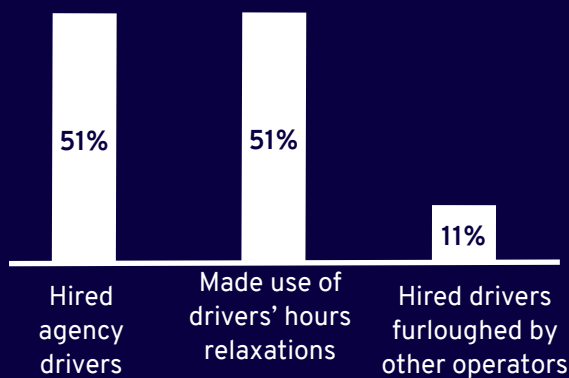


Coronavirus Logistics Impact Survey: 25 May 2020

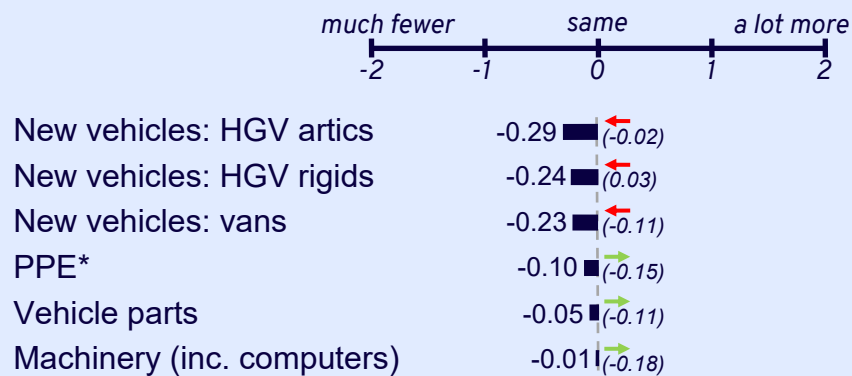
FTA's weekly Coronavirus Logistics Impact Survey focuses on identifying how operators and purchasers of logistics transport services are dealing with the coronavirus pandemic.

This tenth survey, conducted between 19 and 21 May 2020, had around **200** respondents spanning over **20** sectors in the UK – **45%** were small businesses with less than 50 employees, while **over one-quarter** were large businesses with more than 250 staff. Around **two-thirds** were operators of logistics transport services, with **one-third** consisting of both operators and users of logistics transport services.

Measures taken to address short-term fluctuations in demand following furlough of HGV drivers:



Availability of supplies (compared to last week):



*PPE = Personal Protective Equipment

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)	13.2% ↑	29.5% ↑	26.4% ↓	16.3% ↑	14.7% ↓
Freight kilometres	19.7% ↑	29.1% ↑	24.8% ↓	14.5% ↑	12.0% ↓
No. of units in use	26.6% ↑	26.6% ↑	19.5% ↓	15.6% ↑	11.7% ↓
Storage/warehousing capacity	56.3% ↑	15.6% ↓	15.6% ↑	1.6% ↓	10.9% ↓
Orders for your business' services	9.4% ↓	28.8% ↑	26.6% ↑	15.1% =	20.1% ↓
Cash flow	21.5% ↑	22.9% ↓	23.6% ↑	11.8% ↓	20.1% ↓
Customers paying on time	26.1% ↓	28.3% ↑	25.4% ↑	10.9% ↓	9.4% ↓

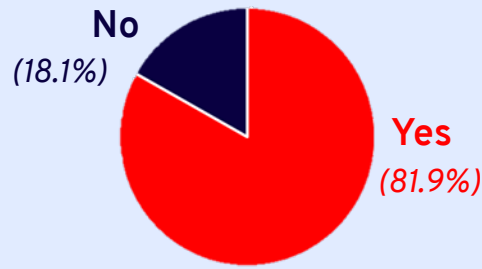
This week there was further improvement in supply chain disruption, as freight flows recover. All indicators experienced less extreme disruption this week, while almost all reported increased levels of normal performance – the exceptions were business orders and customers paying on time, though both were only slightly negative this week compared to last.

HGV drivers

9,156 staff

- 14.0% furloughed
- 0.3% made redundant
- 3.7% self-isolating
- 31.6% require PPE

Respondents transporting freight by road:



Average percentage of fleet parked up (including SORN) due to the coronavirus pandemic:

8.4%
HGVS

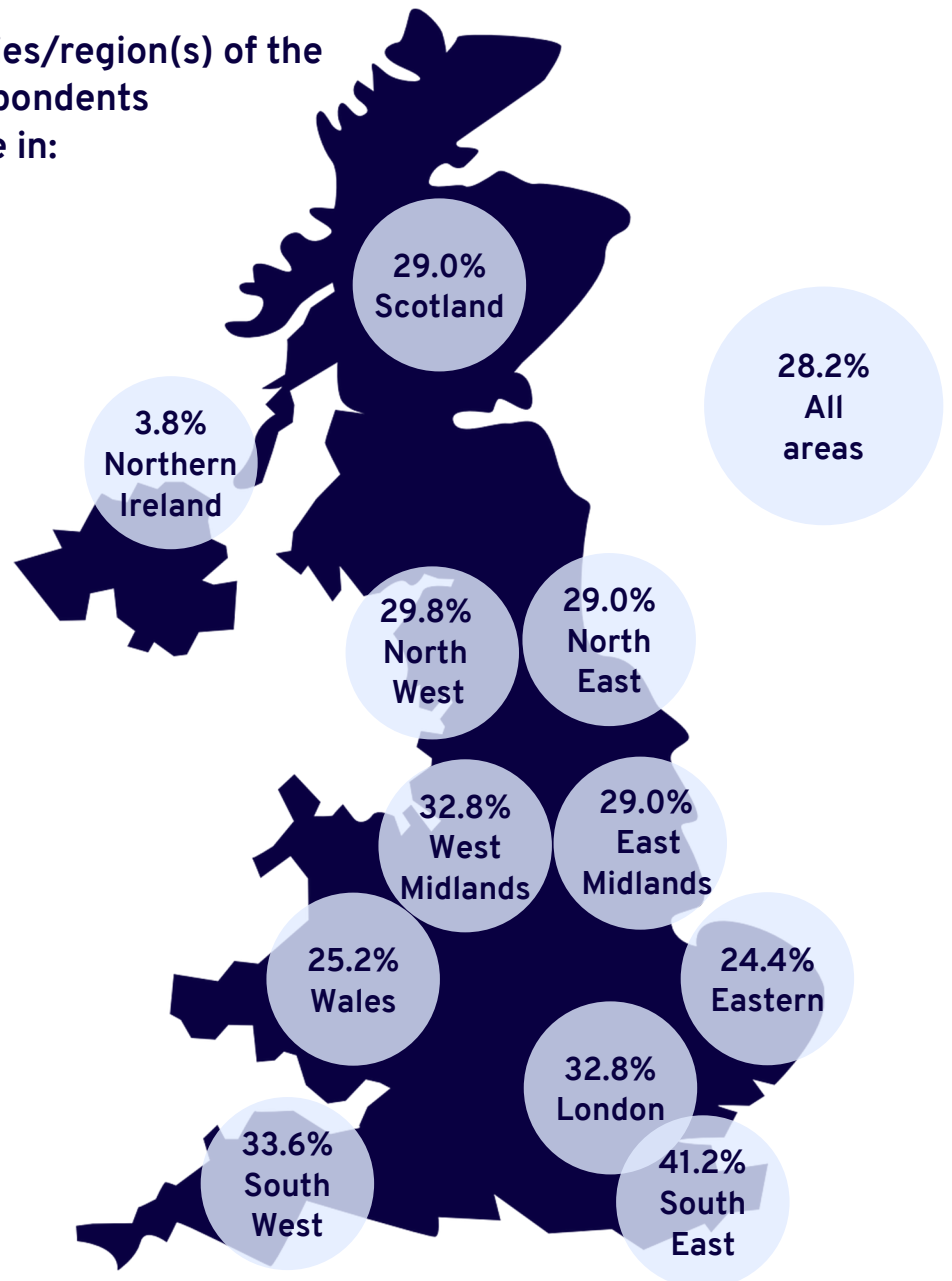
7.7%
vans

Van drivers

10,948 staff

- 5.5% furloughed
- 0.6% made redundant
- 3.0% self-isolating
- 24.2% require PPE

Countries/region(s) of the UK respondents operate in:



Warehouse staff

(forklift drivers, pickers, packers, etc.)

6,641 staff

- 7.0% furloughed
- 0.0% made redundant
- 9.0% self-isolating
- 55.5% require PPE

All other road transport staff

(support staff, managers, administrators, etc.)

48,639 staff

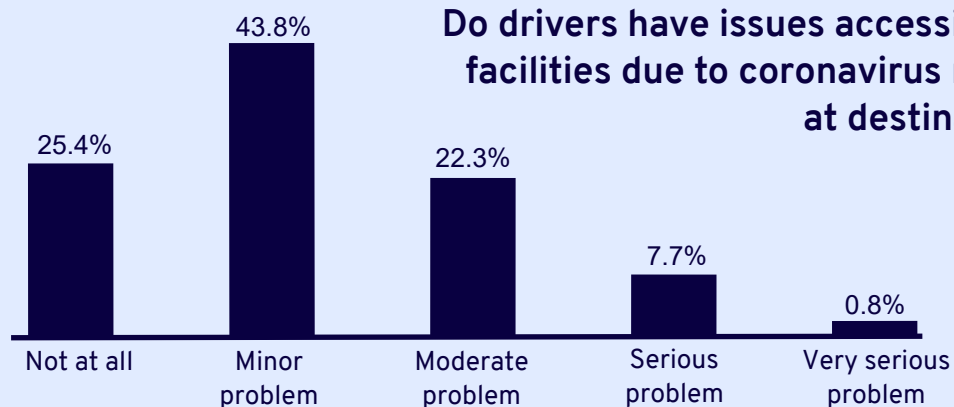
- 31.6% furloughed
- 0.1% made redundant
- 0.4% self-isolating
- 7.1% require PPE

Non-road staff in general

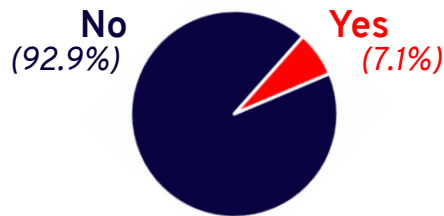
10,631 staff

- 15.0% furloughed
- 0.7% made redundant
- 5.6% self-isolating
- 29.7% require PPE

Do drivers have issues accessing hygiene facilities due to coronavirus restrictions at destination sites?



Companies in danger of financial collapse in the next eight weeks:



Which of the following issue/s would enable companies to continue trading during the pandemic?

77.2%

Ensure continued payments from the Coronavirus Job Retention Scheme beyond June

72.1%

Ensure key part of supply chain continue to operate (eg, ports, ferry services, air freight)

62.9%

Defer payment of fixed costs (vehicle leases, insurance payments)

49.6%

Defer pre-existing loan payments

'Other' responses included 'none', as trading has resumed.

Have businesses attempted to negotiate or successfully arranged revised payment terms for any of the following?

	Attempted to negotiate	Successfully negotiated*	Still negotiating
Vehicle financing/leasing	54%	74%	16%
Premises rent/mortgage	31%	38%	24%
Insurance payments	37%	46%	22%
Other loans	32%	53%	27%
Other overheads	33%	30%	24%
Other suppliers	28%	31%	31%

*Of those who attempted

How confident do respondents feel about the business outlook for their company in the coming six months?



↓ slightly down from 5.76 (when this question was last asked two weeks ago)

What changes have the majority of organisations implemented?

>50 Implemented (or likely to be)

Index (change – compared to two weeks ago)

78.5 (+ 1.6) ↑	Furloughed staff
72.5 (– 6.5) ↓	Scaled back or suspended operations
66.5 (– 4.3) ↓	Cut back on training
48.4 (+13.6) ↑	Taken work back in-house
45.7 (+ 7.8) ↑	Brought staff back from furlough
36.4 (+ 9.6) ↑	Diversified the business
26.5 (+ 2.5) ↑	Compulsory paid holidays
19.1 (+ 1.5) ↑	Unpaid leave/holiday
17.1 (+ 1.6) ↑	Made redundancies

<50 Not yet implemented (or less likely to be)

Actions businesses are taking with staff:

	Have already implemented	Will implement in coming weeks
	78.5%	Furloughed staff 0.0%
	72.2%	Scaled back or suspended operations 0.6%
	65.2%	Cut back on training 2.5%
	46.5%	Taken work back in-house 3.8%
	45.4%	Brought staff back from furlough 0.7%
	35.1%	Diversified the business 2.6%
	24.2%	Compulsory paid holidays 4.6%
	18.1%	Unpaid leave/holiday 2.0%
	12.5%	Made redundancies 9.2%

Issues that will prevent business levels from returning to normal when coronavirus restrictions begin to lift:

	Not a barrier	Somewhat of a barrier	Moderate barrier	Extreme barrier
Social distancing	16.4%	39.6%	21.4%	22.6%
Cash flow	28.7%	28.7%	26.0%	16.7%
Customers no longer trading	20.7%	35.2%	26.9%	17.2%
Lack of work	15.1%	28.1%	26.0%	30.8%
MOT availability	53.3%	23.8%	14.8%	8.2%
Recruitment of drivers	65.0%	18.7%	10.6%	5.7%
Un-furloughing existing drivers	62.5%	20.8%	10.8%	5.8%
Relicensing vehicles for use	16.7%	26.9%	28.8%	27.6%
Lack of demand for business	23.3%	36.1%	24.1%	16.5%
Extended payment terms from suppliers/delayed payments	16.4%	39.6%	21.4%	22.6%

Have respondents accessed the following schemes?

	Not eligible	Applied successfully	Applied unsuccessfully	Applied but still waiting	Do not intend to use	Need more information
Coronavirus Job Retention Scheme	7.1%	65.6%	1.3%	3.9%	18.8%	3.2%
Bounce Back Loan Scheme	14.1%	13.4%	0.0%	7.7%	44.4%	20.4%
Coronavirus Business Interruption Loan Scheme for SMEs	19.0%	6.3%	4.2%	4.9%	52.1%	13.4%
Coronavirus Business Interruption Loan Scheme for large businesses	25.4%	1.4%	1.4%	2.2%	53.6%	15.9%

These results were collected between 19 and 21 May 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