

Appendix A – Areas to focus on for Business preparation

Getting ready for 2021

Advice for your local businesses

2021 will bring new challenges as the UK finds its feet outside of the EU and recovers from an exceptionally challenging winter caused by Covid-19.

In supporting businesses in planning for the end of transition at the start of next year, activities and advice should focus on four key areas.



Continuity

Will you be able to continue to operate and serve customers?

Make sure you mitigate the chances of any disruption post-transition and wider economic uncertainty.

This may be through

- Retaining the current workforce and offering non-cash benefits
- Re-evaluating, post pandemic, your financial break even point and knowing what needs to be done to keep afloat
- Reviewing stock levels
- Engaging with suppliers and customers
- Reviewing any vulnerability throughout supply chain



Compliance

Will all your paperwork be up to date?

The regulatory landscape will change. Ensure that your organisation, products and services comply with the new rules and processes. Including:

- Customs checks and documentation
- New VAT processes for exports throughout supply chain
- Product standards conformity testing for exports into the EU
- Data and GDPR safeguards
- Food and beverage labelling for UK exports into the EU
- Environment and sustainability



Cost

Can you reduce costs and free up cash?

With the economy set to be disrupted significantly businesses need to think now about the ongoing impact this will have, and actions they can take in response.

Other areas to consider include:

- Decrease discretionary spends
- Identify how to cut around 10% of costs
- Tighten debt management – chase outstanding bills and try to pay off any unsettled debts
- What have you learnt from managing cash flow throughout the pandemic? Can this be taken forward into 2021?



Communication

Have you spoken to everyone you need to?

Communication is vital, and is key to any plan. This may be through engaging with accountants, investors or your bank, supply chains, employees, or customers.

This will help mitigate disruption and build business strength in a period of political and economic volatility.

Use the current Covid-19 disruption, and the prospect of different challenges as we approach 2021, as an opportunity to reach out, identify any possible problems and build solutions ahead of time.

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