

# **Coronavirus Logistics Impact** Survey: 14 April 2020

FTA's weekly Coronavirus Logistics Impact Survey focuses on identifying how operators and purchasers of logistics transport services are dealing with the coronavirus pandemic.

This fourth survey, conducted between 7 and 9 April 2020, had over 400 respondents spanning over 18 sectors in the UK - 40% were small businesses with less than 50 employees, while just under one-third were large businesses with more than 250 staff. The majority (95%) were concerned with domestic trade and around a third were also involved in importing and/or exporting. 64% were operators of logistics transport services, with just under one-third both operators and users of logistics transport services.

## What changes have the majority of organisations implemented? Index (change – compared to last week) 85.6 (+0.2) Remote working from home to avoid human contact 77.9 (-2.0) Cut back on training 76.0 (-0.9) Flexible working arrangements 71.6 (new) Furloughed staff 71.1 (+ 1.6) Scaled back or suspended operations 61.8 (+ 2.3) **Cut overtime** 57.8 (+ 1.6) ↑ Re-scheduled maintenance programmes 51.6 (-14.7) Stood staff down for a period 36.0 (+ 1.0) **↑** Frozen pay 35.2 (+ 1.1) Taken work back in-house 31.6 (+ 1.5) Found alternative suppliers/sourcing 50 Not yet implemented (or less likely to be) 26.6 (+ 1.1) ↑ Staff health screenings 24.9 (+ 2.4) Diversified the business 23.4 (- 1.2) **↓** Reduced pay 22.5 (− 0.1) Compulsory paid holidays 21.0 (– 3.1) **↓** Unpaid leave/holiday 20.2 (-1.7) Undertaken deliveries during normally restricted times Made use of relaxations in drivers' 19.0 (new) hours rules 15.1 (-2.4) Increased overtime 12.6 (- 0.3) ↓ Made redundancies

10.8 (-0.8) 

Increased number of shifts

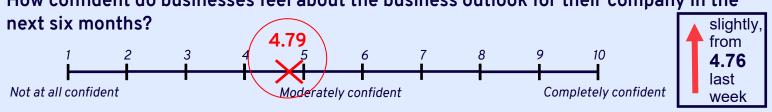
## Staff in self-isolation due to coronavirus:



### Measures in place to deal with coronavirus' impact:

Handwashing/hy per national reco	IS (	98	%		
Reducing face-to-	ith <b>Ç</b>	97%	%		
Reducing face-to- with customers/s	9	7%	6		
Additional hygie	ne proce	sses	88	%	
Business continuplan	uity		76%	)	
Emergency complan	ımunicati	on	73%		
Sick leave policy	У	-	70%		
Increased vehicles facility cleaning	le/	68%			
Adequate insurance	51%				

How confident do businesses feel about the business outlook for their company in the



#### **Availability of supplies** (compared to last week): What impact is the coronavirus currently having on businesses? much fewer -2 = negative impact 0 = no impact Construction materials -0.94 **=** (-0.85) 2.00 PPF\* -0.72 (-0.97) -0.60 (-0.57) Machinery -0.48 **(-0.50)** Vehicle parts -0.26 = (-0.60)Medical supplies **Pharmaceuticals** -0.24 (-0.50) -0.05 **■**(-0.36) Tinned food Fresh produce (-0.24) ■ 0.04 *(-0.20)* ■ 0.06 Meat $(-0.16) \blacksquare 0.10$ **Dairy** \*PPE = Personal Protective Equipment Fuel prices 1.08 Road congestion and delivery 1.07 Top 3 government support measures times businesses will/will not pursue: Do not intend to Already accessed or plan to: access: 1. Coronavirus Job 1. Grant funding of **Retention Scheme** £25,000 for retail/ Fuel availability 0.31 hospitality 2. Deferring VAT and businesses Income Tax payments 2. Self-employed income support plan 3. Statutory Sick Pay 0.00 relief package for 3. One year business small to mediumrates holiday for sized businesses retail/hospitality businesses in England Recruitment What further measures could government -0.65 take to help? Driver availability -0.73 53% Defer Corporation Tax payments Paying suppliers -0.74Interaction with customers -0.97 52% Delay employer National Insurance payments Staff availability -0.9852% Delay or prioritise driver medicals Provision of service - 1.05 43% Increase Statutory Sick Pay + cover for longer **Supplies** - 1.18 39% Provide clarity on Driver CPC **Orders** - 1.27 34% Defer business loan repayments **Business planning** - 1.31

Other suggested measures included:

• The provision of grants, not loans

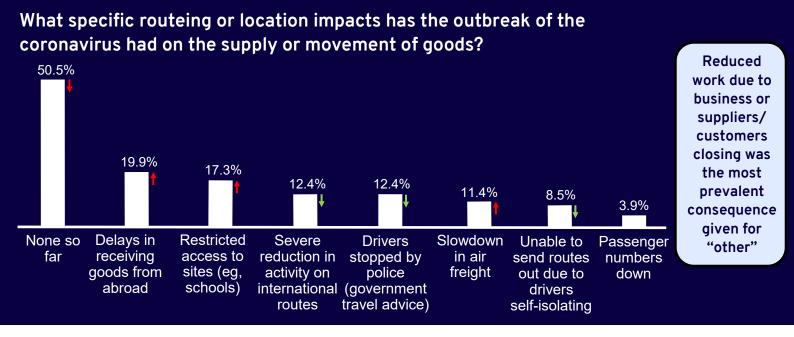
non-hospitality industries · A more flexible furlough scheme

A reduction in or break from business rates for

2 = positive impact

Revenue

- 1.43

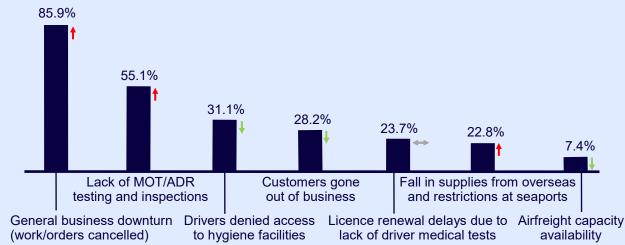


#### Level of supply chain disruption experienced, compared to last week:

	Normal performance	Minor disruption (drop ≤25%)	Moderate disruption (drop >25% but ≤50%)	Severe disruption (drop >50% but ≤75%)	Extreme disruption (drop of 75%+)
Overall freight volumes (tonnes)	15.2% 🗼	23.8%	19.9% =	13.8%	27.3%
Freight kilometres	20.4% 👃	25.4% ↑	14.9% ↓	11.9% ↓	27.4% ↑
No. of units in use	23.1% 🗼	25.8% =	14.0% ↓	10.9% ↓	26.2% ↑
Storage/warehousing	50.0%	16.9%	12.2%	7.4%	13.5%
Orders for your business' services	11.9%	22.2%	20.7%	16.1%	29.1%



#### Impacts experienced by businesses:



## Current expectations for filling vacancies due to self-isolation:

	Mechanics / technicians	Warehouse staff	Transport managers	HGV drivers	Van drivers	Forklift drivers	PSV/coach drivers
No problem	42.8%	53.2% ↑	65.8% ↓	51.0% 🕇	67.3% 🕇	63.9% 🕇	74.4% 👃
Minor problem	23.5% 🗼	20.3% 🗼	15.8% ↑	26.1% 🕇	19.9% 🕇	19.3% ↑	14.0%
Moderate problem	19.9%	21.5%	11.3% 🗼	14.1% ↓	8.3% 👃	12.7% ↓	9.3% 🗼
Severe problem	7.8%	3.8% ↓	3.6% ↓	5.0% ↓	3.8% ↓	1.8% ↓	0.0%
Very severe problem	6.0%	1.3% ↓	3.6%	3.7% ↓	0.6% 🕴	2.4% ↓	2.3%

6.6%
of HGV drivers
require medicals
by the end of the
year

#### Actions businesses are taking with staff:

Have already implemented

147*11					
WIII	ımpı	Iement	ın	coming	weeks

69.0%	Furloughed staff	5.2%
69.6%	Scaled back or suspended operations	3.0%
19.3%	Unpaid leave/holiday	3.4%
18.9%	Compulsory paid holidays	7.3%
9.6%	Made redundancies	5.8%

#### **HGV** drivers

14.0% furloughed0.2% made redundant5.7% self-isolating

29.9% require PPE

#### Van drivers

7.2% furloughed0.1% made redundant8.7% self-isolating20.5% require PPE

#### Warehouse staff

(forklift drivers, pickers, packers, etc.)

12.6% furloughed

0.2% made redundant

7.7% self-isolating

**31.2%** require PPE

Three-quarters of respondents already have, or will have in the coming weeks, furloughed staff.

There are relatively **few redundancies** (compared to other staff actions), in anticipation of a recovery in business volumes in the next few months when government's lockdown guidelines are relaxed, as there will be a need to **react quickly**.



of respondents said the end of the drivers' hours relaxation would

#### NOT

have an impact on their ability to meet their required volumes.

## Comments on greatest impacts and personal experiences:

"Breaks in customer supply chains because of closures"

"Limited amount of outbound work due to customers closing"

"We have had to stop all deliveries, due to sites being closed

"All our customers have closed down for the next few weeks"

"Banks are being no help whatsoever"

"Banks want extra guarantees on loans for full loan amount or keep delaying decisions"

"Extended furlough scheme as start up will be slow and a dead stop on grants will lead to instant redundancies"

These results were collected between 7 and 9 April 2020 from answers provided by logistics businesses in our weekly Coronavirus Logistics Impact Survey – to take part, or for more information, please visit: www.fta.co.uk/coronavirus/survey