

## Opportunities and Risks associated with Brexit identified through the Brexit Task and Finish Group Meetings

Risk/Opportunity	Challenge	Mitigation
<p><b>Business Confidence/Economic Performance</b></p> <p>Confidence in investment generally at a low ebb, but fluctuating. For many businesses it is “business as usual”.</p> <p>Exploit sectors with long term growth potential</p>	<p>Larger businesses delaying investment</p> <p>Small businesses do not have the resources to prepare for Brexit</p> <p>Some businesses without an EU HQ considering establishing one and potentially relocating out of the UK (some examples in Shropshire)</p> <p>Businesses potentially relocating R&amp;D outside the UK – losing quality of investment and knock on impact on GVA</p> <p>Skills (see below)</p> <p>Economic forecasts for Shropshire suggest that our economy will grow slower than the national economy over the next two decades</p>	<p>Set in place planning policies (including Place Plans) that support business expansion</p> <p>Encourage businesses to focus on long term solutions rather than on the immediate position and to invest more in staff development</p> <p>Feedback to Government through appropriate channels (calls for evidence, consultations, lobbying MPs etc) that lack of clarity over Brexit negotiations is negatively impacting business confidence</p> <p>Key account management with our key businesses</p> <p>Alignment of local ambitions, where appropriate, with national Industrial Strategy to take advantage of sector deals. Marches LEP focusing on:</p> <ul style="list-style-type: none"> <li>• Food &amp; Drink</li> <li>• Ageing Society*</li> <li>• Environmental Technology*</li> <li>• Cyber</li> <li>• Advanced manufacturing</li> </ul> <p>*Shropshire (Council, working with the Marches LEP and the Shropshire Business Board) to concentrate on these in first instance</p> <p>Sector analysis work to help support businesses through the process and development of sector propositions to encourage inward investment</p> <p>Working with leading Centres of Research (e.g. Harper</p>

		Adams University)
<p><b>Trade:</b></p> <p>Imports currently more expensive due to value of the pound and this could be exacerbated by the imposition of trade tariffs with EU trading partners</p> <p>Exports to EU also potentially affected by trade tariffs but exports currently benefiting from suppressed value of sterling</p> <p>Potential to further develop export markets outside the EU and to establish trading agreements outside of Europe</p>	<p>Cost of production likely to increase, especially for those which import raw material</p> <p>Establishing new export markets isn't easy – smaller businesses in particular may need support</p> <p>Trade regulations outside a single market may entail multiple different regulatory requirements</p>	<p>Encourage manufacture of component parts to reduce import costs (in certain sectors)</p> <p>Improve Shropshire's road and rail links to Ireland (A49 and A5 dualling, HS2)</p>
<p><b>Skills and Labour Force:</b></p> <p>Migrant Workers</p> <ul style="list-style-type: none"> <li>• Some sectors could face labour shortage – care, hospitality, farming, construction etc. due to high reliance on EU workers</li> <li>• Particular impact on seasonal labour supply</li> </ul> <p>Shortage of young workers</p>	<p>Value of pound making UK a less attractive place to live/work in combination with strengthening economies at home in some cases</p> <p>Social attitudes – migrant workers feeling unwelcome</p> <p>Shropshire demographic means the workforce is ageing</p> <p>Succession planning, major issue in some sectors (farming)</p>	<p>Encourage development of “better” jobs to attract younger workers</p> <p>Ensure sufficient supply of “affordable” housing</p>

<p>Cost of labour</p> <p>Skills</p> <ul style="list-style-type: none"> <li>• Need to address skills gap</li> <li>• Opportunity to improved productivity through improved skills and training</li> </ul> <p>Technology</p>	<p>Perceived lack of opportunities for young workers</p> <p>Government employment policies don't help rural areas</p> <p>Living wage has impacted on labour costs</p> <p>Loss of skills with migrants returning home</p> <p>Skills deficit amongst the British workforce</p> <p>Definition of skills in UK needs refining</p>	<p>Promote quality of life/low cost of living</p> <p>Support companies/sectors identifying and addressing skills issues</p> <p>Encourage colleges and training providers to run courses to train workers in skills lost due to falling numbers of EU migrant workers or to fill current/future skills gaps</p> <p>Improve skills/career advice in schools</p> <p>Improve perception of apprenticeships</p> <p>Maximise the use of innovative technology to replace manual labour previously undertaken by migrant workers and to improve productivity</p>
<p><b>Changes to CAP/replacement of direct subsidies</b></p>	<p>Agriculture of particular importance to rural localities like Shropshire (more than a fifth of enterprises are land-based) – potential impact on food processing and its supply chain plus the visitor economy and environmental land management</p>	<p>Involve NFU and CLA in place shaping work</p> <p>Take advantage of opportunity to influence government policy – eg by responding to the Farming Futures consultation</p> <p>Encourage co-operative working (can be informal)</p>
<p><b>Other</b></p>		

<p>Strengthen partnerships with universities, including UCS and Harper Adams</p> <p>Strengthening cross border working with Wales</p> <p>Future Funding</p>	<p>Continued lack of clarity about what funding may be available in the future (Shared Prosperity Fund)</p>	<p>Creation of Centres of Excellence CREST – opportunities with new Environmental Land Management Plan?</p> <p>Encourage (joint) investment in infrastructure and skills and training opportunities. Be aware of any plans for growth deals in Mid Wales.</p>
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