

# Committee on the Future Relationship with the European Union

Oral evidence: Progress of the negotiations on the  
UK's future relationship with the EU, HC 203

Wednesday 11 November 2020

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Members present: Hilary Benn (Chair); Lee Anderson; Joanna Cherry; Sally-Ann Hart; Stephen Kinnoek; Seema Malhotra; Nigel Mills; Nicola Richards; Mr Barry Sheerman; Dr Philippa Whitford.

Questions 923 - 1003

## Witnesses

I: Stephen Bartlett, Chairman, Association of Freight Software Suppliers; Elizabeth de Jong, Director of Policy, Logistics UK; Councillor Kevin Bentley, Essex County Council and Chair of the LGA's Brexit Task Force.



## Examination of witnesses

Witnesses: Stephen Bartlett, Elizabeth de Jong and Kevin Bentley.

Q923 **Chair:** Good morning, and welcome to this meeting of the Select Committee on the Future Relationship with the European Union. Can I welcome our witnesses today, and could I ask you to introduce yourselves for the record?

**Stephen Bartlett:** Good morning. My name is Stephen Bartlett. I am the chairman of the Association of Freight Software Suppliers. I represent all the major software suppliers in the freight and transportation industry.

**Elizabeth de Jong:** Thank you for inviting me to speak. I am Elizabeth de Jong, director of policy at Logistics UK, which represents logistics businesses spanning all modes of transport, both domestic and international.

**Clr Bentley:** I am Councillor Kevin Bentley. I am the chair of the Local Government Association's EU transition Brexit board, representing all councils in England, but also working closely with our associations in the other three nations.

Q924 **Chair:** On behalf of the Committee, can I thank all of you for giving up your valuable time to give evidence to us today? I will begin with you, Stephen Bartlett. You gave evidence on Monday to a House of Lords Sub-Committee and you talked about the state of preparation of the different IT systems. If I understood what you said correctly, the one you are most concerned about is the Customs Declaration Service. Before I ask you to comment on that, you are pretty confident that the Goods Vehicle Movement Service will be ready on time. Is that correct?

**Stephen Bartlett:** Yes. For GVMS, a number of my members are actually providing interfaces into the GVMS system. We have had the technical specifications available to us for some time now, and we are quite confident that we will be able to provide an interface into that. That provides my members' customers with the ability to provide information that already exists straight into the GVMS system, without having to re-key it in at any .gov website interface. We are fairly confident with that and we have been working with that for a while now.

Q925 **Chair:** Elizabeth de Jong, is that your assessment of GVMS?

**Elizabeth de Jong:** Yes, that is our assessment. We share those views with Stephen on systems readiness for EU-GB preparedness.

Q926 **Chair:** Check an HGV is Ready to Cross the Border, which is a rather long title, is the new name for what was Smart Freight; is that correct?

**Elizabeth de Jong:** Yes.

Q927 **Chair:** Is that going to be ready?



## HOUSE OF COMMONS

**Stephen Bartlett:** We are not having any interaction with the Check an HGV system at all, so I cannot comment.

**Elizabeth de Jong:** We have some interaction with that. It is live into testing with industry. We have testing with both UK-based hauliers and logistics companies abroad. There is some talk of it being ready at the beginning of December or mid-December; there is some talk about it being ready at the end of November, but it is in a testing phase at the moment. I believe that it will be ready in time, before the end of December.

Q928 **Chair:** Is it the case that that simply asks hauliers or companies to tick a box to say, "Yes, I have the right paperwork"? Is that what it does?

**Elizabeth de Jong:** It is a self-declaration system. It is a series of simple questions for the driver. It is very important that they fill these in and they are confident they then have the paperwork in order to self-declare that they do. It asks for things like your vehicle registration number, the country of arrival in the EU so that any country-specific requirements can be considered, and the date of your intended departure. It then asks you questions about the documents that are being carried with the goods from a list of options and scenarios. Some are yes/no questions. The important thing—I am certain I will be talking about it later—is this brand-new supply chain in documentation that needs to be ready, with the driver, in order for trade and exports to happen by 1 January.

Q929 **Chair:** So it does not actually check whether the paperwork is correct. It asks the driver, "Have you got the correct paperwork?"

**Elizabeth de Jong:** That is right. It is self-declaration. When you have filled it in, you will be either amber, red or green. Green means you can have an access permit should you be going to Kent, for example. That will allow you to be able to travel to the border without being stopped.

Q930 **Chair:** We will explore the question of the Kent access permit a little later. Stephen Bartlett, the Customs Declaration Service is the one that you are particularly concerned about. Could you just say a bit more about why you are concerned?

**Stephen Bartlett:** Yes, certainly. We have been expressing our concerns to HMRC for some time now about the readiness for CDS for the beginning of next year. CDS will be the de facto system for all shipments to Northern Ireland. The problem we have is that a number of the changes and additions to functionality that we need to make it a workable system are being delivered to us by the end of November and the beginning of December. That gives us little to no time to test these interfaces and test that the system works, and even less time to actually deploy this and roll it out to all our customers.

We are very worried because it is very much an unproven system. It is being used by a small number of traders right now, but they are providing a very limited number of declarations and they are quite simple



## HOUSE OF COMMONS

declarations, so, for us, we do not yet have a complete, proven system. We have made it known that a lot of my members will not be ready to deploy this by the beginning of next year.

Q931 **Chair:** What happens if it is not ready?

**Stephen Bartlett:** That is a very good question, and it is something that we have been asking for some time. Unfortunately we do not have an answer to that. For many months we have been asking what the back-up or contingency plan is going to be for CDS, whether it is a CHIEF system or something like that, but we have had no discussions or information about what that back-up plan might be.

Q932 **Chair:** When you ask, what is the reply you get? "We don't know; we're not ready; we'll let you know in due course"?

**Stephen Bartlett:** For a long time the response was, "CDS will be ready", but more recently I am aware that HMRC are considering back-up options using the CHIEF system, but we have not been in any discussion or dialogue about that. We are completely in the dark as to what that contingency might be.

Q933 **Chair:** Does the CHIEF system have capacity for the very large increase in customs declarations that are going to have to be made?

**Stephen Bartlett:** It does. A lot of work has gone into scaling of both the CDS and CHIEF systems. We as an organisation do not have any particular concerns about capacity. We have seen the work that they have done on upscaling CHIEF to handle nearly 400 million declarations in the new year, so we do not see the addition of Northern Ireland as an issue. It is the same with CDS; we have seen a lot of work done on the scaling of CDS to handle about 80 million to 90 million transactions that are expected from the Northern Ireland traffic. We do not have any concerns on scaling.

Q934 **Chair:** Elizabeth de Jong, do you want to comment on the consequences if CDS is not ready in time?

**Elizabeth de Jong:** I will also confirm our understanding. We have not had discussions about CHIEF being a contingency. Our understanding is that it is not a contingency because it cannot be modified for two different tariff codes in Northern Ireland. Our discussions yesterday with HMRC suggested that it will be ready in time. I do not know what the contingency will be for customs declarations for Northern Ireland.

Q935 **Chair:** We have heard from a number of companies who have expressed concern—particularly in the food sector but also pharmaceutical firms—about their ability to deliver products to Northern Ireland after 1 January because of general uncertainty to do with checking, rules, labelling and so on. Is there anything you are able to tell us about that?

**Elizabeth de Jong:** There are high levels of concern about Northern Ireland-Great Britain trade because of issues with systems, infrastructure



## HOUSE OF COMMONS

and information delivery. As we know, Great Britain and Northern Ireland are in a customs union, but Northern Ireland will remain aligned with EU-specific rules. That means that there need to be SPS checks on agrifood, and safety and security checks.

Northern Ireland has a very high dependency on goods from Great Britain. Two thirds of wholesale and retail goods in Northern Ireland are from Great Britain, and this has the potential to be an overwhelming number of customs, safety and security formalities and checks at a level that could deter trade to Northern Ireland and also not be in line with the protocol to impact as little as possible on the everyday life of communities.

We know that the Government infrastructure for SPS checks is not yet ready at Larne, Belfast and Warrenpoint ports. They have not yet begun construction. We do not yet have comprehensive business guidance documentation, similar to the border operating model for Great Britain and EU trade as well. There is a paucity of information available. We really need some form of mitigations for the volume of declarations that need to be made.

To give you one example, if you are in the post and parcel sector, there can be 5,000 consignments on your truck. Every consignment needs a safety and security declaration, and each one has 36 data entry fields. We are very concerned about the cost and time concerns around this, and it could lead to withdrawal from the Northern Ireland market. We are very much asking for some mitigations and some simplifications, such as trusted trader schemes, for certain movements and certain types of goods from Great Britain to Northern Ireland in order to make it manageable and for trade to keep flowing.

**Q936 Chair:** How much of the responsibility for some mitigation rests in the hands of the UK Government as opposed to the European Union?

**Elizabeth de Jong:** I believe it will need to be agreed by all, but we would like to have that agreement from the UK Government that they intend to pursue those types of mitigations.

**Q937 Chair:** It has been just over a year since the withdrawal agreement was signed with the Northern Ireland protocol, in which Northern Ireland is in a very distinct place. Do you think it has been apparent from the start that there was a potential problem here? It is only relatively recently that I have heard those who move food products from GB to Northern Ireland saying, "This might be too difficult. There is too much uncertainty." There will be a cost involved in all this, and depending on how that relates to the margins on that trade—it is the point that you just made—some are saying, "We are not sure whether it will still be commercially viable." Has it come as a surprise, or was this evident from the start?

**Elizabeth de Jong:** I believe that elements of this were evident from the start. I looked back at a policy document that we put together a number



## HOUSE OF COMMONS

of months ago about Great Britain and Northern Ireland trade, and these were the types of recommendations we were making at that point. Obviously we have the Trader Support Service, which is very welcome, but as we find out more about the types of support that will give, it is also clear that more help is needed on some of these quite difficult trading arrangements that are currently in place.

I also believe that the Government are aware of these difficulties. There is the UK Internal Market Bill, which you will be aware of, and that is one way of looking at these issues and problems. It has proven a controversial way, and it may be that the mitigations and trusted trader schemes that we are putting forward are less controversial ways of achieving that.

Q938 **Chair:** Councillor Bentley, can I ask about North Weald? That is in your patch. What is your understanding of what will be happening at the North Weald site?

**Cllr Bentley:** North Weald is an old airfield just off the M25, close to Epping town, the Epping forest area and the M11, just to put in context where it is. Our understanding is that it is going to be used as a customs checkpoint, both inward and outward to ports in the vicinity. That could bring in the east coast as well. That is where transiting will take place.

Q939 **Chair:** Has any work started on constructing the facilities that will be required to do that inward and outward checking?

**Cllr Bentley:** I am not entirely sure if there are people on the site constructing. I will check that and find out. However, I know that there has been a lot of liaison between the Government, HMRC, Epping Forest District Council and the county council. We are the highest authority and therefore will be responsible for the roads going in and out of the site. A lot of communication has taken place there. I do not know whether people are physically there building it.

Q940 **Chair:** If lorries are heading towards Kent then they are going to require a Kent access permit, but if they are heading towards other ports that are not in Kent, do you have any understanding of how the system is going to work to make sure that they do not arrive there without the right paperwork?

**Cllr Bentley:** I do not have evidence that it has or has not, to be honest. I know that there will be a lot of work taking place to make sure that those lorries going to the ports are going to have the right paperwork. While Dover is incredibly important, other ports are available. There are a lot of ports on the east, south and west coasts. The understanding is that that paperwork will be checked and made ready for the port they are going to.

Q941 **Mr Sheerman:** Elizabeth, are you getting on better with the Secretary of State these days? I am sure you have not changed your name because of your previous disagreement with Michael Gove, but there were some



## HOUSE OF COMMONS

pretty bitter exchanges, certainly from his side at one stage. Are you all good friends now and on good terms?

**Elizabeth de Jong:** I am wondering if the more bitter exchanges in public and Parliament were actually directed at the Road Haulage Association. We have a constructive relationship with Michael Gove. It is still challenging. We have written to him today, in fact, to set out a number of areas of concerns that I will be raising. We feel that is the right thing to do. Later I will be talking about confidence and some of the systems and infrastructure for EU-GB trade. We have high levels of concerns around gaps in important areas of information for EU-GB trade and also the Northern Ireland issues that I have already mentioned. We like to believe we work constructively with Government, but it is important for him to be aware—and, indeed, Lord Agnew, whom we have had briefings with. They need the feedback on how things are going. They want to work with us on EU exit readiness and tracking it; sometimes that is hard feedback to give but we need to do that.

Q942 **Mr Sheerman:** Stephen, I was listening to your response to the Chair and it did seem that you were part of the brigade that believes we are all going to hell in a handcart on 1 January. Are you being a little unfair to the Secretary of State? After all, he is a poor man doing his best in difficult circumstances. He must know, because he has been in so many different senior roles in Government, that technology systems tend to run into really big problems in the early days of implementation. Are you being fair to him?

**Stephen Bartlett:** I am trying to explain the position as we see it. I am very praiseworthy of HMRC in its efforts to do consultations with us. We certainly cannot complain about the level of consultation and the level of involvement that we are seeing from HMRC. I know that it is working extremely hard to develop and get CDS ready in time. For example, I sit on a number of the programme boards for the systems for EU transition, so I get to have a voice at a higher level.

In my observations I am trying to say the situation as I feel it is, rather than criticising. HMRC is certainly working very, very hard. There is a lot of information coming out of HMRC, but our common enemy here is time. We just do not have the time available to us to do what we need to do. It is not just the CDS system we have to consider; there are the changes to the other systems that we currently share with the EU. There are at least five other systems that need to be modified, or there might be a UK or Great Britain flavour of that particular system that we are going to be using after transition. There are those things that we also have to work on.

I echo what Elizabeth said in her commentary just a minute ago. There are still quite a few outstanding questions on processes that we do not have answers to because the negotiations are still ongoing. A lot of times we might ask, "What do we do in this scenario?" and we are faced with the response, "We do not know because that is still being discussed."



When that decision is finally made, it has to be operationalised and translated into a process, then a system, and then codified. We are facing those sorts of issues as well.

Q943 **Mr Sheerman:** Stephen, you are the top man in this area. You have an amazing reputation and knowledge in the sector. If it all goes wrong on 1 January—if we have chaos; if we have problems, as the Chair said, with drugs and food coming into our country; if it is a perfect storm—who is going to be responsible? Is it going to be you guys? Is it you and Elizabeth? Who is going to be carrying the can?

**Stephen Bartlett:** For our part we hope that we will have the majority of the systems ready in time. For example, for the bulk of the trade coming into the UK from the EU and the rest of the world, we will continue to use the CHIEF system. Although there are some changes required on that system for EU exit, we are quite confident we will have those ready in time. The main areas of concern we have are around CDS and Northern Ireland.

If there is chaos because of systems like the GVMS not working, there is more concern on our part over the knowledge of how to use GVMS rather than the actual system itself. Will the traders in the EU know how to use GVMS and fill in the appropriate fields correctly? It is more a usability issue that we foresee, rather than a technical one.

Q944 **Mr Sheerman:** Elizabeth, are you going to carry the can if it all goes wrong?

**Elizabeth de Jong:** In some ways we will be at that coalface of visible queues, but the one thing you will already appreciate is that being ready for EU exit is complex and a challenge. Transport is one aspect of a very complex supply chain. To be ready, we need roughly 8,000 haulage companies and 200,000 trading companies to be ready, and this cuts across many areas of Government responsibility.

Q945 **Mr Sheerman:** The Government gave you the transition period. You had loads of time.

**Elizabeth de Jong:** That was to work out how it was all going to work and to get ready. The driver will be at the coalface of our post-EU exit system, carrying that output of this supply chain in paperwork. In order to be ready, we need to make sure that that driver has the right paperwork so they can go through the border and they know what checks are required. In order for them to do this, we need traders to be on track to deliver the border documentation, the border industry to be ready for new processes, and contingency arrangements to be in place as well; that is good practice, particularly as every day, I am sure, people forget their passports around ports and airports, and that is just one piece of paperwork.

Q946 **Mr Sheerman:** But Elizabeth, the Government and Michael Gove have been working their socks off to inform the country, with the brilliant



## HOUSE OF COMMONS

information campaign; I am sure you must give at least nine and a half out of 10 for the way the Government have been communicating what is going to happen on 1 January. Is that your view—that it has been a brilliant educational programme?

**Elizabeth de Jong:** To deliver what we need to deliver, we need information, systems and infrastructure. In terms of the actual types of information we need, I have been looking at the campaign on the television and it is very high-level. The information in it is around, "Something is happening at the end of the year and you need to be ready for it, and it may be too late," but it does not have a call to action. The information that we need to be ready is very specific information—operational information—and it needs to be clear and in language for people who work in quite regulated environments. Haulage is very regulated, with tick-lists of what you need. That is what we need, and we are concerned that one of the reasons why the haulier handbook is delayed by so much is that it is not yet fit for purpose to be released.

Q947 **Mr Sheerman:** It sounds as though you are not all that impressed by the education. Stephen, are you impressed by the education programme that the Government have done—the one that is not allowed to mention the word "Brexit"? What do you think about that programme?

**Stephen Bartlett:** From the things that I have seen, I would echo what Elizabeth has been saying. They are fairly high-level.

Q948 **Mr Sheerman:** What do you mean by "high-level"?

**Stephen Bartlett:** They do not really go into much detail.

Q949 **Mr Sheerman:** You are not being snobbish, are you? You are not saying it is a bit above the average truck driver?

**Stephen Bartlett:** No. Obviously that is not my industry, so I would not know whether it was directed at the right level. One of the messages was to get yourself an EORI number. There are going to be a lot of traders who have never had to make declarations before. They are going to need some real information as to what to do next.

Q950 **Mr Sheerman:** Kevin, I know you are Essex rather than Kent. We have had an awful lot of Kent in this Committee, so it is nice to have Essex. You have other leaders on your committee, including Councillor Pandor from my patch. What about the rest of the country? We all talk about Kent and Dover. Are you happy, in terms of all the work that has been going on and the technology, that it will deliver on 1 January in other ports up and down the country? They are important too.

**Clr Bentley:** When we are talking about ports, there are airports as well—it is not just seaports—and they carry port health authorities as well. There is a lot of information. Certainly the LGA, with our organisations in other nations, has met regularly with MHCLG and other Ministers from other Departments on a variety of subjects, not just this.



## HOUSE OF COMMONS

That has worked very well. Information is out there and we have shared that as local authorities.

Ports have been preparing for this. I can speak from experience of going to Harwich, one of my own ports in Essex; they have spent a lot of time preparing for this, but we are in a situation of resourcing. When we started this conversation, nobody was expecting covid. As it is in many cases, local government was at the forefront of making sure every resident in the country got the support they needed. That continues, and of course we are in a position where that will continue for some time while we have this going on. I keep saying to colleagues that in normal times this would have been the number one subject at the moment, but suddenly it is not because we are dealing with a pandemic.

Q951 **Mr Sheerman:** Kevin, you are a politician, as we are. Who is going to carry the can? If it a disaster and a perfect storm on 1 January—if we do go to hell in a handcart—whose fault is it? Is it Michael Gove? Is it Boris Johnson? Who will our constituents blame?

**Cllr Bentley:** I do not believe in blame or carrying the can. I believe in working very closely in partnership, and that is what local government does extremely well across parties, I have to say, and in this particular case we have done. I do not think it will be about carrying the can; I think we will be working very strongly—we have been and will continue to do so—with our partners, through the local resilience forums as well, where a lot of organisations come together, including police and others, to make sure we have the right infrastructure.

Could it be improved? Yes. Could we have more resourcing? Yes. Of course those are the answers, but we have to make sure that this gets right from day one. The reason that is important is because this whole thing is predicated on real people, real lives and real jobs. That is why we have to get it right. I do not want to point fingers or say there will be anyone carrying the can. I want to get it right. Local government will be at the forefront of making sure it is right.

Q952 **Mr Sheerman:** Elizabeth, is it going to be okay on 1 January?

**Elizabeth de Jong:** We have contingency arrangements in place for good reason. It is unrealistic to expect that that whole chain of complex paperwork and the systems required to produce it will be working seamlessly on 1 January.

Q953 **Dr Whitford:** I represent a fishing constituency. We send 85% of our langoustine catch to Europe. The Government have said they will prioritise time-sensitive catch like live seafood or day-old chicks. Has this been planned with traders? Do hauliers know, and does that mean that these lorries will be sent to other ports? Otherwise, if they are at the back of a queue of thousands of lorries at Dover, having a special sticker in their window is not going to help them.



**Elizabeth de Jong:** My team have been involved with these. It is called “fish and chicks”, so live and fresh fish and day-old chicks will have potential prioritisation. It is for DEFRA to activate when they believe that is required, presumably on the basis of the queuing situation around Dover; it is focused around Dover. As you have said, HGVs pick up a prioritisation permit and stickers at Ebbsfleet. They are then able to use the M20 contraflow and are exempt from enforcement actions, which would be against other HGVs using that contraflow to get to the port as well.

On top of that, there is some additional capacity for priority freight that has been secured at ports outside of Kent. That is open for booking at the moment. As far as I am aware, priorities for that are around pharmaceuticals. The capacity for that extra freight on the extra ferries is around 3,000 HGVs per week. There are nine routes and eight ports around the country where additional ferry capacity has been bought for prioritisation of certain commodities.

Q954 **Dr Whitford:** It is still based on Dover-Calais rather than getting these time-sensitive cargoes to use different routes. Do you think that will work with the contraflow, or are you worried that you arrive, you are in a 10-mile queue and you are stuck? Are you confident about that working?

**Elizabeth de Jong:** I am more confident about this aspect. I have more concerns about the arrangements in Kent than this. This has been thought through to a degree—obviously there will be issues if the amount of congestion is so severe—through Operation Brock and Operation Stack. I have concerns about driver welfare during that. I have other concerns about Kent, but I know that there is a Kent action group and they have experience in running different types of contingencies in this area. At the moment I do not have a high level of concerns about the ability of the people tasked with looking at arrangements for traffic in Kent. I have other concerns.

Q955 **Dr Whitford:** You talked about having the right paperwork. For fishermen who are sending out seafood, shellfish and so on, they have several pieces of paper to have ready. One is from a veterinary officer certifying the health of the catch. Are you worried about the provision of this kind of vet? The vast majority are EU citizens themselves, so we may have difficulty recruiting in the future. For SPS and phytosanitary going to Europe and also across to Northern Ireland, have you any concerns at all about the provision of vets? This might be something Kevin also wants to comment on, because it will be based in local authorities.

**Elizabeth de Jong:** We wrote to the Border and Protocol Delivery Group on 16 September with the idea of producing some joint readiness metrics. Industry would supply some of those, but most of them are in fact from Government, so that our EU exit preparedness is not a matter of opinion but a matter of fact. That would be exactly the type of metric, and indeed is the type of metric that we were proposing would be available for all and published. We agreed the metrics with the Border



## HOUSE OF COMMONS

and Protocol Delivery Group around 21 October, but at the moment we have not seen the data. We have agreed metrics, not the values of those metrics. We do not know a date for when we are going to see them either. We understand they want to make sure the data they use to populate the metrics meets quality standards for publication, but it would help us all. Government are on track in many areas, but we need to be able to see that to assure ourselves—you need to assure your constituencies; we need to assure different areas of industry—how ready we are or not. These metrics would really help with that.

Q956 **Dr Whitford:** Kevin, have you anything you want to add from a local government point of view around provision of vets for inspections?

**Cllr Bentley:** Resourcing is one of those questions that we are continually asking Government through our advisory board meetings. We employ vets across the country. It is going to be increasingly important after we leave, but some of these regulations will not come in until much later in 2021. DEFRA has provided the port infrastructure fund to help with staffing. That goes until March 2021, and one of the conversations we will be having is that that needs to be extended. Recruiting people is important. Some of these regulations will come in a bit later, but we need that staffing now. We will be pressing Government for that, to make sure we have the proper resourcing in those ports to make sure these checks are taking place and there are no hold-ups.

Q957 **Dr Whitford:** Elizabeth, thinking more about the GB-Northern Ireland border, the UK Government published a border operating model for GB-EU but have said they will not be publishing a model for GB-NI. Does that concern you? How will hauliers, traders and logistics get to know what they need to do going from GB into NI if there is not an operating model?

**Elizabeth de Jong:** I understand that some of this is about nomenclature. Not wanting to produce a “border operating model” for GB-NI trade we understood was because there was not officially a border. However, we were promised some business guidance documentation instead, but we do not have that yet. HMRC wants to talk to us about it—it is holding a webinar for our members later today, in fact—but at the moment it is hard to find out about Northern Ireland-GB trade. The business guidance document is something that we need very much. That practical advice for drivers and the companies they work for is currently missing from the haulier handbook. TSS may have some advice for people, and we have [*Inaudible*] some advice on GVMS at the end of the day, but it is quite thin pickings at the moment and definitely an area in which all—Government as well as us—are aware that more is needed.

Q958 **Dr Whitford:** What about infrastructure and staffing in Northern Ireland—Larne, Belfast, Warrenpoint and so on—from the point of view of physical infrastructure and vets there? Obviously there are SPS checks going to be taking place there. How ready is any of that? From the point of view of what has to happen, is a lot of it still hinging on whether there is a free trade agreement, or will it mostly come down to the decisions by



the joint committee on what goods are considered at risk of going into southern Ireland as opposed to Tesco sending stock to their shop in Belfast?

**Elizabeth de Jong:** In terms of the physical infrastructure at the border control posts where the SPS checks will take place, I understand from my team that the construction has not yet started at Larne, Belfast and Warrenpoint, and is likely to take six months. That will not be ready by the end of the year. Mitigations or facilitations for that is clearly an important area that we will be doing work on with the JCCC and all involved, to look at that element of it but also just this overwhelming burden of checks and where they can be reduced.

You speak of an idea for UK retailers. That idea is developing and it even has a name; it is called a retail movement system. You would have friction-free movement of goods from GB distribution centres destined for Northern Ireland retail outlets—ones that we know are not going any further—as a trusted trader scheme. There are other trusted trader schemes that we are discussing around post and parcel sectors, given the amount of consignments that they would need to do safety and security checks for. We are also looking at options, or putting forward options, for some simplified transit controls for Northern Ireland goods that go via the Republic of Ireland as well. There are things that can be put in place, but we do not have them in place and agreed with 50 days to go.

Q959 **Dr Whitford:** Is there anything that Kevin or Stephen wants to add about Northern Ireland?

**Cllr Bentley:** No, not specifically, other than that we work very closely with our colleagues in the Northern Ireland Local Government Association. I know these points are being raised by them.

Q960 **Dr Whitford:** Are you also working with local government here? It is just that on my coast, where my constituency is, the ferry goes over to Northern Ireland.

**Cllr Bentley:** Yes, of course there is cross-border work. There are absolutely conversations taking place. I know NILGA particularly have been [*Inaudible*] as have all the other associations in the other nations.

Q961 **Nicola Richards:** What assumptions does the Check an HGV is Ready to Cross the Border service make about the information available to HGV drivers and hauliers? Will they be able to make a declaration that they have all the correct paperwork? How will they know?

**Elizabeth de Jong:** It exists separately to the provision of information and the delivery of systems that would allow the paperwork to be either known about or delivered. It is a separate, standalone self-declaration service.

In terms of how they will know, using the service will give a number of options, and they will need to be able to tick that they have those



## HOUSE OF COMMONS

documentations, so their transport office will need to be able to inform the haulier. It is very important that the driver knows and is confident themselves, because if they are found to have filled out the Check an HGV service incorrectly they will be liable for fines up to £300, and also it will be them and their company that experience the delays because of it.

Q962 **Nicola Richards:** That answers my question. The drivers will have that information.

**Elizabeth de Jong:** They will need to make sure they have that information, yes.

Q963 **Nicola Richards:** How confident are you that the output of these systems will be accessible to the authorities in the EU checking on goods at the point of entry or in transit through the EU?

**Elizabeth de Jong:** Each of the different countries has its own ports software and ports systems that you will need to register with if you are travelling to different countries. There is a lot of knowledge required about the different countries that you are going to and those different ports. For example, even in Belgium the two main ports there have different systems to be used. They will need to know an awful lot of things about systems, checks and paperwork. It is a massive change in process and operations for drivers and for their companies. Lots of the information that we talked about that goes through the Check an HGV service needs to come from the traders, the owners of the goods. They will need to make sure that they have filled in the paperwork for each consignment in a load. It is a lot of change.

Q964 **Nicola Richards:** How likely is it that a haulier will make entries into GVMS and CDS that enable them to leave the UK but will then be turned around by the authorities in Calais?

**Elizabeth de Jong:** I imagine if it is being done correctly they will not need to be turned around, but a number of these systems are in fact for the traders to fill in so that the information can go to the drivers. There are a lot of different responsibilities. The drivers themselves have responsibility for the Check an HGV is Ready system, and they also have a responsibility for the safety and security declarations, but most of the other information is for the trader to have done. Clearly, there is a risk that you could be turned around if that has not been done correctly for a consignment, but the proportions are very hard for me to guess at. I do not know if the other witnesses are able to shed some more light on that for you.

**Stephen Bartlett:** I am not quite sure. It is easy to say what would happen at the border if the information in GVMS was incomplete. It is very possible that if, for example, the vehicle registration in the GVMS record is incorrect, it could get turned away or refused crossing. Those checks are done before the goods actually leave aboard the ferries.

Q965 **Nigel Mills:** Am I being ridiculously optimistic or naïve to think that there



is some software out there that I can go on and put all the details in and it will complete all these systems for me? Is someone going to have to individually go and put presumably quite repetitive data into all these systems so I can tell the UK authorities, French authorities and whoever else what is on the consignment that is coming?

**Stephen Bartlett:** The software that my members provide does provide that kind of service that interfaces into a number of different systems, certainly here in the UK. Some provide those interfaces into European systems as well. If you are a trader, that sort of service might exist, but we are working hard to try to cope with a number of new systems as well.

Q966 **Nigel Mills:** Your members have managed to make their software successfully talk to all the Government software? That has all been worked through and is possible now, is it?

**Stephen Bartlett:** That is correct. As I mentioned, we interface into quite a few different systems: the declaration systems of CHIEF, the safety and security systems and other European transit systems. The one area we have been working on with HMRC for a number of years is obviously the new Customs Declaration Service, CDS. We have been working with that one; that is the only system we have a concern about for the beginning of next year.

Q967 **Nigel Mills:** You seem pretty confident that if people choose to use the IT that is available and can afford to use the software, this can be achieved from an IT perspective.

**Stephen Bartlett:** Yes. With the exception of CDS we are confident that the changes that need to be done to all the other systems will be available in time: CHIEF, the safety and security systems and others. For those existing systems that are being changed, we are confident that they will be available in time.

Q968 **Nigel Mills:** If people have been exporting goods across land outside the EU—they have been selling it to Russia, Albania or conceivably Switzerland or somewhere—then these processes are not entirely new to everybody. Presumably similar declarations have had to be made for a long time.

**Stephen Bartlett:** Yes. If you talk about trade with the rest of the world then, yes, a lot of those processes will not change and we will be using the CHIEF system. For those transactions with the rest of the world, there will not be a particular issue to most traders. It is EU to GB and Northern Ireland that is undergoing the most change.

Q969 **Nigel Mills:** My point was just it is not like there is nobody out there that knows how this works. It may be that for a lot of businesses it will be completely new to them but, as an industry, people at least understand the theory and the practicalities. Hopefully, you could find someone who could talk you through it, at least for the first couple of times.



## HOUSE OF COMMONS

Can I just switch to Northern Ireland? I understand from this session that we are expecting that you are going to have to make an entry on to CDS for every good that gets moved through Northern Ireland, even though it is not an export and it is staying within the United Kingdom. Is that right?

**Elizabeth de Jong:** Yes, that is my understanding.

Q970 **Nigel Mills:** That may change depending on what the negotiations produce, what the joint committee produces, or how the Government choose to use the UK Internal Market Bill, if they get it through.

**Elizabeth de Jong:** Yes, there is still a lot of latitude and options that could change how Northern Ireland and GB trade at the moment. I have put forward some today. We do not have detailed information but we know people are very busy thinking about what is going to be happening in Great Britain and Northern Ireland trade as well, which makes me think that there may be some type of change.

Q971 **Nigel Mills:** It will not be a self-assessed, "If the goods are going on to the public you have to do CDS." It will be that everything goes on at the moment. Is there a box on CDS to tick that "this is staying in Northern Ireland" or is that not a system functionality that is available yet?

**Elizabeth de Jong:** I know there are two different types of tariff code for how that is going to work, but Stephen may know more about it.

**Stephen Bartlett:** I am not sure whether there is a button as such, but certainly one of the reasons for using CDS as a system is its ability to handle two tariffs. The second tariff is obviously applicable if the goods are at risk of moving to the Republic of Ireland. That is one of the key reasons for using CDS, which was understood; there is that, and also the fact that CDS is UCC-compliant. You are right that it can handle two tariff codes.

Q972 **Nigel Mills:** Do we know what is going to happen the other way? Are we expecting people in Northern Ireland to do a similar declaration to move stuff to GB or are we just exempting those movements completely?

**Stephen Bartlett:** For goods moving out of Northern Ireland to Great Britain there will not be any export or import declaration except for very specific circumstances around very specific things like endangered species; diamonds was another thing that was mentioned. I am not sure of the list, but there are only going to be very few requirements to do that coming from Northern Ireland to Great Britain.

Q973 **Nigel Mills:** I remember going to see the Swiss border a couple of years ago. They were working on a clever app or something on your phone, where hauliers could make all the declarations and then you get a message to your phone saying that you are clear to go through the green line, or that you need to go to amber or red. You have some certainty before you get there. Is that where we are going to end up with the green, amber, red and the codes, or will it not be quite as simple as



## HOUSE OF COMMONS

having different lanes and knowing which one you are allowed to go through? Is that an aspiration for the future or will it be as slick as that in a few months' time?

**Elizabeth de Jong:** Back in February there was an announcement by Michael Gove at an industry conference I was at. It looked at the border and border developments in two different ways. The idea for the end of the year was that there was going to be an operational border. It was going to be based on doing the best we could with making the full possible changes to systems. In the future, in a few years, there is going to be a future border where more of the systems will integrate. There will be a one-stop shop. There will be a much smoother, redesigned system. There may be more agreements that we have in place over time that we are unable to do because they require political movement by the end of the year.

In the future there is no doubt at all that there will be refinement, facilitations and improvements to what we are doing, but the aim has been to get something workable by the end of the year and make bigger improvements after that.

Q974 **Nigel Mills:** We are going to have a transitional system for a bit, then an imperfect system, and hopefully at some point down the line we will get a modern, effective one that we can use more efficiently. We might have three things to learn over the next five years.

**Elizabeth de Jong:** There is already a vision for it and different elements of how the system would work in the future. Obviously, we would like to see that as soon as possible, but I can also understand why, if you are running a massive IT programme, you would want to de-risk it. As we have seen, there is a broad consensus around confidence in a number of the systems, but not yet understood confidence—or different views about confidence between Government and industry—around CDS.

Q975 **Nigel Mills:** How much difference would a three-month or a six-month implementation period make? Is this one of those things that at some point you are going to have a go date and it is going to be difficult, and it does not make much difference if it is 1 January or 1 April, or would a short period to make sure the preparations are effective make a big difference to people?

**Elizabeth de Jong:** Logistics UK was the first trade association to ask for an implementation period after the transition period, from the realisation that there is so much to do. We asked again for that during the covid crisis, and the Government gave us as much of one as I believe was in their gift to give us, with the staged approach on imports. Covid is impactful on industry. We are in a second lockdown at the moment, but it is also happening at the busiest time of year for the logistics industry. A huge amount of planning already goes into Christmas; we have now lost potentially four weeks on elements of that Christmas preparation, with a huge amount of re-planning and a huge amount of uncertainty on top of



## HOUSE OF COMMONS

the EU exit preparations that we also need to make. This second lockdown will have an impact on the bandwidth of industry.

Q976 **Nigel Mills:** Effectively that would need to be the EU agreeing some kind of relaxations.

**Elizabeth de Jong:** The EU would need to agree this. This is one of the reasons why, to us, a free trade agreement delivers much more than tariffs and the permit schemes. We would like very much permission to trade in the EU and bring our trucks over and do business there. It also allows a number of agreements in a number of areas that would just make everything so much easier in terms of facilitations and entente cordiale.

Q977 **Stephen Kinnock:** Many thanks to our witnesses for some really interesting and informative evidence today. I want to focus on the issue of the Kent access permit and get a sense of a few aspects of this around how it would work in practice and around enforcement.

This Smart Freight system has been described as an honesty box whereby the hauliers essentially just tick a box to say they have all the correct paperwork without having to prove they have all the correct paperwork. In order to get the Kent access permit, they just tick that box.

This question is to Elizabeth first, but certainly it would be very good to hear from Stephen and Kevin on this as well. How high would you assess the risk that hauliers will just simply take the path of least resistance and tick the box saying they have the correct paperwork in order to get the access permit? Will they chance their arm and say, "We will sort it out when we are en route" or whatever it might be? Would you assess it as a high, medium or low risk that they will do that?

**Elizabeth de Jong:** We are a very regulated industry. We are very high on compliance, so we need to keep our HGVs, for example, at a particular standard of maintenance, checks and so on. We are a very regulated industry.

I would suggest that filling it in incorrectly will not be the path of least resistance. There are cameras; there is enforcement by DVSA or Kent Police. If you are found not to have the right paperwork, you will be taken away either to complete your compliance or you may be turned away completely. You may get a £300 fine as well. That is just on your journey. There is a chance of that.

When you arrive at the port without the correct paperwork, you will not be allowed to progress on your way. That has a big impact on yourself as a driver and how you spend your time but also a very big impact on how your company perceives you and how their traders and customers perceive you. It will lead to delay, so I do not believe it is a rational decision to not fill it in correctly.



## HOUSE OF COMMONS

In any industry there will always be a proportion of people—there have been through the mists of time—who do take their chances; otherwise, we would not need police or enforcement full stop, but I imagine it will be a smaller percentage. I am sure Kevin will have thought about this quite a lot in putting together the enforcement plans. We have not seen the details of the enforcement plans, but we know some of the plans.

**Cllr Bentley:** On the specific Kent question, you would need a Kent politician to discuss that. The reason I say that is because a lot of work has been going on between Government and Kent County Council on this, and they will be able to provide that information.

If I can briefly broaden it out, other ports have been making a lot of headway in preparing for this. I do not know whether you have spent any time as a Committee looking at the issue of secondary ports, which are also very important. For instance, Harwich in Essex is the secondary port to Dover. Harwich has been doing a lot of preparatory work; other ports will have done that as well. The thing we have to bear in mind is that it is not ships moving around to different ports; it is cargo on the other side in the EU moving to a different port—in Harwich, it would be the Hook of Holland—to get there.

A lot of that preparedness work has been going on. If you have not done it yet, that is something worth looking at. While Calais-Dover is an extremely important connection, some of these other issues are important. The secondary ports are something that does need to be looked at.

Q978 **Stephen Kinnock:** Going back to this issue of enforcement, how are the authorities responsible for enforcing going to be able to distinguish between lorries that are only making domestic deliveries and lorries that are heading for the EU? How is that distinction going to be made?

**Cllr Bentley:** That will be a question around the paperwork that is being prepared.

Q979 **Stephen Kinnock:** Yes, it is the paperwork but also the actual enforcement of that. You say there will be cameras on the roads that will pick up the licence plate of a lorry that is coming into Kent that is supposed to have the correct paperwork. How will that actually be enforced? Are those lorries going to be stopped by the police, or whoever it is, and checked? Are the local police going to have to know what they are looking for and why they are looking for it?

**Cllr Bentley:** Again, one of the questions we have been asking is precisely this. I would imagine that would go through the local resilience forums, where the police sit. They do not sit on our committee, of course—that is just local government—but we sit on their committees of the local resilience forum. That is something we absolutely have to bottom out. I know the Government have been talking to the LRFs across the country about enforcement.



## HOUSE OF COMMONS

The exact detail of how that is going to be done I cannot tell you sitting here. That is not to say it has not been done. What we do know is that it must be ready and prepared, to make sure that is enforced, and enforced correctly, and there must be the resourcing to make sure that happens as well.

**Q980 Stephen Kinnock:** I find it quite extraordinary that we are just a few weeks away from 1 January and we still do not know how this is going to be enforced.

Some 85% of what is coming into the UK is on European vehicles, which then fill up in the UK and go back. We would have British authorities stopping and fining EU nationals for these transgressions. Do we see any issues with that? It is not going to endear us to the French, the Germans, the Dutch or whoever it might be if potentially hundreds of their nationals are being stopped and forced to spend two to three days on the hard shoulder on a motorway in Britain somewhere waiting for their paperwork to be processed. Do you see any potential political fallout from that?

**Cllr Bentley:** One of the reasons we are struggling is because you probably do not have the right witnesses to answer that particular question. I think you need to have members of the local resilience forum and Kent here to ask that question. On a political note, I would say that I do know that a lot of work has been taking place in this area. That is why you need to get those particular witnesses to talk to you about that. The one thing we want out of all of this is a very good relationship with the rest of the EU following 31 December.

**Stephen Kinnock:** Yes, absolutely.

**Elizabeth de Jong:** There are a couple of points I can add to that. You said they would be “forced” to be pulled up and wait for the paperwork; they have the choice of getting the right paperwork together. That is what we are hoping for. There will be a period where that is difficult for people, but eventually there will be fewer and fewer people who do not have the right paperwork, because they know it is important and they understand more about the processes.

It also makes the information provision to foreign operators very important indeed. The haulier handbook, which I mentioned earlier, will be translated into different languages. However, it is quite late in the day. We have had a number of issues and a number of iterations of it. It was planned to be launched at the back end of November, but we concluded it was not fit for purpose for that date. It could not answer that fundamental question in sufficient clarity: “What documentation and checks do I need for my journey?”

Version 1 will be released on 18 November with translations to follow. Version 2, which will have pictures of documents, maps and checklists, will be released on 7 December, with translations to follow. HMRC and the Border and Protocol Delivery Group will be able to tell you more. It is one of our metrics, which are not yet published, about their engagement with



## HOUSE OF COMMONS

other countries. We have held a number of sessions with trade associations from other countries.

The questions you are asking illustrate to me the importance of spending the next few weeks—the next 50 days—focusing very much on other countries and the information they need to know about our systems.

Q981 **Stephen Kinnock:** I am out of time, but I have one more question. When might we expect the decisions and information about the enforcement mechanisms for the Kent access permit and violations in Kent to be published by the Government? That would be useful for us to know. I do not know whether the panel have a brief answer—I am out of time—on when we will know how all of this is going to be enforced.

**Elizabeth de Jong:** I know there is a consultation period up to 16 November, which might be helpful in working out the date when the enforcement process is going to be published.

Q982 **Joanna Cherry:** Good morning, panel. Elizabeth, I was going to ask you a bit more about this haulier handbook. I noticed that Rod McKenzie, the managing director of policy and public affairs at the Road Haulage Association, was giving evidence to a committee of the Scottish Parliament last week. He said that what hauliers need is an end-to-end, A-to-Z process that sets out what you have to do: “You have to do this; then you have to do that.” He said that at present this does not exist. Is that what the haulier handbook should set out?

**Elizabeth de Jong:** Yes. The haulier handbook is that guidance; it will be very clear and non-expert. Customs is very complicated. We need to make it accessible for a non-expert and we need the clear guidance in a format that is instantly understandable. To prevent those queues at the border the driver needs that. That is probably the most important aspect of whether or not there are going to be queues: does the driver have the paperwork they need?

Q983 **Joanna Cherry:** So the handbook is actually for the driver; it is something that the driver would have in his or her cab.

**Elizabeth de Jong:** Yes.

Q984 **Joanna Cherry:** As we have heard from Stephen, 85% of these drivers will be drivers from the continent whose first language will not be English, so the translations are going to be quite important. You have told us that this haulier handbook has not been published yet, but it is due on 18 November with a second iteration on 7 December, with translations to follow. Do we know when we are going to get the translations?

**Elizabeth de Jong:** I had a meeting on this last Friday. We still could not say that it was fit for purpose and it was clear that the launch would need to be delayed to allow for more testing this week. In that meeting we agreed that there were a number of elements of the handbook not on customs procedures that were fit for purpose. They are more around



## HOUSE OF COMMONS

licensing and things that drivers, the driver offices and their companies are more familiar with. Those elements will be translated into the priority languages now, so it will be a smaller section that needs translating later. I do not have the dates for when the translated versions will be available, but there is going to be an extent of parallel running in order to deliver that along a critical path.

Yes, it is later than we would want it to be. The officials working on it know it is later than they would want it to be. It has been a very difficult process to get something that is sufficiently clear for industry. It has been a hard process through the iterations on this.

**Q985 Joanna Cherry:** You mentioned earlier in your evidence concerns about driver welfare. Can you just expand on what you meant by that?

**Elizabeth de Jong:** Yes. What I meant by that was that should Operation Brock or Operation Stack—the plans for traffic management for Kent—need to be put in place, we have the facilities. There are going to be no driver facilities on any part of the road network, so the only facilities for drivers are going to be at Manston Airport. So far, what we have is agreement for monitoring the situation by the local tactical demand.

We know there is a contract, for example, to deliver portaloos, should those be required, but there is a reticence—I can understand why that should be—to put portaloos particularly on the M20. If there is queuing there, it will be down to ourselves, the Kent local resilience forum, local authorities, Highways England—anybody involved—to let HGV drivers and other drivers know about the queues and to encourage them to use facilities outside the area before they join the queuing system.

**Q986 Joanna Cherry:** If hundreds, or probably thousands, of HGV drivers are queueing on the motorway or indeed corralled in a lorry park, which we will come to in a minute, presumably they are going to need toilet facilities and washing facilities. We are still in the middle of a pandemic. When Mr McKenzie from the Road Haulage Association gave evidence to a committee of the Scottish Parliament last week, he expressed concerns about the lack of planning for facilities and concerns about the covid implications. I will come to Kevin in a moment, who I am sure might be able to tell us more about this, but, Elizabeth, do you know what planning is going on in relation to this, taking into account not just people's normal needs but the particular requirements given that we are in the middle of a health pandemic?

**Elizabeth de Jong:** Yes. I am sure Kevin will tell us more. I know the Kent Resilience Forum is working on this. I have data, for example, for the Manston Airport holding area. There is a potential capacity of 4,500, but that is subject to covid testing. I know the plans are being stress-tested for covid. I do not know whether Kevin is able to tell us more.



## HOUSE OF COMMONS

Q987 **Joanna Cherry:** These are plans. We heard earlier in the evidence session that the actual construction work has not commenced. Is that right? Before Kevin comes in, I want to ask you to clarify something you said, Elizabeth. You said there was a reticence to provide portaloos. Why is that?

**Elizabeth de Jong:** I understand that there is a thought that, if you put portaloos on the M20, on one side of the reservation or in one direction, then traffic on the other side may decide to stop on the hard shoulder to use them on the other side of the road. That is the feedback I got from my team about that. Again, Kevin will be far more informed on that. Yes, we are concerned about facilities.

Q988 **Joanna Cherry:** Kevin, I am really concerned to know what stage we are at with the provision of facilities in lorry parks and on the motorway.

**Clr Bentley:** I am not going to duck that question; I will answer it as honestly as I can, but these are questions for the local resilience forums. That is not quite the work we are doing. However, we have been talking to the Government about these lorry parks. There are lorry parks and there are the customs centres. I was referring to the North Weald customs centre and HMRC, where lorries are checked. The lorry parks are something slightly different. So far 10 have been identified around the country.

The local resilience forums can talk to you about what preparations they have made, and the police particularly around access roads, enforcement and all that sort of thing, as we heard from Stephen earlier. They will be able to tell you about that.

In terms of facilities, it will be critical, of course, to make sure facilities are there. Now you have mentioned that, I will check with the Government the next time I have my delivery board. It is not a question we have asked so far, because it is not normally within our remit. I will ask that question, and I would also urge you to speak to the resilience forums as well to make sure there are proper facilities. Of course, it is not just covid that is critically important; there are other health issues as well that need to be borne in mind.

Q989 **Joanna Cherry:** Just so I understand the division of work, Kevin, can you tell us what is happening about the construction of the new infrastructure such as the lorry parks? Can you tell us what is happening about the traffic management plan, or is that something we would have to ask of other witnesses?

**Clr Bentley:** The police will be involved in that, and highways authorities as well, as part of the resilience forum. The work we do on the delivery and transition board is much more about the work of trading standards officers, environmental health officers and some of the questioning we have had before. That is where the divisions come in, and that is why the resilience forums, which do a different role in the different parts of the



## HOUSE OF COMMONS

United Kingdom, certainly in England, do a different function to what we are doing. We are much more on the regulatory side.

I know in Essex, certainly, our chief constable has been working very hard to talk about the infrastructure and working with highways authorities such as Essex about how the traffic is going to flow and how the infrastructure is going to work.

Q990 **Joanna Cherry:** You are on the ground there. Has construction started on infrastructure at the lorry parks?

**Cllr Bentley:** We have the one in North Weald, which is the customs centre I talked about. I know negotiations have been going with Epping Forest District Council and with us as the highways authority about traffic movements. Whether people are physically, as I speak at the moment, there constructing it, I do not know. That is not part of the conversation we have been having. The Government will be doing that. We will ask those questions, though. The answer is that, if it is not, it is imminent, as I said before.

Q991 **Joanna Cherry:** You can probably answer this question for me, though. If a lorry is not border-ready, there is going to have to be guidance on the ground about how it will become border-ready. Can you tell us what sort of facilities are going to be available for drivers of trucks held in lorry parks so they can access the necessary services to make themselves border-ready? Are we talking about guys sitting in cabs with iPads, or will there be infrastructure where they can go in and use IT to do what has not been done so that they can move forward?

**Cllr Bentley:** As part of the preparedness, again, when I visited Harwich with the Secretary of State at the time, a lot of information was being prepared and there were people from the Government on the ground ready to do that, to offer advice to lorry drivers coming in even at that point. That will be taking place.

There are computer programmes that DEFRA has been working on to work, certainly, with our regulatory services. One question I have asked is, "How many people have had training so far?" We are talking to people about that. Nonetheless, they do exist and that has been taking place. Information for lorry drivers is critically important. Certainly at these sites, to date there have been information centres. Certainly when they go to the customs centres there will be people to make sure they have the right paperwork.

**Elizabeth de Jong:** If you are not ready for the port or you are intercepted on the way, you are going to be sent to an HMRC site to get the paperwork ready, I believe. I also wanted to let you know about the DFT information and advice sites. There are five pilot sites that have been launched last week; 45 remaining sites will be launched next week, on 16 November. There will be information and advice available, and they will do advisory border-readiness checks from 1 January. They will have wi-fi;



## HOUSE OF COMMONS

they will have printers there. There are areas to go en route to whatever port you are going to if you need to get some advice and help and wait for some of your paperwork to come through as well.

**Q992 Sally-Ann Hart:** I just wanted to explore a bit more about the customs agents and brokers we are going to need. We have heard that tens of thousands of new customs agents and brokers in that sector will be needed to help traders importing and exporting goods. I have to say it is an incredible opportunity for young people in particular to be training in this sector, if we need thousands and thousands, in view of the issues we find with coronavirus. How close are we, Elizabeth, to seeing that number in place?

**Elizabeth de Jong:** There are different views in the industry about the number of customs agents required. At the very high end, there has been an estimate of 50,000 required. There were about 15,000 a year or so ago. It is more complex than just people and it is more complex than just doing the same things that they currently do. As you have alluded to, this is a new industry, and there will be different ways of doing things in this industry. There will be a much larger market, which enables new systems to be created.

In terms of the funding of £84 million, I know the first tranche of £34 million was spent, and I know there is a large number of firms—there were about 1,000, but there will be more by now; my numbers are slightly out of date—for this second tranche of £50 million. It is not clear at the moment, and the metrics I am waiting for will help answer the question of how many agents this equates to.

We have different views about the capacity in the market from our members. Some intermediary members are concerned about a major risk in the number of customs agents, saying that there are not enough. Not many of our other members, such as the shippers or traders, are raising this. As a trade association, our members must not discuss areas of commercial sensitivity with us.

We think one of the reasons we do not have a uniform view of what the market is doing around customs agents is because commercial ventures are being planned to fill the gap. We have seen some customs specialists introduce new services such as cloud-based software to enable traders to link their commercial systems to the customs authority and help create automatic customs paperwork. We have launched something; other trade associations have launched different things as well.

It may not necessarily be about more people; it may be about more automated solutions. It is a great opportunity as well for our country, as well as a cost for certain areas. Stephen may be more up to date on what is being planned in the market.

**Stephen Bartlett:** Certainly, I have seen a huge uplift in the number of people making inquiries of the AFSS as they look for software to enable



them to do declarations. Almost every day I get an inquiry from either a trader who has not had to do this before or an individual who is looking to become an intermediary or a customs skilled person who is retraining from something else, maybe because of a change of career because of the covid crisis. I am seeing a large number of inquiries coming in for people looking for software to do declarations. A lot of them are new into this market.

**Q993 Sally-Ann Hart:** The money from the Government will have been used for people to buy the software or to train people up on software.

**Stephen Bartlett:** Certainly, yes. From the conversations I have been having with some of them, they have said they have received a grant to set up, and providing the infrastructure and the software is something they want to do. Coming to us for the software is one of the things they have been doing, yes.

**Q994 Sally-Ann Hart:** Do they give any indication about whether they are up and running with that yet or how long it takes for people to train up to use the software? Do you have any insight into that? Is it ready to go, in other words?

**Stephen Bartlett:** Some of the people who have been applying have just come from receiving training in customs procedures themselves, so they are looking for the software. Training is part of the package that is delivered by members on their software, but some of them are very new to this environment, so it might be some time before they become fully functional as such.

**Q995 Sally-Ann Hart:** This is a question for both of you, but I will go to Elizabeth first. We have a briefing here that says it looks like funding might have been used to poach brokers from other firms—between firms. When we are looking at software and training up new people rather than poaching brokers, has the money the Government have made available been used in the right way or used effectively?

**Elizabeth de Jong:** We know that there was money available for capacity building, recruitment and training. In terms of some of the numbers the Government should be providing to us—I am just looking at my draft list of metrics—we have asked them to be looking at the number of applications submitted, the total value, the number of applications covering recruitment, the number of applications covering training and the number of applications covering IT. Although we have heard it has been used for poaching staff, I do not have anything more than anecdotal evidence to present to you today on whether that is true or not true.

**Chair:** Can I interrupt proceedings? We are just coming to the two-minute silence, it being Remembrance Day.

*The Committee observed a two-minute silence.*

*On resuming—*



## HOUSE OF COMMONS

Q996 **Sally-Ann Hart:** Stephen, do you have any comment to make on whether the Government funding has been used effectively?

**Stephen Bartlett:** Like Elizabeth said, I do not have any direct evidence to say it has not been, other than some anecdotal evidence to say that poaching is going on. I do not really have much more than that, I am afraid.

Q997 **Sally-Ann Hart:** I have one final question. It apparently takes six to nine months to train up customs agents. Elizabeth, are you confident that we will have enough newly recruited staff to be able to hit the ground running? I know you say there is a question mark about how many customs agents we actually need. What is your feeling on that? What is the feedback you are getting from people on the ground? Do they feel there are enough?

**Elizabeth de Jong:** In terms of time, we hear that there is not enough time to train somebody from scratch. We have seen the amount of interest there is in new software. In the customs agent market, we will find a great deal of reprocessing and process reengineering to do things more efficiently and effectively. We will have roles that new recruits who are not fully trained can do. There is going to be massive change in how customs agents work. That will reduce training times and change how usable people are before they have completed their full end-to-end training. Watch this space. I cannot give you confidence that everything will be ready and there will not be issues, but we are picking up that there is a lot of change in how things are going to be done in this area.

Q998 **Sally-Ann Hart:** There is a lot of hope there, I see.

**Elizabeth de Jong:** Yes, I am on the more hopeful side of this, in my hopefully balanced and evidence-based view.

Q999 **Chair:** Can I just pursue a point that Sally-Ann put to Stephen—the question of people in companies training on the new software once it is available? It is one thing to say, “It will be ready by this date finally”; it is another for everyone to get used to operating it. I wanted to put this question to you, Elizabeth. Will there be enough time for those who are having to make the system work to be trained on its use and to understand its functionality in order to get this working for 1 January, given some of the quite late deadlines for the delivery of the final version of the software that we have heard about this morning?

**Elizabeth de Jong:** Many of these are trader companies. I would be very surprised if any of those companies would be happy in normal circumstances with delivery at such a late stage and so close to go-live. There is such a will in our industry for trade to continue; our livelihoods depend on it. The timescale does not mean it cannot be ready, but nobody would want to be, this late in the day, seeing new software on which their whole business was dependent.

Q1000 **Chair:** The National Audit Office, in its report that came out very



## HOUSE OF COMMONS

recently, says there is likely to be significant disruption at the border from 1 January 2021 as many traders and third parties will not be ready for new EU controls. Is that an assessment that you share, Elizabeth?

**Elizabeth de Jong:** Yes, there is a high risk. Earlier I spoke about the need for the driver to have the right paperwork and know what checks are required. Fundamentally, if that is not correct, then we will have the queues. In order to deliver that, we need the traders to deliver all the border documentation through all the new systems, we need the border industry to be ready, and we need the contingency arrangements—the systems information and the infrastructure—in order to prevent those queues. That is going to be very difficult.

Q1001 **Chair:** I should point out for those watching that we did try to get someone from Kent County Council, but unfortunately nobody was available today. You make a very fair point, Kevin: a number of our questions would be best answered by them.

Just reflecting on the Kent access permit and the point Stephen Kinnock was pursuing, as I recall, there are 10,000 trucks a day using Dover. Elizabeth, is it your understanding that, as those trucks head into Kent, automatic number plate recognition is going to be the means by which the holding of a Kent access permit is checked? Presumably the police or officials from Kent will be stationed at an appropriate point to flag down vehicles that have been identified as not possessing the required Kent access permit. Is that your understanding as to how it is going to work?

Secondly, there will be other lorries that are heading into Kent that are not heading to Dover, because they are delivering to supermarkets in various towns and cities. How are they going to distinguish between the two? I am still not clear how that is going to work.

**Elizabeth de Jong:** When traffic is free-flowing, the enforcement is going to be done by the ANPR camera system, as you rightly say. They will identify vehicles. It will either be DVSA or Kent Police who will intercept them. They will go to a safe place for enforcement and compliance.

We were on a meeting earlier this week called the road haulage roundtable. We were recommended to lodge our movements, if we are local, with DVSA to make sure they are aware of that and that they can help guide their enforcement prioritisations based on the information they have about the types of movements that different companies do, to go on their system and help with identification of the ones most likely to be going to the port. We are waiting for more information on this and how it will work.

Q1002 **Chair:** That is quite significant new information. I was not aware of that. In other words, you are saying that your understanding is that, if a lorry is entering Kent to deliver to a supermarket, a builders' yard or whatever it is, they are going to be encouraged—or is it required?—to lodge the fact, "Hey, we're local, so when you check our registration number and



## HOUSE OF COMMONS

you can't find a Kent access permit, you don't need to worry because we're not heading for France."

Do you think those local—well, they could come from other parts of the country, but do you think those lorries delivering to Kent are all aware now that they will need to register? Do they know on which system they will need to register to avoid being pulled over by the police and told, "Oi, you haven't got a Kent access permit"?

**Elizabeth de Jong:** No, this very new information. A system is not communicated on this as yet. We are still awaiting proper information about the enforcement. We know that there are designated routes, and we know the circumstances in which you commit an offence—if you are not on an approved route and heading for the border—but the details about enforcement and how local journeys will be treated are not yet public information that people will know about.

Q1003 **Chair:** If it is not yet public then non-EU destined lorries do not know at the moment that they are going to need to do this. You said they would have to register. Do they go to a database and say, "Hey, we're doing a local delivery; please don't pull us over"?

**Elizabeth de Jong:** I know that it is registering with the DVSA, but I do not know how that will be done at the moment.

**Chair:** That is extremely interesting. Thank you for alerting us to that. As you say, that is clearly very new information.

It just remains for me, on behalf of the whole Committee, to thank our three witnesses today. It has been a really useful and informative session. We are once again extremely grateful to you for giving up your time. Some individuals seem to spend a great amount of their time these days giving evidence to various Select Committees, but it shows how much your wisdom, expertise, knowledge and assessment of what is going to happen is in demand. I wish you a successful rest of the day.