

Transport Committee

Oral evidence: [Road freight supply chain](#), HC 828

Wednesday 26 January 2022

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Members present: Huw Merriman (Chair); Mr Ben Bradshaw; Ruth Cadbury; Simon Jupp; Robert Langan; Chris Loder; Karl McCartney; Navendu Mishra; Grahame Morris; Greg Smith.

Questions 268–444

Witness

I: Baroness Vere of Norbiton, Parliamentary Under-Secretary of State, Department for Transport.

Written evidence from witnesses:

- [Department for Transport](#)



Examination of witness

Witness: Baroness Vere.

Q268 **Chair:** This is the Transport Select Committee's final evidence session on the road freight supply chain, the inquiry we have been following. Last week, we were fortunate enough to visit Kent, which will no doubt come up in proceedings.

By way of summary, given that this is our last session, we are looking today to explore driver supply numbers, including changes to testing, driver hours legislation and cabotage rules; driver retention, including pay, conditions and facilities; driver recruitment, including apprenticeship, diversity and the image of the sector; and the wider challenges facing the road freight supply chain, such as changes to border procedures, infrastructure and decarbonisation.

We have one witness with us this morning. I ask the witness to introduce herself for the record.

Baroness Vere: I am Baroness Vere. I am the Minister for Roads, Buses and Places.

Q269 **Chair:** Good morning, Baroness Vere. Thank you very much for being with us again. This being our final evidence session, we are very keen to hear the Government's perspective on road freight and the supply chain.

We have a whole series of sections to go through. I will start by looking at the driver shortage issue. The numbers appear to be getting better, but I am keen to ask you whether you feel that the UK now has sufficient HGV driver numbers in place or whether we still have some way to go to plug the gap.

Baroness Vere: Thank you very much, Mr Merriman. It is a pleasure to be here, as ever.

Your initial question is a good one. I could probably spend the entire hour talking about that. Within the Department for Transport, we are doing detailed modelling on what we think the driver shortage will be over time. There are various inputs to that modelling. Obviously, there are the 32 interventions that the Government have already done. There are things that the industry is doing. There is what we know about retirements and people deciding to leave the sector. We are also taking into account the fact that this is a very seasonal industry, so you see peaks leading up to Christmas. Going into the summer months, it comes down again.

Although we believe that we will see significant easements throughout the course of this year—we think that the situation is getting better, and the industry is reporting to us that it is getting better—we do not think that the shortage will be substantially or completely resolved until 2023.

Q270 **Chair:** The Government have put in a series of measures. We have discussed their effectiveness with you before and will do so again. Is it



the Government's role to fix this?

Baroness Vere: The Government have a role to play, but this is a private sector. It involves owners and operators from the private sector and the customers are predominantly in the private sector, so the long-term solution lies with the industry and its customers, to ensure that the system is working as a whole. Of course, the Government supply certain things, such as driving licences and driving tests. The Government can do certain things on planning reform. We see it as a partnership, with us working together with the industry to take it forward.

It is such a long-standing issue. When I look back to the TSC report of 2016, it fair takes my breath away how little has changed since then. So many of the things that were identified in 2016 remain the same today. I have challenged the industry about modernisation, but, as we all know, it is an extremely fragmented industry. It would make a fantastic business school case study of market power within the entire supply chain. There are very fragmented hauliers—there are 69,000 operators, but some very big players—and quite fragmented customers as well. However, there are some very big players. The haulage sector operates on very limited margins, which means that they do not invest in their people and we end up with the situation where they plan day to day, use agency workforce and do not think strategically and long term about the future.

Q271 **Chair:** We hoped that, in addition to you, we would hear from Sir Dave Lewis. There was some difficulty as to whether he would be able to attend. On 8 October 2021, the Government announced Sir Dave's appointment as the UK Government's supply chain adviser. When I emailed him to ask him whether he would be able to appear and to say that it would be a great opportunity, I got an out of office message back, saying, "I have now left my role." Could you tell us a bit more about what Sir Dave did and why he is no longer in post?

Baroness Vere: Sir Dave was looking very broadly across all supply chain issues. Of course, road freight is just one element of that. We in the Department have been focusing very much on road freight. Sir Dave made some recommendations to the Prime Minister. I am happy to try to go into more detail in a letter following this meeting. To be absolutely honest, his expertise relates to the system as a whole and what can be done to improve resilience. That includes things much beyond road freight.

Q272 **Chair:** Did you have any meetings with Sir Dave during his tenure?

Baroness Vere: No.

Q273 **Chair:** I am trying to get a best idea from you as to what meaningful input he has actually made. He reported to the Cabinet Office, which goes across Government. BEIS, the DFT and various other Departments are linked to the supply chain system. What would you say his legacy will be?



Baroness Vere: You have hit the nail on the head there. Because not just road freight, but supply chains as a whole were such a serious issue for a period, the Cabinet Office was co-ordinating work between Transport, DWP, DFE, DHSC and DEFRA—everybody who has an interest in the supply chain as a whole. That is very much why Sir Dave was working with the Cabinet Office, not necessarily with DFT directly.

Chair: You have the largest stake in this, in the sense that it is the roads sector and your responsibility. It seems a bit surprising that you did not have a meeting with him to go through your expertise and what really needs to be done across Government. We will take your expression as the answer. Karl, do you want to come in at this juncture?

Q274 **Karl McCartney:** Sir Dave, as he is being called, has now left. Has anybody been procured and placed in that position to take over that role? If they have not been already, are they likely to be?

Baroness Vere: No, I don't think so at all. It was a one-off. We needed some rapid work to improve our understanding of supply chains in the broadest sense. He did a good job, as far as I am aware, and he has made recommendations. I will try to provide more information on those in so far as they relate to road freight.

Q275 **Karl McCartney:** You mentioned that you will write us a letter. If he produced a report or something like that, do you think that perhaps we might be able to see it?

Baroness Vere: I will have to look at that.

Q276 **Chris Loder:** Good morning, Baroness Vere. Sir David has left. Who made the decision to appoint him in the first place?

Baroness Vere: I should imagine that it would have been somebody from either No. 10 or the Cabinet Office. It was a top-level interest.

Q277 **Chris Loder:** Sir Dave Lewis was previously chief executive of Tesco, an organisation that others—certainly some trade unions and so on—have spoken negatively about in terms of its overall manpower strategy, which could have contributed to some of the difficulties that we have seen over the past year or so. Are you aware whether anyone would have taken some of those things into account when appointing Sir Dave Lewis to that role?

Baroness Vere: I certainly cannot comment on that because I do not know. I do not think that we should necessarily put all the blame on any single retailer. There is an awful lot of work that needs to be done by the customers and by the hauliers. I cannot comment on Tesco directly.

Q278 **Chris Loder:** I would not want to point the blame at any one organisation, but it is fair to say that when an organisation makes a strategic decision that 20% of its workforce are, in effect, agency staff, where the retention rate is much poorer, that is a strategic decision for which the business needs to take responsibility.



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Baroness Vere: I completely agree with that. In the dim and distant past, I worked in recruitment and in the agency sector, where you place short-term workers. It is very clear that, while there are some benefits and some people choose to be agency staff, long-term career progression and general wellbeing within the workforce can be diminished if you are an agency member of staff. The retailer will choose. If that was their strategic decision, that was their choice.

Q279 **Chris Loder:** And they must take responsibility when issues such as retention and other difficulties manifest themselves and we face some of the difficulties that we are having.

Baroness Vere: I agree with that. I would also say that before the pandemic I was getting interested in the role of road freight and the challenges it was facing. I wrote to the trade associations suggesting that we should really think about an industry-led charter that ties together the hauliers and the customers, such that the customers understand that, when they contract with a haulier, they need to think about what lies beneath that, how the terms and conditions of the employees are set out. I am not saying that it is modern slavery. Of course not. However, there is a responsibility for customers to know what is going on in their supply chain, what the pay and conditions are for the workers within it and whether or not those are fair. I think there is a role for some sort of charter that says, "This is good practice. This is how you should be treating your workers." Unfortunately, that was not taken forward by the industry.

Q280 **Chris Loder:** Do you agree that it is a very sad state of affairs if the Government have to take the lead on a charter for the private sector to have to bear in mind the way it treats its staff? Don't you think that that is a terrible thing to have to do?

Baroness Vere: Over-regulating any sector is a very bad thing to do and usually leads to perverse incentives. The Government certainly do not want to do it, which is why we are so focused on working with the industry to help it to solve its problems.

Chair: Ruth, is your question about Dave Lewis as well?

Q281 **Ruth Cadbury:** Yes, in the context of the importance of the free flow of freight on our roads. Is that a priority for this Government?

Baroness Vere: Yes.

Q282 **Ruth Cadbury:** Where is that described? If we are not sure that we are going to see a report from Dave Lewis's work, where do we see that level of priority in Government policy?

Baroness Vere: Because Dave Lewis worked with supply chains. I am responsible for the free flow of freight on our roads.

Ruth Cadbury: Right. Is the free flow—



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Baroness Vere: It is the free flow part of this, in the global supply chain.

Q283 **Ruth Cadbury:** Is the free flow of freight on our roads an important part of the supply chain issue in the UK?

Baroness Vere: Yes. It is one of many important parts. There are ports, aviation, rail, the customers themselves and customs checks. There are all sorts of different things—a huge number of different things—that impact on the supply chain. This is just one of them.

Ruth Cadbury: Yes. You are confirming that it is important, but you did not meet the Prime Minister's adviser. Thank you.

Q284 **Chair:** Baroness Vere, you referred to our report back in 2016 and the recommendations to try to increase the number of HGV drivers. Given what has happened over the last few months, do you think the sector is now doing enough to fix the driver shortage?

Baroness Vere: There is always more to be done. It is really clear. The sector is very large. It employs a vast number of people. For example, I have met DHL and seen what they are doing with their training academy. It is fantastic. It is great. They are getting in a diverse group of people to become HGV drivers. They are paying for their training and their CPC. That is really positive. There are some great beacons of hope.

Of course, there are all sorts of different people, and others will not be doing as much. Potentially, they will still be relying solely on agency workers. Many employers give their drivers cash for overnight parking. I am sorry, but if I am a driver and I am given cash for overnight parking, I can keep the cash and park in a lay-by. There are lots of employment practices that need to be improved. This is a long-term issue. We will work with the sector to do it, but it has to step up.

Q285 **Chair:** This is a very wide question. Perhaps you could give a brief answer, even though it is very tempting to say more. What more can the sector do? What should it be doing? Bear in mind that we will drill into this as well, so just set the scene.

Baroness Vere: Do you want me to say one thing that I want the sector to do?

Q286 **Chair:** Yes. That would be a good way to answer the question.

Baroness Vere: Invest in your people. Why can't you be like the bus sector and pay to train your people? Don't expect them to pay for it themselves. Three grand before you even have a job is a lot of money.

Q287 **Chair:** Thank you. It was very good of you not to give a lengthy answer. We will go on to specific Government interventions next, but again perhaps you could set the scene. Are the Government considering further intervention? Are what has happened over the last few months and the actions that have been taken considered to be the jolt that was needed and it is now down to industry to crack on?



Baroness Vere: No. The Government are never going to say, "Job done," on this one, because we have an awful lot still going on. You have seen the 32 interventions, which are short, medium and long term. They vary from economic interventions, such as suspending the HGV levy, through to the very small drivers' hours extensions. The Government will continue to review everything. We have ongoing work with the lorry parking issue. It is quite a significant part of my focus at the moment.

Chair: Thank you for the openers. We will now drill into the status and success of the Government interventions. We will start with licensing and testing. I will hand over to Greg Smith.

Q288 **Greg Smith:** Good morning, Minister. In your previous answer, you alluded to the fact that the Government have made many interventions in recent months. I want to see where you feel we are as a result of some of those interventions—which ones have definitely worked, which ones have made some impact and which ones have made a big impact. Can we start with the changes to drivers' hours rules? How big an impact have those changes had in recent months? Are you looking to retain those changes for the long term, or do the rules around driver hours need some tweaking?

Baroness Vere: None of the interventions that we have done has failed to meet my expectations. However, we have to be clear that some of the impacts of the interventions are very small, and necessarily so. Drivers' hours is one of those. Cabotage is another. Those were tools and levers that we had, so we decided to use them.

The drivers' hours extension is extremely limited. Sometimes it is very much overblown as some sort of radical change to drivers' hours. It is not. Of course, the restrictions on being able to use it are very clear. You have to be able to evidence a detriment. You have to evidence that there would be an improvement. You must not compromise driver safety. You have to agree it with the employee. Therefore, very few people are using it. That is okay, because the people who are using it can demonstrate all of those things and we know that it is working.

Q289 **Greg Smith:** I am not expecting a precise number, but roughly how many firms have—

Baroness Vere: I can give you a precise number.

Greg Smith: How many firms have taken the opportunity to extend their driver hours?

Baroness Vere: The latest one goes to 9 January. We had initial notification forms from 165 operators. There are 69,000 operators. However, we do not know how big the operators are. We would expect them to be in the perishable food industry or in places where there is just-in-time-type delivery and going from nine to 10 hours on a particular day will allow you to get the last delivery in. That is the sort of situation where we would expect it to be used.



Q290 **Greg Smith:** That is helpful. You mentioned cabotage just now. Can you give a similar update on the impact that the temporary changes relaxing cabotage have had on supply chains? How many operators are we aware of that have used those relaxations to move their staff and vehicles around? What impact have they had, even if it is a small one?

Baroness Vere: We should note that, prior to the pandemic, cabotage was only about 1% of tonne miles or 0.5% of tonnes lifted, so it was already a very small element. Sadly, I do not have the sort of detail that I think you want. Before the pandemic, it was equivalent to about 2,500 domestic drivers. At the moment, we are gathering information from our information and advice sites to try to understand which overseas drivers are on cabotage legs. Obviously, it is quite a difficult bit of information to find. We think it has had an impact, but we never thought it would be a massive impact. Again, it was a case of every little helps.

Q291 **Greg Smith:** Does the feedback that you have had from the industry indicate that it is clamouring to keep the relaxed rules, or is it something everyone is a bit quiet on?

Baroness Vere: Everyone is fairly quiet at the moment, because it does not run out until April. We will go out again in due course to see whether it needs to be extended. We are keeping it under review and have not made a decision on it. We also recognise that we are post the Christmas period now. It is much quieter out there, so there is less need for cabotage. I am not aware that there is a clamour to keep it at this time.

Q292 **Greg Smith:** I appreciate the point about April, but April is not that far away. Companies like to be able to plan. When do you think you will be in a position to give the industry some certainty on whether or not things will be extended beyond April?

Baroness Vere: This was a short-term intervention, for a limited period. I am content to leave it for a few more weeks before we approach industry again to see whether it is working.

Q293 **Greg Smith:** On the changes to testing, most people talk about the changes to pulling a trailer and so on, but they are much broader than that. Do you think that the changes that were put into the testing regime and the licensing regime in certain areas have had the biggest impact or the smallest impact?

Baroness Vere: From a Government perspective, on what the Government can immediately do directly, they have had a very significant impact. We know that the number of HGV tests in December went up by 73% between 2019 and 2021. That is a lot. Even at this time, we are currently on HGV driving test wait times of about three weeks, which is not too bad considering that you have to be trained anyway. We know that the demand is still there.

I am going to be honest with you. One of the challenges is that the demand can be patchy, in that it is greater in some areas than in others.



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We need to look at making sure that we get the resources to the right places. For example, Bristol has a bit of a demand peak at the moment, which is why we are recruiting 40 additional driving examiners for HGV drivers.

In general, I think the driving test changes have worked. They have done what it says on the tin. The Defence driving examiners we had until December did the trick. They have now gone back to their day job, which is fine. We managed to cope following that. In general, I commend everybody at DVSA on the work that they have done on this.

Q294 Greg Smith: Okay. The 73% increase is good news and clearly tells a story of a system that is getting back on its feet. How sustainable do you think it is going to be? Are we about to face a big trough again, with the Defence staff gone, demand still up and the Road Haulage Association saying that there is a driver shortage gap in the tens of thousands to be filled?

Baroness Vere: No.

Q295 Greg Smith: You are confident that we are going to have a—

Baroness Vere: Yes. Some of the things that we have put in place do not come in immediately and need to come in later this year. For example, because we took out the reversing, coupling and uncoupling test and are putting that into the private sector, our HGV driving examiners will have more time. In order to do that, we need to move them from four tests a day to five tests a day, which has not even been done yet. That is more capacity.

Obviously, the first thing that has to happen is that we need to accredit the private testers just for the reversing bit. Then that change will come in. I am content that our capacity will continue to increase. It will make up for the loss of the Defence driving examiners and deal with any demand that will be coming through the system.

Q296 Greg Smith: This question is to understand the effectiveness of some of the specific interventions that were made. There was a change to allow some temporary visas for drivers to come to the UK to work. How many were issued?

Baroness Vere: I do not have those numbers. They will be in the Home Office quarterly immigration statistics, which will be released shortly.

Q297 Greg Smith: Does the DFT have any inkling, from working with the Home Office across Government, joined-up Government, of the number of applications that were processed—not necessarily granted—as part of that?

Baroness Vere: I cannot help you there, Mr Smith.

Mr Bradshaw: Can I ask a question on that point?



Q298 **Chair:** I would like to probe there as well. To set the scene, if you think of all the domestic interventions that were made and then bring in the decision to allow more drivers from the EU, do you think that the latter part added much to the resolution?

Baroness Vere: We will need to wait for the Home Office stats to come through. The visas are available only to food drivers and fuel drivers. We should note that there is a very significant driver shortage in the rest of the EU as well, so I was not expecting the floodgates to open at any stage, ever.

Chair: Thank you. Ben, before I bring you in, I want to bring in Nav Mishra. Welcome to the Committee, Nav.

Q299 **Navendu Mishra:** Thank you, Chair. Good morning, Baroness. In October, the Government changed the cabotage rules in the UK, which has allowed companies from anywhere in the world to send lorries with foreign drivers to the UK to work unlimited hours, making unlimited deliveries, in any 14-day period. For that time, the drivers can sleep in their cabs, but after two weeks, when the 14-day period is up, they are supposed to leave the UK.

Unite the union has established that there is no monitoring by the Department for Transport of how many companies and lorries have taken advantage of this policy. Without the DFT monitoring that, there could be a clear breach of UK employment law and driving regulations. Will the Department address the issue?

Baroness Vere: As I said earlier, the Department is gathering information from the information and advice sites about how extensively the extended cabotage rules are being used. I note that in normal circumstances you could have made two cabotage trips in seven days. We should remember that DVSA continues enforcement. DVSA is very good at intelligence-led and targeted enforcement and, dare I say it, tends to focus on foreign vehicles. The enforcement will always remain. DVSA will look at driving hours and whether or not drivers are working within the rules.

Q300 **Navendu Mishra:** If the Department is not sure how many visas have been issued, how is it targeting foreign vehicles and enforcing regulations?

Baroness Vere: The visa issue is not relevant to this. You can target a foreign vehicle because it has a foreign number plate.

Q301 **Navendu Mishra:** Do you have numbers for how many vehicles have had enforcement issued against them or been checked?

Baroness Vere: For what, in particular?

Q302 **Navendu Mishra:** Particularly under the regulation change.

Baroness Vere: No, but I can see whether we can find out. To be honest with you, it is such a very small part of the system that I imagine it will



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be very small, but I will see whether I can get something from DVSA. It is very focused on intelligence-led enforcement and I think that it works very well.

Q303 **Navendu Mishra:** I appreciate the point that you make, that it is a very small aspect of what the Department does. What is your assessment of the impact on road safety of drivers doing unlimited hours and unlimited deliveries in a 14-day period?

Baroness Vere: Why would they be doing unlimited hours? I do not understand.

Q304 **Navendu Mishra:** There was a regulation change in October, I believe.

Baroness Vere: But not for unlimited hours.

Q305 **Navendu Mishra:** My understanding is that it allows foreign drivers to make unlimited deliveries and to work unlimited hours in a 14-day period.

Baroness Vere: Rubbish.

Q306 **Navendu Mishra:** You are disputing that.

Baroness Vere: Yes. How can you do unlimited hours? You have to abide by the UK working hours regulations, of course. That's it. Just because cabotage exists, it does not mean that when you enter the UK you do not have to abide by the rules and regulations of the UK, which include vehicle safety, driver safety and welfare. All of those things are exactly the same.

Q307 **Navendu Mishra:** Will your Department be able to share the data on the numbers with the Committee?

Baroness Vere: We will share whatever data we have. To be honest, if somebody has a drivers' hours thing, we will not know whether or not they are on a cabotage leg. Why would you know that?

Q308 **Navendu Mishra:** Will you be able to share the monitoring data on how many companies and drivers have taken advantage of the change in policy?

Baroness Vere: I said earlier that we are going to get more data on cabotage. Will we know exactly how many cabotage legs have changed because we went from two cabotage legs in seven days up to an unlimited number in 14? No, we will never have that data. We might be able to get some sort of estimate. How would you know?

Q309 **Chair:** Just so that we are clear, my understanding is that there has been a change from seven days to 14 days. Then you have the end to the restriction on the number of pick-ups, but you are still subject to all of the other standards, including on hours, as beforehand.

Baroness Vere: Yes, always.



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Q310 **Chair:** That was my understanding as well.

Baroness Vere: Always.

Q311 **Mr Bradshaw:** Can I come back briefly to the EU visa scheme, Minister? We have had one set of quarterly figures already, haven't we, or are we still waiting for the first set of figures? *The Times* reported back in October that just 27 lorry drivers had applied under the scheme.

Baroness Vere: I cannot remember when the scheme came in, but it may well have been just 27. As I said, Mr Bradshaw, I was not expecting a tsunami of HGV drivers from the EU because they do not have any either.

Q312 **Mr Bradshaw:** Do you think it is just down to the shortage of drivers? We used to have a lot of drivers from the EU, didn't we, particularly from eastern Europe? Why has it become less attractive for them to come here?

Baroness Vere: Because Poland has a shortage of 127,000 licence holders. Why would you come here, particularly in the short term? I also know that some people were looking at it and were more willing to pay people quite a lot of money. It was up to the market to decide whether or not they were going to try to get people through on those visas. It is not really going to shift the dial. It was a short-term and temporary fix, and a lever that we had available to us.

Q313 **Mr Bradshaw:** When you say they would not come in the short term, does that imply you thought that the period was too short, and that if they had been offered a longer period they might have been more interested?

Baroness Vere: Who knows? I have no particular view on it. I feel that we are not going to get a lot of EU drivers in the UK, and, in any event, we should be investing in and training our domestic workforce. It was up to 5,000 visas for very specific types of drivers and very specific types of companies. I do not know what the numbers will be in the end for how many we get, but it is not really going to shift the dial.

Q314 **Chris Loder:** From a slightly different perspective than my colleague, would you say, Baroness Vere, that where some businesses have decided to increase the number of agency staff it has meant that driving on those terms is now less appealing to those from outside the UK, and that could indeed be one of the reasons why they have chosen not to come here to help for the shorter term?

Baroness Vere: I think you have opened a slight can of worms there because it depends. For workers, agency work has become less attractive since the change in IR35. However, on the flip side, from a diversity perspective, one might imagine that for some people from non-traditional HGV driver demographic groups working for an agency might be a good thing. I am not sure that it would have any relationship to EU drivers.



Q315 **Chris Loder:** What do you think might be the good thing about it?

Baroness Vere: You can pick and choose when you work. Imagine if you were a mother and you wanted to become an HGV driver but you wanted the school holidays off. Working for an agency might allow you to do that. Working for a company would allow you to do that if they allowed you to do it, but that is another question.

Chair: Let's move on to recruitment. To start off, I will hand back to Nav.

Q316 **Navendu Mishra:** What are the barriers preventing new people from becoming HGV drivers, Minister?

Baroness Vere: Cost.

Q317 **Navendu Mishra:** Cost of insurance? Training?

Baroness Vere: No, not insurance because the companies pay for the insurance. It is the cost of training. It is £3,000, at least.

Q318 **Navendu Mishra:** What are the Government doing to tackle that?

Baroness Vere: The Government do not propose that they pick up the tab for that. It should, as I have said numerous times, be up to the industry to invest more in its people. However, the Government have put in place some very positive interventions. I was really pleased with my colleagues from the Department for Education who managed to find £34 million, and we are investing that in boot camps for 11,000 HGV drivers. It will be completely free to people. They were announced back in December. We expect the first tranche to come out of the system in March. Twenty-one colleges and independent providers are involved in the programme. It is a 16-week training programme. It includes the cost of driver CPC licensing and drivers' medicals, and there is a guaranteed job interview at the end. That is great for 11,000 workers.

Would I like the Government to be training all workers in the HGV sector? Absolutely not, but we had a crunch, and the DFE came up trumps by putting in place the boot camps very quickly, so that was really positive. The other win that we have had with the DFE is apprenticeships. We have managed to increase, both for the large goods vehicle apprenticeships and for the urban driver apprenticeships, the amounts to £7,000 and £5,000 respectively, which is good for the larger companies that pay the apprenticeship levy and will encourage them to take on more apprentices. Those are the sorts of things that the Government are doing. At the heart of all of this, we need investment in people by the industry, as a normal private sector would do.

Q319 **Navendu Mishra:** Mr Bradshaw made the point about 27 visas issued from the European Union. You made the point that we need to make sure that we train the domestic workforce to support the sector.

Baroness Vere: Correct.

Q320 **Navendu Mishra:** On the new generation of people coming into the



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industry, diversity is an issue in the road freight sector. You gave an example of the gender issue earlier. Why have attempts to improve diversity not been more successful in the sector?

Baroness Vere: What attempts would they be? The sector has to do a little bit more to do that. You are absolutely right, Mr Mishra. Drivers tend to be older, whiter, and maler. We need to think about how we widen the community of drivers. That is why the Government are working very closely with the sector on the year of logistics, a year-long programme that will highlight all of the different jobs you can have in logistics as a whole—not just HGV driving but all sorts of fantastic jobs in logistics. We will be launching that alongside the industry in a few, let's say, months. One of the key strands of that work is how we tackle the lack of diversity. Here is an interesting stat; I think it is interesting. Did you know that 14.4% of people who take their LGV test are female? That is quite high. Only 1.5% of actual drivers are female. Where have all the women gone? Why did they not want to stay? We need to sort it out. Diversity is a key point and a really good one to raise.

Q321 **Navendu Mishra:** You said a few months. Are we expecting that programme this year?

Baroness Vere: Goodness, yes. I want to say April, but I will get into trouble.

Q322 **Navendu Mishra:** This year. Okay.

Chair: You won't get into trouble. You said April.

Baroness Vere: It may be slightly before that or slightly after that. I am trying to say that it is not a million miles away.

Q323 **Grahame Morris:** Good morning, Baroness Vere. In fact, with some of the answers that you gave to my colleagues earlier, you have covered the ground and some of the questions I wanted to raise in relation to current entry points in apprenticeships and boot camps.

I wonder if I might take the opportunity to try to clarify my understanding of some of your earlier answers in relation to barriers to increasing the number of drivers that we have in the sector. I wonder if I might help you out. The Road Haulage Association sent us a note in relation to the EU visas. You mentioned there were 5,000 that the Department initially made available. The Road Haulage Association think around 200 have been issued in the latest tranche. I do not know whether that figure is accurate. You said that you did not think it would be a game changer, so I wonder why the Department made 5,000 visas available originally. Was that just a contingency?

Baroness Vere: Why not? I appreciate the input from the Road Haulage Association, whose lobbying over the last 18 months has focused entirely on getting EU visas, and now they are complaining that they are not being taken up. I sat in a room and said to them that I did not think the visa thing would work, and, lo and behold, we can see that we do not



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have a huge number coming in. Had the Road Haulage Association not spent all of their lobbying power on something that was not going to work, we might have looked at other solutions.

Q324 **Grahame Morris:** Minister, I am not here as an advocate for the Road Haulage Association.

Baroness Vere: No, but I hope they are watching.

Q325 **Grahame Morris:** I am simply sharing some information furnished to the Committee, for your comment on the numbers. That is all.

Can I ask you something else about some of your earlier answers to my colleagues in relation to addressing the driver shortage? I am not talking about bringing in drivers from the EU but rather recruitment and retention of drivers to increase the number. I hate to mention it by name, but the same organisation says there is a shortage of about 85,000 in the sector. You mentioned that there were some consultations or discussions with employers about changes to conditions, and I am particularly thinking about changes to drivers' hours because I was under the impression that was a time-limited change until April. That is still the case, isn't it? Were the discussions with employers you mentioned earlier just informal soundings or a more formal consultation?

Baroness Vere: We have had all sorts of consultations on various things. The current extension to drivers' hours runs out on 10 February, so it is a very short one. It started on 12 January. The reason for it was that Omicron suddenly arrived. The good thing is that HGV drivers do not get Omicron as much as other people. Fingers crossed that everything is okay.

I have ongoing conversations with all sorts of people in the sector. We have formal consultations on our driving licence changes and driving test changes. We have had 9,100 responses. We have a very close relationship with all sorts of different people, and we welcome feedback and ideas.

Q326 **Grahame Morris:** Yes, with the employers. I respectfully point out that my own union, Unite, which represents many of the drivers in the sector, is very concerned about long, excessive hours; excessive and irregular shift patterns; and the lack of welfare and parking facilities, which indeed the Committee saw quite recently on its visit to Dover. They are significant factors in contributing to driver shortages now and before the pandemic. I want to stress that extending drivers' hours even temporarily will have a negative effect on recruitment. That is the opinion of my trade union.

Baroness Vere: I respectfully disagree with your trade union on that issue, although I agree with it on other issues about working conditions, lorry parking and all the other things that impact retention. As I have tried to explain, the extension to drivers' hours is tiny and, in any event, simply matches what British drivers' hours rules are. Not every truck—



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Q327 **Grahame Morris:** I do not want to go down the path about cabotage and EU visas. These are quite important points in addressing the skills shortage in this sector. I was very interested in what you said about costs and investing in people. I was very interested that you mentioned your visit to DHL to see the facilities there, and you were advocating employers paying for training. It is quite clear from evidence we have had from organisations representing training providers that the agency people are often paying for their own training, and that is a disincentive. I am pleased to hear your remarks in that regard.

Baroness Vere: It is not just agency people paying for their own training; it is anybody, even if you want to go and work for one of the big firms. That is the issue. Yes, I agree.

Q328 **Chair:** How long are skills boot camps likely to be made available? Is it going to continue as a positive route into the sector, as far as you are concerned?

Baroness Vere: At the moment, we have 11,000 places. That take-up will come through. We have had good demand. I do not know how long the total programme will be at 11,000 places. I can find out and get back to you. At the moment, we are just looking at 11,000 places, and I cannot prejudge any decision as to whether the Government would then permanently put that into place. It might be for the sector to think about.

Q329 **Chair:** I would be interested in your observations as to what reasons the Government might continue with it if at the moment they do not know.

Baroness Vere: It could be that we focus it on a particular type of driver or whatever, going back to Mr Mishra's point. Who knows? Let's see.

Q330 **Chair:** It could be tailored perhaps to look at diversity where there need to be certain—

Baroness Vere: I am slightly riffing. You might want to look at it on income or things like that.

Q331 **Chair:** I would be really interested in your thoughts on it when you write. You talked about the impact of the cost being £3,000. Do you think there is a need to change the rules for the industry if they will not do it themselves and fund it themselves, rather than expecting the drivers to do so?

Baroness Vere: It would be disappointing if we had to end up in those circumstances. It really would be. There are a number of things that need to be fixed. Driver training is one of them. The availability of lorry parking is another, particularly if employers do not properly fund drivers to be able to pay to park safely overnight. I would not want to say that we would do it. It would be quite a significant step, but I want to see some change from the industry.

Q332 **Chair:** The reason I say that is that some might say that when the issue of shortages came up the first reaction from the Road Haulage



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Association tended to be, "Let's look to abroad and at the bygone days of cheaper foreign labour," which, as you have mentioned, does not really exist any more because there are shortages across Europe. It seems that something needs to be brought in by Government to change the culture, which always tends to be a race to the bottom on pay rather than, if you pay people more, more people might want to come into the industry.

Baroness Vere: It would be quite interventionist though, wouldn't it, Mr Merriman?

Q333 **Chair:** It certainly would. The question is, given that you mentioned our report back in 2016, whether you are comfortable that the industry can mend its own platform.

Baroness Vere: It should have the incentive to do so, otherwise, clearly, other options might be looked at.

Chair: Yes, incentives. If the incentives are not tempting enough, more stick maybe. Ruth, do you want to come in before I go to retention?

Q334 **Ruth Cadbury:** Moving on to drivers returning to the sector, because that is an element of the skills shortage that could be addressed, I and maybe others were approached by an experienced driver, currently on universal credit, but wanting to get back into HGV driving. He needed to renew his driver certificate of professional competence and applied for one of the boot camps.

He was asked to complete a 27-page personality assessment, the first time he has ever had to do that after many years of driving. He could not get on the boot camp and was failed, and reckons about 75% to 80% of current HGV drivers would fail that test. We sought to ask what the pass/fail point was and what the criteria for passing the 27-page personality assessment would be, and he thinks it was written by someone who has never been in an HGV cab in their life. Once he has that certificate, he can walk straight into work and get off universal credit.

What analysis have you done of the barriers and opportunities for drivers getting back in, and whether the boot camps are the way to go, particularly a free course for someone on benefits? Have you looked at the applications and whether the people you want are not just applying but also getting on to these courses?

Baroness Vere: I too heard about this gentleman. He is clearly getting about a bit. I do not understand why he is applying to a boot camp if he has an HGV licence.

Q335 **Ruth Cadbury:** He needs to renew his certificate.

Baroness Vere: In which case he should just go to Jobcentre Plus and they will put him—

Q336 **Ruth Cadbury:** But they referred him.



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Baroness Vere: Then it was Jobcentre Plus that referred him in the wrong direction. If he already has his HGV licence, he just needs his driver CPC. By the way, there are very few people—we are literally talking a couple of hundred—who are unemployed and hold an HGV licence. If he just needs his DCPC, JCP should direct him towards the adult education something—I can't remember what it is called; fund?—and they will pay for him to get his driver CPC. He does not need to go to the boot camp because he has his licence.

Q337 **Ruth Cadbury:** Okay, but is a 27-page personality assessment what you would expect to get on a boot camp?

Baroness Vere: I don't know. I have not seen it.

Q338 **Ruth Cadbury:** Maybe you should have a look. This was one of the contractors in the boot camp project.

Baroness Vere: I should imagine that there needs to be an application form. I do not know what is on the application form. People will have views about whether the application form is appropriate or not, but the reality is that the providers went through a rigorous assessment programme that involved people from the industry. Some people will disagree that an application form is 27 pages long. Maybe there are three questions per page. I do not think it matters how long it is. The reality is: are we getting people interested in the boot camps, and are we getting people on the boot camps? The answer is yes.

Q339 **Greg Smith:** A lot of the issues we have just been discussing are going to be inextricably linked to this. Given the huge cost of becoming an HGV driver in the first place—personal cost, as you have rightly said—why do you think that so many are going through that, spending all that money, getting their various qualifications, certificates, a job, and then quite quickly leaving the profession?

Baroness Vere: It is a very interesting question. The reality, and the good news, is that HGV drivers can earn £50,000 a year. Eventually, the initial cost of £3,000 falls away, but you have to have your driver CPC renewed every five years. It may just be, as we have talked about today, that for some people at certain times in their life it is not compatible. It can be quite a hard life, so we will always see people who decide to leave the industry after a certain period of time.

To pick up what Ms Cadbury was talking about, returners are really important. We know that there are 1 million people with HGV licences. I have written to each and every one of them and asked them to come back. It is not a shortage of licensed people; it is a shortage of people willing to work in the industry. I am sure we will come to lorry parking forthwith.

Pay is now less of an issue, but it is clearly something that the system needs to look at. As to conditions, if I was in the industry, I would be looking very hard at what average shifts look like and at what different



types of contracts you have for different types of work. You need to attract different types of people who want to work different hours; that is the really important part. What are the challenges when you are out on the road? You must have the patience of a saint if you are an HGV driver, quite frankly. Not only do you have challenges of periodic congestion, but you have a general unwelcomeness, shall we say, from the general public—sometimes they do not like HGVs going through their road—and the issue of lorry parking.

Q340 Greg Smith: Can we unpack what you feel needs to change? I am not asking what the Government need to do because I sense from some of your previous answers that we might be on a similar page about not being instinctive regulators or going for the interventionist route. For the drivers many of us spoke to in Thurrock and Kent last week, there is a huge range in what a normal day looks like to different people. While I sensed from some of those we spoke to that there is a big shift away from the overnights and the jobs that take them away from home for one, two, three whole weeks at a time to more local routes, the total range of what is on the job market cannot be the problem because there is movement within it. Where is the issue across all of those different types of employment, from the different vehicles, the dirty loads, as some of them called it, to the clean transport? What is it that really needs to change?

Baroness Vere: I think the sector as a whole has an image problem. It is not portrayed as something that is regarded as a skilled and professional role. I think it is. It is a skilled and professional role. It comes down to ensuring that the people who employ drivers, and then contract with their employers, treat their drivers with respect. I am not entirely sure that that level of respect necessarily comes through.

I do not know if, when you were in Kent, you went to the Ashford international truck stop. You did not? It is amazing.

Q341 Ruth Cadbury: It is.

Baroness Vere: It is so amazing. That is the level of respect that I would like to give our truckers, but I do not want the Government to have to go round and put Ashford international truck stop equivalents across the country. Somehow, we need to make sure that there is enough pressure from the sector and the demand, because the employers are paying for these services, to put those sorts of things into place. If I was a trucker, I would spend every night there.

Q342 Chair: I hope to go to the Ashford one. We went to see two of Moto's facilities—one that you would regard as positive and the other one with work to do. I do not think Moto runs the Ashford one, so that is why.

Baroness Vere: No, they do not.

Q343 Greg Smith: There is a natural problem though, isn't there? Yes, we did not see Ashford. I totally accept that it is a wonderful place. I might not



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holiday there, but I am sure it is a fantastic facility, but that is not normal, is it? We saw some service stations that were perfectly functional but not great. We saw one of the lay-bys where lots of them stop and where the Chairman had a bit of an incident.

Baroness Vere: Oh dear.

Q344 **Greg Smith:** The normality at the sort of facilities that employers are asking their drivers to stop in is not the model of virtue that you signal in Ashford, is it?

Baroness Vere: No, absolutely not. I believe I saw a photograph on Twitter of the Chair next to a Portaloo. It really is mixed. That is exactly why the Government have commissioned a review of lorry parking. The commission has been done. The work is under way. There will be a detailed report that will probably do what you did in Kent, but do it more broadly, to truly understand where the facilities are and where we are lacking things.

The reality is that it is a hugely complex picture. Some people want overnight parking. It has to be safe, secure, and well lit, potentially with power so that they can keep refrigerated units on overnight without keeping the engines running. There are other people who need time for breaks. We have mandated breaks that have to happen. It is matching those two different needs and providing the sorts of welfare that we would expect for drivers.

Of course, demand will not be uniform across the country. There will be travel corridors where you need more than others. We are going to do this work, which I think will be fascinating. We have £32.5 million. We need a planning system that works, and then we have to match all that together with the private sector and pull some levers, which we kind of do because we own the leaseholds for some of the SRN MSAs. That might be a way forward. There is a lot of work to do, but we are absolutely up for that challenge.

Greg Smith: Okay, I think we have slightly strayed into an area that I was not going to focus on.

Baroness Vere: Sorry.

Chair: We are now going to focus on facilities with Karl McCartney.

Q345 **Karl McCartney:** Thank you very much, Chair. Baroness, you have covered some of the ground that I was going to cover.

Baroness Vere: Sorry.

Q346 **Karl McCartney:** That's fine. We will delve down into it. I want to quickly go back on some of the stats that you found interesting, which I did as well. It was the phraseology. You said 14.5% of tests were taken by female drivers? Were they also passed?



Baroness Vere: Are you casting aspersions against female drivers?

Q347 **Karl McCartney:** No, it is because the next question, which I am about to ask, relates to that.

Baroness Vere: I do not know.

Q348 **Karl McCartney:** Could you let us know that in the future?

Baroness Vere: Absolutely. I am not sure if it is gendered, between—

Karl McCartney: That is what I wanted to—

Baroness Vere: —male and female, but I think we need to find out, don't we?

Q349 **Karl McCartney:** Indeed. Thank you. Why do you believe the UK, maybe compared with other European countries, does not have sufficient decent facilities for all HGV drivers?

Baroness Vere: It is very challenging and multifaceted. I talked about public perception. When I was in a county in the far south-east of England, which shall remain nameless but might be Kent, I got a lot of pressure from them asking whether they could have more enforcement powers and whether they could whack bigger fines on people who are parked where they should not be. The corollary to that is that, if they are parked up where they should not be, where are they going to park and what plans does Kent have for introducing lorry parks? They meet very substantial local resistance. This is one of the challenges we face. It is exactly like housing, where everyone wants more but not in their back yard.

Q350 **Karl McCartney:** You mentioned planning restrictions. Are the Government—this may be an oxymoron—doing cross-departmental working? Are we going to see planning restrictions perhaps removed for facilities? Some of the conversations we had with drivers were that the places that have good facilities were full by 5 o'clock in the afternoon.

Baroness Vere: Yes.

Q351 **Karl McCartney:** If each of those was allowed to have compulsorily purchased an area that allowed 250 more lorries to park at each one of them, is that not one of the simplest and cheapest options to providing HGV drivers with facilities that they want to use?

Baroness Vere: I would not rule it out. I am not ruling anything out when it comes to lorry parking. It is very complicated.

We have reviewed our national planning policy framework, which is a DLUHC bag, to try to recognise the importance of parking facilities, particularly in places in the midlands for example, where there are fantastic big warehouses that you can barely see until you are right on top of them because they are painted so well, but they often do not have enough associated parking facilities. There must be a way, if we are



going to have a lot more logistics centres, to loop that into the planning permission somehow. I do not know, but we want to think about lots of different ways.

I also want to think about what National Highways can do. When we do a road enhancement, we can take land to do the road enhancement, but we cannot take land for anything else. We have to hand back the temporary sites that we might have to build a road enhancement. Is there more that we can do when we change roads?

Q352 Karl McCartney: In the report that you just mentioned that is being done, which you said is going to be very exciting and interesting—I am sure it is and we cannot wait to see it as well—will there be outline steps that the Government can take to remove barriers for private interest to build and upgrade motorway service areas particularly?

Baroness Vere: That is the work we are doing in our Department. The report is much more of a needs assessment, to get a better understanding of where we are; which ones are full at 5 o'clock, which ones are, quite frankly, worse for wear. We will be looking at potentially introducing standards, bronze, silver, gold or whatever you want to call it. Let's start giving reassurance to drivers that when they turn up they know what to expect. Let's also understand that there are some good apps out there to book parking spaces and see availability online. There is much more the industry can do from a digital perspective to get information through to drivers to make it easier for them.

Q353 Karl McCartney: You mentioned distribution centres and logistics centres; we can call them what we like. What assessments have you or your Department made of the quality of the facilities available to HGV drivers at those distribution centres, noting that we have had evidence that it is sort of, "Roll in, get the stuff off, roll out very quickly," whereas actually drivers have to take breaks?

Baroness Vere: We have not made a direct assessment of that. I wrote to them all about two years ago and told them off for not letting people wash their hands and take a comfort break.

Q354 Karl McCartney: Did they take that well?

Baroness Vere: The good thing is the drivers at least had something to wave at people and say, "Excuse me, I have a legal right to be able to use these facilities." It will be an important part of the mix. It is private sector. If I was somebody running it, I would want to do the right thing. It does not cost millions of pounds to make it a bit better for drivers.

Q355 Karl McCartney: This is my final question, and you probably know where this one is going to come from.

Baroness Vere: No.

Q356 Karl McCartney: We are talking about the supply chain and the lack of drivers. If, instead of three lorry journeys, you have the option, which



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your Department has had for 14 years, of two with an extra-long trailer that is computerised, why isn't the Denby trailer being given permits to go on the road?

Baroness Vere: The Denby trailer is my favourite topic, Mr McCartney.

Karl McCartney: It is my favourite, too.

Baroness Vere: As you know, we are doing a technical assessment, which is the first step that we must go through in order to fully understand the impact of putting a 25.25 metre, 60-tonne lorry on the road.

Q357 **Karl McCartney:** Indeed. There are now five European countries that allow it on the road.

Baroness Vere: That is great to know.

Karl McCartney: It is. It would be good if we were the sixth. Thank you, Chair.

Chair: Okay, thank you, Mr Denby. Simon is next and then Ben. Then I want to ask about planning.

Simon Jupp: Good morning, Minister.

Baroness Vere: Good morning.

Q358 **Simon Jupp:** You touched on lay-bys earlier. It is no doubt a very exciting proposition for many drivers, but the standard of them is woefully lacking in many places. Whose responsibility is it to ensure the safety of drivers forced to park in lay-bys?

Baroness Vere: That is a tricky one.

Q359 **Simon Jupp:** Isn't it? What would be your guess? Obviously, we understand it is a guess. Which bodies may oversee these facilities in different places?

Baroness Vere: Which sort of facilities?

Simon Jupp: In lay-bys.

Baroness Vere: But what facilities do you have in a lay-by?

Q360 **Simon Jupp:** In some cases, a toilet that is nearly on its side, as we found last week in Kent.

Baroness Vere: Yes, that would be the local authority.

Q361 **Simon Jupp:** Overall, the land itself would, presumably, be local authority as well, or Highways England.

Baroness Vere: Depending on who owns the road.

Q362 **Simon Jupp:** There is a bit of a patchwork quilt of regulation, isn't there?



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Baroness Vere: Not really because there are only two people who own roads here—National Highways or the local authority.

Q363 **Simon Jupp:** But in terms of understanding which, where, who and what, it is a bit confusing, isn't it?

Baroness Vere: Not really. Lay-bys are for certain types of uses, and there are a lot of them, but they should not be for overnight stays.

Q364 **Simon Jupp:** They should not be for overnight stays—

Baroness Vere: No, you can get fined £300.

Q365 **Simon Jupp:** —but they are used for overnight stays.

Baroness Vere: They should not be. You can be fined £300.

Q366 **Simon Jupp:** But, of course, some drivers seem to be in the position where they have to stay in lay-bys.

Baroness Vere: That is why we go back to lorry parking. I agree.

Q367 **Simon Jupp:** With that, taking away Highways England for a moment, if it is down to local authorities, do you think they have enough money in their budgets to maintain lay-bys?

Baroness Vere: I cannot remember how much roads maintenance is. I want to say £5.6 billion over three years. The roads maintenance budget is well known, and it—

Q368 **Simon Jupp:** It fluctuates from year to year, doesn't it? Devon County Council, my local council, gets a different amount of money. Two years ago, it was £76 million. It is now almost £20 million less than that.

Baroness Vere: We are into roads maintenance. Okay. There was a year, last year—

Q369 **Simon Jupp:** I understand we had an outlier year.

Baroness Vere: You had an outlier year. The good thing about your current settlement is that it is three years. You have visibility. If there is one thing that local authorities say to me about roads maintenance, it is, "Let us plan," because they can be efficient. That is where that maintenance will come from.

Q370 **Simon Jupp:** They can now plan to address the problems. The problem I see at the moment—and we saw it in Kent last week when the Chair had an unfortunate incident with his foot, but we also see it more widely driving up and down the country—is that lay-bys are closed and coned off in places like Devon and the far south-west, where there are not as many facilities for drivers. What can be done to help solve that problem, and who is monitoring the issue? Local authorities' budgets have been cut quite a lot in recent years across the board, not just in transport, so who is monitoring this?



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Baroness Vere: The conditions of roads are monitored nationally. The stats came out two months ago.

Q371 **Simon Jupp:** The condition of roads is one thing. Does that also cover lay-bys? If so, what is the measurement of when something is acceptable?

Baroness Vere: I will have to write on that, I am afraid.

Q372 **Simon Jupp:** That would be great. It would be much appreciated. Overall, are the Government happy with the current level of informal HGV parking facilities?

Baroness Vere: I do not want any informal HGV parking, and so on.

Q373 **Simon Jupp:** In order to solve that, you would have to have a massive intervention, wouldn't you? It would have to be huge.

Baroness Vere: We need the private sector to step up. We need to reform the planning system. We need to ensure that people can actually pay for it. There are lots of issues to fix.

Q374 **Simon Jupp:** What action are you considering taking to address what some, including myself, would describe as substandard HGV informal parking, in lay-bys and things like that?

Baroness Vere: To be honest, there is a lot of work going on in the Department at the moment thinking about how we can address this. One of the things that I really have to get a grip on is the responsibility and accountability of local authorities. As you pointed out, they often are the people who manage roads. They are the ones who will grant planning permission, and sometimes do not. We need to reach a new agreement with local authorities, particularly those in areas where there is a real deficit in parking, which our review will find, and see how we are going to address it. Each area will probably have its own solution because all areas are definitely not the same.

Q375 **Simon Jupp:** Absolutely. I take your point. It is a point well made. You mentioned the three-year settlement for roads maintenance. If that is deemed not enough by a local authority that is trying its very best to maintain standards on local roads and address some of the problems that we have just discussed in this exchange, how does it then come back to the Department and say, "Can we have some more please?" Is there any mechanism to do that?

Baroness Vere: There is no mechanism to do that. The settlements are fixed by the Treasury.

Q376 **Simon Jupp:** What is the input from your Department to those discussions? Surely, the Treasury does not just write down some random numbers on a piece of paper.

Baroness Vere: The Government always make a very strong case to the Treasury for all of our priorities.



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Q377 **Simon Jupp:** If a local authority said that it cannot afford to maintain some of those particular resources locally—some of the issues we have just covered—surely there is a mechanism for it to say to the DFT to tap on the Treasury’s door, which is a very busy door, I grant you, and for it to say, “We need more money for this, otherwise we are not going to be able to meet the standards that you expect of us.”

Baroness Vere: The Department is always willing to hear from local authorities, but we expect them to manage with the budget that has been set. There should be no expectation that there will be any further funding. The spending review was relatively recent.

Simon Jupp: All right. I do not want to repeat myself, so I will hand back to the Chair.

Chair: Simon, thank you. I want to come in on this as well, but let me bring in Ben first of all.

Q378 **Mr Bradshaw:** Do we know whether lorry drivers are, in practice, fined for overnighting in lay-bys where they should not?

Baroness Vere: I do not know. I do not know if we collate the stats. I imagine they sit at local authority level because they would be FPNs. Yes, they can be fined.

Q379 **Mr Bradshaw:** It would be rather unfair, given that 39% of lorry drivers cannot get into an official site overnight, to fine them when they have to park somewhere.

Baroness Vere: Yes, but remember that many lorry drivers will be working for companies that have a transport manager who plans their routes, so actually sometimes it is not the driver’s fault at all; it is the fault of the transport manager who did not plan the route properly.

Q380 **Mr Bradshaw:** Can I ask you about political philosophy? You said to the Chair earlier, “That would be very interventionist.” I was not sure whether you were being serious or ironic. Do you accept that where there is market failure there needs to be intervention?

Baroness Vere: Yes, but only as a last resort.

Q381 **Mr Bradshaw:** Okay. Have you spoken to your DCLG colleagues about the planning system and the need to make it more difficult for local authorities to—

Baroness Vere: Yes, we are in conversations with DLUHC.

Q382 **Mr Bradshaw:** You would like to see the planning system change to make it easier for companies to provide parking.

Baroness Vere: Yes, we would. Paragraph 109 was revised fairly recently. One of the issues may not be the planning system, but the implementation of the current planning system. That is our conversation



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with the local authority. Are they putting in place the current planning guidance?

Q383 Mr Bradshaw: We heard that local authorities were often turning down applications, only for the developer to win on appeal, which is a very common experience we all have with housing in our own constituencies and costs everyone a lot of money unnecessarily, whereas, if the guidance changed and made it more obvious that this was part of a strategic need in the country and local authorities should grant these permissions, it would be more difficult for them to turn them down in the first place.

Baroness Vere: Yes, I accept that. We will go away and look at it again. It is one of the workstreams that we have ongoing. It is a key part of the lorry parking strategy to try to figure out what the barriers are, to try to get more people to open.

Q384 Mr Bradshaw: One of the things that we heard very starkly from a number of drivers, and from the industry when they spoke to us, is that the difference between this country and the continent, in many cases, is that the provision of facilities on the continent is the responsibility of Government, either local, regional or national, and the facilities are therefore much better. You seem to be ideologically opposed to any Government or public intervention in the provision of facilities or the regulation or the setting of standards for them. You are confident that simply leaving it to the market is going to be enough.

Baroness Vere: That is not what I said at all. I am not an ideologue; I am a pragmatist. I said in an earlier answer that we would certainly look at setting standards—maybe not Government setting standards. I am not happy to say how many beefburgers should be sold, but there must be some way of working with the industry so that people know this is an X star.

When you drive in France on their privatised roads, you have the aires. You know what you are going to get when you go to an aire, and you know what you are going to get when you go to one of the big service stations. They are of a standard. We are probably missing at least a minimum standard, but I think some people should be able to exceed a minimum standard. I am definitely not ruling out the setting of standards and all sorts of other interventions, but I want to make it absolutely clear that we will only intervene when there is definite evidence of market failure, otherwise we end up in the situation where we have the drivers' hours limits—the driving hours limits—which everyone now thinks are targets. It should not be that everyone is driving up to the maximum driving hours. We set them as maximums, rather like a speed limit. I try to tell my children that it is a limit, not a target.

Q385 Mr Bradshaw: What does the Government setting the standards look like in practice to you?

Baroness Vere: I do not know yet because we are working on it.



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Q386 **Chair:** Thanks, Ben. To come back to this and perhaps to finish off on it and clarify because I know there has been some sniggering among the Conservative members—

Baroness Vere: What happened?

Q387 **Chair:** —about which one of them can reveal it? They are obviously running a book.

When we visited Moto, they were kind enough to allow us to stop off at a lay-by, and it was an absolute mess. I got off the minibus and stood in human excrement. We mentioned the Portaloo that was on its side. Everyone was very sympathetic towards me, as you can tell. That is the reality.

What was interesting is that the driver of our minibus, who is a Kent resident, told us that those lay-bys are pretty much always full of lorries. If there are fines in place, they do not seem to be working. When we spoke to the drivers—Moto was excellent and allowed us to speak to the drivers in their service stations—they told us that in some instances their employer would not give them the money to park. Even if there was a space, which is a challenge anyway, their employer might be telling them, “No, we are not paying you.”

I suppose it comes back to Ben’s point; it seems like there needs to be more intervention to make this fit for purpose. The ultimate implication of all of this is that we do not get our fuel delivered to our forecourt, and then all of a sudden it is the Government’s fault because people are getting very cross.

Baroness Vere: I agree. It is very disappointing to hear that some people do not even get paid at all. Did you speak to Kent County Council? It is responsible for enforcement and could use the money that it would get from enforcement to clean up the lay-bys.

Q388 **Chair:** That is very interesting because probably a lot of those lay-bys are National Highways, so I do not know whether Kent County Council has a policy of only doing that on its roads. The mess is the responsibility of a local authority because it is down to waste and environment, which will be the district council. In a way, that is the issue: there are all these different agencies with some responsibility, but there is no overall fix.

I want to ask you about cost because you talked about the Treasury and getting funding. There was an intervention to improve lorry parking facilities towards the end of last year, but it was only £32 million. Do you think that money is enough to deliver a solution?

Baroness Vere: Until we understand exactly what the solution is, I cannot say whether that funding is enough or not. That is the work we have under way at the moment. I agree with you that there are lots of players in this particular field, which is why the Government see that they have a role to try at least to get some sort of direction on lorry parking.



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Defining exactly how that role plays out is what we are working on at the moment.

Q389 **Chair:** Moto was telling us about services that it had delivered in Rugby, but it had taken 13 years to be able to deliver them. A lot of that was down to the planning system. It had cost £40 million just to create 100 spaces. If you compare that with the £32 million that the Government are putting in, it is not going to touch the sides.

Baroness Vere: I know.

Q390 **Chair:** Those 100 spaces were full within two days.

Baroness Vere: The big challenge is that the business model for lorry parking is quite interesting. Laying hardstanding is expensive. You have to compare that with how much revenue you will get from it and the opportunity cost for HGV parking rather than people in cars who are likely potentially to spend more and turn over more quickly. The economic model is quite challenging.

Q391 **Chair:** Obviously, there are plans to reform the planning system. We were told that there are a number of district councils on the key route towards Dover, and those district councils do not have anything in their own local plans, so it is very difficult for the motorway service station providers to be able to win, certainly, the initial rounds on planning. Are you confident that, when planning reform comes in, there will be better provision on a strategic asset basis for the provision of motorway service stations?

Baroness Vere: Because we have two lots of players—local authorities and National Highways—we have to look at the impact of planning and the potential impact of changes to planning on both of them. With so many different things in transport, it often comes down to political will at local authority level. Sometimes, for all the will in the world, that does not happen, and you cannot get things through.

Q392 **Chair:** Doesn't that mean that there is a requirement on Government and Parliament to change legislation to ensure that these things are not left to local whim. As you rightly say, locally, these parks are not popular, and therefore it is very difficult for district councils to be able to deliver them. Doesn't it need the Government to come to their aid?

Baroness Vere: You may well be right.

Q393 **Chair:** You talked about leases. We were given an example by Moto where they have been trying to do it for years with the Government. I think they mentioned five years with the Department. They will not invest in a site because the lease is about to run out.

Baroness Vere: When is it about to run out?

Q394 **Chair:** By the end of the decade. What private company would invest when the landlord is not willing to turn the lease over?



Baroness Vere: Absolutely. I am well aware of this. It is not quite right; we are not in endgame detailed negotiations. It is the case that, first of all, the Government need to decide whether we definitely want to roll over existing leases or re-tender the lease. This is a Government freehold. Do we want to lease to the same provider? Probably. We absolutely have to check that it is the right value for money for taxpayers. In terms of negotiating, what do we want the new lease to look like and what conditions do we want to put on that lease? That is a quite a significant piece of work that officials are working on at the moment.

I completely accept Moto's point that they need certainty in order to invest. To a certain extent, the Government need to come to a view as to what we want them to invest in. We know that we need EV chargers, we need lorry parking, we need to make sure that appropriate facilities are on site, and all sorts of different things. We do not want to be overly prescriptive because we need them to innovate and we want them to be able to bring forward other things that you might have at a motorway service area that are beneficial to HGV drivers and private car drivers.

Q395 **Chair:** Bringing all of this together—recruitment, retention and facilities—we certainly hear from a lot of drivers that it is the facilities, and lack of, that put them off either staying or joining, so would the Government consider a levy situation? Given that a lot of the blame seems to be put down to the retail sector and the big high streets in terms of their margins and looking to get away with the bare minimum, and there are smaller road haulage operators employing drivers, it is very difficult to put the whole thing together.

Would the Government consider saying to the industry as a whole, "You either get your house in order and stop blaming each other, or we will put a levy over the top of you and, effectively, tax you as a whole sector, and then we will put it in place ourselves"? Ultimately, people blame the Government when the fuel does not end up at the forecourt. Is that the kind of radical recommendation we should be making to you?

Baroness Vere: It is definitely something that has crossed my mind, but it is not something that one would want to do as a first step.

Q396 **Chair:** We have seen this before with something like the sugar tax where you say to the industry, "Do something about it or else," and they do something about it. It works.

Baroness Vere: I have mulled it. It is quite radical. One would not want to see it happen, but goodness, industry, sort your life out.

Chair: Food for thought for us when it comes to our recommendations. Let's move on to decarbonisation. Robert Largan will start us off.

Q397 **Robert Largan:** Thank you, Chair, and good morning, Baroness Vere. It is always a pleasure to have you in front of the Committee. Given everything we have been hearing about the enormous pressures on road



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haulage and road freight and the need to decarbonise the transport sector, what steps are the Government taking to encourage a modal shift towards rail freight?

Baroness Vere: Well, we have a fair amount of focus on rail freight at the moment. As you may know, we are working on the future of freight strategy, which is looking at all the different ways of carrying freight, and connectivity between them. It is being advised by something called the Freight Council, which is lots of CEOs of very large logistics companies. They are looking at rail freight, road freight—the whole lot—and at how we might get shift.

In terms of rail freight directly, rail freight is very useful for certain types of goods, and very much depends on the interconnectivity between road and rail. We have invested £235 million on the rail freight network, and we have the mode shift something grant, which subsidises various loads to go from road to rail. We are very keen for that shift to happen, but we recognise that, for much of what goes on the road, rail freight is not suitable.

Q398 **Robert Largan:** I understand that there is a lot of freight that, even if it has to go by rail part of the way, the last part of the journey will have to be by road, and shorter journeys would make no sense. In my experience, from talking to a lot of businesses that are desperate to do more rail freight, and which even have their own railhead, they are still forced to rely on huge amounts of HGVs because there simply are not the slots.

Baroness Vere: The rail paths.

Q399 **Robert Largan:** They are not available. They cannot get them through Network Rail.

Q400 **Baroness Vere:** That is why one of the benefits of the Williams-Shapps plan for rail and Great British Railways will be a much better guiding mind looking at the system as a whole. I agree with you that there should be a huge opportunity, given how much we are spending on the railways, for rail freight. It could be that as passenger demand adjusts, which may be regionally—I am not saying it is going to adjust across the whole country—we could use the extra paths that are freed up for more rail freight. Therefore, the next issue becomes connectivity with the railhead.

Q401 **Robert Largan:** Yes. Was there much input from the road side of DFT to the integrated rail plan and the decision to go ahead with HS2, which is also increasing rail capacity and will free up more freight capacity? One would assume that your side of DFT was strongly encouraging that extra investment in rail capacity to make the shift easier.

Baroness Vere: To a certain extent, although I do not think that we are going to see the sorts of shifts that would move the dial particularly. It is always going to be a few percentage points. We are not going to get a substantial and very significant shift to rail, but where we can get a shift to rail, the Government are happy to support it.



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Q402 **Robert Largan:** On the point you mentioned about railheads and access to them, I have seen quite a few businesses that are close to railheads that they do not own, which other businesses own, but they would be desperate to be able to use them. Is there anything the Government can do perhaps to issue guidance or to encourage more working together and allow businesses to collaborate using local railheads? Is that something that is being looked at?

Baroness Vere: I will definitely take that to the Department and see if it is part of the future of freight strategy. I am afraid you are at the limits of my knowledge on rail.

Q403 **Ruth Cadbury:** How do the Government expect HGVs to be powered in 20 years' time?

Baroness Vere: If we are talking about HGVs that are under 26 tonnes, we have said that we will have no new diesel HGVs from 2035. For the rest of the HGVs, we have said that there will be no sale of new diesel HGVs from 2040. How they will be powered will very much depend on where they are located and what they are carrying. At the moment, we are looking at three ways. We have invested in zero-emission HGV trials. We are looking at battery electric, hydrogen fuel cell and catenary systems. I do not know whether catenary systems will ever work. Maybe they will, but only on certain routes. I certainly have a keen interest in seeing how we can develop hydrogen. From a battery electric perspective, buses are doing well in leading the way, and that will drive, hopefully, more development in the HGV space. We have not quite managed to crack hydrogen yet, and a multisector solution will be needed. We are technology agnostic. We just know that we want to go in that direction.

Q404 **Ruth Cadbury:** If you are technology agnostic, there is an element of Government intervention that can help with this transition, as with the previous discussion. You will have seen our report on EV charging infrastructure. The point was raised with us again on our visit to Dover, and with Moto at service stations, of the difficulty of increasing the infrastructure with adequate fast-charging power lines to their sites, particularly things like wayleave and so on. What are the Government doing to get rid of those barriers, which are preventing operators such as service stations and others from expanding fast enough to enable adequate capacity as the new EVs come through?

Baroness Vere: I completely recognise the problem, which bus stations have as well, of getting grid upgrades to make sure that you can have charging. The Department has an EV charging infrastructure strategy that is being published very soon. I think that will, hopefully, address all the concerns you have in that area.

Ruth Cadbury: I hope so.

Chair: Ruth, I am going to come back to you because we now want to move on to border procedures. We had a great visit to the port of Dover



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before we went to see the facilities we have talked about. We talked to them about their infrastructure and some of the problems that could add to their list of concerns.

Q405 Ruth Cadbury: Dover has been designed and grown as a very fast throughput port for vehicles, passengers and ferries. Anything that restricts that fast flow-through causes a lot of problems on the road network in Kent, and a lot of delays for passengers, HGVs and vans. What challenges have the new border procedures posed in relation to the movement of goods across the short straits? I am talking particularly about the European entry and exit system that is due in December, but there is still a lot of uncertainty about it at the moment.

Baroness Vere: On the EU entry and exit system, we understand that there is likely to be a delay. My briefing says that it is coming in from May.

Q406 Chair: It will be September now.

Baroness Vere: Exactly. Who knows? Clearly, we will continue to work with the sector on that. There is always a lot of concern before the introduction of a new system. We had it when we exited on 1 January 2021. We saw it on 1 January 2022 with the import controls coming in, but I think hauliers have been readier than many people expected; for example, our survey of hauliers recorded 4.57 out of five in terms of readiness in December, and then it went to 4.63 out of five in January, so they are getting readier. We are not seeing queues in Dover at the moment related to border checks; they are due to the fact that three ships are being refitted and, therefore, demand is currently not able to be met by the ships we have, which is why Dover TAP 20 is currently on. Our view is that the delays in Dover are not due to the border checks and readiness is pretty good.

Q407 Ruth Cadbury: You accept that there are delays in Dover. When I looked this morning there was a 10 km queue on the roads into Dover and an 11-hour wait. That may be due to the fact that it was early in the morning. Overnight, there was an 11-hour wait at the Ashford base, although it is not showing up on Google Maps. We are not seeing the queues on sat navs for some reason.

Baroness Vere: Because it is organised queuing.

Q408 Ruth Cadbury: On the side of the road?

Baroness Vere: Yes. That is the organised queuing.

Q409 Ruth Cadbury: Okay. Fine. As well as EES coming in, we have the animal products and foodstuff checks coming in from July. I think the class 3 vehicle checks are coming in from May. There are three more sets of checks to come in. What are the Government doing to mitigate the negative consequences? In particular, on the French border controls in Dover, what are the Government doing to try to get those checks to go



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through as quickly as possible? The ESS is, we are told, a system designed for airline passengers coming into an airport, because we understand that everybody will have to get out of their vehicle. Do the Government have any leverage over that?

Baroness Vere: It is not our system; it is the European Union's system, but we are working very closely with them, because I believe it is in everybody's interests to ensure that particularly the short straits, where we have such a high volume of people coming through at all times, remain free flowing. All I can say is that we continue to have discussions with them and will work with them, but from our perspective there is now quite a well-worn path leading up to getting people ready for certain checks coming in. We continue our haulier outreach programme; we have our information and advice sites domestically, and some internationally. We have just opened three, maybe four, in Spain. We believe we now know how to make sure we get hauliers ready and get the right information to them. We cannot control the French, but we can work with them to make sure that the Dover straits—

Q410 **Ruth Cadbury:** Do you mean the French or the EU?

Baroness Vere: In terms of the juxtaposed borders, essentially it is the French, isn't it? It is making sure that the PAF are ready to go and how they are going to implement it. I do not think we know at the moment, and maybe they don't either.

Q411 **Chair:** Can I pick up on a bit of that? To start with the current delay system in Dover—we will talk about how things may become more difficult if the European Union regulations come into force—yesterday I was shown video footage of queues going back 12 miles from Dover. Effectively, the A20 has been turned into a lorry park. I know you said they are orderly queues, but our inquiry is all about the supply chain and just in time. You mentioned that was because a couple of ships were being retrofitted in Dover. That was not something Dover pointed out to us. In fact, they proudly showed us the new Irish ships that had come in. Obviously, the Irish use Dover a lot as well. We were given the impression that they had increased ship capacity.

Baroness Vere: My understanding is that three ships are being retrofitted and this is not a case of border checks holding things up. To reassure you, the Kent resilience forum is in charge of traffic management in Kent. It has a very close working relationship with National Highways, local authorities, police and so on. We have very established routes for queuing, and having Dover TAP 20 on is not unusual if you have a squeeze on the supply and capacity of ships.

Q412 **Chair:** I think the concern is about the number of times TAP is being used. It certainly has been used throughout this month. We cannot get to the bottom of whether there is just one issue. Normally, when you have queues there you can put it down to a strike or weather. Now, lots of people are giving different reasons. Some are saying it is just because we



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are coming out of the Covid restrictions and business is increasing.

Baroness Vere: That is true.

Q413 **Chair:** Others are saying that it is because post Brexit we went into Covid, so this is the start of what the new normal is going to be like, having left the European Union and having come out of Covid. Others are saying that there is work at the port of Dover. I was hoping you would help us because we cannot work it out.

Baroness Vere: It is probably a bit of everything, but I also know that freight demand is higher than we would expect at this time of year.

Q414 **Chair:** That brings us to the proposed EU regs. As you say, they are for the European Union, but they will have a huge impact on the just-in-time supply chain. We took evidence from Logistics UK. When we went to Dover we found that it took about a minute and a half to get each HGV through. If you add another two minutes, which is reasonable if somebody has to get out of their cab, do biometric testing and then get back in, that would lead to a 17-mile queue into Kent, which is Operation Stack all over again. Have you had discussions with other Government Ministers? Which Government Minister is responsible for liaising with the European Union to point out the madness that could unfold?

Baroness Vere: Not me. It is a fairly complicated picture. Our role is very much dealing with the consequences. Remember that Stack is no longer; it is now Operation Brock where we put up movable barriers and that sort of stuff. Working with the Kent resilience forum, we will very much deal with the consequences. The Department for Transport is not responsible for engagement with the European Union over borders. That is for the border delivery group, which sits somewhere else in government. We work with them in understanding what discussions are happening, but it is not the role of the Department for Transport. We will brief and inform the hauliers about what has been agreed, but the actual negotiation is not our role.

Q415 **Chair:** Assume it is the role of the Home Office, which I would have thought it would be if it is to do with borders, have you—

Baroness Vere: And Trade. It might be Trade's role as well because it is about customs checks; it could be HMRC.

Q416 **Chair:** It could be the Foreign Office. I suppose that is my concern. As we often find in working with the Department for Transport, you are often at the face in having to deal with the consequences, but other people might be at the face when it comes to being able to deliver a solution. Are you looking to have meetings with those individuals, so that they go to the European Union, particularly the French, and indeed the Irish, who have the ability in the room, to try to explain? The Irish use the port of Dover as one of the entry and exit points for their own trade. Is somebody from the UK Government having those conversations and trying to get the European Union to change what is effectively a working system through



airports but does not work when you are dealing with a port?

Baroness Vere: We have cross-Whitehall meetings on topics such as this to make sure that everybody is on the same page. The border delivery group takes the lead on this and the Department for Transport is able to feed in at the Cabinet Committees that discuss the future of entry and exit checks.

Q417 **Chair:** It would be ideal if you could write to us to set out what you propose to do to ensure that the rest of Government is delivering so that the roads are not chock-a-block, which then becomes very much part of your in-tray.

I should perhaps have picked this up earlier. Our predecessor Committee some years back looked at the huge motorway lorry park facility proposed at Stanton. National Highways dealt with that, but the planning did not make it through due to errors. I think £200 million was set aside for a huge lorry park. Is that still an option, or was the whole thing dropped? We are going back to the time when George Osborne as Chancellor promised this when Operation Stack was at its worst. Is that still there? Obviously, the planning did not go through; it was rejected, but normally you just fix the planning issues and reapply.

Baroness Vere: I do not know. I will have a little dig around. We have asked National Highways to look at any and all land holdings they may have to see whether we can find any new places. They have one, I think, just north of the Dartford crossing—I can't remember—that they are thinking of developing. I will certainly go away and shake that tree and see whether there is anything still there that might be useful.

Chair: As I recall, our Committee supported that particular site because it seemed like the only site available at that scale, so it would be great to hear back from you on that front.

Q418 **Ruth Cadbury:** The new border restrictions and the various checks that freight lorries need to cross the short straits require a lot of infrastructure to be invested in by the ports. The Government provided a fund for ports, but our busiest port, Dover, got a fraction of what they had applied for. Obviously, there was not enough money available for the various needs of all the different ports, but why did our busiest port get such a small allocation for this essential investment, which in general you have acknowledged is needed? You made some very general points about us needing to do more and doing more, but when it comes down to specifics, it does not look like the priority is there for our busiest goods and passenger port.

Baroness Vere: That is a very good point. Unfortunately, I cannot remember the reason why Dover was unsuccessful in their bid. Clearly, lots of other ports all around the country got quite a significant amount of investment for their infrastructure. I will have to include that in my letter, if you don't mind. For the life of me, why did Dover not achieve that? It has gone.



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Chair: They may even be taking legal action. You might want to let us know the status of that. That might affect your response. I think they applied for £33 million and got £33,000, and they then said there was no point in taking it because it would cost them more to take the money and report back than to deliver. It goes back to the concern that the port of Dover is such a strategic asset that, if it does not have the infrastructure, just in time does not work.

Q419 **Karl McCartney:** On the strategic view of National Highways and your Department with respect to potential new strategic placements for lorry parks and facilities for lorries, some of the drivers and operators we spoke to told us that quite a lot of lorry drivers now do not take a trailer from A to B, the place of delivery; they drop it off at a service area where it is picked up by another driver. Has that been taken into account? As we see an increase in road freight—I do not think any of us believe it will decrease—that will probably become more prevalent than it currently is. Therefore, the Government and actually the private operators will need some areas where that can take place easily and safely.

Baroness Vere: Yes; I am aware of that. It is a very good point and one we will think about to make sure that we have all the different facilities we need, and whether it is appropriate for that to happen at a Medway service area—

Karl McCartney: Not really.

Baroness Vere: —and not in a distribution centre. Hopefully, it is not done there.

Q420 **Karl McCartney:** That was why I mentioned the word “safely”. You can understand why some people do it.

Baroness Vere: Of course; you can get two or three hours free parking.

Q421 **Karl McCartney:** It is also the reason why buses do not now make a complete journey from Lincoln to Grimsby, for example; they meet halfway and the bus changes passengers and then goes back. It is all to do with where drivers need to be. People who work in management are looking at making best use of their assets. I do not think it will stop; the practice will become more prevalent.

Baroness Vere: Good point.

Chair: Our final section is on agency performance and the role that the DVLA and DVSA can play.

Q422 **Grahame Morris:** To begin with, Minister, are you satisfied with the current performance of both the DVLA and the DVSA?

Baroness Vere: I am never satisfied. There are always improvements to be made, and I have a list as long as my arm of things we are going to do in the future.

Q423 **Grahame Morris:** Can you elaborate on the list of things you are going



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to do to improve performance?

Baroness Vere: Yes. Shall we talk about DVLA first? Would that be helpful?

Grahame Morris: Yes, please.

Baroness Vere: Currently, DVLA is still working under the Welsh Government restrictions. That had an impact on them over the Christmas period. I am pleased to say that they were doing very well with the backlog and it was decreasing at quite a rate. We are back to normal on vehicles. On the driver side, we still need to reduce the backlog. They put a rota system in place when Covid cases increased after Christmas. That obviously had an impact on capacity. That rota system is now off, so hopefully we will be back to reducing the backlog, which is an absolute priority. All being well, we should be clear within the next two to three months.

The biggest challenge for DVLA is drivers' medicals. They have opened a new supercell in Birmingham where 150 people will focus solely on drivers' medicals. They have made changes in being able to apply online for very specific medical conditions. We have been impacted recently by the decision by DHSC to stop drivers' medical assessments by GPs in order to focus on the booster roll-out, so we lost a few weeks during and just after Christmas in getting responses from doctors, which is one of the biggest challenges. However, that has now stopped as well. Drivers' medicals will last a lot longer. Longer term, there is a massive IT transformation programme for getting off the legacy mainframe. It will take about five years. It is called Evolve and will cost tens of millions of pounds, but we will finally be able to get everything into the cloud.

Q424 **Grahame Morris:** The Chair does not want me to go over old ground in relation to the dispute and the efforts the trade union was trying to make in negotiating a Covid-safe workplace with management.

Baroness Vere: It is already a Covid-safe workplace.

Q425 **Grahame Morris:** You mentioned that there was quite a big spike just after Christmas and there were concerns about that. I will not pursue that at the moment.

Can I ask about another aspect of the agency's work? I do not know whether you see them, Minister, but there are a number of EDMs in the House of Commons, including EDM 886, about the closure of local DVSA test centres. That particular one serves part of South Shields in my region of the north-east. The complaint is that there has been a lack of consultation. Other test centres across the country are closing. Is it part of a strategy or central plan by the Department to rationalise the number of test centres?

Baroness Vere: Yes.

Q426 **Grahame Morris:** What about consultation on that?



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Baroness Vere: To be honest with you, I do not look at EDMs. I am not sure what an EDM is.

Grahame Morris: It is because you are not elected. That's why.

Q427 **Chair:** It is an early-day motion which Members table and others sign up to.

Baroness Vere: I am afraid that it does not cross my mind.

Q428 **Chair:** Some MPs will not sign them because they cost money; others are prolific.

Baroness Vere: Excellent. May I reassure you that others have written to me on the issue of the closure of driving test centres? This results from an appreciation that some of the DVSA estate is no longer needed. We are not reducing the number of tests at all; we are increasing the number of tests, but this is driving. You need to be able to get to a driving test centre once, or maybe twice, in your life. We make sure that everybody is within 40 minutes or 40 miles of a driving test centre. It is absolutely right from the taxpayer's perspective to get good value for money from an ageing estate. It is true; we are closing a few, not a huge number, of test centres.

Q429 **Grahame Morris:** Is it part of a closure programme? Have you identified the areas where offices are closing, and are you entering into consultations, or is it a decision you have made ministerially or within the agency and you are simply implementing it?

Baroness Vere: The decision was obviously made after a huge amount of consideration of where the population lives, where people need to be able to take their test, which driving test centres we need and which are the ones where applicants can access another driving test centre.

Q430 **Grahame Morris:** Is there a list of closures apart from the ones we know about?

Baroness Vere: There may well be more closures. Potentially, I can write to you about that. I cannot remember where we are in the process, but it is all about delivering high-quality service at good cost to the taxpayer.

Q431 **Grahame Morris:** Minister, maybe I can reciprocate and write to you with the EDMs identifying the test centres that have already closed so that you are aware of that.

Baroness Vere: Excellent.

Q432 **Simon Jupp:** On DVLA, I did a bit of number crunching this morning. My office has dealt with 160 cases of driving licence applications that have been subject to horrendous delays. It has now reached the point where my local district council is struggling to maintain recycling standards, given the number of drivers available to drive recycling trucks, because of delays in DVLA. Do you have a timeframe when hopefully we can return



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to normal so that things can go back to how they were? The DVLA was usually quite quick pre-pandemic and was running rather well. When do we hope to return to that?

Baroness Vere: There is no delay on HGV drivers. There is a five working-day turnaround. That is exactly the same.

Q433 **Simon Jupp:** It depends on where you are in the district. In some places they are smaller vehicles, so maybe they are not HGV drivers. Either way, the DVLA delays are causing a problem for my district council in delivering and collecting recycling.

Baroness Vere: For which I absolutely take full responsibility. I am very concerned about that, but for the vast majority of people there is no delay. If you apply online there is literally no delay, and for the vast majority of services you can apply online. Don't ever get tempted to whip out a piece of paper because you think it will be safer. Even if you have to whip out a piece of paper and as an individual you take that piece of paper down to the post office, it then becomes an online application and there is no delay. That is the key thing to say to you.

Q434 **Simon Jupp:** Why would I have 160 cases where there was a delay? They are not all using paper.

Baroness Vere: Yes, they are. There will be two reasons why you have a delay: you used a piece of paper or your driver's medical. If it is a driver's medical, there is a delay because the whole healthcare system is backed up and we have to get medical records for drivers in certain circumstances. As soon as we get the application, we write to the GP to say, "Please can we have this?", and we will then be waiting for the response.

Q435 **Simon Jupp:** I am delighted by your confidence, but I am not sure it is backed up by reality. I am really sorry, Minister.

Baroness Vere: Send me any example you like.

Q436 **Simon Jupp:** I will happily do so. I am not sure either that my constituents use paper or that there is some medical issue in relation to their applications, but there have been loads of delays. This is more than anything else in the past two years; people approach me in the street to ask about delays.

Baroness Vere: I write more ministerial correspondence on this than anything else. Probably 99% are driver's medicals. I cannot do anything about that until GPs can get the medical records through quicker. That is the biggest one I get, and the second biggest is probably appointments at Specsavers when people have to have an eye test. I do not have a huge number of people—in fact, nobody—saying, "I applied online and I haven't got my licence back."

Q437 **Simon Jupp:** I take your point. I am willing to provide you with further information, obviously within GDPR. How do you explain the fact that,



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when MPs' offices get involved in these cases, the licence miraculously appears the next week?

Baroness Vere: I know, and that is the sad thing. It is because—

Q438 **Simon Jupp:** That does not back up what you have just said about doctors and everything else.

Baroness Vere: Can I explain? It is because I have asked them.

Q439 **Simon Jupp:** To bypass the normal procedure?

Baroness Vere: In my view, if somebody is so desperate for their licence that they have written to their MP, I want to be able to help them. Therefore, I have asked them. We are utilising resources to ensure that people who write to their MP will end up getting through. I do not want it to be like that; I do not want anybody to be prioritised over another, but it is the case that we can provide a very good explanation for what has happened. As I said, the vast majority are driver's medical. Sometimes, what happens—

Q440 **Simon Jupp:** It is an extraordinary state of affairs, isn't it? When do we anticipate that things will get back to normal?

Baroness Vere: All being well with the Welsh Government, two to three months.

Q441 **Simon Jupp:** Two to three months?

Baroness Vere: All being well, and no more strikes, and the Welsh Government allowing people to go back to the office.

Simon Jupp: Thank you.

Q442 **Chris Loder:** Baroness Vere, given the clear situation that the Welsh Government have generated for the DVLA, have the Government considered whether or not DVLA should be moved to England to avoid these sorts of issues going forward?

Baroness Vere: The Government have not considered that. We are hugely grateful for the work of all DVLA staff. They have worked incredibly hard. DVLA is a really important employer in Swansea. One would not want to take all those jobs away from Swansea. Indeed, there is no reason to do so because to a vast extent DVLA staff do a very good job. Therefore, we want to keep them there.

It will not surprise you to learn that we recognise that occasionally, if we need extra resource, it may be that Swansea can no longer provide extra jobs, which is why we have opened in Birmingham. We could not find an office in Swansea, so we opened in Birmingham. That gives us extra resilience, but those are not replacement people for Swansea; they are additional people to focus on drivers' medicals because we are getting older and we need more drivers' medical people.

Q443 **Chris Loder:** I am sure we would welcome any additional offices in the



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south-west, by the way, if you are considering any further ones. I just leave that with you.

Baroness Vere: That is a great pitch.

Q444 **Chair:** There is one other item in the brief, but by all means write to us. We would like to know what changes you are considering to the content and structure of the driver's certificate of professional competence. I am very happy for that to be added to the list of things you will write back to the Committee about, unless you have an answer for us now.

Baroness Vere: I do. We did an urgent review. We are looking at the responses we are receiving, so I cannot say exactly what changes we will make. It seems nuts that things are currently defined on the number of hours' training you have had rather than what you have learned, so something has to change. This is a good opportunity to change it. I do not know exactly what it is because the consultation is under way, but DCPCs and a good opportunity for professional development need to be looked at.

Chair: We will consider that one done on that basis.

Baroness Vere, thank you very much. You have given us a lot of time. You are without doubt the Minister who attends before us most frequently, although you have a very busy portfolio. Thank you again. We look forward to coming up with some recommendations and sending them over to you.