



The Road Haulage Association

Response of the Road Haulage Association to the Department of Business, Energy and Industrial Strategy

“Building our Industrial Strategy”.

15/04/2017

Background about the RHA

1. The RHA is the leading trade association representing road haulage and distribution companies, which operate HGVs as profit centres. Our 7,000 members, operating near to 100,000 HGVs, range from single-truck firms to those with thousands of vehicles. These companies provide essential services on which the people and businesses of the UK depend.
2. We proactively encourage a spirit of entrepreneurship, compliance, profitability, safety and social responsibility. We do so through a range of advice, representation and services, including training.
3. We would like to thank the Department of Business, Energy and Industrial Strategy for the consultation and the opportunity to comment on the issues raised.
4. In addition to answering the questions directly we have added further comments on related issues where we feel these are relevant.

General Comments

5. The future of our sector is hugely important to us and our membership, Article 50 has the potential to make or break our sector. We have raised three key points, 1. Customs and their ability to effectively control the access of thousands of vehicle movements that at present move freely around Europe, we are campaigning for 2. Market access for UK operators in the EU, and 3. The need for access to labour. We hosted a meeting with Customs and Treasury at the end of February to ensure they are fully aware of what the sector needs. We also talk with other trade bodies here and co-ordinate our approaches in support of supply chain issues.
6. The RHA believe that one of the key issues facing our industry is a growing shortage of drivers, conservatively estimated at 45,000 UK wide & 2,000 in Northern Ireland. With an ageing workforce this is estimated to continue to rise, without having access to the correct labour markets outside of the UK, there will be a worsening issue facing the sector.

Responses to the Questions

1. Does this document identity the right areas of focus: extending our strengths; closing the gaps; and making the UK one of the most competitive places to start or grow a business?

Yes we agree with this statement.

2. Are the ten pillars suggested the right ones to tackle low productivity and unbalanced growth? If not, which areas are missing?

Yes we agree that the ten pillars if achieved will tackle the issues stated.

3. Are the right central government and local institutions in place to deliver an effective industrial strategy? If not, how should they be reformed? Are the types of measures to strengthen local institutions set out here and below the right ones?

There is no indication that the Government will put emphasis on the need to fully man those departments that have been extremely reduced over recent years will be manned correctly to ensure we are in a position to trade effectively post article 50, for instance, our sector will require seamless customs through ports and borders, so that supply chains have a high level of reliability. It is important that these departments are fully manned to be able to deal with the increased workload

4. Are there important lessons we can learn from the industrial policies of other countries which are not reflected in these ten pillars?

N/A

5. What should be the priority areas for science, research and innovation investment?

STEM subjects and R&D in the road haulage sector will transform and revolutionise how we operate in years to come, our current issues are the lack of skilled LGV Drivers estimated at some 45,000 and reliance on eastern European labour, unless we have free access post Article 50 we as a sector will begin a downward slide.

6. Which challenge areas should the Industrial Challenge Strategy Fund focus on to drive maximum economic impact?

N/A

7. What else can the UK do to create an environment that supports the commercialisation of ideas?

More use of Trailblazer Apprenticeships and better funding models to support those not progressing through traditional university routes.

8. How can we best support the next generation of research leaders and entrepreneurs?

N/A

9. How can we best support research and innovation strengths in local areas?

Better use of LEP's, and review the way LEP's are staffed.

10. What more can we do to improve basic skills? How can we make a success of the new transition year? Should we change the way that those resitting basic qualifications study, to focus more on basic skills excellence?

This is a major issue for our sector who tend to attract the lower educated school leavers and employees, the current education system is failing this group of society and it is left up to Industry to upskill them. This impacts on productivity and makes employers look elsewhere even outside of the UK to recruit. Basic skills, in Numeracy, Literacy and Information Technology has to be high on the issues to be fixed. We agree with the need for the Transition year, however it should include IT and should ensure all school leavers achieve a minimum of level 2 in all three subjects. Those entering apprenticeships and work then stand a much better chance of completion and full time careers.

11. Do you agree with the different elements of the vision for the new technical education system set out here? Are there further lessons from other countries' systems?

We are in agreement with the proposal as long as they tackle the issues at Q11.

12. How can we make the application process for further education colleges and apprenticeships clearer and simpler, drawing lessons from the higher education sector?

Trailblazer and the Apprenticeship Levy will require FE Colleges to rethink and fully engage with Industry not as the current situation where they think they sit above.

13. What skills shortages do we have or expect to have, in particular sectors or local areas, and how can we link the skills needs of industry to skills provision by educational institutions in local areas?

Our sector has a skills shortage with Large Goods Vehicle Drivers to the tune of some 45,000, we also have approximately 60,000 Europeans driving at present, the Brexit process will play a major part in the future of our sector. The issues we have with poorly educated people entering the sector needs to be tackled. If young people are identified at an earlier age as wanting to join the sector, then schooling after that should be geared towards it. Basic skills should be tailored to the sector and irrelevant subjects dropped. Schools and FE Colleges just do not collaborate enough with industry. Industry will collaborate but the education system needs to understand their restraints not the other way around which tends to happen currently, I have first-hand experience of this.



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14. How can we enable and encourage people to retrain and upskill throughout their working lives, particularly in places where industries are changing or declining? Are there particular sectors where this could be appropriate?

This is most definitely the case in the Road Haulage sector and is something we have been doing for many years at the expense of the sector. The RHA is already working closely with the Oil and Gas sector in Scotland for instance. We have supported programs to help offenders in the penal system and ex-offenders, ex-military into the sector. We have formed partnerships with DWP and Job Centre plus to do just this, however all at the expense of the sector. These programs could be extended if a level of funding was offered

15. to 38.

We are in agreement or not in a position to offer further comment

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