



## Understanding the sector impact of COVID-19

### Transport organizations

The effects of COVID-19 are being felt across the transport sector. The pressure on organizations has shifted from moving citizens to keeping a core transportation system operational with a skeleton workforce to ensure freight and key essential workers can continue to move. A secondary effect of this shift is the sudden change in sources of revenue for transport operators, with many experiencing an unexpected shortfall in their finances. Organizations will need to plan ahead to ensure that the transport network will be ready for a return to normal operations when lockdown measures are lifted.

#### Potential long-term impact on transport organizations

- Transport organizations will need to ensure that transport networks can continue to operate throughout the lockdown measures, striking a balance between reduced operations and providing enough capacity for key workers to be able to practice social distancing.
- Longer term investment programs may need to be re-planned and re-prioritized, in light of decreased revenue.
- Organizations will need to plan for the availability of key personnel to ensure that staff with critical skills and training are available throughout the COVID-19 pandemic to keep networks operational.
- Commuting and traveling patterns may not recover to their pre-COVID-19 state once lockdowns are lifted.

#### Key questions executives and boards should be asking

- How do we work with government and other stakeholders to ensure the long term financial viability of the network?
- How do we ensure that key personnel is protected and available and that the network can continue to run during extended periods of lockdown?
- How is our supply chain exposed to COVID-19 risk and what impact might this have on operations?
- How should we reorganize capital investment plans in light of unexpected shocks to revenue and potential permanent changes to the usage of transport networks? Are there opportunities for cost-efficient maintenance and renewals during this period?



## Practical next steps

Transport leaders will be defined by what they do along the three dimensions to managing a crisis: Respond, Recover, and Thrive. Some key next steps include:

- Determine the cost and revenue implications of low ridership and protect core assets
- Protect the availability of key personnel and use training to build up a larger pool of available workers for key roles
- Engage with government and other stakeholders to determine the key requirements of the transport network
- Create a number of contingency plans for the resumption of service, taking into account a rapid surge in demand

*For additional steps that companies should consider taking, visit [Combating COVID-19 with resilience](#).*

### Contact:



**Simon Dixon**  
Global GPS Transport Leader  
+44 (0) 207 303 8707  
sidixon@deloitte.co.uk

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited (“DTTL”), its global network of member firms, and their related entities (collectively, the “Deloitte organization”). DTTL (also referred to as “Deloitte Global”) and each of its member firms and related entities are legally separate and independent entities, which cannot obligate or bind each other in respect of third parties. DTTL and each DTTL member firm and related entity is liable only for its own acts and omissions, and not those of each other. DTTL does not provide services to clients. Please see [www.deloitte.com/about](http://www.deloitte.com/about) to learn more.

Deloitte is a leading global provider of audit and assurance, consulting, financial advisory, risk advisory, tax and related services. Our global network of member firms and related entities in more than 150 countries and territories (collectively, the “Deloitte organization”) serves four out of five Fortune Global 500® companies. Learn how Deloitte’s approximately 312,000 people make an impact that matters at [www.deloitte.com](http://www.deloitte.com).

This communication contains general information only, and none of Deloitte Touche Tohmatsu Limited (“DTTL”), its global network of member firms or their related entities (collectively, the “Deloitte organization”) is, by means of this communication, rendering professional advice or services. Before making any decision or taking any action that may affect your finances or your business, you should consult a qualified professional adviser. No representations, warranties or undertakings (express or implied) are given as to the accuracy or completeness of the information in this communication, and none of DTTL, its member firms, related entities, employees or agents shall be liable or responsible for any loss or damage whatsoever arising directly or indirectly in connection with any person relying on this communication. DTTL and each of its member firms, and their related entities, are legally separate and independent entities.

© 2020. For information, contact Deloitte Touche Tohmatsu Limited.