

A New Institute for a New Era: Leading our profession globally

Welcome to the first Bulletin of our Covid-19 response! As an Institute, we have started our second hundred years immediately with a global crisis. Last week we heard **the call to action from the International President.** The crisis impacts the supply chain, transport and logistics sector hugely and we have immediately begun to meet this by –

- Engaging with our countries and members globally to understand the impacts
- Requesting global feedback from all to build a central pool of knowledge and resource
 Sharing that and delivering structured responses through planned regular papers and
- webinars
- Collaborating with businesses, trade bodies, government specialists and experts to review issues and provide solutions

Leading the profession locally: our Leadership Task

The first task for each of us as professionals in the sector is to lead. Our people and our businesses are at risk. How are you responding as a business leader? Are you demonstrating consistent, purposeful and calm leadership or have you taken a holiday at home? Check your leadership approach and work out how to

- Be Visible to your team and your customers
- Communicate clearly and often
- Collaborate with other businesses rather than compete
- Share solutions and problems and don't wait for the perfect solution

Leading the profession globally: let us share some immediate business responses and implemented ideas that will help you

These are deliberately a first explosion of ideas from across our world to help you think and determine appropriate responses. This first paper contains examples mainly from the UK with some from Europe and SE Asia, but we expect to supply a continuous feed of ideas and best practice from all round the world in the coming weeks. The bulletins we issue will cover many areas and practices and we want you to respond by converting useful ones into your work situations, discarding any that are not relevant and feeding back new ideas and questions that arise as a result. As we build our response, we will become more focused on specific areas of need. This is aimed at operators initially rather than academics or theorists – so if in that category, stop reading now!

Business responses for immediate application:

1. Key worker shortages

In the UK as numbers of workers self-isolating has increased some sectors are experiencing sort falls of drivers & warehouse operatives and others have had to cease business so have skilled workers spare. This is the summary of the plea to all industry.

The Chartered Institute of Logistics and Transport (CILT) is calling for cross sector collaboration to ensure that as a profession we are equipped to respond to the coronavirus crisis.

We have seen a rapid pivot in operational needs, with demands on the logistics sector soaring as home delivery and pharmaceutical supply chains are put under pressure.

Conversely, as home working grows, so demand for public transport has fallen. We believe as a profession we can work together to meet this challenge.

For example, the NHS Supply Chain has made an urgent request for VNA drivers and forklift truck drivers to assist warehouse operations.



CILT is providing a service to match organisations together so that those who have capacity can help those in need, by making available staff, vehicles and expertise to support the supply chain.

We are asking you to contact us and let us know if:

- You are a logistics or supply chain organisation and have operational shortages including drivers, warehouse operators and vehicles
- You are a passenger transport operator with resource availability including, drivers and vehicles
- You are a vehicle rental company with available vehicles
- You are a retired member of CILT who is not classified as "high risk" and able to
 offer your services and expertise to logistics operations at this time

As the pharmaceutical, medical and grocery supply chains begin to witness a rise in demand, CILT will be putting together a database of available resources for cross-sector collaboration to ensure the UK is able to respond to this crisis.

2. Equipment responses – pallet networks

The UK's eight pallet networks have joined together, led by the Association of Pallet Networks (APN), to offer their services for the movement of emergency supplies for critical services. The UK's pallet networks are uniquely placed to ensure timely and reliable supply of emergency goods to anywhere in the UK. Between them they have

30,000 employees, 750 depots, a fleet of 23,500 vehicles and offer 100% coverage by postcode.

Moreover pallet network members are leading distribution specialists within their own regions, so they already know their regional distribution centres, essential businesses, hospitals and community hubs.

APN Chairman Paul Sanders says: "We are uniquely placed to offer our services to ensure that emergency supplies coming from anywhere and destined for any corner of the UK, can be delivered quickly, safely and reliably to support critical services, whether in rural or urban settings.

"We would urge the government to take advantage of our unique skills set and infrastructure at this time of national crisis."

"The supply of emergency supplies for critical operations – not least ensuring food in our supermarkets and well stocked pharmacies and hospitals – is one of the most important aspects of protecting the UK public during this crisis."

Pallet networks are one of the most efficient forms of freight distribution enabling overnight deliveries of consignments of any size from a single pallet upwards, anywhere in the UK. Regional members collect freight from their local area, and transport it to the most appropriate regional Hub, where it is reloaded onto vehicles returning to its destination area.

This is a faster, more cost-effective and more carbon-sensitive approach to logistics than any other, harnessing collaboration between regional specialists all over the country acting as one. This is particularly important at a time when many users of essential goods are requiring small frequent deliveries of vital goods with many drop points within a given locality.

In 2019 UK pallet networks delivered 26 million pallets of goods.

3. Health & Hygiene – Drivers & Customer facing workers

This guidance has been issued by the UK Government to assist transport operators in addressing coronavirus (COVID-19).

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The main messages are:

• If someone becomes unwell while at a transport hub or on their journey with a new, continuous cough or a high temperature, they should be sent home

• passengers should wash their hands for 20 seconds before and after they have been on public transport and catch coughs and sneezes in tissues

• Frequently clean and disinfect objects and surfaces that are touched regularly, using your standard cleaning products

• advise passengers they should not travel if they are feeling unwell with symptoms of coronavirus (COVID-19) - a new, continuous cough or high temperature. This will also help to protect others from infection

• use announcements in transport hubs to reinforce important messages, such as washing hands before and after travel, and what to do if unwell This guidance may be updated in line with the changing situation.

Further advice is to ensure the use of Personal Protective Equipment as stipulated by the authorities and customers that may include the wearing of masks, gloves and overalls as well as using antiseptic wipes or sprays on equipment and shoes.

For a detailed example of government advice to fleet, vehicle operators have a look at this link to UK government advice:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/ file/876561/200327_Advice_note.pdf

4. Health & Hygiene - Marine

This information has been collated from a variety of maritime organisations and issued to shipping businesses. It is aimed to assist ships (including cargo vessels, ferries and cruise ships) and seaports in providing advice to staff on addressing coronavirus (COVID-19), on ships and in seaports.

Ships and seaports will collectively be referred to as a 'marine setting' in this guidance.

This guidance may be updated in line with the changing situation.

Main messages are:

• Before boarding the ship, crew and passengers should be asked if they have a new, continuous cough or a high temperature

• If someone becomes unwell with a new, continuous cough or a high temperature, they should be sent home or to their cabin

• Everyone should be reminded to wash their hands for 20 seconds more frequently than normal

• Crew and passengers should be given clear instructions on what to do if they develop symptoms and how and to whom they should report this

• The Master of the Ship should notify the Port Health Authority about any suspected cases of Coronavirus (COVID-19) as soon as possible, who will then inform the local Health Protection Team

• Appropriate use of personal protective equipment (PPE) and cleaning of surfaces that a person with symptoms has come into contact with are key measures to stop the spread of the virus

5. Health & Hygiene – Factories

Best practices being employed across European food factories are aimed at the highest level of hygiene to avoid contamination of product and protection of the health of the employees. This includes

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- Separation of the manufacturing environment from any other part of the operation through strict control of access by people and goods
- Temperature checking on arrival of every employee every day
- Guidelines for every employee with self-isolation rules in place
- Operating in permanent shift and area teams so that infection across teams is minimized
- Vehicle and good access is strictly controlled and, where possible, equipment and goods are sanitized on entry
- · Separation of goods vehicles and drivers from the manufacturing environment

6. Hong Kong Public Transport Approach

In Hong Kong, the transport sector has suffered a major drop in passenger demand as offices and shops are closed. The working pattern in Hong Kong has changed with staff permitted to work from home but with at least 2 days in office with a core team. The travel pattern has consequentially also changed. Taxis are generally considered high risks and Uber is gaining popularity as it is more personalized and more ready to keep the vehicle sanitized.

Therefore there is not a total lockdown but rather very controlled movements of people and a strict control of individual Coronavirus cases. All restaurants, public places and clubs are closed for 14 days if they have a confirmed Covid 19 case. The drop in business overall is 40%. To help businesses the HK Government have given out fuel subsidies and grant open space for the parking of idle taxis. Keeping transport workers safe and the transport mode clean is important and therefore regular sanitization is conducted on the vehicles. Public transport companies required all their drivers to wear masks and passengers could be refused to board buses without a mask. Sanitization is important and virus can stay on hand rails and seats for a while.

The view in HK is that unless the transport modes are kept clean and sanitized, the public would not have confidence in using them. In HK car ownership is low and is not an alternative for mass travel. HK has kept the trains, buses, ferries, taxis running with no disruption .

7. Government Influencing

Each country approach is different and there is marked differences between Asian countries that have experienced similar virus issues, notably with SARS, and European countries at present. Much of this is health related with different approaches to testing and the isolation of affected individuals. Singapore for example hospitalise every Coronavirus case regardless of the severity.

In the transport & logistics industry it is very important for trade & membership bodies and businesses to adhere to government guidelines and help to interpret them for their workforce and their customers.

The ability of the transport and supply chain to contribute to recovery is something that the Trade bodies can offer insights. We need to develop a resilience to deal with shocks and plan the basis of recovery for our sector. Influencing governments at an early stage is critical in this and CILT should plan an appropriate strategy for each country it operates with. This includes working collaboratively with other representative bodies and with each corporate member. To help businesses survive both large and small businesses can be assisted by fiscal measures, reductions in bank rate and government business loan schemes.

Some countries may consider a broader fiscal package including a cut in payroll tax. Different countries have different ways to subsidize the transport operators and a fuel subsidy would have a direct impact.

These are some thoughts and the situation is rather fluid the moment and it is more important to use existing relationships with government and other bodies, communicate clearly on facts, and adopt a forward looking mode.

8. Cross Border Traffic

Again this situation is very variable across the world and needs to be dealt with at each border.

In Europe personal travel has been heavily restricted but goods travel remains operating with freedom to move goods. This is likely to be continuously reviewed and operators are advised to

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ensure that the PPE and hygiene rules are strictly observed by drivers who cross borders with vehicles.

In Central Asia this situation varies country by country with some severe border restrictions on vehicle and goods movement.

This is a topic we will focus more on to assist in good practice and on how to influence the situation as operators and as membership and trade bodies.

9. Staffing & Manpower

The support situation for businesses who have reduced levels of activity or who have had to cease activity entirely will vary hugely by country. Importantly each business needs to understand the legislation being brought in and apply it accordingly.

In the UK, the government has offered the following support to business – The Chancellor has outlined an unprecedented package of measures to protect millions of people's jobs and incomes as part of the national effort in response to Coronavirus. This comes as Government instructs entertainment and hospitality premises, like bars and restaurants, to close from tonight to limit spread of Coronavirus.

A new Coronavirus Job Retention Scheme will be set up to help pay people's wages. Employers will be able to contact HMRC for a grant to cover most of the wages of their workforce who remain on payroll but are temporarily not working during the coronavirus outbreak. Any employer in the country- small or large, charitable or non-profit will be eligible for the scheme.

Universal Credit and tax credits will also be increased as part of an almost £7 billion welfare boost, as he outlined one of the most generous business and welfare packages by any government so far in response to Covid-19.

To ease cash flow pressures for UK VAT registered businesses, VAT bills from now until the end of June, will be deferred until the end of the tax year.

The UK Chancellor's workers support package means:

UK workers of any employer who is placed on the Coronavirus Job Retention Scheme can keep their job, with the government paying up to 80% of a worker's wages, up to a total of £2,500 per worker each month. These will be backdated to 1st March and will be initially open for 3 months, to be extended if necessary.
VAT payments due between now and the end of June will be deferred. No VAT registered business will have to make a VAT payment normally due with their VAT return to HMRC in that period. Income tax payments due in July 2020 under the Self-Assessment system will be deferred to January 2021, benefitting up to 5.7m self-employed businesses.

• Additionally, the Coronavirus Business Interruption Loan Scheme, launched at Budget, will now be interest free for twelve months.

• The standard rate in Universal credit and Tax Credits will be increased by £20 a week for one year from April 6th, meaning claimants will be up to £1040 better off.

• Nearly £1bn of additional support for renters, through increases in the generosity of housing benefit and Universal Credit. From April, Local Housing Allowance rates will pay for at least 30% of market rents in each area.

10. How to respond as a business – closed or open

The impacts of the virus have been harsh and immediate on many businesses Consider these points of advice immediately (Varied Sources including CILT, ASMS, SMS & others):

- 1. Ensure you prioritise the health of your workforce and follow guidelines.
- Review the Financial Stability of the organisation short term with specific focus on cashflow. This should be a continuous process with monthly reviews as the situation changes.

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- 3. Make early decisions to cut discretionary spend where you can. The earlier the better as that will allow spend on critical areas of the business to continue longer.
- 4. Communicate, Communicate, Communicate to your staff and to your customers.
- 5. Develop a clear strategy for the organisation in simple terms a plan on a page that steers you through and becomes the stabilisation message in the face of winds of change and uncertainty. Review and revise as necessary.
- 6. Identify key suppliers and key supply routes test if at risk, look for alternative sources, do not make the mistake of trading your survival for theirs in terms of withholding debt, and collaborate.
- 7. Identify income risk especially supply routes now compromised and customer credit.
- 8. Review how to trade online to substitute for other routes now closed.
- 9. Look at how you can create electronic communications and data exchange. Use those you have, develop skills within your business to make effective.
- 10. Ensure you have a close understanding of emergency legislation as it unfolds and as it applies to your business and sector.
- 11. Work with trade bodies and other businesses to influence government policy and legislation.
- 12. Stay safe yourself!

For contact with the CILT International team for questions and support email Keith Newton, International Secretary General at keith.newton@ciltinternational.org

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