, Digital & Helpline
British Chambers of Commerce	www.britishchambers.org.uk/page/brexit-hub	enquiries@britishchambers.org.uk	All topics	Digital
Confederation of British Industry	www.cbi.org.uk		All topics	Digital
Federation of Small Businesses	www.fsb.org.uk/standing-up-for-you/brexit		All topics	Digital
Institute of Directors	www.iod.com/Brexit		All topics	Digital
Make UK	www.makeuk.org/services/brexit	enquiries@makeuk.org 0808 168 5874	All topics	Training, Digital & Member Helpline
Black Country International	www.blackcountrychamber.co.uk/	membership@blackcountrychamber.co.uk	Trade Related Topics	Events, training & opportunity to speak to an advisor
Black Country Europe Direct Information Centre	www.blackcountrychamber.co.uk/national-representation/europe-direct-information-centre/	europedirect@blackcountrychamber.co.uk	All topics	Opportunity to speak to an advisor
Black Country Growth Hub	www.bcgrowthhub.com/	enquiries@bcgrowthhub.com	All Topics	Digital, Helpline & Signposting

Organisation	Website	Contact	Can Help with Brexit Queries on:	Type of Support
City of Wolverhampton Council	www.wolverhampton.gov.uk/	01902 551155	Environment Protection, Food and Health and Safety legislation	Digital & Helpline
Dudley Metropolitan Borough Council	www.dudley.gov.uk	01384 814473	Environment Protection, Food and Health and Safety legislation	Digital & Helpline
Sandwell Metropolitan Borough Council	www.sandwell.gov.uk	0121 368 1177	Environment Protection, Food and Health and Safety legislation	Helpline
Walsall Metropolitan Borough Council	go.walsall.gov.uk/environment	01933 652210	Environment Protection, Food and Health and Safety legislation	Digital & Helpline
City of Wolverhampton Council	www.wolverhampton.gov.uk	corporate.procurement@wolverhampton.gov.uk	Public Procurement	Digital & Helpline
Dudley Metropolitan Borough Council	www.dudley.gov.uk	0300 555 2345	Public Procurement	Digital & Helpline
Sandwell Metropolitan Borough Council	www.sandwell.gov.uk	sandwell_procurement@sandwell.gov.uk	Public Procurement	Digital & Helpline
Walsall Metropolitan Borough Council	go.walsall.gov.uk	procurement@walsall.gov.uk 01922 658471	Public Procurement	Digital & Helpline

Organisation	Website	Contact	Can Help with Brexit Queries on:	Type of Support
City of Wolverhampton Council	www.wolverhampton.gov	03454 04 05 06	Consumer Protection Legislation (product safety & labelling)	Helpline
Dudley Metropolitan Borough Council	www.dudley.gov.uk	trading_standards@dudley.gov.uk 03454 04 05 06	Consumer Protection Legislation (product safety & labelling)	Digital
Sandwell Metropolitan Borough Council	www.sandwell.gov.uk	0121 5696628	Consumer Protection Legislation (product safety & labelling)	Digital
Walsall Metropolitan Borough Council	go.walsall.gov.uk	trading_standards@walsall.gov.uk 03454 040506	Consumer Protection Legislation (product safety & labelling)	Digital & Helpline
UK Government EU Exit Business Advice	euexitbusiness.campaign.gov.uk/	Various via relevant pages 03454 040506	All topics	Digital

Trading Standards

UK Government



YOUR BESPOKE GUIDE TO

BREXIT

The **Business Brexit Health Check** is a free online tool. Businesses complete a short set of simple questions about their organisations and receive an automatically generated personalised report. The report highlights the key Brexit related risks and changes that they should be aware of and recommended steps to take to support their Brexit preparations.

It has been launched by the West Midlands Combined Authority, Greater Birmingham Chambers of Commerce, Black Country Chamber of Commerce and Coventry & Warwickshire Chamber of Commerce.

Find out more

www.wmca.org.uk/brexithealthcheck

If you are speaking to any businesses who are expressing concerns about Brexit please do signpost them to this new regional resource.

As well as being a resource for businesses, the Business Brexit Health Check is a source of intelligence for the WMCA and partners on how businesses are impacted by and preparing for Brexit.

Anonymised data from the report will be used to inform policy responses and the provision of business support in the area.

More Information

For more information on this publication please contact:



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