

The Rt Hon Grant Shapps MP  
Secretary of State for Transport  
Department for Transport  
Great Minster House  
Horseferry Road  
London  
SW1P 4DR

**13<sup>th</sup> May 2021**

Dear Grant,

**Ref: HGV Driver Shortage – Urgent Intervention Required**

I hope you are keeping safe and well, it would be really useful to meet again soon if that's possible and your diary allows. I feel that there is a lot to catch up on, not least my reason for writing to you today - the significant and rapidly deteriorating shortage of HGV drivers.

As you know, the skills shortage in the road transport sector has been an issue over a sustained period and is certainly impacting the UK and European market. Prior to the pandemic, UK road transport businesses employed approximately 600,000 HGV drivers which included 60,000 from EU member states who were residing and working in the UK. Even with this, we estimated that the shortage of drivers exceeded 60,000.

Since then, the shortage has significantly deteriorated as many drivers have returned to their country of origin during extended periods of lockdown and restricted travel. The uncertainty of Brexit and future rights to live and work in the UK have forced others to do the same – the vast majority are not expected to return.

Here In the UK, the problem has been exacerbated by the increasing number of retiring drivers. The average age of a HGV driver is 55, with less than 2% under the age of 25. Prolonged periods of inactivity have resulted in this aging workforce choosing to retire early or find employment in other less demanding sectors.

The complete shutdown of vocational driving tests throughout much of last year resulted, we believe, in the loss of over 30,000 test slots. This prevented the industry from being able to train and recruit new drivers to replace those leaving.

To add to the perfect storm, the introduction of IR35 on April 6<sup>th</sup> of this year has resulted in agency labour withdrawing their services as businesses initially could not absorb the significant rate increases that were being requested, in some cases as high as £5-6 per hour.

For clarity, we welcome legislation which ensures fair and equal tax for all, however Government must now recognise the repercussions of these converging issues and urgently intervene to help us to resolve this crisis.

Over the past few weeks, we have been providing detailed evidence to your officials. In one example, a top ten haulage business, in terms of turnover, has had to park up 80 vehicles because they cannot find any drivers to drive them. Another has had to tell customers that they cannot do any weekend collections or deliveries. There are countless other examples of similar circumstances.

Following talks with the Food and Drink Federation it is evident that this is impacting the food sector enormously and dialogue with the NFU has highlighted that animal feed to farms is failing, demonstrating that this problem exists right the way across the supply chain.

Lead times for deliveries have extended from an average of 24 hours to in excess of 80 hours and "On Time In Full" (OTIF) levels have dropped from 99% to 85%.

If we do not do something soon, it will affect Governments "build back better" plan. The industry will be unable to maintain the integrated supply chains and cope with artificial spikes caused by hot weather and the easing of lockdown, increasing demand for food and drink into supermarkets, pubs and restaurants and goods into retail outlets.

I understand that the retail sector has suggested that a temporary relaxation of drivers' hours regulations will help to ease the situation, however I and the industry are not at all convinced. I would expect pushback from the unions as existing drivers are already working to their limits and are exhausted. We really need to consider the impact of HGV driver mental health and of course road safety.

We need an immediate solution to this problem - we are not going to solve this now by training drivers and as such need access to global labour including European drivers. With this in mind, HGV drivers must be added to the UK Shortage Occupation List which is published by the Home Office.

This will allow UK registered transport businesses to access a workforce than can live and work in the UK more easily and encourage those that have left to return, even if this is short term measure whilst we concentrate on a longer-term plan.

DEFRA have existing arrangements in place which support our harvest periods where foreign labour restrictions are eased for specific demand. The same principals should be applied - without road transport we will not be able to get food from field to fork.

In addition to taking decisive steps to resolve the immediate challenges, Government must now work with the industry to help address the broader issues around the skills shortage. We must work collectively and towards a sustainable way to recruit and train a homegrown workforce so our reliance on foreign labour falls away over time.

As I have indicated on many occasions, the Apprenticeship Levy has failed this industry which has contributed £500m over the last four years whilst only accessing £50m of that for training. We need to work faster and smarter to develop standards with appropriate levels of funding that will support the industry to reverse this trend and develop a levy that works for the industry – the current one does not.

I would request your help to facilitate an urgent cross Government meeting with myself and a delegation from the industry to discuss the contents of this letter. We must act quickly - the situation is deteriorating at speed and supply chains are already failing.

I eagerly await your reply.

Yours Sincerely,



**Richard Burnett**  
Chief Executive

CC

**The Rt Hon Priti Patel MP** - Secretary of State for the Home Department  
**The Rt Hon Gavin Williamson CBE MP** - Secretary of State for Education  
**The Rt Hon Thérèse Coffey MP** - Secretary of State for Work and Pensions  
**The Rt Hon Brandon Lewis CBE MP** - Secretary of State for Northern Ireland  
**The Rt Hon George Eustice MP** - Secretary of State for Environment, Food and Rural Affairs