

Written evidence submitted by the Department of Transport (RDF0022)

Introduction

1. The freight sector is critical to our daily lives and economic wellbeing, ensuring the flow of goods along our supply chains is reliable and efficient. The vast majority of freight is moved by road vehicles: in 2019, of the 196 billion tonne kilometres of domestic freight moved within the UK, 79% was by road.
2. Road freight contributed £13.6bn gross value added (GVA) to the UK economy in 2019¹ and is a critical enabler of all businesses, small and large.
3. The sector has carried a chronic driver shortage for many years which has been exacerbated globally by the COVID 19 pandemic. Government has taken urgent action introducing 32 measures, as of 25 November 2021, to help tackle the issues. Substantial progress has been made: the backlog of HV driving licence applications has been cleared, there is spare capacity in testing system and 1,000 more people are applying for vocational licences every week with industry reporting that the shortage is decreasing.
4. Many of the areas needing improvement are for industry to address and we have seen positive changes over recent months. As we continue to build back better, the Government's aim is to help strengthen the sector, encouraging investment in and development of our domestic workforce.

Section 1: Long-term and short-term challenges to the effective functioning of the road freight supply chain

5. The sector faces many challenges and opportunities in the coming years: decarbonisation, changing consumer behaviour, adoption of new technology, new trading relationships and maintain the balance between capacity and resilience.
6. As a privately owned and operated sector, the Government works in partnership with industry to provide strategic long-term direction and, where necessary, support to tackle short-term challenges.

Structural issues

7. Long-term challenges to the effective functioning of the road freight supply chain include addressing the chronic Heavy Goods Vehicle (HGV) driver shortage, adapting to changing patterns of travel and meeting decarbonisation targets.
8. The total HGV driver pool is currently estimated at around 268,000. According to industry estimates with average retirement age being 65, around 10,000 drivers retire each year and a further 20,000 HGV licence holders either leave the industry for or decide not to enter the industry having acquired their licence². Industry estimates that there are around 30,000 new entrants to industry each year. This results in a driver churn that is static. Half of drivers (49%) are aged 50 or over, leaving the industry exposed to loss of supply from retirement¹.
9. Challenges around retention and recruitment are well documented by the sector. The perception of poor working conditions likely acts as a deterrent to new entrants and may contribute to the departure of the existing workforce.
10. Poor working conditions encompasses low pay, inadequate access to facilities and poor treatment of workers from customers. We are aware of concerns expressed by many drivers and operators about the provision, quality and value of lorry parking in the UK. HGV driver wages are generally below the UK average¹ although over recent months many employers have increased wages and offered recruitment and retention bonuses. There is also concern around the physical and psychological toll drivers experience

with aspects of long journeys and nights away from home worsening the job.

11. Industry also suffers from a lack of diversity severely reducing resilience with the majority of drivers being older, white males. The office for national statistics estimates that 1.5% of HGV drivers are female².
12. Many of these issues are for the sector to address but Government is also taking action where appropriate including improvements to working conditions and access to facilities, support for training and recruitment and help to raise and improve the profile of the sector.
13. The Department for Transport has set out its plan for decarbonising transport including ambitious measures for road freight and will take account of impact of changing patterns of work, shopping and business travel on major transport infrastructure programmes.

Acute HGV driver shortages

14. Due to a combination of factors, there is currently an acute shortage of HGV drivers within the UK. This is caused largely by the coronavirus (COVID 19) pandemic: delayed vocational driver testing reduced the rate of new drivers joining the sector; this coincided with an increase in demand for road haulage following the economic bounce-back from COVID 19. The situation was exacerbated by underlying structural challenges caused by an ageing workforce and a lack of diversity in the industry along with reliance on overseas labour and lack of long-term investment in the UK domestic workforce
15. The acute shortage of HGV drivers was estimated to be around 39,000 as of June 2021. The number of HGV drivers is estimated to have fallen from 307,100 in the twelve-month period ending June 2019 to 268,300 in the twelve-month period ending 2020/21³.
16. HGV driver testing was significantly impacted by social distancing measures as demonstrated by DVSA large goods vehicles test pass rates⁴ which interrupted the supply of drivers. Over 70,000 large goods vehicle tests have been conducted each year since 2014 but this fell to just 27,569 in the twelve-month period ending March 2021.
17. Through a combination of measures Government has increased the number of HGV driving tests by 90% compared to pre-pandemic levels of HGV driver

testing capacity. This included overtime and allocating additional employees into testing, alongside the recently introduced temporary capacity from Ministry of Defence driving examiners. Legislative changes to streamline driver testing have significantly increased the number of vocational tests available and there is currently spare capacity.

International comparators

18. The haulage sector has been experiencing a chronic shortage of HGV drivers worldwide for some time. Shortages have been reported across Europe and beyond by media outlets and trade bodies.
19. Research by Transport Intelligence (Ti) estimates the shortage in Poland in 2020 was around 124,000 drivers. According to the International Road Transport Union (IRU), Poland is one of the most heavily impacted European countries and driver shortage in 2020 stands at around 37%.
20. Between 45,000 and 60,000 truck drivers are 'missing' in 2020 in the German market alone, according to the DSLV and BGL (German trade bodies), and this number is expected to increase: the IRU predicts a gap of 185,000 drivers by 2027 in Germany.
21. France was reported in 2019 to be experiencing a shortage of approximately 43,000 drivers. According to Ti estimates, the shortfall of truck drivers in Spain was 15,340 in 2020. The shortfall in Italy in 2019 was estimated at around 15,000 drivers according to various sources including National newspaper Corriere della Sera.
22. The shortage of drivers has spread across Europe with reports of driver deficits in Scandinavia, Belarus and Ukraine.

Section 2: Potential effects of the Government's policies and regulations on the efficient operation of the supply chain including cabotage and drivers' hours.

23. The Government is putting in place 32 interventions to address the HGV driver shortage which are published on the Gov.uk website³. The interventions are aimed at:

- Increasing efficiency in the existing supply chain
- Providing support and training for new HGV drivers
- Expanding HGV driver testing capacity and improving licencing processes
- Attracting drivers back to the sector and improving conditions
- Ensuring the stability of the fuel supply chain, and
- Economic measures to support the haulage industry

24. Further detail of many of the interventions is set out in this evidence pack. Regulatory changes implemented by the Department for Transport are summarised below.

Cabotage

25. As announced at the Autumn Budget 2021, the Government has temporarily relaxed cabotage rules for international heavy goods vehicles (HGV) journeys within Great Britain until 30 April 2022 to allow unlimited cabotage movements of HGVs within Great Britain for a period of 14 days after arriving in the United Kingdom on a laden international journey. This measure is being implemented through temporary changes to Vehicle Excise Duty (VED) and Operator Licensing regulations. Pre-EU Exit cabotage made up around 1% of UK journeys which is equivalent to the work of up to around 3,000 UK-resident drivers. The in-confidence indications and analysis are suggestive of a potential use of the extension of up to close to doubling that rate.

26. Legislation (Finance (No.2) Bill, clause 78) will exempt HGV operators on a laden international journey from needing to pay VED. It has effect for cabotage journeys on or after 28 October 2021. This clause is associated

with a statutory instrument, the Goods Vehicles (Licensing of Operators) (Temporary Use in Great Britain) (Amendment) Regulations 2021 (“the Operator Licensing Regulations 2021”) which has been laid separately. The “Operator Licensing Regulations 2021” provide for a temporary exemption from the requirement for goods vehicles to have an Operator’s Licence under the Goods Vehicles (Licensing of Operators) Act 1995.

27. The temporary additional cabotage rights are being implemented following consultation between 14-21 October to ensure support for supply chains in the run up to Christmas and through to April 2022. The consultation and the response can be found on gov.uk. The measure is designed to add capacity including trunking and port to distribution centre movements.
28. Cabotage operations within the UK prior to the pandemic were of a size broadly equivalent to about 1% of the national tonne-miles moved in the UK or 0.5% of tonnes lifted (i.e., in the order of 0.8% of the market). This previous rate of cabotage is equivalent to the work of up to in the order of 3,000 UK-resident drivers.
29. In going ahead with the cabotage extension, our intention is not to undercut the UK haulage industry, but to provide some short-term additional support and capacity to ensure the resilience of supply chains, particularly in relation to food at a time when critical supply chains and our ports are under intense pressure to meet increased demand from consumers and business.
30. Furthermore, while the relaxation is for a period of 6 months there is always the ability to revoke should the measure no longer prove effective or be necessary. In all cases, these trucks would still need to return abroad after two weeks so the effect of this measure would not diminish the need for the essential work done by UK drivers.
31. We will carry out regular periodic monitoring of this intervention. Government has extensive working relationships with key supply chain organisations and will seek intelligence from UK unions and road transport representatives, use the network of information sites to facilitate intelligence from drivers and operators; and liaise with DVSA and the Health and Safety Executive about reports to them on their established systems.

Retained EU Drivers' Hours Regulation

32. The Government has retained the EU Drivers' Hours Regulation as part of the process of leaving the EU. This ensures consistency of rules applicable to drivers of most large vehicles, particularly for those travelling between the UK and EU countries. The regulation places limits on driving time, as well as mandating minimum rest periods, for in scope vehicles. This is to ensure that affected drivers get the rest they need.

Temporary exceptions

33. The Drivers' Hours Regulation contains provisions to permit temporary exceptions (commonly referred to as "relaxations") to certain aspects of the regulation. The regulations allow administrative relaxations for up to 30 days in urgent cases with the permission of the Secretary of State for Transport. Longer relaxations can be made by Statutory Instrument in exceptional circumstances and with consent of the Secretary of State for Transport.

34. As part of the response to the exceptional circumstances arising from the cumulative impacts of the Covid-19 pandemic and an acute shortage of heavy goods vehicle (HGV) drivers, the Government has put in place relaxations to the retained EU Drivers' Hours Regulation. Relaxations of one form or another have been in place since 12 July 2021 and are available to all haulage sectors to use, but only where necessary. The Department has published guidance on gov.uk, which includes three conditions that must be met when considering if it is necessary to use the relaxations.

35. The latest relaxations that were granted by laying Statutory Instrument 2021/1207 are in place from 1 November 2021 to 9 January 2022. The relaxations allow drivers to increase their daily driving limit to 10 hours up to four times in a week, which is more consistent with UK practice applied in the normal domestic drivers' hours rules that allows up to 10 hours of driving during any day on duty. A benefit of the extra hours is to avoid lost deliveries due to delays and to continue to offer additional flexibility to operators to manage short-term pressure points in the build-up to and through the Christmas period, where necessary. All daily rest requirements, including the need to take a break of 45 minutes after 4.5 hours of cumulative driving, remained unchanged.

36. The relaxations alternatively permit an amended weekly rest pattern to enable an additional day of driving in a fortnight; this is similar to patterns permissible for international road transports by the normal rules. All reduced rest periods must be compensated for soon after.

37. The practical implementation of the temporary relaxation should be through agreement between employers, employees, and driver representatives and must be used only where necessary. The Department has published guidance on the use of the temporary relaxation, including the conditions to be met. Driver safety is not to be compromised, and drivers should not be expected to drive whilst tired; employers remain responsible for the health and safety of their employees and other road users.

Use of the relaxations

38. Operators are required to submit initial notification forms to the Department if they intend to use the relaxations. Operators must also send the Department a follow-up form within a week of the relaxation period ending detailing whether and how they used the relaxations.

39. The table below details the information the Department has received from operators in relation to the relaxation periods put in place since 12 July 2021.

	12 Jul to 8 Aug 2021	9 Aug to 3 Oct 2021	4 Oct to 31 Oct 2021
Initial notification forms submitted	517	283	129
Total follow up forms submitted:	394	186	
• relaxations used:	284	147	TBC
• relaxations not used:	110	39	

40. The Government will continue to monitor the circumstances of the driver shortage and impacts of the temporary relaxation to drivers' hours rules, and take action to withdraw, or further extend the relaxation, if necessary.

Changes to driving licence acquisition

41. The Government has introduced changes to the acquisition of driving licences to increase the number of HGV drivers within Great Britain by increasing the number of test slots available to drivers wishing to pass an HGV driver test, while maintaining road safety standards for any changes made to the driving licence testing regime.
42. Driving examiners have limited test capacity availability and these changes free up driver examiner time and mean that it can be reallocated to conduct HGV tests instead. This will provide additional availability of tests for potential HGV, and bus, drivers to help lessen the driver shortage. The changes also provide a streamlined route to qualification for people wishing to drive the largest, articulated HGVs, speeding up the rate at which new entrants can join the sector and reducing costs for drivers.
43. The Motor Vehicles (Driving Licences) (Amendment) (No. 5) Regulations 2021 will allow car drivers to tow a heavy trailer (up to 3.5 tonnes) automatically once they hold a full category B licence, without the need to take the additional B+E test.
44. The Motor Vehicles (Driving Licences) (Amendment) (No. 3) Regulations 2021 separate the off-road elements of the large goods vehicle practical test and provide for that element to be tested by a delegated examiner, approved by the Secretary of State for Transport. This change increases DVSA driving examiner capacity and ensures that candidates presenting for the on-road practical test have already passed the off-road section.
45. Motor Vehicles (Driving Licences) (Amendment) (No. 4) Regulations 2021 removed the 'staging' requirement for a separate heavy trailer test for provisional vocational licence holders. This means that once car drivers have applied for and been granted the relevant provisional entitlement to drive an HGV or bus, they can then take a full HGV or bus driving test that includes towing of a heavy trailer, without first having to pass the rigid HGV or bus test stage.
46. Together, these measures are expected to free up 3,300 additional test appointments every month. Currently DVSA has spare capacity for vocational testing and we need industry to increase the number of people they are training and sending through the pipeline.

Section 3: The effectiveness of Government policy in supporting recruitment, retention and a diverse workforce in the road haulage industry

47. The Government continues to support efforts by the freight and logistics sector to ensure sufficient numbers and diversity in the workforce. Industry must lead the way in ensuring that it is attractive to jobseekers and responds to the needs of 21st century employees. However, we have taken a large number of actions to support them in doing so.

48. It is vital that the industry, as well as addressing the issue of driver numbers, focusses in particular on diversity and inclusion. Industry estimates from Logistics UK suggest that women make up around 14% of the total logistics industry workforce, this includes non-driving roles. The logistics sector is currently very homogenous – the vast majority of employees are over 40, white, and male. This is supported by data from the Office for National Statistics' Annual Population Survey which found:

- 4,000 HGV drivers were women
- 5,000 HGV drivers were under 25,
- 136,000 HGV drivers are over 50, and
- 14,000 over 65.

49. Modernising the image of the sector and making it attractive to a wider range of prospective employees will require significant efforts, which we will continue to support. The sector is making progress in testing and hiring, with improving pay, working conditions and diversity. We are closely monitoring labour supply and working with sector leaders to understand how we can best ease particular pinch points and encourage new entrants to the sector including through the measures described below.

Bootcamps

50. Department for Education is investing up to £17 million to create new skills bootcamps to train up to 5,000 more people to become HGV drivers.

51. This measure was announced on 25 September, DfE's accelerated procurement closed 22 October and suppliers were notified on 11 November. We anticipate the first wave of applicants to begin training from early December for a 16-week placement with a guaranteed interview.

LGV Driver Apprenticeships

52. Government has taken action on three key apprenticeship routes:

- The revised Large Goods Vehicle Driver apprenticeship standard with training for a C+E licence is available and is supported by £7,000 of funding.
- The new Transport and Warehouse Operations Supervisor apprenticeship with £5,000 of funding is now also available.
- The new Urban Driver Apprenticeship with training for a category C licence has been approved for delivery through an accelerated process. A provisional funding band of £4,500 has been recommended and we hope it will be available soon.

53. There is also an incentive payment available to employers of £3,000 for every apprentice, of all ages, hired as a new employee from 1 April 2021 to 31 January 2022. The £3,000 incentive payment can be used at the employer's discretion and is intended to help cover additional training/onboarding costs that would otherwise be prohibitive.

54. We are also working with the Welsh Government to make use of their apprenticeship frameworks for an HGV driver programme.

55. Apprenticeship standards are developed by industry representatives, the Trailblazer Group, working with the Institute for Apprenticeships and the Department for Education.

56. Employers that pay the Apprenticeship Levy receive 100% of the costs of training an apprentice plus an additional 10% top up from the government. If a levy paying employer exceeds the level of funding in their account, they will need to pay 5% of the training cost for additional apprentices.

57. Levy paying businesses can also use their apprenticeship service account to transfer up to 25% of unused levy funds to another business, allowing them to support other companies with their training costs. Employers that do not pay the apprenticeship levy (those with a pay bill of under £3 million) can access levy funding and are required to pay just 5% towards the cost of training and assessing an apprentice.

58. Employers with 50 employees or fewer can receive 100% of the training costs up to the funding band maximum for apprentices that are 16 to 18, or

19 to 24 with an education, health and care plan provided by their local authority or has been in the care of their local authority

DWP/JCP lorry driver training pilot

59. The pilot scheme in Lincolnshire and Nottinghamshire is underway and the first trainees have now taken their test. We are keen to support the scaling up the training programme through Jobcentre Plus.

60. JCP are also working with logistics employers in other areas through their Sector Based Work Academy Programme (SWAP) to address their skill shortages. We are encouraging the industry to work with Jobcentre Plus as this will help JCP gain a better picture of vacancies in their regions and target resources accordingly.

Road to Logistics

61. We provided a grant to Road to Logistics, to train ex-service personnel, the long term unemployed and ex-offenders. They are currently supporting the JCP pilot. Road to Logistics is currently working with HM Prison Service in Wales and are seeking establish a training academy at Parc Prison in South Wales to train ex-offenders. It is hoped that a successful scheme at Parc could see further academies across the UK.

Adult Education Budget

62. There is additional Government funding for both medical and HGV licences for any adult who completes an HGV driving qualification accessed through the Adult Education Budget (AEB) in academic year 2021/22. This is open for applications via Further Education/training providers. AEB funding will cover 1,000 applications.

Think Logistics

63. DfT provided grant funding to Think Logistics who, with Career Ready, are working to attract young people to the profession by promoting the benefits of working in the sector and encouraging the provision and take up of paid internships for young people.

Improvements to working conditions

64. A key issue in both the retention of existing drivers and encouraging greater diversity within the workforce, is improved working conditions. We are aware that in many cases areas for overnight parking are unavailable,

unsafe or unsanitary. We are therefore supporting efforts to improve, secure and expand lorry parking sites.

65. As set out in our Written Ministerial Statement of 11 November, to support our hauliers' access to parking and services in the near term we are working with our partners to identify and deliver a number of temporary sites where short-term modular facilities can be installed to address some of the immediate need.
66. A programme of longer-term measures is under development supported by the £32.5M in roadside facilities for hauliers announced in the budget and we will publish a Future of Freight plan, a long-term strategic plan for the sector, in coming months.
67. We are encouraging National Highways to consider how their land holdings can be used to provide additional parking spaces nationwide, to give priority to the provision of lorry parking across the Strategic Road Network and assist local authorities in identifying areas of lorry parking need.
68. The planning system must also play its part in meeting the needs of hauliers and addressing current deficiencies. A number of actions relating to the planning system are set out in a joint Written Ministerial Statement from Secretaries of State for Transport and the Department for Levelling up Housing and Communities of 8 November⁴.

Section 4: The potential effects of the Government's policies and regulations on road safety

69. Great Britain's roads are amongst the safest in the world and the Government is committed to building on and improving this record. The Department for Transport has recently launched a consultation on proposals to set up a Road Collision Investigation Branch (RCIB), which would carry out thematic investigations and probe specific incidents of concern to establish the causes of collisions and make independent safety recommendations to help further improve road safety across the country.

Driving licence changes

70. The regulatory changes to driving licence acquisition described in Section 2 are not expected to have negative impacts on road safety.

71. The Motor Vehicles (Driving Licences) (Amendment) (No. 5) Regulations 2021 were laid on 23 November 2021 and will remove the need for drivers to take an additional test in order to tow heavy trailers behind their cars, simplifying the law and treating all driving licence holders the same irrespective of when they passed their test. Around 16 million drivers who took their test before 1997 already have that right and this measure lets everybody enjoy the same privilege. When the law is changed, all car drivers will be able to tow a trailer weighing up to 3,500kg without the need for an additional test.

72. There is no current information to demonstrate that the competence and skills will worsen if car drivers do not take a statutory test to tow a heavy trailer. Road safety improvements in recent decades is due to a number of factors including improvements to vehicle safety and road infrastructure, and other changes to licencing laws such as the introduction of the hazard perception test and it is not possible to isolate or identify the casual impact of any one factor. An accredited training scheme is being developed which will provide the opportunity for standardised training and assessment for all drivers who wish to tow a trailer of any size and will contribute towards drivers knowledge and skills and is expected to support and enhance road safety standards.

73. The Motor Vehicles (Driving Licences) (Amendment) (No. 4) Regulations 2021, laid on 18 October, remove the need to get a full HGV licence first before being able to get an HGV and trailer licence (or bus and trailer

licence). In removing this step (or “stage”), we speed up the process HGV drivers take to qualify to tow a trailer at a time when we critically need more drivers. Learner drivers will continue to have to train and practice in rigid or articulated HGVs (or bus) so that they have skills and knowledge to successfully pass the practical test. The required standards of the test remain the same. It also frees up driving examiner time which can be used to increase the number of HGV tests creating up to 900 additional test appointments each month.

74. The Motor Vehicles (Driving Licences) (Amendment) (No. 3) Regulations 2021, laid on 18 October. enables authorised 3rd parties to conduct the HGV test of the off-road reversing manoeuvres test, and, for lorry or bus and trailer combinations, an uncoupling and recoupling exercise. This will allow tests conducted by DVSA to be increased from 4 to 5 a day for a full-time examiner. This change simply alters the sequencing to make it more efficient and will not impact drivers having to show that they are safe on our roads. In order to obtain full entitlement HGV driver must pass both the off-road test and the practical on-road test which continues to be provided by the DVSA.

75. The removal of the stage in acquiring an HGV licence is not expected to have an impact as drivers will continue to need to demonstrate that they meet the required standards in order to pass the test. The testing standards have not changed. Similarly, on the third-party provision of the off-road part of the HGV test, drivers’ skills will be tested as part of the practical and will continue to have to pass both off-road and on road elements of the HGV test. DVSA will be responsible for approving and auditing the third-party providers with powers to remove a provider’s approved status.

76. We will monitor any impact on road safety from the change in the rules and the regulations expect a post implementation review before the end of 3 years from their implementation.

Temporary exceptions to drivers’ hours rules

77. The temporary relations to Drivers’ Hours Regulations described in section 2 operate under strict rules. Drivers’ hours rules are an important road safety measure and any deviation from the rules must be a last resort when other means of mitigating a situation have failed. Therefore, the temporary

relaxation to the drivers' hours rules must only be used where necessary by drivers and transport operators.

78. Under the relaxations, drivers can either:

- increase their daily driving limit from 9 hours to 10 hours up to four times in a week (instead of increasing it from 9 hours to 10 hours twice a week); or
- take two consecutive reduced weekly rest periods, of at least 24 hours in a two-week period (instead of one regular weekly rest period of 45 hours and one reduced weekly rest period of at least 24 hours, in a two-week period); together with an increase to the fortnightly driving limit from 90 hours to 99 hours; to allow for two consecutive reduced weekly rest periods to be taken. This must be followed by two regular weekly rest periods of at least 45 hours. In addition, any reduction in weekly rest shall be compensated for in the normal way by an equivalent period of rest taken before the end of the third week following the week in question.

79. The practical implementation of the temporary relaxation should be through agreement between employers, employees, and driver representatives. Operators must notify the DfT if this relaxation is used.

80. The temporary relaxation of the rules must be used only where necessary, otherwise the normal drivers' hours rules should be followed. These limit drivers' working hours (which includes driving and any other work) to an average of 48 hours a week over a 17 to 26 week reference period. These regulations also limit drivers to a maximum of 60 hours in any given week, provided the average is still 48 hours. This ensures drivers are not working continuously long hours, even if working under a temporary relaxation of the drivers' hours rules.

81. Driver safety must not be compromised. Drivers should not be expected to drive whilst tired - employers remain responsible for the health and safety of their employees and other road users. All daily rest requirements, including the need to take a break of 45 minutes after 4.5 hours of cumulative driving, remained unchanged.

82. Operators using the relaxation are required to notify the Department that they intend to or have used the relaxation. This assists transparency and

later checking of compliance. The Driver and Vehicle Standards Agency (DVSA) has extensive powers to investigate; it can issue penalties, and it can refer GB operators and transport managers to the Traffic Commissioners if it considers relaxations have been used wrongly.

83. For the period 12 July to 31 October, the DVSA undertook a total of 6,241 targeted checks on UK operators. As part of those checks, 1,605 offences were identified for drivers' hours violations of which 265 were serious enough to attract a fixed penalty. These violation rates are consistent with previous periods when exceptions were not in place.

84. For operators that notified the Department of their intent to make use of the relaxations, the DVSA applied the OCRS as part of undertaking targeted checks. This resulted in a total of 111 checks against operators that had notified the Department of their intent to use the relaxations over the period 12 July to 31 October. 58 offences for drivers' hours were identified, of which 12 related to the relaxed rules, but none was sufficiently serious to warrant a fixed penalty.

Temporary Extension of Dangerous Goods Driver Licences

85. The Department for Transport has extended of Dangerous Goods Driver (ADR) Licences. Authorisation 990, made under Regulation 12 of the Carriage of Dangerous Goods and Use of Transportable Pressure Equipment Regulations 2009 permits the extension of ADR licences which were due to expire between 27 September and 31 December, until 31 January 2022. This will maximise the capacity of drivers' time on the road whereas they would otherwise be withdrawn to undertake refresher training and examination.

86. An ADR licence is valid for a maximum period of 5 years, with refresher training and examination due within the last 12 months of validity. This extension potentially applies to 3500 drivers, including approximately 2000 fuel tanker drivers. Given that the average pass rate for ADR refresher training is 98.6%, an extension to the validity of these licences is considered to present a minimal risk to road safety. It is expected that the risk posed would change exponentially with any further extensions due to the increasing lapse in refresher training.

Section 5: Infrastructure, including roads, ports and airports, with a particular focus on capacity, resilience and interoperability

87. Most domestic freight is moved by road and will continue to do so in future. It remains vital to ensure that our roads and supporting infrastructure are maintained and developed with freight in mind, both for domestic supply chains and to support efficient international movements.
88. Other modes have an important role to play whether supporting lower carbon journeys, carriage of bulk goods, or high-value, time-critical movements.
89. The Department for Transport has established the Freight Council; a cross-modal collaboration between industry and Government, focusing on the development of a long-term plan for the freight sector. The Council comprises representatives from across government and chief executive officer-level representatives from all freight modes to consider cross-cutting issues relevant to the freight sector and ensure an ongoing strong voice for freight across government, reflecting its critical importance.

Planning

90. In the 'Planning for the Future' White Paper, the Government set out its vision for a new and improved planning system. The White Paper set out changes in the way we plan for and design new development. This will include reviewing the National Planning Policy Framework. The planning reforms, led by the Department for Levelling up, Housing and Communities will provide an opportunity to review the current system and ensure sustainable development is a key part of any future planning system; this will include considering how the freight system is sustainably planned and delivered.
91. The National Planning Policy Framework has been amended to reflect that the movement of freight can have specific location requirements. It makes clear that planning authorities should plan for storage and distribution operations at a variety of scales and in suitably accessible locations. Updates were also made to planning practice guidance on housing and economic needs in July 2019 regarding the need for planning authorities to assess the need and allocate space for logistics, including last mile facilities.

92. Furthermore, in Nov 2021 the Department for Transport published a written ministerial statement announcing the joint initiative between the Department for Transport and Department for Levelling Up, Housing and Communities on planning reforms for lorry parking, and to emphasise the critical importance of the freight and logistics sector. This also sets out accelerating work recommended by the National Infrastructure Commission to consider the appropriateness of current planning practice guidance.

93. The Department for Transport established a Future of Freight programme, which is working in partnership with industry throughout 2021, to assess whether further changes are required to support freight industry aspirations by better understanding the successes and challenges of planning for freight. A planning focussed industry roundtable is planned for November as part of the final stages of Future of Freight's engagement programme, following Planning being identified as a key factor to the future success of freight and logistics sector in Freight Council meetings and industry workshops.

Investment in roads and infrastructure, including lorry parking

94. The Roads Investment Strategy 2, published in 2020⁵, set out the Department for Transport's plans for investment over the period 2020 – 2025 to ensure the strategic road network meets the needs of modern society and keeps goods moving.

95. SR21 builds on the progress made at SR20 to boost connectivity across all parts of the country. The settlement delivers £24 billion of strategic roads investment from 2020 to 2025, delivering over 60 upgrades, including the largest scheme in a generation – the Lower Thames Crossing – and major upgrades to the A66, A428, A417 and A12.

96. The Autumn Spending Review also confirmed £2.6 billion between 2020-2025 for a long-term pipeline of over 50 local roads upgrades and over £5 billion for local roads maintenance: crucial for last-mile deliveries and remote communities.

Lorry parking

97. The Department is working at extreme pace to deliver short term improvements to the lorry parking and driver welfare facilities in the run up to Christmas 2021.
98. The Department has appointed contractors to provide modular driver welfare facilities for interim lorry parks and has written to priority local authorities, relevant government departments and public bodies with transport infrastructure to identify suitable areas of hard standing capable of hosting 50 plus HGVs. The actual number of sites is yet to be determined as we evaluate responses. Due to the limited availability of hard standing areas and geographic dispersal it is not envisaged that this initiative will require any changes to the road network or traffic controls or that there would be a material impact on HGVs route preferences.
99. The Chancellor of the Exchequer announced in the October Budget investment of £32.5 million in roadside facilities for HGV drivers on the road. The Department is developing plans for this longer-term work and will engage with local authorities and private sector operators of lorry parks to develop approaches to longer term improvements to the capacity and quality of HGV parking.
100. The funding will go towards supporting industry to improve both security and facilities available at existing sites, making the use of lorry parks more attractive to drivers. It may also be used to increase spaces for lorry drivers in England, mainly through part-funding of local proposals.

Ports

101. The UK ports and logistics industry is highly deregulated and market-responsive. Ports have responded to pronounced structural change in the patterns of trade, both in bulk and unit-load traffic, with minimal need for government intervention. This has stood them in good stead for the further, unprecedented changes flowing from EU exit and from the pandemic. Major new development, provided that it is environmentally and socially responsible, is robustly supported by the National Policy Statement for Ports.
102. Ports have broad permitted development rights on operational land and so have been able, in most cases at least, to react in an agile way to fluctuations in the pattern of traffic.

103. From 1 January 2022, the following customs and border control changes come into effect: full customs declarations required at time of import for all goods; all applicable tariffs will be payable on import; UK entry safety and security declarations required for all goods (to prevent trade in illicit goods); and imports of products of animal origin and high-risk foods will require pre-notification. From July 2022, sanitary and phytosanitary (SPS) checks on EU imports of animal and plant origin will come into effect.
104. To assist ports' readiness, the Port Infrastructure Fund (PIF) was launched in October 2020. The fund is led and administered by BPDG in Cabinet Office; however, DfT disburses the grants on its behalf. £200M in grants were awarded to assist ports in building new, and upgrading existing, border facilities required to implement the new border controls. This was a derogation from the usual 'trader provide free' presumption (i.e. ports pay for their own on-site infrastructure) and was accompanied by parallel funding for HMG-provided and operated inland facilities for customers of ports for which on-site development was impractical (most notably Dover, Eurotunnel and Holyhead).
105. Although timescales were demanding, almost all ports that have been delivering on-site infrastructure via the PIF were on track to deliver in time for the introductions in January-March (2022) of controls on animal and plant products. However, enough were 'at risk' to prompt a further postponement until July 2022 (per the written ministerial statement by the Paymaster General on behalf of Lord Frost on 14 September).

Customs readiness

106. Each port is required to have chosen, and have approved, its Customs Control Model by 31 December 2021. By the end of October, over 200 ports had submitted applications to the National Frontiers Approval Unit (NFAU) of Border Force (>85% of 'in-scope' ports). However, risk remains regarding the ability of the NFAU to grant all approvals in time with HMRC now providing additional resource to bolster the process. Any ports that do not have their Customs Control Model approach approved by HMRC in time for 1 January may not be able to handle EU traffic or exports. HMRC have developed contingencies to ensure the flow of goods remains possible.

107. There had been concern that there were too few live animal facilities to serve the country with HMG facilities serving the Short Straits representing almost a single point of failure risk (there exists one other small facility at the Port of Tyne).

108. DHSC is working to ensure that PPE stocks held at ports are removed so as to free up space required for daily throughput.

Aviation

109. The aviation industry is a private sector, therefore is market responsive. Airlines have adapted during the pandemic by placing goods within the main body of the aircraft across passenger seats as passenger numbers significantly declined. In 2019, UK airports handled around 2.5 million tonnes of air freight. In the first six months of 2021, UK airports handled around 1.1 million tonnes of air freight, about 12% less than the volume of air freight handled in the same six months of 2019 (pre-pandemic).

110. After freight arrives at a UK airport, goods are transferred to haulage companies and distributed around the country. Labour shortages within ground handlers (companies that handle the freight within the airport), and HGV drivers from freight forwarders has resulted in delays to freight processing and onward transportation. This has caused congestion of cargo storage at airports. The industry is currently responding to these challenges by sourcing further warehouse storage.

111. Less than 1% of the tonnage of international freight to/from the UK was moved by air in 2019. However, the value of air freight per tonne is significantly higher than other sectors and the cost of transport by air is significantly higher. Over 90% of air freight handled in the UK is accounted for by the five airports: Heathrow, East Midlands, Stansted, Manchester and Gatwick. Heathrow is the UK's busiest airport, most freight arriving at Heathrow is carried in belly of passenger aircraft. In contrast, East Midlands and Stansted (the next two largest freight handling airports) facilitate almost all of their air freight on short-haul networks often operated by fast-parcel carriers on dedicated cargo aircraft (UPS, DHL etc). Just over 70% of freight handled at UK airports is in the belly hold of passenger aircraft, the majority. East Midlands airport is the UK's largest dedicated freight airport (i.e. freight only flights). of freight arriving at Heathrow is carried in this manner. In contrast, East Midlands and Stansted (the next two largest

freight handling airports) facilitate almost all of their air freight on short-haul networks often operated by fast-parcel carriers on dedicated cargo aircraft (UPS, DHL etc). East Midlands airport is the UK's largest dedicated freight airport (i.e. freight only aircraft)

Border Changes

112. East Midlands airport handles the largest amount of air freight travelling to or from the EU (237,667 tonnes in 2019) and accounts for 71% of total freight handled at East Midlands. Over 90% of air freight handled at Luton is from the EU but at a significantly lower volume. In comparison, Heathrow which handles the highest tonnage of air freight in the UK, only has 6% of air freight from the EU.

113. Airports that handle a large volume of EU air freight are preparing for new custom checks coming into force on 1 January 2022. Airports, such as Heathrow mainly handle non-EU air freight, therefore have established processes in place and are well versed with full custom check processes.

114. The introduction of the EU's new Entry and Exit System (EES) on passengers in May 2022 will have minimal impact on aviation owing to the entry / exit biometric data being checked in overseas airports.

Noise Regulations

115. For the purposes of limiting aviation noise around Heathrow, Gatwick and Stansted, the Government has set limits on the number of aircraft movements between 23:30 and 06:00. This is a long-standing regulatory regime in place since the 1960s.

116. Over 90% of air freight is handled by Heathrow, East Midlands (no restrictions in traffic movements in the night period), Stansted, Manchester (night flight restrictions set by the Local Authority) and Gatwick, with much of the dedicated freight operating in these night period.

117. We have dispensation powers to permit more flights at the three designated airports if they are needed in the national interest as a mitigation to allow critical supplies to be moved. For other areas, there may be mechanisms for the SoFS DLUHC to override local planning decisions under the Town & Country Planning Act 1990, which could be used to enable more night flights at other airports. Local Authorities will

through often take their lead from Government if we provide short term dispensation.

118. Any long term permanent changes to the number of night flights, (which have been limited for the purpose of noise) at any major airport would need to be consulted upon in a c.18 month process set out by the Airports (Noise-related Operating Restrictions) (England and Wales) Regulations 2018.

Rail freight

119. The Williams-Shapps Plan for Rail⁶ set out the biggest reform to the railway in three decades including a new offer for rail freight to support a growing, innovative, modern rail freight market. Under the Plan, Critical safeguards will be introduced to ensure freight operators receive fair access to the network and Great British Railways will have a statutory duty to promote rail freight to secure economic, environmental and social benefits for the nation and we will introduce a rail freight growth target, but this should not become a ceiling.

120. Between 2014-2019 the Government invested over £235m in the Strategic Freight Network to improve the capability and capacity for rail freight. Further infrastructure funding is being made available going forward through the Rail Network Enhancements Pipeline (RNEP). For example, the Government has invested £120.6m in the Southampton Freight Train Lengthening Project. Freight services between Southampton, the Midlands and the North can now carry up to 20% more goods as a result of track, signals and sidings improvements. Trains once restricted to 520 metres in length can now be extended up to 775 metres in length, or 14 extra containers per train.

121. A strategic freight unit is being established created within Great British Railways. This will act as a single point of contact for freight operators and customers across the network and will help to ensure freight is embedded in strategic decision making.

122. We strongly support modal shift of freight from road to rail. Intermodal journeys and mode shift incentives are covered at Section 8: Decarbonising Road Freight.

Section 6: The effect of border procedures on road freight

123. The importance of the Short Straits (in particular the Port of Dover and Eurotunnel) to UK trade with the EU is widely recognised. This trade can be disrupted for many reasons – operational difficulties at Eurotunnel or, for the ferry operators, bad weather, strike action etc.
124. In the run up to the UK's exit from the European Union and the end of the Transition Period, the Government considered the potential effect of the introduction of new border controls and put in place two mitigations. First, we introduced measures to support hauliers and traders become familiar with the new border processes. Second, we worked with the Kent Resilience Forum to deliver measures to mitigate the effects of any disruption that occurred.

Haulier readiness

125. In preparation for changes from the 1 January 2021, we supported Haulier Readiness through measures that included a network of 46 Information and Advice sites upstream of UK ports. These provided advice, support and advisory readiness checks to hauliers, which enabled us to reroute those who were not border ready. We also developed guidance in the form of printed materials, the Haulier Handbook, training and outreach (delivered both face to face and virtually), translated into multiple languages.
126. The Kent Access Permit regulations also meant that drivers had to use the service 'Check an HGV is Ready to Cross the Border'. This supported drivers to have the correct documentation and prevent them from being turned back at the border.
127. The effects of these measures and of the efforts of hauliers and traders can be seen in the few HGVs that were turned back from the border after the end of the EU Transition Period. As the National Audit Office reported, the number of HGVs turned back from the border in January 2021 were only 8% (compared to 30-50% of laden and empty lorries arriving at the short Straits not ready for EU controls in the Reasonable Worst Case Scenario prepared in advance of the end of the Transition Period). . This reduced to 1% by March 2021.

128. In preparation for changes to export and (now) import controls for trading with the EU, DfT has been delivering the Haulier Outreach Programme since 2020. We are providing information, training and hands-on support to haulage and logistics firms and haulier drivers to mitigate the risk of HGV drivers carrying 'unready' loads for their customers, preventing disruption at borders
129. We have extended the number of our Information and Advice Sites (IAS), and expanded multilingual staffing provision, onto ferries and to EU ports, to hauliers to familiarise themselves with new systems and processes ahead of changes to UK border and import controls through 2021/2022.
130. Through the IAS, we have built a strong, positive reputation with hauliers and their drivers and wider industry, who see the sites as a place to go for help and support for a wide range of border-related issues. Industry have welcomed continued support with another iteration of the Haulier Handbooks' multi-lingual guidance and a dedicated digital platform, with a multi-lingual live chat function available for direct support on changes and requirements.

Traffic management

131. The Kent Resilience Forum (KRF) takes decision on traffic management in response to disruption at the Port of Dover and Eurotunnel. First response is likely to be the Dover Traffic Assessment Protocol (Dover TAP) which allows up to 500 HGVs to be queued on a stretch of the A20.
132. In cases of more severe disruption, the KRF may deploy Operation Brock. Operation Brock involves the deployment of a moveable barrier on the London-bound carriageway of the M20 between junctions 8 and 9. Up to 2000 HGVs can be queued on the Coastbound carriageway while other traffic uses the contraflow.
133. Operation Brock was developed by National Highways (then called Highways England), the Kent Resilience Forum and DfT in 2018 as an alternative to Operation Stack (which closes stretches of the M20 causing problems on local roads when traffic was diverted away from the M20). The KRF will only deploy Operation Brock when there is risk of serious disruption at the ports.

134. Operation Brock forms part of the wider Kent Resilience Forum's Operational Fennel Plans which also contains plans for responding to non-freight traffic congestion surrounding Kent ports including for driver welfare provision.
135. In the event of disruption, the decision to initiate elements of Operation Fennel (including Brock) is taken by the Kent Resilience Forum's Gold Commander. The decision will be based on a series of previously agreed trigger points, as well as intelligence from the portals.
136. The KRF tactical commander may also decide to use Sevington Inland Border Facility (up to 1,000 spaces) or to close one or both sides of the M20 contraflow should the extent of an incident require additional action.

EU Entry and Exit Systems

137. The EU's new Entry and Exit System (EES) was due to be implemented in May 2022 but now appears likely to be delayed until the end of the year. The EES will require that all non-EEA/EU nationals must enrol biometric data that will be checked each time they cross the border.
138. At present there are significant infrastructure-related uncertainties. Port operators require clarity on French plans to inform infrastructure investment plans to ensure compliance, notably at St Pancras and Dover where there is a lack of space for the effective processing of the passenger volumes that will occur, and currently a lack of technological solutions to capture the biometric data in a vehicular environment.
139. While passenger traffic, not freight, is the primary concern (passenger vehicles typically have multiple people, the vast majority of HGV drivers are EU passport-holders, and how the system will apply to drivers and crew is not yet known), any congestion at Dover and Eurotunnel has considerable knock-on effects in and around Kent.
140. There is always a degree of disruption given the number of passengers involved in the rush at the start of summer. However, we are not expecting significant additional disruption on account of the changes brought in on 1 January 2022, or those likely to be introduced after the Summer (i.e. the European Travel Information and Authorisation System and EES).
141. We have been working closely with the French to ensure implementation of these additional requirements is done in a carefully

planned way.

Northern Ireland

142. The Department for Transport is responsible for managing the traffic impacts on motorways and trunk roads in England of border processes. To date there has been no traffic disruption on the approaches to English ports serving Northern Ireland.

143. The Government is in intensive discussions with the EU with the aim of delivering significant changes to the NI Protocol. The UK's proposal on goods movements, as set out in the Command Paper published in July, is simple: goods which both we and the EU agree are not going to leave NI should not be treated as if they were moving from one country to another - because they are not. Goods going on to Ireland should be checked, in the Irish Sea, to protect the EU single market and to avoid a hard border between Northern Ireland and Ireland.

144. We would prefer to settle these issues consensually and reach a positive outcome through negotiations. However, it is the responsibility of the Government to safeguard peace and prosperity in Northern Ireland, and our priority is to support the Belfast (Good Friday) Agreement (BGFA). We will not proceed in a way that puts all that at risk. The Article 16 safeguards within the Protocol are provided to deal with the situation if the Protocol ceases to support the BGFA. The Government will always act with that in mind.

Section 7: Workforce skills, training and development

145. Qualification as a haulier requires individuals to obtain the Driver Certificate of Professional Competence. There are several routes to entry to the occupation. On-going development is partly regulated through a minimum period training requirement.

Initial HGV driver training

146. To carry goods commercially, drivers must obtain a professional driving qualification called the Driver Certificate of Professional Competence (CPC), also known as initial driver CPC. Initial Driver CPC consists of four parts:

- Part 1 theory test
- Part 2 case studies
- Part 3 practical driving test
- Part 4 demonstration of safety-related checks

147. Driver CPC content is set out in law and overseen by the DVSA. The part 4 test and, from 15 November 2021, the off-road section of the part 3 test, can be delegated to approved providers.

Training providers

148. As set out in section 3 there are several training options available for people wishing to qualify as an HGV driver, depending on where they live. Some options include help with the costs of training.
- Apprenticeships: These are available in England, Scotland, Wales and Northern Ireland. Apprentices are paid a salary while training.
 - Skills Bootcamps provided by DfE: Government funded training courses lasting up to six weeks. These are only available in England, and are expected to start in December.
 - Vocational qualifications: These are only available in England and may be funded partly or wholly.
 - Driving schools: Most people learn through a private driving school. Many offer intensive training courses with tests.

Ongoing development

149. The Driver CPC qualification must be maintained by regular periodic training, with 35 hours being required in each five-year period after it has been acquired. Driver CPC was introduced to improve road safety and provide economic and environmental benefits. Many professionals are required to undertake continuing professional development to stay up to date with the demands and legal requirements of their chosen profession. It is not unreasonable that professional HGV drivers, who have a significant responsibility for road safety, should be required to undertake some form of regular training.
150. Drivers can take training courses any time within the five-year period. The minimum length of a training course is seven hours although this can be split over two consecutive days. The same course should not be taken more than once in each five-year period unless there is a good reason to repeat it e.g. maintaining a dangerous goods qualification.
151. Training providers set their own prices for courses - there's no maximum price. Some employers pay for periodic training for those who don't drivers have to fund themselves and aren't paid for the time away from driving.
152. Only approved training centres can provide Driver CPC periodic training courses Responsibility for approving Driver Certificate of Professional Competence (DCPC) courses and providers in Great Britain rests with the Driver and Vehicle Standards Agency (DVSA) and with the Driver and Vehicle Agency (DVA) in Northern Ireland.
153. DVSA conduct almost 1400 DCPC centre and course audits a year, and the training delivers a positive outcome for drivers. Where issues with training are identified, DVSA will work with the provider to address weaknesses. If the outcome is unsatisfactory, centre approval will be removed.

Review of periodic training

154. On 8 November the Secretary of State for Transport announced an urgent review of Driver CPC. The review will look at how periodic training can be updated to reduce the burden on new and returning drivers and ensure it does not act as a barrier to working in the sector.

155. Feedback from industry suggests the costs and duration of periodic training – which must be taken in full to requalify - puts off many drivers who have left the profession from returning.

156. It is vital that drivers remain fully qualified; the review aims to ensure they can do so in the most efficient way possible whilst maintaining road safety standards. The Government's position is that drivers should not be out of pocket or out of work through no fault of their own.

Section 8: Decarbonising road freight

157. The vast majority of freight is moved by vehicles on our roads. After cars and vans, HGVs are the largest contributor to domestic transport CO₂ emissions (16% in 2019). Removing emissions requires the development and deployment of clean technologies, as well as the use of more sustainable forms of transport, many of which are already available including cargo bikes and rail. We must transition to zero emission HGVs to get the transport sector to net zero by 2050.

158. Government is considering its wider approach to the freight sector through its Future of Freight programme. The strategy will describe the Government's long-term vision for the freight sector across a range of indicators, including decarbonisation, and provide a policy route map to achieve that vision.

HGV phase out date consultation

159. The Department for Transport has recently consulted on phase out dates for the sale of new non-zero emission HGVs, to ensure that our road freight fleet will be zero emission by 2050. The government response will be published shortly. The consultation proposed to introduce two phase out-dates for the sale of new non-zero emission HGVs:

- A 2035 end of sale date for HGVs between 3.5 and 26 tonnes
- A 2040 end of sale date for HGVs greater than 26 tonnes

160. Setting a phase out date for polluting vehicle will drive innovation and create a market for zero emission vehicles.

161. At the same time, Government has consulted on the design of a new domestic regulatory regime for road vehicle CO₂ emissions, including the possible introduction of a zero emission vehicle (ZEV) mandate and how it might apply to HGVs. This is the start of a process to redesign the UK's emissions regime which will eventually determine the calculation and enforcement of any phase out dates.

Zero Emission Road Freight Trials

162. The government have invested £20m in 2021 in the Zero Emission Road Freight Trials (ZERFT) programme to support industry to develop cost-effective, zero-emission HGVs and their refuelling infrastructure in the UK.

163. The Net Zero Strategy announced that we will be building on the success of this work and expand the programme to trial three zero emission HGV technologies at scale on UK roads: hydrogen fuel cell, catenary electric and battery electric HGVs.
164. These trials will advance research and development in the technologies and help decide how they can each best be used to decarbonise road freight. This will inform the commercial roll out of this new technology before the end of the decade.
165. The Department for Transport is already working in partnership with businesses and research organisations across the UK including in the Midlands, the north of England and Scotland. There are electric HGVs being built in Lancaster and Sheffield and designs for trials in Yorkshire and across Scotland.

Modal Shift

Mode shift revenue support

166. The Government supports the modal shift of freight from road to rail because of the environmental benefits.
167. We are investing significantly in the rail network to improve its capacity and capability for freight and we are incentivising modal shift through grant schemes where road haulage has a financial advantage. These grants help to remove the equivalent of around 900,000 HGV journeys off the road each year.
168. On 8 November the Secretary of State for Transport announced £500,000 will also be added to the existing Mode Shift Revenue Support Fund for 2021 to 2022. The additional funding equates to taking a significant 29,000 lorry loads of goods off the roads up until the end of March 2022.
169. Our commitment to modal shift and rail freight growth is also outlined in the Williams-Shapps Plan for Rail which outlines the Government's plans to support a growing, innovative, modern rail freight market that can maximise rail's potential to deliver cleaner, greener, freight journeys. We will also set a rail freight growth target to encourage the continued growth of rail freight, as well as the modal shift of freight from road to rail.

Higher weights for HGVs on intermodal journeys

170. To support intermodal journeys, the Department for Transport has consulted on trialling higher weights for articulated lorries during domestic intermodal journeys to improve efficiency and support rail freight.

171. The standard maximum laden weight for 6-axle articulated lorries when used on public roads in Great Britain is 44 tonnes. Some organisations have proposed that increasing the weight limit to 48 tonnes could offset the heavier trailer and container needed for intermodal freight, thereby encouraging modal shift of freight from road to rail, with reductions in emissions and congestion. Having considered responses to the consultation and following discussion with the Welsh and Scottish governments, the Department will continue to work towards implementing a trial of 48 tonne vehicles for intermodal journeys, within Great Britain (vehicle weight limits are devolved in Northern Ireland).

Government funding for road freight decarbonisation

172. We will continue to use the Energy Saving Trust's online Freight Portal, to showcase the commercial benefits of improved fuel and logistical efficiencies, including information on available technologies, training and advice which operators can adopt to save time and money while reducing HGV emissions.

173. The government is providing £582 million to continue the plug-in grants until 2022-23, including support for the plug-in truck grant. The plug-in truck grant reduces the purchase price of zero emission commercial vehicles for consumers. Grant rates for eligible trucks are set at 20% of the purchase price, with up to £25,000 of funding available for the largest HGVs.

174. The £23 million Hydrogen for Transport Programme (2017) funded the deployment of hydrogen vehicles & refuelling stations. This is increasing the uptake of fuel cell electric vehicles and growing the number of publicly accessible hydrogen refuelling stations, which increases the viability of hydrogen technology for HGVs.

Last/final mile deliveries

175. "Gear Change: a bold vision for cycling and walking", published in July 2020, announced plans to extend the e-cargo bike grant programme as

part of Government's wider programme to decarbonise deliveries. This gives up to £1,000 grant per bike.

176. The plug-in van grant offers 35% of the purchase price of new zero emission vans. This is up to a maximum of £3,000 for small vans and up to £6,000 for large vans

177. The department is researching the legal and practical issues around compulsory consolidation centres setting the groundwork for future pilots. Pilots will seek to ensure that the majority of urban deliveries are consolidated and transferred to zero emission vehicles for the last mile.

Low carbon fuels in HGVs

178. Low carbon fuels currently contribute around a third of the emissions savings required for the UK's transport carbon budget and will continue to support us meeting our carbon budgets for years to come.

179. The supply of renewable fuels, including bioethanol and biodiesel, is already supported under the Renewable Transport Fuel Obligation, which supports use of low carbon fuels to deliver carbon savings, predominantly in road vehicles. We are looking carefully at the evidence, including recent industry recommendations, around using higher blends of biofuels or drop-in fuels to further maximise carbon savings in HGVs in the short to medium term.

180. Furthermore, government has committed to maintaining the fuel duty differential up to 2032 (subject to review in 2024) to encourage the use of biomethane and other gaseous fuels which create carbon savings compared to fossil fuels.

Section 9: Transport Select Committee previous recommendations on haulage

181. Recommendations relevant to the Government from the Skills and Workforce planning in the road haulage sector inquiry are italicised below as per the report of July 2016 (HC68).

182. Current data provide sufficient information on gender balance but not on other measures of diversity. The Government and industry should consider how more reliable data can be collected on the number of drivers from BAME backgrounds and the numbers of part-time workers. They should then use the data to assess the effectiveness of the steps taken to address diversity and to plan the actions needed to improve gender balance, the representation of BAME groups, and the diversity in patterns of work.

183. The Government responded to the Committee's recommendations in October 2016, including with its consideration of whether more official data should be collected about part time and BAME drivers. The strategy adopted related to diversity has been to support industry initiatives to tackle the issue. For example, the Department for Transport has supported the Think Logistics initiative including with funding to help encourage increased diversity in logistics (particularly younger people).

184. There has been some progress with increased diversity. The number of females taking large goods vehicle tests more than doubled between 2010 and 2020 and the proportion of candidates passing large goods vehicle tests at DVSA centres who were female has risen from 7.4% in 2015/16 to 9.9% in 2019/20 and 14.4% in 2020/21. However, female representation remains very low at around 1.5%.

185. The Government should assess the effectiveness of all of the steps it is taking to support recruitment and consider whether they represent good value for money. The road freight industry should also assess the impact of any steps to alleviate the driver shortage on other parts of the logistics sector.

186. The steps the Government has been taking since 2016 to support recruitment include apprenticeships using the Trailblazer model and personal career development loans. Personal career development loans were halted because of a limited reach and the availability of commercial solutions. Apprenticeships are available across the sector. For larger

business paying the Apprenticeship Levy, training costs are deductible from the Levy. Businesses not paying the apprenticeship levy can access funding via reserved funds or through transfers from levy paying employers for some purposes. Apprenticeships are also used for jobs other than drivers in logistics and are available across age ranges. The large goods vehicle apprenticeship scheme was altered substantially further to industry feedback during 2021. The Apprenticeship programme value for money has been assessed across Government.

187. For specific groups there have been interventions across Government related to military career transitions, the jobless and other people on Universal Credit and ex-offenders.

188. The report also identified the importance of ensuring public safety is not compromised and using the policy and regulatory framework accordingly around the licensing of drivers and operators, the registration and inspection of vehicles and the periodic training of drivers.

189. It has done so accordingly. It focussed on service standards including quicker service delivery of driving tests. At the time of the Committee's report there was high demand for vocational driving tests, but DVSA had reduced waiting times to the lowest levels since records began in 2000. At the time over 10% of slots were available within one week at the vast majority of DVSA vocational test centres. This represented a major change and response to previous levels. The general ready availability of test slots was maintained up to March 2020, when the pandemic resulted in the closure of testing.

190. *The Government should ensure that the measures it has told us it is taking to address the driver shortage bear fruit and deliver new drivers committed to a career in logistics in the kinds of numbers needed. We believe there are four steps the Department for Transport can take. It should:*

- *ensure activity across Government affecting LGV drivers is well coordinated and mutually reinforcing*
- *encourage the logistics sector, insurers and those involved in the delivery of driver training to improve apprenticeships, promote the industry, improve the delivery of careers advice, and raise awareness of road freight sector in colleges and schools and among*

jobseekers. The Department should assess whether the funding for such activities is sufficient and sustainable

- *continue to improve the Driver CPC, raising the standards of the training delivered and demonstrating the benefits of the periodic training to a sometimes sceptical audience*
- *provide clear, accessible guidance on skills, funding and support, employer standards, regulation and insurance for young drivers.*

191. Some of the key Government interventions affecting the workforce of large goods vehicle drivers are parts of cross-sector policy interventions – for example related to training and jobseekers. The Government response to the Committee back in October 2016 identified cross-departmental co-operation and linkages at that time. Now there is strong co-ordination across Government specifically in relation to tackling the lorry driver shortage, with many of the 32 priority measures being led by Government departments other than the Department for Transport.

192. Measures have been taken to support awareness of the road freight sector. DVSA has continued to invest resource in monitoring and supporting driver CPC. It has evaluated driver CPC and published findings. In addition, UK Government ensured the seven-hour course blocks of training can be split overnight into more manageable sessions. It also took part in negotiations in the EU to reduce the burden of driver CPC including some increases to the exempt groups.

193. More recently DVSA has helped facilitate more on-line learning during and since the pandemic. This has helped drivers maintain their qualification during the time when face-to-face or classroom courses were not available. Remote learning has also benefited those drivers in remote locations and this is continuing after the pandemic restrictions have been eased.

194. DVSA has worked with industry stakeholders to improve the quality of periodic training so that it is relevant for drivers' roles, including developing core content for courses on vulnerable road users and disability awareness.

195. DVSA has detailed changes to how Driver CPC (DCPC) training is managed to ensure that unnecessary repetition of courses is not undertaken within the same five-year period as part of the 35-hour requirement.

196. The Government response of October 2016 identified some specific accessible guidance that had been produced then. Similar guidance and also communication of messages via industry-led groups has continued since.
- 197. The Government should work with the FTA, RHA and trade associations representing the customers of road haulage operators to discuss the issues around the treatment of drivers and to consider the merits of a good practice standard or code of conduct.*
198. The International Road Transport Union has agreed a charter for drivers which the Department has commended to trade associations. The charter is for shippers as well as road transport operators.
- 199. We recommend that the Government consider whether any further investment it makes in helping the road haulage sector with recruitment should be contingent on action by the sector to address retention; to do otherwise will be to continue to try to top up a leaking bucket.*
200. The Department recognises the importance of retention and the merits of further work with the sector, including good practice standards or a code of conduct.

Conclusion

201. The Government has taken swift action to tackle the acute driver shortage and is determined to support the sector in addressing underlying structural issues to ensure supply chains are robust and efficient.
202. We also have an ambitious decarbonisation plan for transport and have pledged that all new HGVs sold in the UK to be zero emission by 2040. The Government is determined that the UK can lead the way by pioneering new technology, creating economic growth and providing new, green, jobs in this industry.
203. The Department for Transport roads programme reflects that the majority of longer journeys whether passenger or freight will continue to be made by road and we will build on our strong road safety record for the benefit of all road users.

November 2021

Endnotes

¹ [ONS, Annual Business Survey](#)

² Driver Require report – check version

³ [UK government action to reduce the HGV driver shortage - GOV.UK \(www.gov.uk\)](#)

⁴ [Written statements - Written questions, answers and statements - UK Parliament](#)

⁵ [Road Investment Strategy 2 \(RIS2\): 2020 to 2025 - GOV.UK \(www.gov.uk\)](#)

⁶ Great British Railways: Williams-Shapps Plan for Rail, published May 2021