



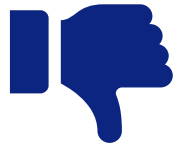
Business Impact Survey

Top Line Results

August 2022

Business Impact Survey Toplines

The outlook is far more pessimistic than in March. Economic and ongoing supply issues are creating a very challenging environment.



Over the next six months.....



76% expect the **economy to deteriorate** (27% in March)

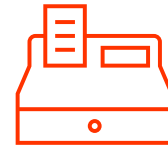
38% expect to see **growth in their fleet size** (54% in March)



21% expect the **rental sector to improve** (41% in March)

10% expect the **leasing industry to improve** (24% in March)

...and...



61% saw **better sales transactions in Q2 2022** than in Q2 2021
(62% Q1 2022 to Q1 2021)
(60% Q3 2020 to Q3 2021)

94% Expect staffing levels to remain the same or increase over the next 12 months (94% in March and October 2021)



However...

84% say that **supply**, is a primary concern, down from 95% in March



65% Directly relating the issue to vehicle supply,

19% Commenting on the supply chain



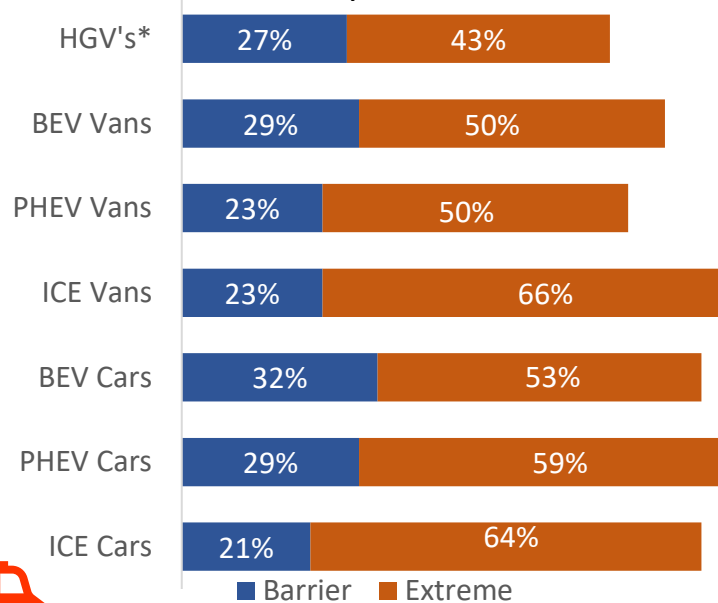
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(Research conducted online in July/August 2022 with 99 senior BVRLA member contacts)

Business Impact Survey Toplines - Supply

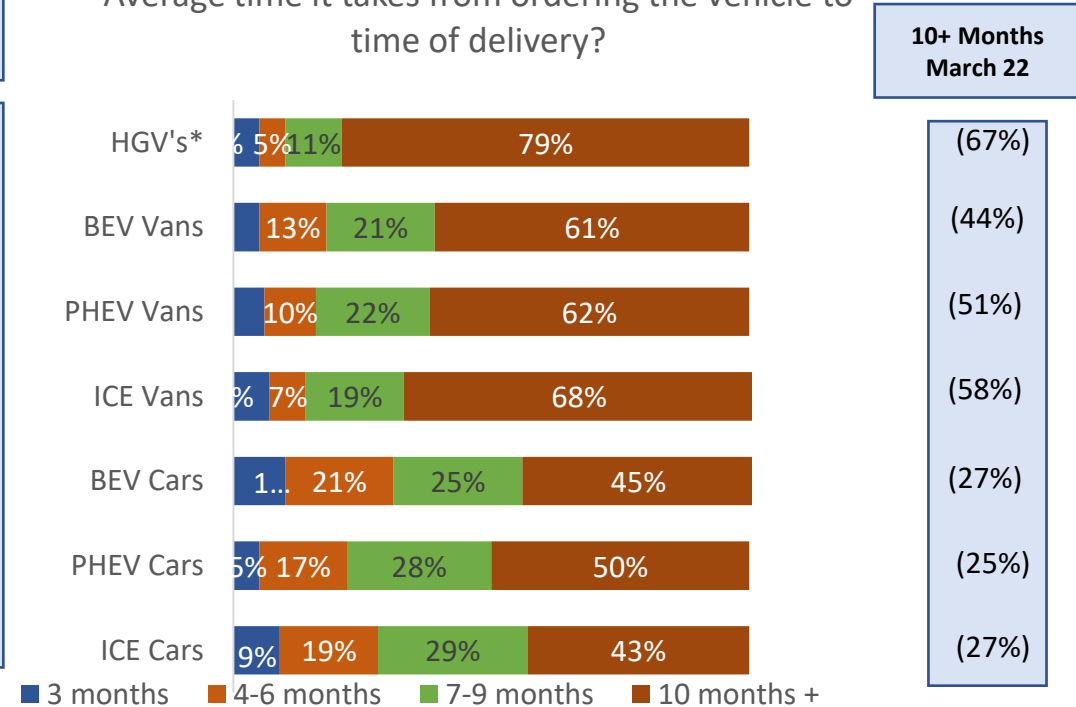
Vehicle supply, challenges persist with evidence that the issue is stabilising . Delivery waiting times of 7 to 12 months plus are the norm.

How much of a barrier is the supply of vehicles to your business in meeting the needs of your customers?



Extreme Barrier		
March 22	October 21	May 21
(43%)	(22%)	(7%)
(47%)	(41%)	(35%)
(48%)	(42%)	(27%)
(70%)	(72%)	(40%)
(48%)	(36%)	(16%)
(62%)	(40%)	(9%)
(68%)	(51%)	(9%)

Average time it takes from ordering the vehicle to time of delivery?

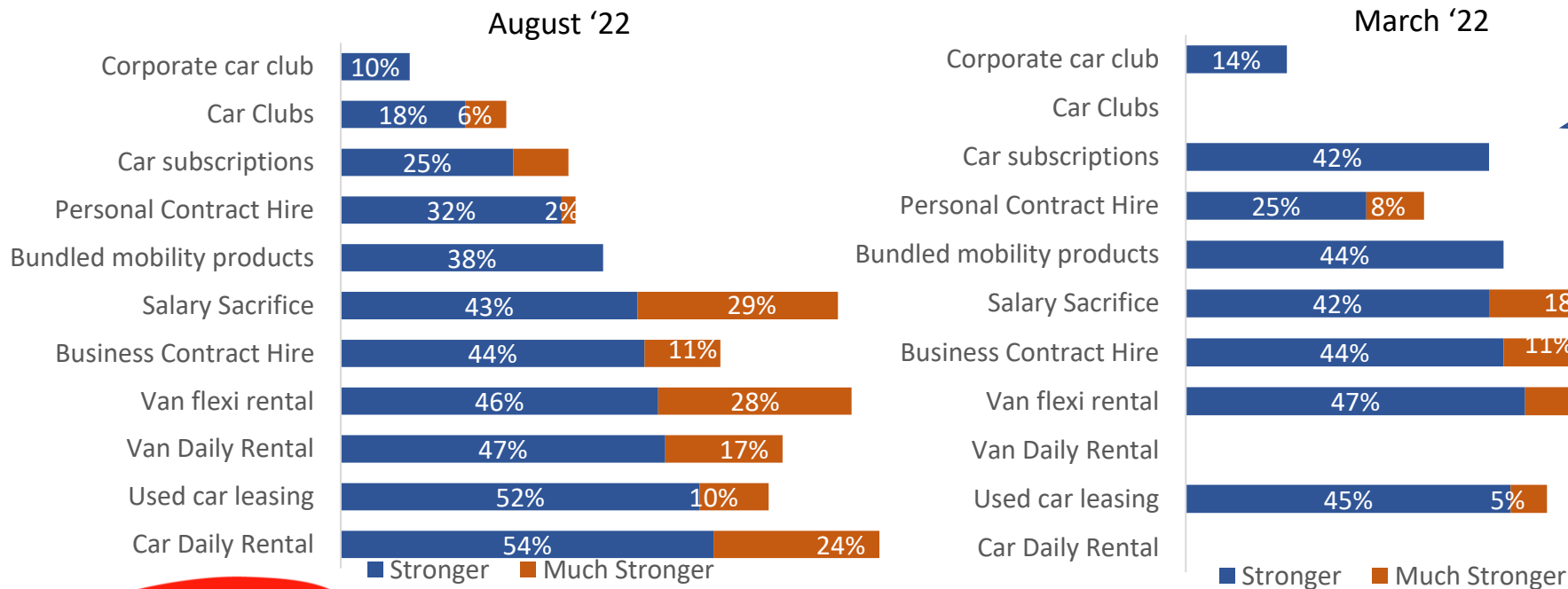


89% - advise their fleet is older than seen in 2019 with **30%** saying it is more than 12 months older.
62% - suggest order bank is up 10% or more and **25%** think it is double that of the norm seen in 2019.

Business Impact Survey Toplines – Mobility Services

Vehicle supply issues are impacting demand in different ways. Strong demand in the van flexi rental arena and for Salary sacrifice. PCH suffering due to availability and lead times.

Changes in the demand for mobility products and services?



Lack of supply impacting PCH volumes BIK benefits BVH volumes

Internet deliveries and BIK

Vehicle availability, Downsized fleets during pandemic, Decarbonisation

Requirement for vehicles quickly.

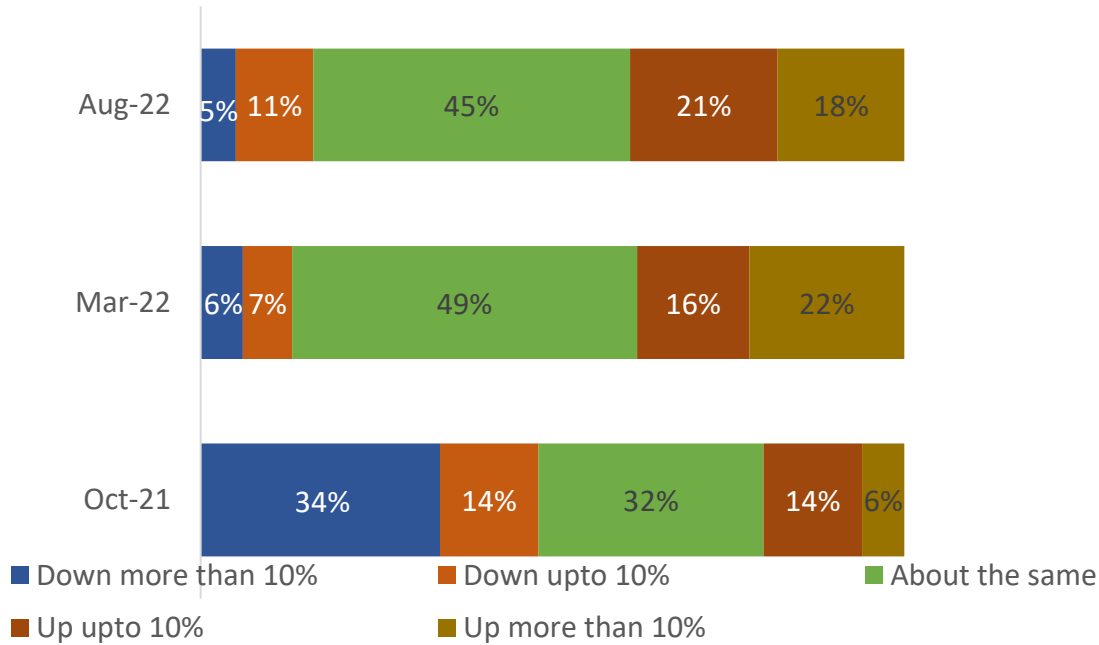


Q. Is your business seeing a change in the demand for different products and services? And why?

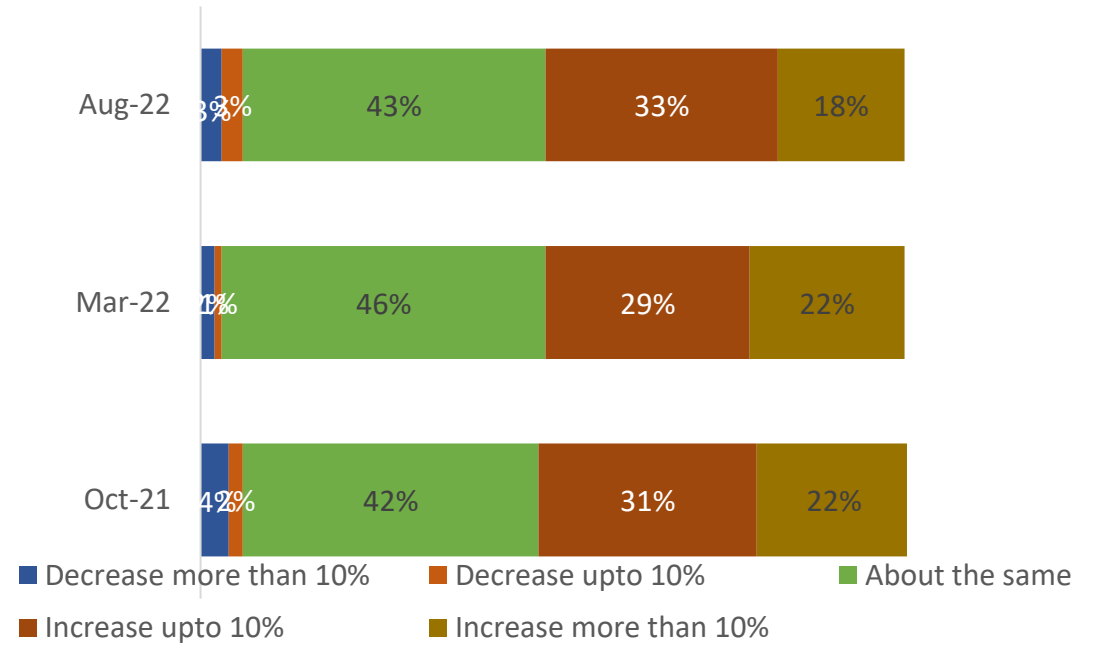
Staffing Levels

Members have generally maintained or increased staffing levels over the last 12 months and are confident that they will not reduce over the next twelve. Issues around staff recruitment appear to be growing.

How do your staffing levels compare with that of the same month a year ago?



What do you think will happen to staffing levels in the next 12 months?



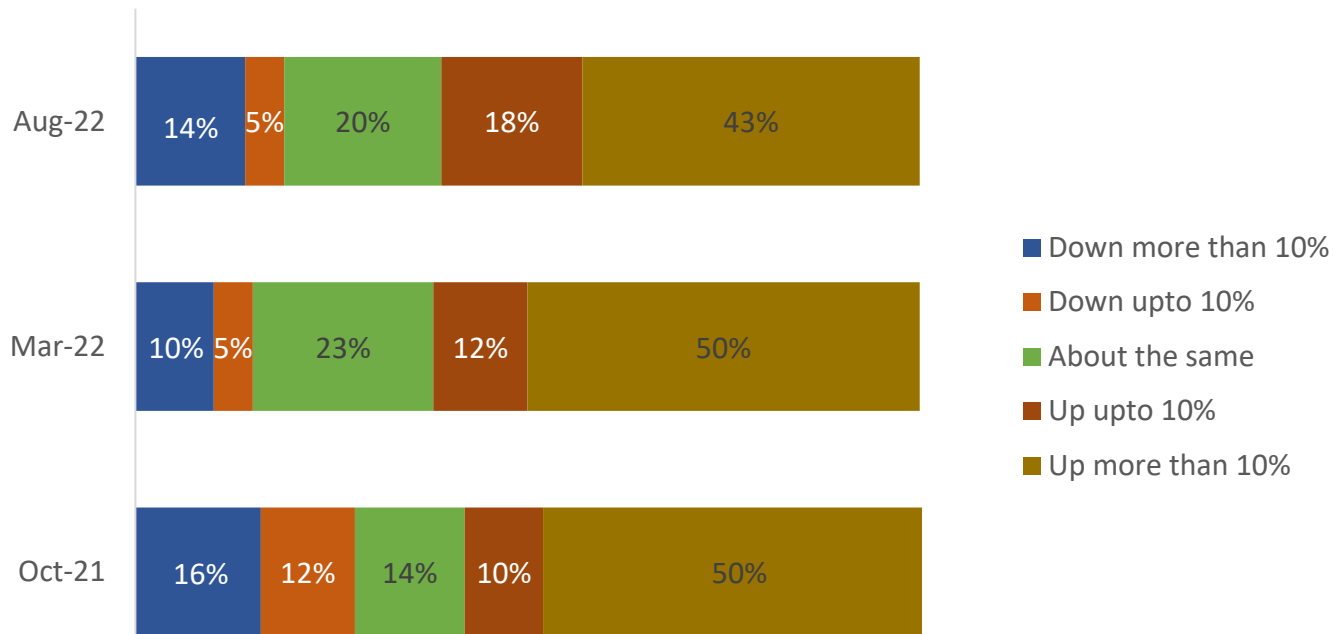
Is your business struggling with the recruitment of new staff?

	August 22	March 22
Yes	54%	50%

Sales Transactions

The number of sales transactions remains positive although a decline in the number seeing growth above 10% is down on both the March and October 21 figure.

How do your sales transaction for this quarter compare with that of the same quarter a year ago?



11% of respondents indicate that the number of regulated customers contacting them because of payment difficulties has increased since January 2022.

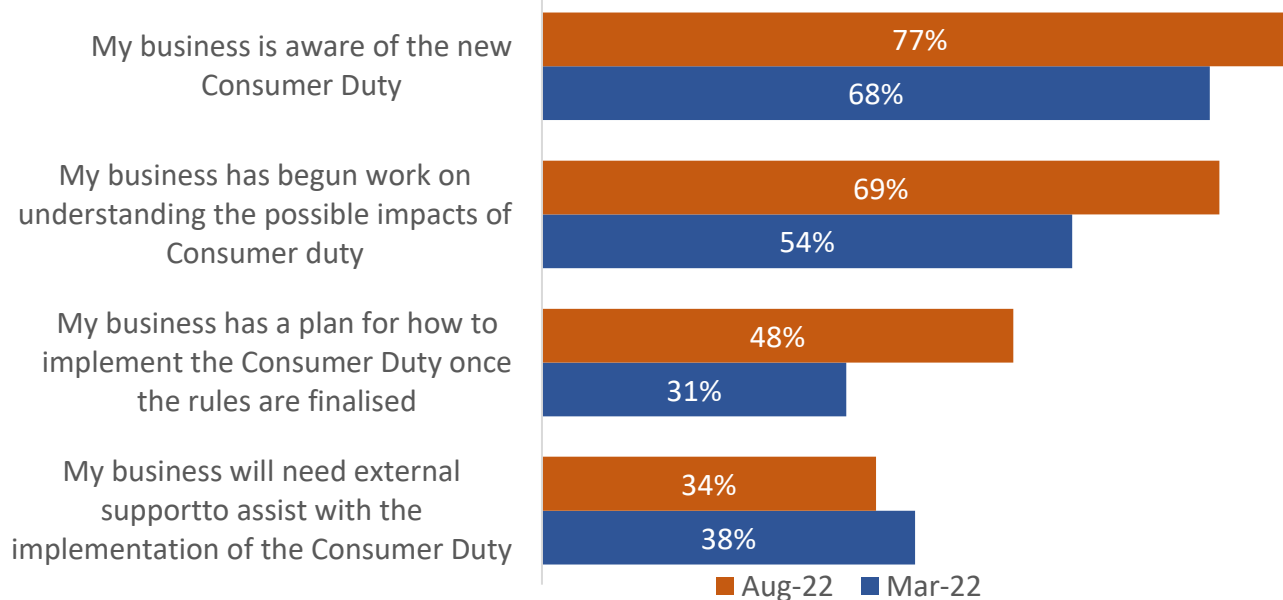
The average increase across these organisations is **11%**

Consumer Duty

Awareness and understanding of the impact of changes in consumer duty has improved since March. 7 in 10 businesses have begun work to understand the impact and half have a plan to implement when required.

The finalised rules for the new Consumer Duty will be announced in July 2022 and are planned to come into effect in April 2023. Please indicate Yes or No for each statement below.

(% responding yes)



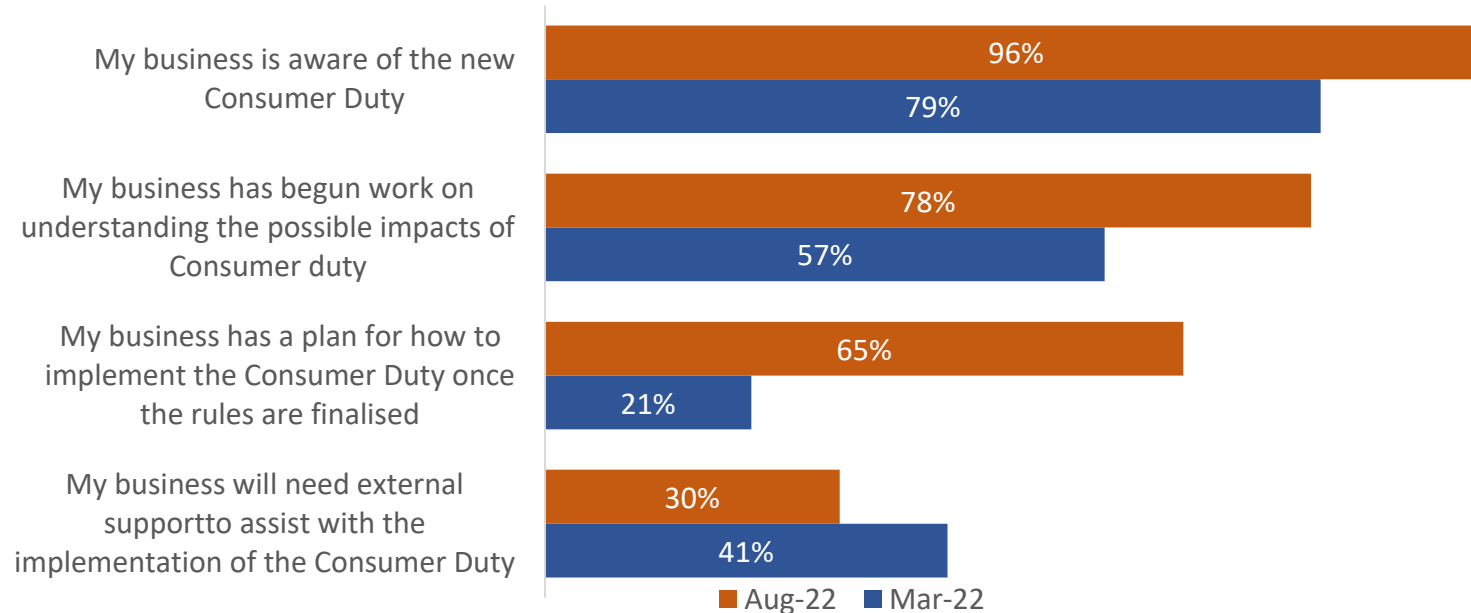
Based on the FCA proposal, which of the following Consumer Duty outcomes are likely to have a major impact on your business functions?

Outcome	March 22	August 22
Price and Value	42%	41%
Consumer Understanding	49%	32%
Consumer Support	42%	30%
Products and services	42%	29%
None of these	30%	38%

Consumer Duty - Leasing Brokers

Broker awareness of changes in consumer duty is close to 100%. 4 in 5 brokers have begun work to understand the impact and two thirds have a plan to implement when required.

The finalised rules for the new Consumer Duty will be announced in July 2022 and are planned to come into effect in April 2023. Please indicate Yes or No for each statement below.
(% responding yes)



Based on the FCA proposal, which of the following Consumer Duty outcomes are likely to have a major impact on your business functions?

Outcome	March 22	August 22
Price and Value	41%	43%
Consumer Understanding	45%	43%
Consumer Support	41%	26%
Products and services	31%	26%
None of these	31%	26%