

Written evidence submitted by the Department of Environment, Food and Rural Affairs

(LS0058)

EFRA questions

1. What is the extent and nature of labour shortages currently being experienced in the food supply chain?
 - Discussion with industry has shown that there are some specific sectors within the food and drink supply chain which have been impacted by labour shortages.
 - One of the most impacted sectors within the food supply chain is primary processing which has seen a reduction in the numbers of workers across all commodities, particularly a reduction in the number of poultry processors, and butchers in the pork processing sector. A package of measures is now underway to support these sectors.
 - The other largest impact has been seen in the logistics sector where UK logistics operators have reported a shortfall of 100,000 drivers. A raft of measures has been put in place to help the road haulage industry.

2. What are the factors driving labour shortages in the food supply chain?
 - The main factors which have led to shortages of certain roles in the food supply chain over the past year are early retirements in sectors which have a higher age profile, notably, around 15,000 migrant HGV drivers; the departure from the UK of a large number of EU Settled Status and other migrant workers across a number of commodity sectors, but particularly in the pig sector when the Covid-19 travel restrictions were lifted in the summer of 2021; disruption to the export market, particularly with the export of minimally butchered pigs which now have to be processed and butchered in the UK, adding to the problems caused by the shortage of trained butchers; and the inability to train and recruit new domestic workers due to Covid-19 restrictions and the challenges of recruiting workers into these sectors.
 - The problem has been most acute in the recruitment and retainment of HGV drivers and skilled pork butchers.

3. What is the outlook for the labour shortage situation in the coming months and years?
 - Government has put in place mitigations to support the food and drink sector and we continue to speak to relevant stakeholders through our regular engagement channels to understand what part Government can play in the long-term.

4. What other issues are affecting the food supply chain?
 - Government recognises that industry sectors across the economy have been facing pressures from a range of concurrent risks, for example the supply chain disruption caused by shortages of CO2, disruption to fuel supply and shortages of labour. We set out at para 6 below the government actions to support industry in response to these issues.

5. What impact will the timetable for introducing physical checks at the border on food and live animal imports from the EU have on the current issues being experienced by the UK food supply chain?
- Sanitary and phytosanitary (SPS) Import controls are being introduced in stages to allow industry time to adapt. The recently announced new timetable is just one of the steps the Government has taken to support businesses and allow them to focus on recovery from the pandemic.
 - Controls on live animals and high priority plants and plant products were introduced in January 2021.
 - Pre-notification requirements for Products of Animal Origin (POAO) and regulated plants and plant products will be introduced on 1 January 2022.
 - Physical checks at the border will be introduced on POAO and high-priority and regulated plants from July 2022. POAO will be subject to a minimum level of 1% physical checks, meaning not all consignments will be required to attend a Border Control Post (BCP). Plant checks will also be risk-based, which means not all consignments will require an inspection. Defra do not anticipate these physical checks will impact on food supply, and they are an important part of maintaining our high biosecurity, food safety and animal welfare standards.
6. What measures has the Government taken to alleviate the problems being faced by the food supply chain this year? To what extent have they been successful?

Haulage industry

- Increasing efficiency in existing supply chains.
- Temporary extension of drivers' hours to allow short-term extra flexibility to the industry until 9 January 2022 .
- Relaxation of late-night delivery restrictions to supermarkets, food retailers, and distribution centres in England advised by MHCLG until 31 January 2022 providing greater operational flexibility.
- Visas for 5,000 foreign HGV drivers (4,700 for food and 300 for fuel) to work in the UK until February to provide short-term relief for the haulage industry.

Support and training for new HGV drivers

- The Department for Education are investing up to £10 million to create new skills bootcamps to train up to 3,000 more people to become HGV drivers as announced on 26 September.
- New £7,000 Large Goods Vehicle Driver apprenticeships launched on 1 August
- Department for Work and Pensions expansion of driver training pilot delivered through Jobcentre Plus to bring job-seekers into the industry.
- There was a temporary incentive payment of £3000 for employers taking on a new apprentice until 30 September 2021.
- Accelerated development of new Urban Driver Apprenticeship for Category C driving.
- Department for Transport (DfT) provided grant funding to Road to Logistics (a national, not for profit, logistics training organisation) who are working with the Welsh Government and HM Prison Service to train ex-offenders to drive lorries as well as supporting the Jobcentre Plus pilot.

- Additional Government funding for both medical and HGV licences for any adult who completes an HGV driving qualification accessed through the Adult Education Budget in academic year 2021/22.
- DfT provided grant funding to Think Logistics who, with Career Ready, are working to attract young people to the profession.

Expanding HGV driver testing capacity and improving licencing processes

- The Driver and Vehicle Standards Agency (DVSA) has increased the number of vocational driving tests from 2,000 a week pre-pandemic to 3,000 by overtime and allocating additional employees into testing as well as re-directing capacity from car & trailer tests to HGV tests.
- Regulatory changes on B+E test requirements, staging of HGV tests and reversing manoeuvres stand to increase the number of HGV tests by over 5,300 per month when implemented later this year following consultation and the entry into force of new legislation.
- Recruitment campaign launched 16 August for 40 new vocational examiners.
- The Ministry of Defence (MOD) is providing 20 Defence Driving Examiners to be trained and redeployed to conduct civilian tests with the DVSA until the end of the year.
- New legislation to allow delegated driving examiners at the three emergency services and the MOD to be able to conduct driving tests for one another.
- DVLA operational prioritisation to process provisional HGV driving licences in 1 to 2 weeks and put processes in place to speed those up further. Most drivers applying to renew their HGV licence can continue driving while their application is being processed.

Attracting drivers back to the sector and improving conditions

- Public messaging and direct letters to existing HGV licence holders not driving professionally (i.e. those who do not hold a Driver CPC card) to encourage them to consider returning to HGV driving.
- Support for industry-led communications efforts to promote and improve the image of the sector including industry-led proposal for Year of Logistics, the promotion of good practice in the sector and the International Road Transport Union's driver charter.
- Review of lorry parking and facilities by National Highways.
- Flexible support funding for Job seekers and those on Universal Credit who hold an HGV licence towards the costs of obtaining Driver Certificates of Professional Competence required for most professional lorry or bus driving.

Fuel supply

- Extension of ADR (Dangerous Goods) licence validity for those expiring between 27 September 2021 and 31 December 2021 until 31 January 2022, providing immediate relief to the shortage of fuel drivers by permitting affected drivers to maximise their available capacity instead of being taken out of circulation for refresher training purposes.
- Targeted communications to ADR licence holders through the Training Advisory Panel Secretariat to make ADR members aware of the extension to ADR licences validity periods and to encourage their members and all ADR driver training providers to increase their capacity for providing the full initial ADR driver training courses.
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- Military tanker drivers are being brought to a state of readiness (including specialised training) in order to be deployed if required to deliver fuel and stabilise the supply chain.

Seasonal Workers Pilot

- The Seasonal Workers Pilot opened in 2019. In 2021, it was expanded to 30,000 visas, allowing workers to come from abroad to pick and package fruit and vegetables on UK farms. The seasonal workers under the expanded Pilot scheme can come to the UK from EU or non-EU countries.

Poultry, HGV and Pig workers

- Up to 5,500 poultry workers and 4,700 HGV drivers transporting food will be able to enter the UK for work ahead of Christmas 2021.
- The Government announced on 14 October that up to 800 pork butchers will be eligible to apply for visas to travel and work in the UK for a period of 6 months.
- In England and Scotland, the two meat levy bodies will introduce a pork levy holiday during November 2021 – suspending payments of the levy pig farmers and producers are required to pay. This will amount to savings for the sector of just under £1 million. The Agriculture and Horticulture Development Board (AHDB) and Quality Meat Scotland (QMS) took the decision in response to the continued build-up of pigs on farm, falling prices and high production costs.

Cabotage rights

- Government has implemented a [temporary legislative extension of road haulage cabotage](#) to alleviate pressures with the supply chain due to lorry driver shortages.
- The legislative changes allow unlimited cabotage movements of heavy goods vehicles (HGVs) for up to 14 days after arriving on a laden international journey into the UK compared to the current rights of 2 cabotage journeys within 7 days of entry.
- The temporary measures will come into force towards the end of this year. This would help secure supply chains in the medium term alongside the wider package of measures mentioned above.
- The extension will apply until for 3 or 6 months, subject to ongoing review and that it would not be transport sector specific.
- The relaxation would apply to all types of goods but can be particularly beneficial to food supply chains and goods that come via ports.
- Lorry drivers conducting cabotage journeys with 14-day allocation to remain in the UK will have the opportunity to take on additional delivery jobs. This can benefit UK's supply chains including food in helping alleviate current driver shortage related logistical pressures.

7. Does the Government need to take further steps to support the food supply chain?

- Defra's extensive work in this space has reinforced the long-standing view that the most effective response to food supply disruption is industry-led, with appropriate support and enablement from Government, as successfully demonstrated throughout the Covid-19 response.
- The UK has a high degree of food security, built on robust supply chains from various countries in addition to strong domestic production.
- Government's role is to support and enable an industry-led response. Government has well established ways of working with the food industry to monitor and address risks that may arise. Defra is working closely across Government and with key stakeholders to assess how we can best facilitate food supply sectors to operate normally through this period.

- Dave Lewis has been appointed as the UK Government's supply chain advisor to assess supply issues facing businesses across the UK, including the food and drink supply chain. He will also co-chair the new Supply Chain Advisory Group, and an Industry Taskforce. All of this will be aimed at resolving acute, short term issues, identifying the causes of current blockages and pre-empting future ones, and advising on resolutions either through direct government action or through industry with Government support.

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