

**A WORKSHOP FOR  
BUSINESSES IN  
THE SERVICE  
ECONOMY AND  
CREATIVE &  
DIGITAL SECTOR**

THURSDAY  
MARCH 25 2021  
10:00 – 11:15

**BUILDING ON  
THE UK-EU  
TRADE  
AGREEMENT**

REGISTER FOR  
YOUR FREE TICKET  
HERE

**FOR  
BUSINESSES  
BASED IN  
WEST YORKSHIRE  
OR YORK  
AND NORTH  
YORKSHIRE**



**25<sup>th</sup> March, 2021**

**Karl Dalglish, Director Kada Research**



## **PART 1:** **Introductions**

### **Introduction:**

**5 minutes**

#### **Speaker 1:**

**Jennie Holdstock/Amanda Potter,  
West Yorkshire Combined Authority**

### **Overview of our work and workshop contents**

**5 minutes**

#### **Speaker 2:**

**Karl Dalgleish, Director, Kada Research**

### **Research highlights**

**10 minutes**

#### **Speaker 3:**

**Written by Prof. Alex de Ruyter  
and Mike Stokes,  
presented by Karl Dalgleish**

### **Introduction to the co-operation agreement and the implications, challenges and next steps**

**10 minutes**

## **PART 2:** **Global Trade Insights**

### **Service economy and creative & digital global contexts**

### **EU-UK T&CA: Implications and impacts**

### **Implications, Opportunities and Considerations for Businesses**

### **The emerging shape of FTAs**

**20 minutes**

#### **Speaker 4:**

**Mark Beresford**

## **PART 3:** **Discussion**

### **Discussion:**

### **Questions for panel**

**Share your  
experience of  
the new trading  
conditions or new  
opportunities you  
are thinking about**

### **Tell us what help businesses need**

**20 minutes**

#### **All plus**

**Anne-Marie Downes,  
Kada Research**

# Overview of our work

Commissioned in November to assess the outcomes from the UK's departure from the EU and maximise international opportunities.

EU exporter survey

Trade and inward  
investment statistics  
for WY and Y&NY

Follow-on  
interviews,  
case studies  
and EU exit  
video diaries

**Purpose:** share and discuss emerging priorities of relevance to those involved in trading with the EU and beyond and inform the business support.

# EU Exit Business Preparedness Survey Headlines\*

## Most Relevant Issues and Concerns



**Top 3 EU Exit relevant issues**

Maintaining customers and suppliers (83%), taxes, tariffs and VAT (80%), new customs duties/regulations (76%).



**Top 5 business concerns**

Lack of clarity (77%), costs (62%), dependency on supplies (56%), complexity (53%), supplying EU on time (51%).



**Top 3 preparation challenges**


Uncertainty (77%), lack of applicable information (52%), lack of information or expertise (44%).




**Top 3 barriers to working with EU businesses**

Increased costs of trade, changes to rules and regulations and loss of frictionless trade (75%, 62%, 62%).

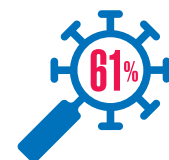
## Preparations and Markets



49% 'totally' or 'mostly' prepared, 35% somewhat, 13% 'not prepared' or 'totally unprepared' (3% n/a).



19% addressed all EU Exit issues, 35% majority, 15% major issues, 15% some issues, 16% no measures at all.




61% EU preparations not affected by Covid-19



26% exploring international markets including North America, Asia and Africa (10%, 7% and 6%).


## Information and Support




44% could not find information needed, 37% found 'some' or 'all'



43% of LCR and 39% of Y&NY businesses would like more info



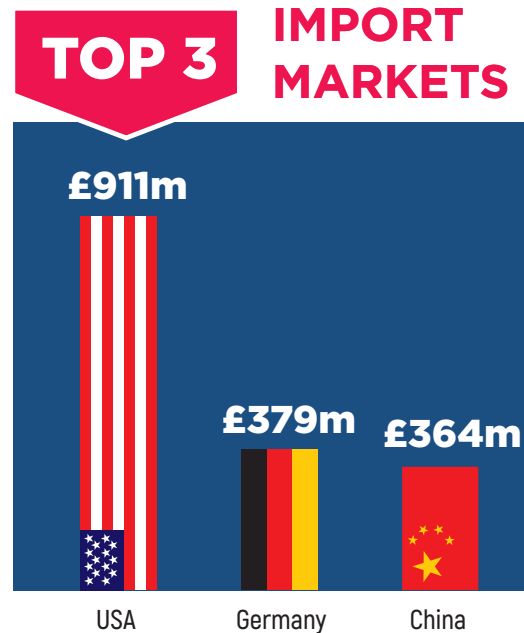
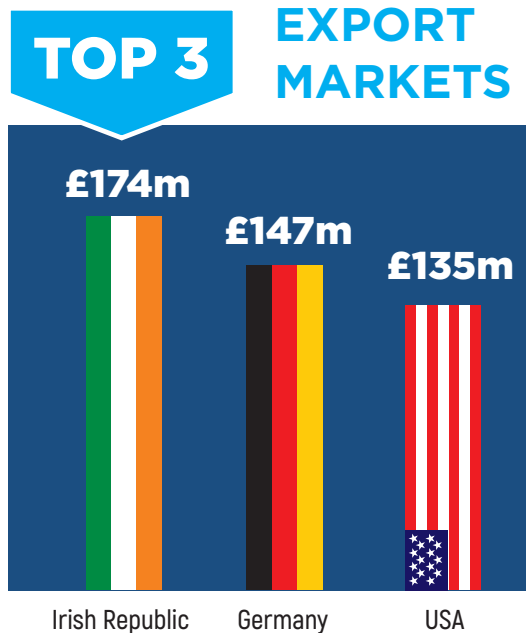
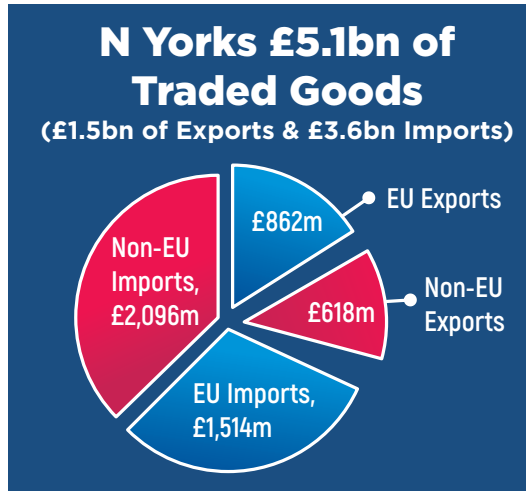
66% requested on-line tools



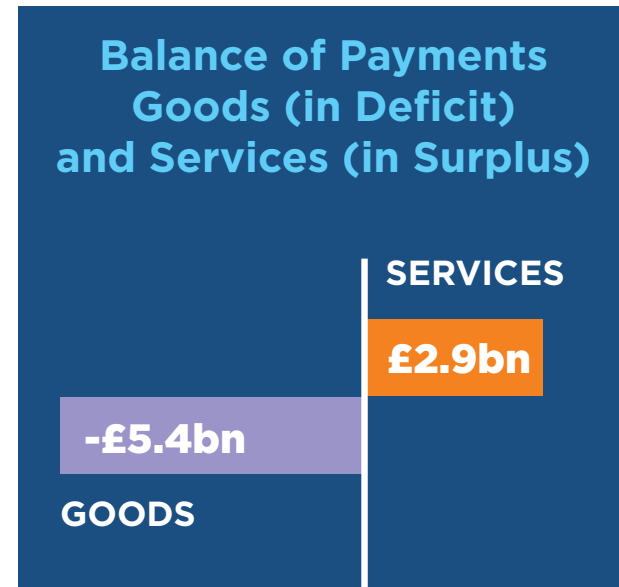
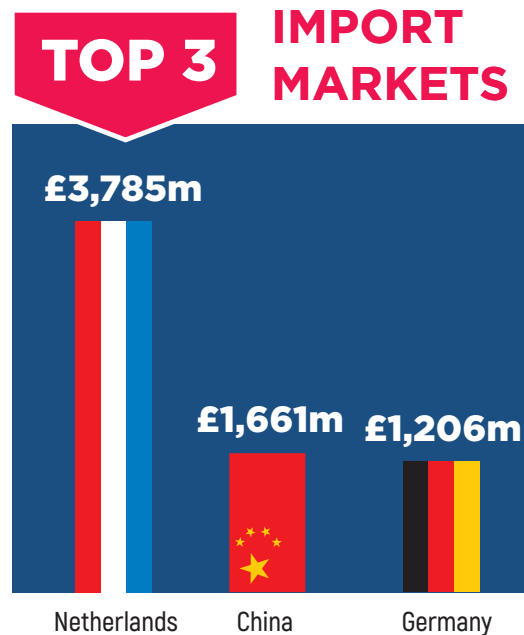
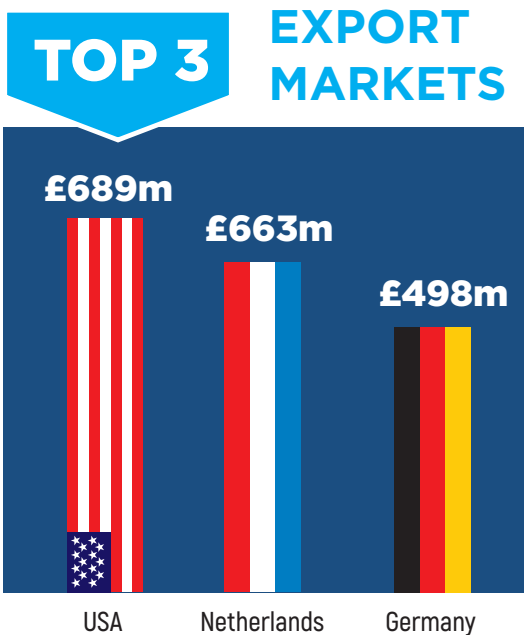
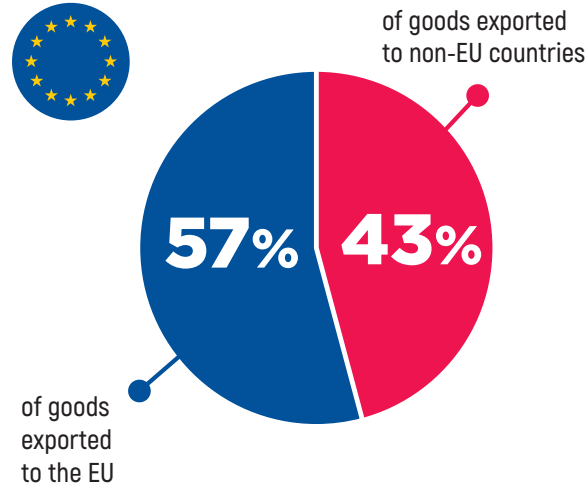
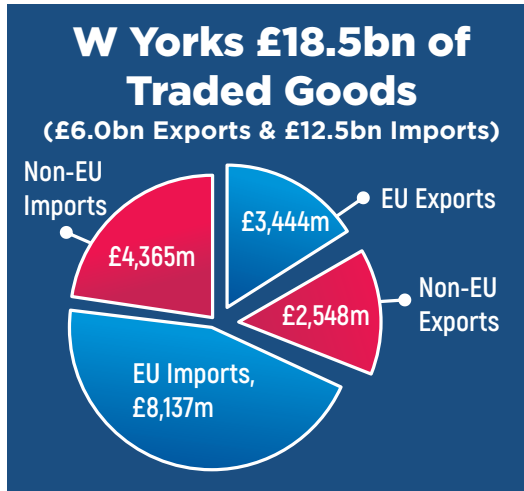
Hot topics: customs, travel, trade (43%, 37%, 36%)

\*Conducted by Kada Research Ltd in December 2020 with 151 businesses trading with the EU or thinking about it. 97 responses from the Leeds City Region (LCR) and 54 from York and North Yorkshire (Y&NY).

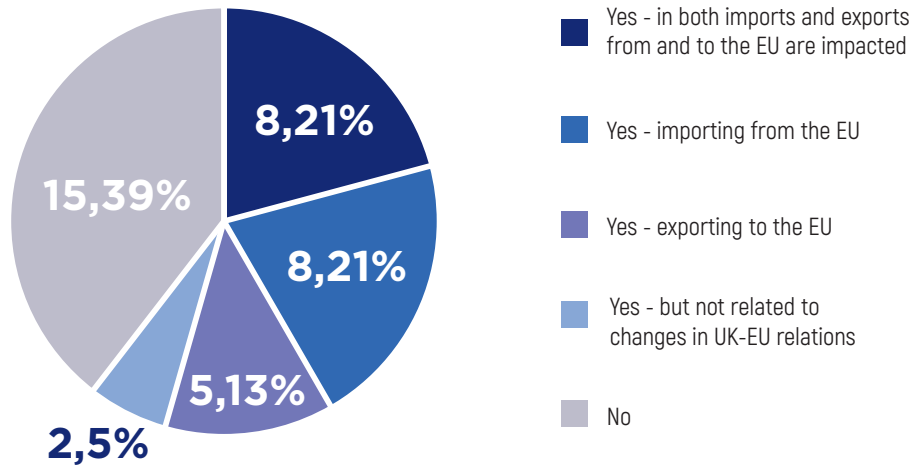
# North Yorkshire International Trade Headlines including EU Exposure



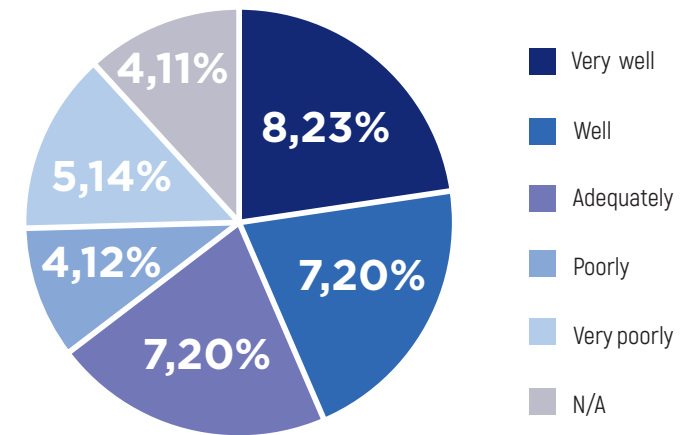
# Leeds City Region International Trade Headline including EU Exposure



## Have you experienced any supply chain disruptions since January?



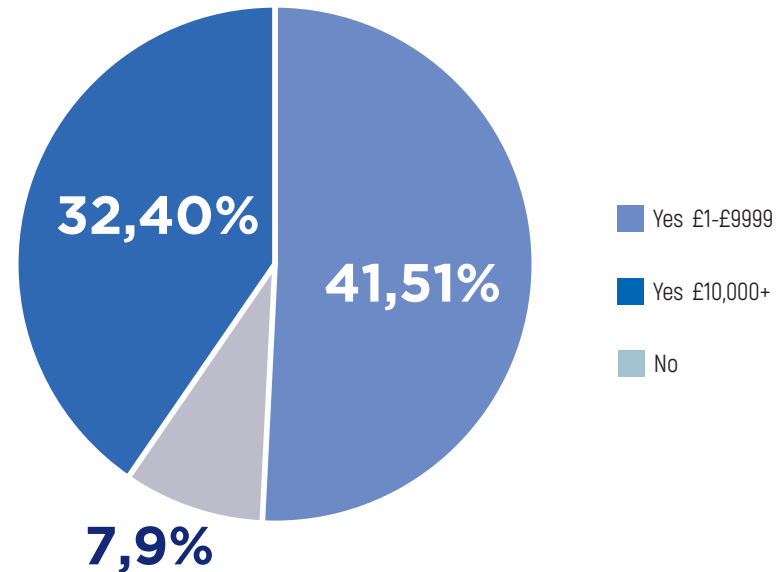
## How well are you managing the new relationship?



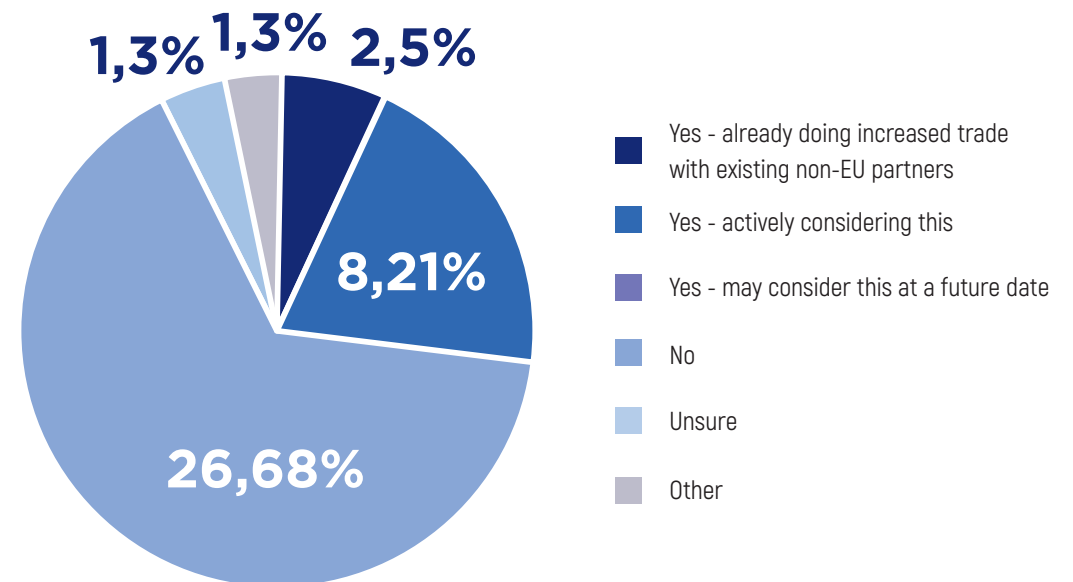
## Actions taken since the UK's Exit from the EU



**Have you incurred costs with the new arrangements?  
(All firms, WY)**



**Are you considering increasing trade with existing non-EU market partners as a result of the EU Exit?  
(Digital and Creative, Finance and Professional Services, WY)**





# Diversity\*

- ♀ **Female led businesses**
- **Less prepared**
  - **Less likely to find business support needed to prepare**
  - **B A M E led businesses less prepared for EU Exit as a result of covid**

**Female and BAME led businesses slightly more likely to be exploring new markets outside EU**

**\*Data for WY only**

# What are businesses in professional services, creative and digital sectors telling us about the effects?

**EU Customs clearance and documentation is a challenge. “The thing that has been most affected is the delays in deliveries and lack of knowledge of what is happening. Third parties in the middle aren’t telling us enough.”**

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**“The delays are causing problems for us and this is a barrier for our inward/outward supply chain.”**

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**Businesses were worried about travel permits and visas when working in the EU. “We need work permits for when our acts go to the EU, which creates lots of extra consequences for our industry. It will really affect us.”**

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**Some digital businesses hadn’t been adversely affected, but others were concerned about new data protection laws. “With our business being digital, I don’t import or export, so I haven’t faced many challenges”**

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**“We are worried about sharing of data and information as a result of the new deal”**

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# What are businesses in professional services, creative and digital sectors telling us about the support on offer?

**Consistent advice is needed.**

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**“We need a digital tool or service to help us work our import and export duties for smaller items”**

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**“The Government website and HMRC have been the most useful tools so far”**

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**“We need to know how to claim back extra VAT when importing now”**

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**“We need more advice about exporting and what we are doing. We are stumbling through.”**

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**“We don’t know what the tax implications are for imports and exports”**

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**“Understanding rules of origin is important”**

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# Preparations (Business insights)

- “The impacts of the EU Exit and Covid-19 on the automotive industry and car production has had an affect on our preparations”
- “There are so many Government departments putting their views forward, it can be overwhelming. We would like an advisory service that looks specifically at our business and provides bespoke advice.”
- “Lack of capacity is a key issue for us as we are a microbusiness.”
- “We work in the music industry, but found the extent of our preparations were limited, as we are secondary in the chain to businesses that do trade overseas”
- “I was looking for information on working abroad and how to trade and take payments from EU countries”
- “As a business to business service provider, before the deal, we couldn’t find any information from Government that really helped us to prepare. The only information we got was from accountants”
- “People were trying to prepare with limited information, and now the deal has been announced, we need updated support.”
- “We found it difficult to prepare but tried our best. There really was no certainty up until the deal was announced”

# Discussion

**Share your experience of  
the new trading conditions  
or new opportunities you  
are thinking about**

**Tell us what help businesses  
need and how it should be  
delivered**