Introduction

The following results are the findings of a survey circulated to group members of the British Plastics Federation – this survey covers all sectors including raw materials, processing, equipment and recycling. The survey findings provide an insight into how COVID-19 is affecting the plastics industry supply chain within the UK.

Results of the survey combined with other market intelligence provide key insight for the BPF and enable us to inform government and other key stakeholders of critical issues affecting the supply chain, allowing time to respond to upcoming challenges. To keep up to date with the work the BPF are doing to assist the industry in dealing with Covid-19 visit...

www.bpf.co.uk/coronavirus

Participation

The survey was carried out between the 26 March – 2 April 2020 and published on 7 April 2020.

The survey, which was open exclusively to members of the British Plastics Federation and was completed by 137 firms.

The respondents were drawn from the following plastics industry sectors represented within the BPF:

<table>
<thead>
<tr>
<th>Plastics Processors</th>
<th>58%</th>
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<tbody>
<tr>
<td>Recyclers</td>
<td>17%</td>
</tr>
<tr>
<td>Raw Materials Producers and Distributors</td>
<td>12%</td>
</tr>
<tr>
<td>Machinery and Equipment</td>
<td>12%</td>
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</tbody>
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Q1
Have any of your sites been shut down due to the impact of Coronavirus?

When asked to comment, some companies stated that whilst they have not shut down currently or do not have plans to, it maybe something they are forced to do if there is a shortage of labour in the future or if key staff have to self-isolate.

The percentage of sites shut down does vary significantly by member group within the federation. For example, in the case of the Moulders and Specialist Processors Group, 15% of sites had been closed, whereas for the Packaging Group it was only 4%. This is likely due to demand of products for each sector. In other sectors the number is far higher, the highest percentage of sites being shut down were in the Windows Group and the Pipes Group.
Q2
What percentage of capacity are you currently operating at?

When asked what current capacity they were operating at, the average across the member groups was **58.6%**.

To add relevance to this data, we have selected some of the key sectors who responded and referenced their capacity data from previous Business Conditions Surveys (BCS) (www.bpf.co.uk/bcs). The following data sets highlight changes in capacity for these sectors related to the COVID-19 crisis – the last BCS was issued in January 2020 and asked members for their 12-month forecast on capacity:

As shown by the graph above, the Moulders and Specialist Processors Group have seen a capacity drop off of around 11%, whereas the Plastics and Flexible Packaging Group has seen capacity levels remain consistent (likely due to their supply into food, hygiene/cleaning and medical sectors). The BPF Recyclers Group which typically sees a capacity average of ~86% has seen its current capacity drop to 67% (this could be in part due to recycling limitations at kerbside and in part due to demand for recyclate at present).
Q3
Are you currently able to meet demand?

Yes, 88%
No, 12%

Q4
Roughly what percentage of your staff cannot attend work as a result of the following...

<table>
<thead>
<tr>
<th>Reason</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>School Closures</td>
<td>3.93%</td>
</tr>
<tr>
<td>Self Isolation</td>
<td>9.38%</td>
</tr>
<tr>
<td>Suspected coronavirus</td>
<td>2.57%</td>
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</tbody>
</table>

Q5
Are there any other reasons for increased non-attendance of employees?

The most common alternative reasons were...

- Furloughing of staff
- Living with vulnerable/at risk family members
- Public transport cutbacks
- Anxiety around the virus and key worker status
Q6
Are you currently having or anticipating any issues accessing any of the following...?

Q7
What is the most critical pressing issues facing your business?

Of those that gave specific answers to this question, the most common responses were (listed in order of mentions):

1. Cashflow
2. Labour/staff shortages
3. Demand
4. Supply chain issues/supply of raw materials/products
5. Confusion around ‘key worker status’ and unclear message from Government about whether people should stay at home or work Maintaining staff levels.
For more information about the Coronavirus and the plastics industry visit: bpf.co.uk/coronavirus