



2020 Covid-19 Survey Results

Wave 2

8th September 2020

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bvrla.co.uk

Summary

- Response rate lower than the previous wave with 52 responses compared with 92 in June. However 86% of this waves respondents were at director level or above.
- Our industry may be being hit harder than most.
 - 94% of respondents say that that revenue will be down this year. A recent ONS report for all businesses suggests that 43% will see a reduction in turnover.
- The overall outlook is more positive than 3 months ago.
 - Just 16% of respondents expect revenue to be less than 50% of target compared with 43% in the last wave.
 - 26% of respondents indicate that more than 10% of their staff will be in danger of redundancy in November compared with 35% in June.
 - 61% of respondents expect the recovery to take less than a year compared with 50% three months ago.
- Vehicle supply issues are increasingly concerning members as they plan to bring their business back on track.
- Members generally happy with work done by the BVRLA on Covid-19 issues.

Background Sample and Methodology

Objective: to understand the business challenges faced by members caused by the coronavirus pandemic and changes since the last survey in June 2020. (Wave 1)

Online research: conducted with key BVRLA member contacts between the August 19th and September 4th 2020 (Wave 2)

Participation: 52 responses equivalent to 5% of all member organisations. Reduced sample when compared to original response in Wave 1 from 92 members.

Decision Makers: 8% CEO,
30% Managing Director,
48% Director



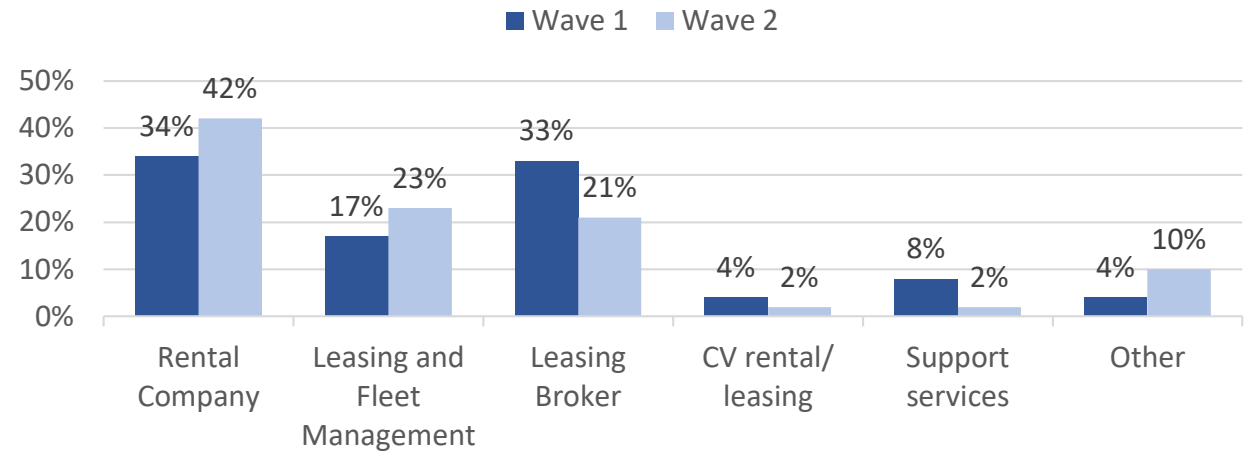
(Similar in profile to wave 1)

Business Size: employees

Small	Medium	Large
71% (81%)	18% (13%)	11% (6%)

(Slightly more bias to medium and larger sized businesses in than wave 1 sample.) (Wave 1 percentages in brackets)

Primary Business Operation



Impact on Employment

“What proportion of your workforce do you expect to be furloughed at the end of...”

	Aug (W1)	Aug (W2)	Sept (W1)	Sept (W2)	Oct (W1)	Oct (W2)	Nov*	Dec*
0%	39	29	59	50	72	63	71	73
1 - 25%	31	46	28	31	18	25	19	17
26 - 50%	24	17	7	12	4	8	8	8
50% +	6	8	6	8	6	4	2	1
	100	100	100	100	100	100	100	100

* If furlough extended

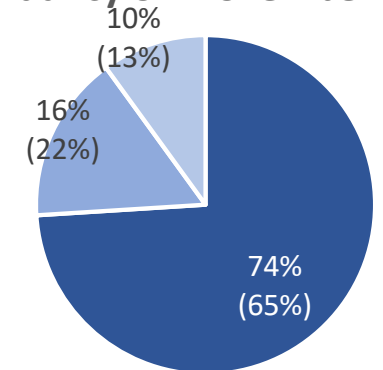
37% of members expect to have staff on furlough at the end of October. This is greater than the **28%** wave 1 figure

40% of rental members expect to have staff on furlough at the end of October. (**39%** in Wave 1)

30% of leasing / leasing broker members expect to have staff on furlough at the end of October.

48% of members think the furlough scheme should be extended to take staff back on a part time basis. Of these **92%** think that six month extension would be sufficient.

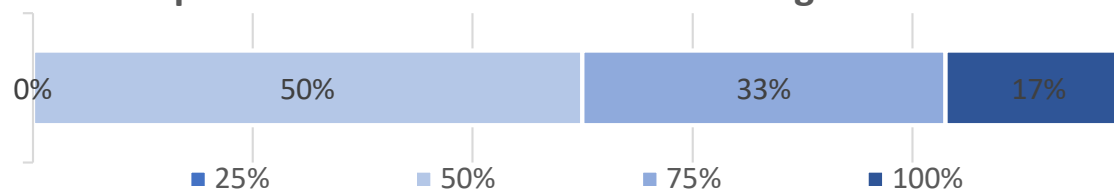
Proportion of staff at risk of redundancy on November 1st



(Wave 1 percentages in brackets)

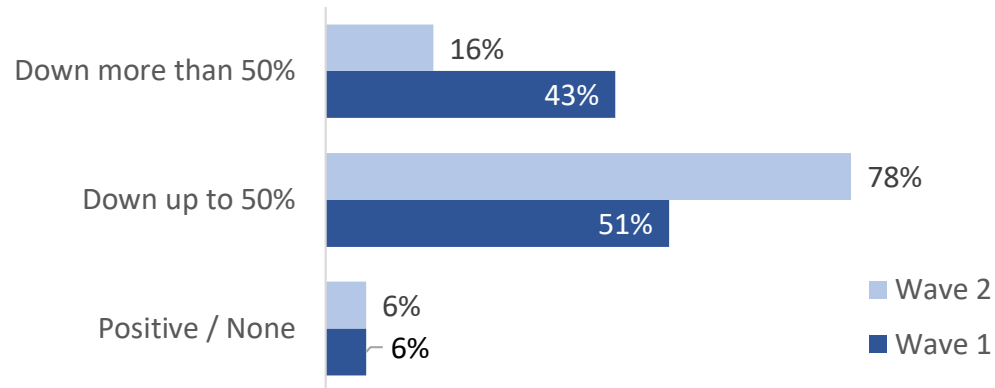
■ 10% or less ■ 11 to 30% ■ 30% or more

Expected Gov't Contribution If Furlough Extended

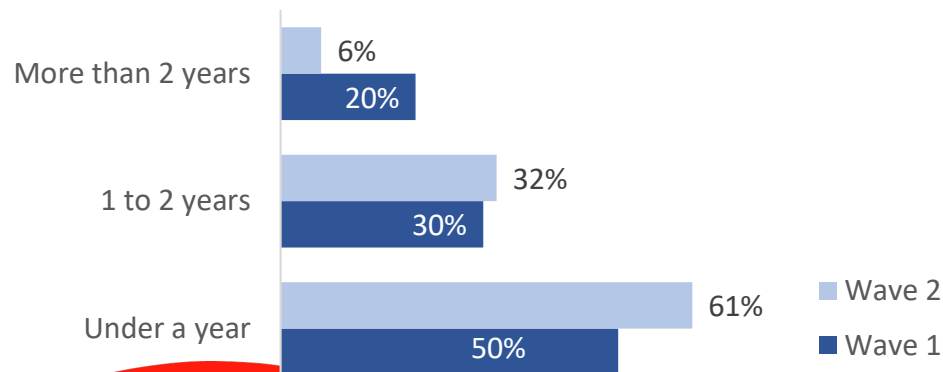


Financial Impact

Impact On Revenue

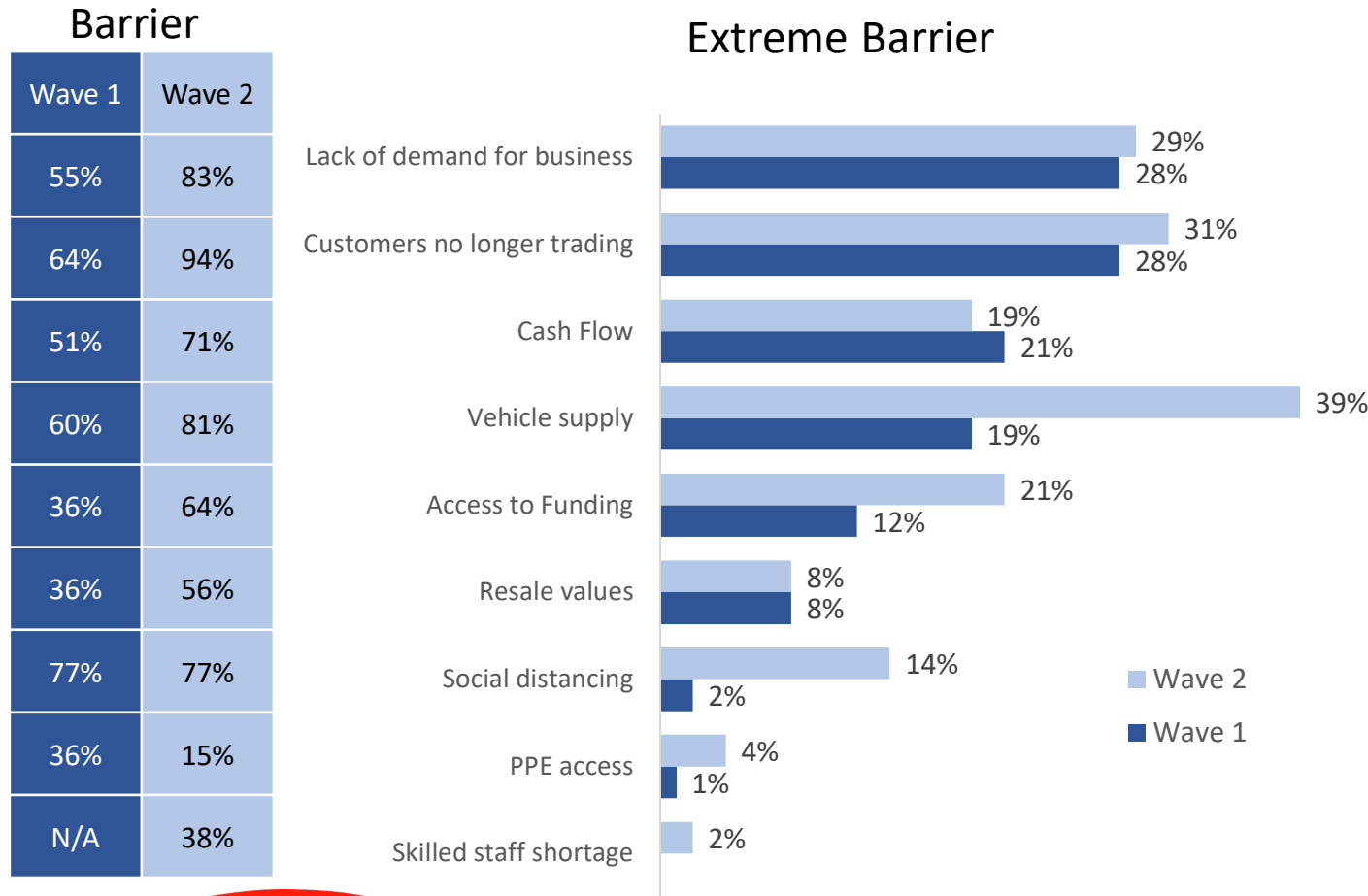


Expected Recovery Time



- The impact on revenue is an issue for members with **94%** expecting 2020 revenues to be lower than anticipated before the Covid-19 outbreak.
- But members are becoming more positive about revenue projections. In June almost half (**43%**) of members responding thought revenues would be more than 50% down on predictions this has fallen to **16%** in this wave of research.
- Predictions on the time taken for recovery are also more positive. **61%** of this waves sample believe the recovery time will be less than a year compared with **50%** in the previous wave.
- None of the members who responded are concerned that financially their company is in danger of permanent closure in the next 8 weeks.

Barriers Preventing Businesses Returning To Normal



Question: How much of a barrier will any of the following be in preventing your business from returning to normal when Coronavirus restrictions begin to lift?

- Generally respondents are more aware of the potential barriers preventing businesses returning to normal.
- A lack of demand and customers no longer trading are still seen as the greatest threats.
- In terms of extreme barriers, social distancing, vehicle supply and access to funding have all increased notably when compared to wave 1.

Additional Support from the BVRLA

Carry on doing what you're doing! Your lobbying that allowed us to carry on trading during lockdown was very much appreciated.

Our current concern is what to do with the remaining staff if/when one of them tests positive for the coronavirus. Specific guidance on sending people home to isolate, how to keep them working, how to remain operational, etc., would be helpful.

Represent micro business members strongly in their relationships with the large finance companies

Continued lobbying for favourable tax movements

I think the Covid situation compounded with Brexit has to make the economic recovery very challenging for the next 36 months

EV incentives, first year allowances, encouraging skilled people into the industry

Inform us of the impact of Covid-19 on the industry as you are doing.



You are giving the members a very good service

Effective Westminster lobbying / influence.

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