

## Extra manpower needed ahead of government policy on EU produce

1 year ago



*Insight from Jason Webb, managing director at [Electronic Temperature Instruments](#)*

The UK supply chain continues to feel the wrath of external forces. Over the past four years, it has navigated through unprecedented challenges, showcasing remarkable resilience. From the uncertainties of Brexit to the ongoing geopolitical tensions and the global pandemic, manufacturers have demonstrated their ability to adapt, innovate, and collaborate to ensure the smooth functioning of the supply chain.

Yet, there is cause for optimism. ONS data released in 2023 found that one in nine (12%) businesses with 10 or more employees experienced global supply chain disruption. This is a reduction from 20% in September 2022 and the lowest percentage reported since the question was introduced in December 2021.

More than two-thirds (67%) of trading businesses reported that they were able to get the materials, goods or services they needed from within the UK in February 2023; up 6 percentage points compared with January 2023. Still, among the top two concerns reported by businesses were the inflation of goods and services prices.

A recent report from the University of Sussex's UK Trade Policy Observatory (UKTPO) examined the difficulties and disadvantages for businesses arising from the EU-UK Trade and Cooperation Agreement (TCA). It also examined supply chain challenges discovering UK businesses are reporting significant obstacles with increased red tape, bureaucracy, and costs, as well as shipping and transport issues. Such increases inevitably lead to both shortages of products and rises in prices for the UK public.

For our business, and as a direct result of Brexit, we are currently faced with shipping issues both in and

out of Europe. This requires extra internal manpower to ready the paperwork. These costs are absorbed by us and not passed on to the customer. This is an issue that we never used to have. We are also competing for components with thousands of other firms, which means they often end up going to the highest bidder. In fact, in 2023 a study from TMX Global found that supply chain woes are now costing the UK economy over £12 billion a year in lost revenue. Although there's a slight easing in global supply chain disruption, challenges persist with delays, capacity constraints, congestion, and elevated prices, all affecting the bottom line.

This resilience is a testament to the collective strength and determination of businesses across the country. Despite the myriad challenges, manufacturers have risen to the occasion, finding creative solutions to overcome obstacles and keep operations running smoothly.

Businesses have come together behind the scenes, sharing best practices, common goals, pooling resources, and offering support to one another in times of need. Whether it's sharing information on customs procedures, coordinating transportation logistics, or sourcing alternative suppliers, collaboration has been instrumental in mitigating the impact of Brexit-related disruptions.

Furthermore, and faced with new regulatory requirements and logistical complexities, businesses have swiftly adapted their processes and operations to meet the challenges head-on. From investing in new technology to streamlining customs procedures to reconfiguring supply chains to minimise disruptions, manufacturers have demonstrated a willingness to embrace change and innovate in the face of uncertainty.

The resilience of the UK supply chain extends beyond the manufacturing sector, however. Throughout the entire supply chain—from raw material suppliers to logistics providers to retailers—businesses have worked tirelessly to maintain the flow of goods and minimise disruptions for consumers. This coordinated effort has ensured that essential products continue to reach their destinations, even in the face of unprecedented challenges.

Looking ahead, the resilience of the UK supply chain will continue to be tested as businesses navigate the complexities of post-Brexit trade. However, with a spirit of collaboration, innovation, and adaptability, there is confidence that the industry will emerge stronger and more resilient than ever before. Yes, the challenges posed by Brexit have highlighted the resilience of the UK supply chain. But as industry continues to navigate through uncertain times, the spirit of resilience will undoubtedly remain a driving force behind the success and prosperity of the UK supply chain.