UNDERSTANDING AND ADDRESSING HGV DRIVER SHORTAGES IN THE UK

Briefing Report

Technical Report CUED/C-SRF/TR14

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HGV Driver Shortages in the UK – Briefing Report,

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Introduction

The UK is currently experiencing an HGV driver shortage that is resulting in supply problems for a wide range of goods across many sectors. This has become most apparent in relation to fuel supply difficulties to petrol stations in September 2021 that, following media attention, led to panic buying among the public which resulted in traffic, economic and social impacts. However, the HGV driver shortage is not new to the UK; the problem has existed for many years but until now has received relatively little media attention.

This briefing report investigates the current and longer-term HGV driver shortage in the UK and the composition of the driver workforce. It considers the potential longer-term causes that have led to driver recruitment and retention problems, and summarises the actions now being taken by the industry and UK Government to address it.

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The current HGV driver shortage in the UK

The UK road freight transport industry is currently receiving substantial media attention due to the shortage of HGV drivers, which is reported to be leading to difficulties in the movement of goods in many sectors and resulting in goods shortages in retail outlets, restaurants and other businesses. In July 2021, BP announced that a 'handful' of its petrol stations had been temporarily shut due to driver shortages and exacerbated by the need to close a fuel distribution terminal because of Covid-19 isolations amongst staff (Race, 2021). In August, McDonalds reported it was unable to provide milkshakes and bottled drinks at its UK restaurants due to low stock caused by HGV driver shortages. Nando's had to close about 50 of its restaurants after running out of chicken, while KFC was unable to provide a full menu. Retail deliveries of milk by Arla, sweets by Haribo and fuel to BP petrol stations have also been affected to varying degrees (BBC News, 2021a; 2021b). During September it was reported that municipal waste collections were affected, as were deliveries of beer and other drinks, leading to pub closures. Deliveries of flu vaccines to GP surgeries were reported to be two weeks behind schedule, and warnings of Christmas shortages were issued by some companies due to HGV driver shortages (Espiner, 2021; Smith, 2021a).

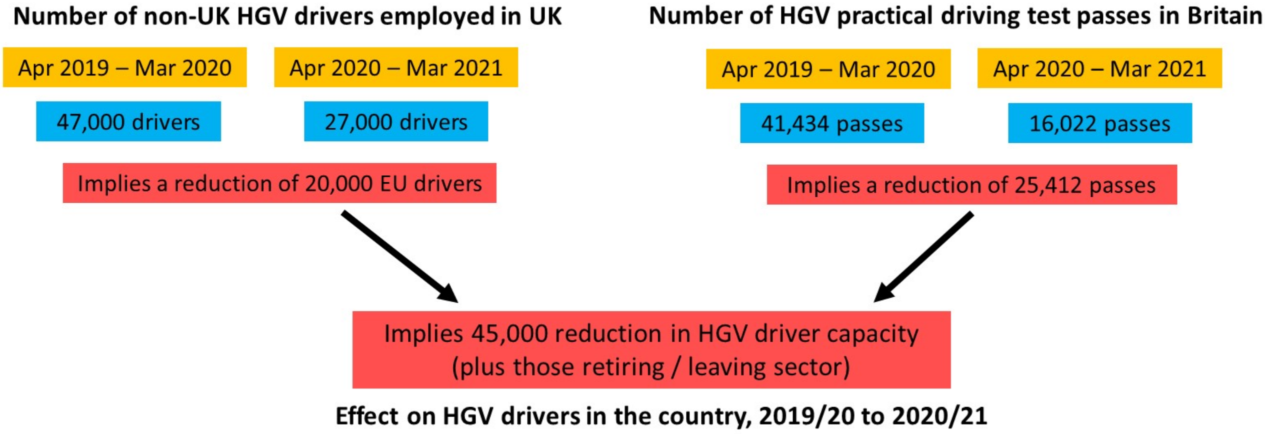
It has been argued that these current difficulties are mainly due to the recent convergence of several different recent issues. These are: i) the Covid-19 pandemic which has resulted in some HGV drivers having to self-isolate and delays in driving tests for new entrants, ii) Brexit (i.e. the UK leaving the EU) which has led to some non-UK drivers returning to their home countries, and iii) the recently introduced tax changes known as IR35 that have resulted in some drivers registered as self-employed having to pay more tax and hence the possibility of some choosing to stop working in the industry, as well as potential applicants being discouraged from entering due to the effective pay cut.

The number of practical HGV driving tests, HGV theory tests (hazard perception), HGV theory tests (multiple choice), HGV CPC practical tests and HGV CPC theory tests carried out in 2020/21 were respectively 61%, 48%, 50%, 77% and 55% lower than in 2019/20 (Department for Transport, 2021a; 2021b; 2021c, 2021d). 16,022 practical HGV driving tests were passed in Britain in 2020/21 compared to 41,434 in 2019/20, a reduction of approximately 25,000 passes year-on-year (Department for Transport, 2021a).

There were approximately 300,000 people working in the UK who recorded their main occupation as HGV driving in 2019/20 (i.e. in the run up to the UK leaving the EU on 31 January 2020), 16% of whom were from EU or other non-UK countries (15% from EU countries and 1% from other countries) (ONS, 2021). It has been estimated by industry representatives that 14,000 EU drivers working in this country left employment and returned to their EU countries in the year to June 2020, and only about 600 returned in the year to June 2021 (Logistics UK, 2021a). Meanwhile the ONS Annual Population Survey indicates that there were 27,000 non-UK (EU and other) drivers working in the UK in 2020/21 compared with 47,000 in the previous year, a reduction of 20,000 drivers (ONS, 2021).

The combination of fewer driving tests and the reduction in non-UK HGV drivers implies a reduction in the HGV driver capacity in the UK of approximately 45,000 drivers between 2019/20 and 2020/21 (see Figure 1).

Figure 1: HGV drivers and driving test data, 2019/20 to 2020/21



Source: Department for Transport, 2021a; ONS, 2021.

Meanwhile, the ONS's Annual Population Survey indicates that there were 257,000 HGV drivers in employment in 2020/21 compared with 304,000 in the previous year, a reduction of 47,000. Meanwhile the somewhat less reliable (due to sample size) ONS Labour Force Survey shows that were 253,000 HGV drivers employed in Jan-March 2021, compared with 304,000 in Jan-March 2020 (ONS, 2021)[1].

These sources of official data for non-UK HGV drivers working in the UK, HGV practical driving test passes, and the total HGV driver workforce indicate a reduction in HGV driver capacity of 45,000-50,000 drivers in the UK between 2018/19 and 2019/20.

It is difficult to estimate the HGV driver shortage in the UK due to lack of information about job vacancies at any given time. The two main trade associations Logistics UK (formerly the Freight Transport Association) and the Road Haulage Association (RHA) have estimated a national shortage in 2021 of 90,000 drivers and 100,000 drivers, respectively (Logistics UK, 2021a; RHA, 2021a). Driver Require estimated that in 2020 there was a likely shortage of 22,000 drivers, and a 'worst case' of 30,000 drivers, that could rise to 50,000 drivers (Smith, 2021b).

The longer-term HGV driver shortage in the UK

While this driver shortage is particularly acute in the UK at the moment it is nothing new, with the trade associations that represent the freight transport industry having reported its existence for the last twenty years. For example, Logistics UK estimated in 2015 that there was a shortage of 43-45,000 HGV drivers and the RHA estimated a shortage of closer to 60,000 drivers (House of Commons Transport Select Committee, 2016a). The current 100,000 driver shortage estimated by the RHA appears to comprise the changes in non-UK drivers and HGV practical test passes between 2019/20 and 2020/21 (both discussed above – ONS, 2021; Department for Transport, 2021a) together with the RHA's estimated shortage of 60,000 HGV drivers in 2019 (prior to Brexit and Covid-19).

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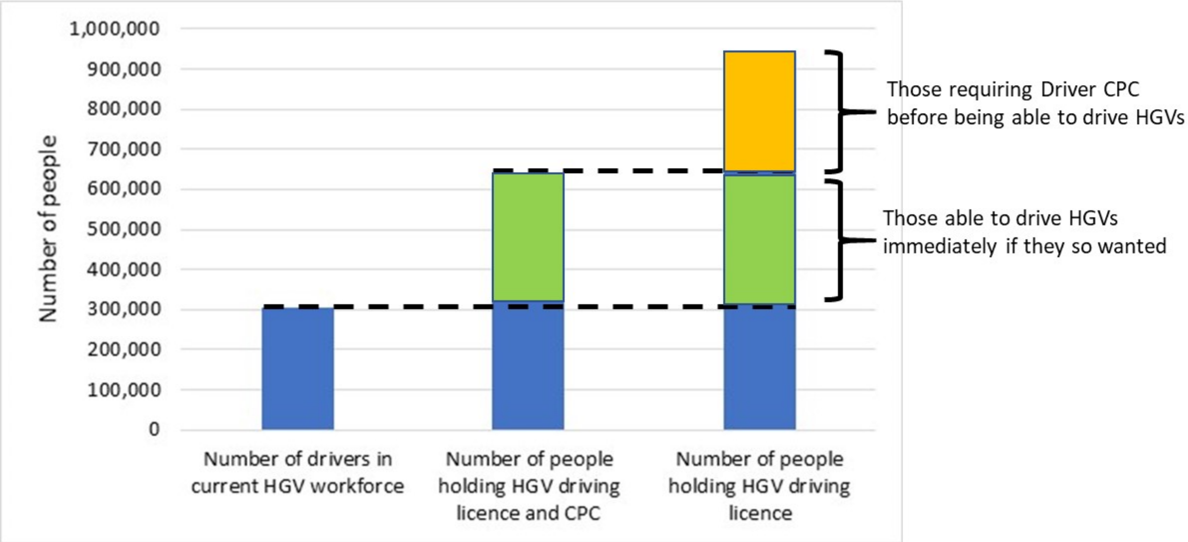
[1] The ONS Annual Population Survey records the main occupation of the respondent. Some respondents who drive HGVs may not record their occupation as an HGV driver (for example those working in industries such as farming, construction, waste management, driver training and testing, and those who carry out additional activities to driving HGVs). Therefore, the number of HGV drivers employed provided by APS may be an underestimate.

This shortage does not though appear to be due to a lack of take up of driver training. Approximately 40,000 candidates successfully passed HGV driving tests each year between 2015 and 2019 (Department for Transport, 2021a). It has been estimated that approximately 30,000 of these were new entrants and 10,000 were those upgrading from other vehicle driving certificates. However, analysis indicates that despite this qualification rate, taking account of those retiring due to age, the UK national driver pool has diminished by approximately 20,000 drivers per year over this period, the majority of whom were aged under 40. It has been estimated that 150,000 drivers have left the UK driver pool over the last decade (Smith, 2021c). This net decrease in the HGV driver pool is due to: i) newly qualified drivers not taking a job as an HGV driver after passing their test, and other qualified drivers leaving the HGV driver workforce for other jobs. The current problem facing the road freight industry would therefore seem to both about retaining those who pass HGV tests and those who already drive in the industry, as well as about encouraging people to train to be an HGV driver in the first place.

At the end of 2020, 939,000 people held HGV driving licences in issue in Britain (Department for Transport, 2021e). The Annual Population Survey shows that there were 257,000 people in 2020/21 and 304,000 people in 2019/20 who drive HGVs for a living, while the Labour Force Survey shows that 283,000 people were recorded as driving HGVs as their main occupation in the UK in October-December 2020 (ONS, 2021b). In addition, a further 330,000 people in Britain in 2020 held an HGV driving licence and a Driver Certificate of Professional Competence (CPC), so could have immediately driven an HGV (these people either do drive HGVs as part of their work but have recorded their occupation as something other than HGV driving in ONS labour surveys, or who work in a freight transport related role in which they do not currently drive an HGV on a regular basis but who are immediately capable of doing so) (Smith, 2021c). This leaves another 330,000 people who hold a valid HGV driving licence but not a Driver CPC. These include approximately 30,000 in the military (Department for Transport, 2016), and another 300,000 people who do not currently drive HGVs for their work. They could all drive HGVs commercially for a living after taking the required one-week CPC course or 35 hours of driver training (depending on whether they passed their HGV driving test before or after 2009) (see Figure 2).

This driving licence data indicates that in 2019/20: i) there were more than two times as many people who held a valid HGV driving licence and a Driver CPC (and who could immediately drive HGVs for a living) than there were people who reported their main occupation as HGV drivers, and ii) there were more than three times as many people who held a valid HGV driving licence than there were people who reported their main occupation as HGV drivers. Therefore, at any given time, as many as two in three of these licence holders do not seem to make use of their HGV driving licence qualifications to drive commercially. This was also the case when it was analysed in 2015 (Transport Select Committee, 2016). Clearly some of those who hold an HGV driving licence and a Driver CPC may be engaged in other occupational roles that prevent them from regularly HGV driving on a commercial basis. They may, for instance, have managerial or training roles, or may drive HGVs in another profession they record as their main occupation such as refuse services, removal services or highway maintenance. However, this data suggests that there are a substantial number of people with HGV driving licences who do not make use of them.

Figure 2: Breakdown of people holding HGV licences in 2019/2020[2]



Source: Department for Transport, 2021e; ONS, 2021; Tisdale, 2020.

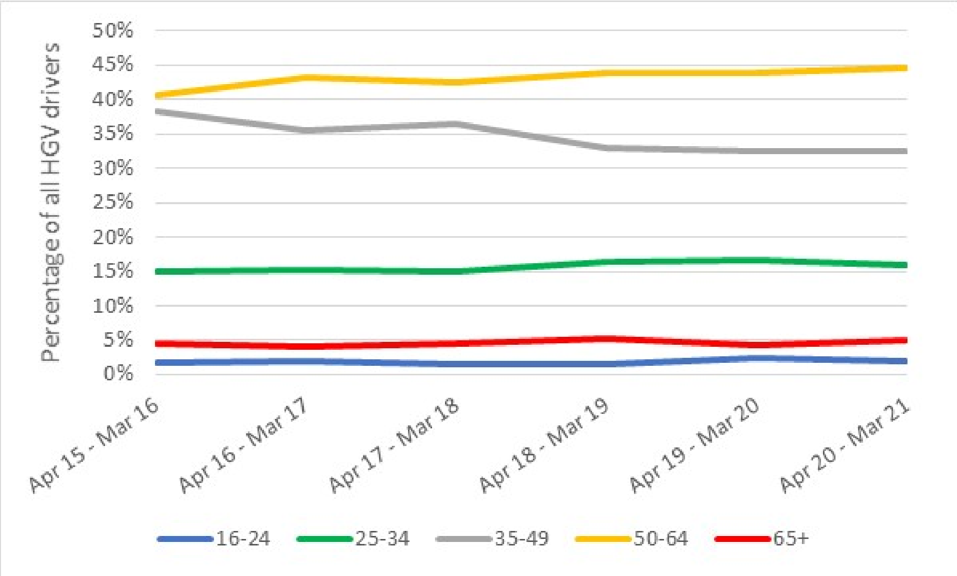
It should be noted that both recent and long-term HGV driver shortages are not exclusive to the UK. These have been occurring in many European countries for a considerable period of time. In 2009, just after the economic downturn, the driver shortage in Europe was estimated to be 75,000 (Lodovici et al., 2009). However, exacerbated by the growth in demand for drivers over the period and the onset of the Covid-19 pandemic, it is estimated that in 2020 the European road freight industry had a shortage of approximately 400,000 HGV drivers, with the worst affected countries being Poland (124,000 drivers), the UK (6-,000-76,000 drivers), Germany (45,000-60,000 drivers) and France (43,000 drivers) (Keckarovska, 2021). Survey work has also shown driver shortages in other countries in 2020 including Uzbekistan, Russia, Mexico and Turkey. Driver shortages in all these countries are expected to worsen considerably (IRU, 2021).

The composition of the HGV driver workforce in the UK

The inability to retain HGV drivers in the industry together with difficulties in attracting new, young recruits has led to an ageing workforce. An industry report shows an average driver age of 49.6 years (Logistics UK, 2020). There are more than twice as many HGV drivers in the UK aged over 65 than aged under 25. In 2020/21, 5% of HGV drivers working in the UK were aged 65 or older, 45% were aged 50-64, 32% were aged 35-49, 16% were aged 25-34, and 2% were aged 24 or younger (ONS, 2021). Figure 3 shows the HGV driver workforce by age over the period 2015/6 to 2020/21. Over this period, the proportion of drivers aged 50-64 rose (from 41% to 45% of all HGV drivers) while the proportion aged 35-49 fell (from 38% to 32%) (ONS, 2021).

[2] The ONS Annual Population Survey records the main occupation of the respondent. Some respondents who drive HGVs may not record their occupation as an HGV driver (for example those working in industries such as farming, construction, waste management, driver training and testing, and those who carry out additional activities to driving HGVs). Therefore, the number of HGV drivers employed provided by APS may be an underestimate. These people, together with those who do not currently drive HGVs but who have chosen to maintain their Driver CPC (who may include former HGV drivers who have moved into other management, planning and administrative roles in the freight transport and logistics industry), are, however, recorded among those holding an HGV driving licence and Driver CPC (shown in green).

Figure 2: Age profile of the HGV driver workforce in the UK, 2015/16 – 2020/21



Source: ONS, 2021.

Analysis of ONS Annual Labour Force Survey data for 2019 shows that 95% of HGV drivers in the UK describe themselves as ethnically white (Logistics UK, 2020). ONS Annual Labour Force Survey data also shows that in 2018 women comprised only 1% of HGV drivers in the UK. Therefore, both women and ethnic minorities are under-represented in the industry (ONS, 2018; Logistics UK, 2020). A survey carried out in 2005 among 1200 companies employing HGV drivers (and representing approximately 8% of all HGV drivers in the UK) found that 1% were women and 4% were from Black, Asian and minority ethnic (BAME) groups. This indicates no change in the involvement of either group in HGV driving over the last fifteen years in the UK (Skills for Logistics, 2006). The key difference between 2005 and 2019 was in the use of non-UK drivers, which rose from approximately 2% of HGV drivers in the 2005 survey to 16% in 2019/20 (ONS, 2021).

HGV Practical Driving Test data shows that women represented 10% of all those passing these tests in 2019/20 compared to 6% in 2007/8, so more women are choosing to learn to drive HGVs and passing tests over time (Department for Transport, 2021f). However, despite this increase in women taking and passing HGV driving tests and that women currently hold 4% of all HGV driving licences in issue, this does not so far seem to have led to a noticeable increase in the 1% of HGV drivers who are women (ONS, 2018). Similarly, young people aged 18-24 represented only 17% of the total people passing an HGV Practical Driving Test in 2019/20 and all those under the age of 30 represented only 39% of all those passing. All those aged under 30 have considerably higher HGV practical driving test pass rates than older learners (Department for Transport, 2021a; Department for Transport, 2021g).

Considering the causes of longer-term HGV driver shortages in the UK

Several surveys and studies investigated the potential factors that have led to the HGV driver shortage in the UK. These factors are summarised in Table 1, along with the stakeholders with responsibility for changing them.

Table 1: Potential factors in longer-term HGV driver shortages in the UK

Responsible stakeholder	Potential factors
Road freight industry / companies	• Rates of pay • Lack of respect by employers (including zero hours contracts) • Lack of worker availability near to areas with substantial driver needs due to locational choices • Use of agency drivers instead of creating employed posts • Lack of promotion of the industry and careers advice (especially among young people, women and ethnic minorities) • Efforts and investment in recruiting and training to replace existing drivers • Lack of use of apprenticeship schemes especially by smaller companies • The poor public image of the industry
HGV drivers / potential drivers	• Unappealing working hours and arrangements especially for those with family and caring commitments • Dislike of work uncertainty and lack of advance warning that can arise in jobs provided via driver agencies • Concerns and health and wellbeing associated with driving (including stress, fatigue, lack of exercise and exposure to vehicle emissions) • High rates of retirement among older drivers • Falling rates of motor vehicle driving among the young
Allied service sectors	• High insurance costs for young and inexperienced drivers • Inadequate provision of toilets and other facilities for drivers at some sites where collections and deliveries are made
Government	• Inadequate provision of suitable, reasonably priced facilities (toileting, washing, eating, safe parking) for rest breaks and overnight stopping for drivers • Time and costs involved in driver training and testing (especially prohibitive for young people in entering the industry) • Gaps in skills and knowledge among potential recruits • Lack of suitable Government-backed apprenticeship schemes • Government safety regulations increasing driver demand
Society	• Hostility from, and negative treatment by, the general public

Source: Chartered Institute of Logistics and Transport, 2015; McKinnon et al., 2017; Motor Transport /Asset Alliance, 2021; RHA, 2021a; Smith, 2021a; Talent in Logistics and Pertemps Driving Division, 2018; House of Commons Transport Select Committee, 2016a; Logistics UK, 2020; Unite, 2016.

As can be seen from Table 1, there are many issues that need to be addressed in order to improve HGV driver recruitment and retention. The factor that consistently ranks most highly in surveys and other research about the driver shortage is that of the rates of pay available given the demands and difficulties of the work. Median gross hourly pay (including overtime) for HGV drivers was approximately £12.02 in 2019 (compared with a National Living Wage of £8.21 per hour) (ONS, 2020; UK Government, 2021a). The median hours worked by full-time HGV drivers in 2019 was 48 hours per week. This was a longer working week than all but two other occupations in the UK: crane drivers who worked a median of 52.1 hour per week, and agricultural machinery drivers who worked a median of 52.8 hours per week (ONS, 2020).

The driver shortage indicates that HGV driver pay rates fail to reflect the perceived challenges and requirements of the work involved, including its often long working hours and unsocial times of work (including early morning and late night activity) and, in the case of long-distance operations, often spending time travelling away from home. Representatives of unions, recruitment companies, trade associations and HGV drivers have raised concerns about long and, for some, unattractive working hours and their impact on driver health and wellbeing (House of Commons Transport Select Committee, 2016a). In a 2015 survey carried out by the CILT among its members to gauge their opinions about HGV driver shortage, almost 45% of respondents cited long working hours as an important factor (Chartered Institute of Logistics and Transport, 2015).

By comparison, van drivers received a median gross hourly rate of £9.72 in 2019. Given the higher skill levels and training costs of driving an HGV compared with a van (which can be driven on a standard car licence and for which no additional theory test, Driver CPC test or medical is required) combined with the fact that van drivers do not typically drive at night or have to stay away from home, the comparative rate of pay for HGV drivers seems does not sufficiently higher for many drivers. In addition, the current hours worked and time spent away from home required for some HGV driving jobs does not suit many people with families and other caring commitments.

In a survey of 1200 HGV drivers in 2018, the most common reason given for the driver shortage was insufficient pay (34% of respondents), followed by unattractive working hours (19% of respondents) and a lack of respect for the role (12% of respondents). Only 33% of respondents agreed with the statement, “I feel like I am paid well for the job that I do”. When asked what needed to be done to attract more drivers to the industry, by far the most common response was better pay (44% of respondents, with a further 3% of respondents saying a better overall benefit package), followed by better flexibility and work-life balance (16% of respondents), better conditions and facilities (11% of respondents) and better awareness of the skills required (11% of respondents) (Talent in Logistics and Pertemps Driving Division, 2018).

However, rates of pay are far from the only issue responsible for the driver shortage. In this same survey, only 36% of respondents agreed with the statement “I feel like I am recognised by the company for the job that I do”. (Talent in Logistics and Pertemps Driving Division, 2018). And some issues were seen by driver as even more important than a pay rise. When asked if they would rather have a better work/life balance or a 5% pay rise, 68% of respondents opted for the improved work/life balance. Similarly, when asked if they would rather have a trustworthy manager or a 5% pay rise, 52% selected the former (Talent in Logistics and Pertemps Driving Division, 2018).

In the 2015 CILT driver shortage survey, approximately 40% of respondents cited driver facilities as an important issue (Chartered Institute of Logistics and Transport, 2015). Survey work carried in 2016 into locations where rest breaks and overnight stops can be made found that HGV drivers felt that motorway service areas (MSAs) suffered from a variety of problems including inadequate parking space, being too expensive, offering insufficient vehicle security, too noisy, and offering too much ‘fast food’. Respondents reported that truck stops varied considerably in facilities offered and quality but were often better than MSAs. However, these drivers felt that there were insufficient truck stops and too little parking available at them. As a result of these shortcomings and the prices charged, some drivers instead used laybys and industrial / retail parks (Transport Focus, 2016). Further survey work in 2020/21 showed similar views regarding the provision of off-road stopping places among HGV, coach and other drivers. Fifty six percent of respondents rated the availability of parking space at such facilities as ‘poor’ (either ‘fairly poor’ or ‘very poor’), 57% rated the quality of the facilities they provided as poor, 59% rated the security they provided as poor, and 65% rated their value for money as poor (Transport Focus, 2021).

A study carried out for the Department for Transport in 2017 which surveyed HGV parking within 5 kilometres of the strategic road network in England found that 18,670 vehicles were parked overnight, 61% of which were parking on-site (in MSAs and truck stops), and 39% of which were parked off site (with 25% parked in lay-bys, and 6% on industrial estates and retail parks). The total capacity of on-site spaces was 15,012, meaning that there was a theoretical shortfall of approximately 3,700 on-site overnight HGV parking spaces. Six of the nine English regions were assessed as having ‘serious’ or ‘critical’ levels of on-site HGV parking utilisation (with ‘serious’ and ‘critical’ defined as respectively 70% and 85% or more of parking spaces being occupied resulting in drivers having to search carefully and finding it difficult to find spaces). HGV parking utilisation of these on-site facilities was found to have increased across England as a whole by 18% (from 58% to 76%) between 2010 and 2017. Eight per cent of these on-site parking locations were found to provide only toilets, 20% provided toilets and catering, 51% provided toilets, showers and catering, 16% provided toilets, showers, catering, lighting and a security fence, while 5% provided toilets, showers, catering, lighting a security fence and CCTV. Only 1% of laybys provided toilets, only 2% provided catering services (typically closed in the evenings), and only 6% were lit. Only 6% of industrial estates and retail parks where HGVs were found to be parked provided catering services, while 42% were lit (AECOM, 2017). Even when making deliveries and collections during the daytime, women HGV drivers commonly find that there are no conveniently located toilets available at the sites they visit (House of Commons Transport Select Committee, 2016b).

The unattractive aspects of HGV driving discussed above (i.e. pay rates, long and unsocial working hours, status and working conditions including facilities) are related to difficulties in both retaining and recruiting workers. There are several additional factors that are specific barriers to recruitment of new entrants to the industry namely, its image, driver training costs and time requirements, and driver insurance costs.

A key factor that is regularly given high importance in research into the driver shortage is that of the image of the industry with the general public. Research dating back as far as the 1960s found that more HGV drivers felt that the public had a negative attitude towards their industry than felt the public had a positive attitude (Hollowell, 1968). A 2005 survey found that 69% of company respondents thought that the logistics industry has a negative image with the general public, while only 15% thought that it did not (Skills for Logistics, 2005). A 2007 survey of those working in the industry (comprising predominantly managers and directors but also drivers, operatives and administrators) found that approximately one-third of respondents thought that the industry’s image was the most important barrier to new recruits joining the logistics industry. Respondents felt that the media and employers were approximately equally to blame for the poor industry image (mentioned by 33% and 31% of respondents respectively), followed by education system (22% of respondents). Only 14% of respondents believed that employees were the cause of the poor image (Skills for Logistics, 2007). In a 2015 survey approximately 60% of respondents thought that the image of the industry was an important factor in the driver shortage (Chartered Institute of Logistics and Transport, 2015). In a survey of 1,300 HGV drivers carried out in 2018 only 34% of respondents agreed with the statement “I believe my role is seen as a profession by the general public” (Talent in Logistics and Pertemps Driving Division, 2018).

This poor perception of the industry is likely to have an important deterrent on recruitment. Research commissioned by the FTA in 2016 into public perception of the industry asked 2,000 members of the public on a scale of 0 to 10 how likely they were to recommend a career in the logistics industry to friends and family (where 0 was "not at all likely", and 10 was "extremely" likely), only 6% of respondents provided a score of 9 or 10 (deemed by the survey team to be "promoters"), 13% of respondents provided a score of 7 or 8 (deemed by the survey team to be "passives"), and 55% of respondents provided a score of 0 to 6 (deemed by the survey team to be "detractors"). This gave a very low overall "Net Promoter Score" of -49. Among those aged 16-24 the Net Promoter Score was even lower (-57). This indicates that the respondents did not perceive working in the logistics industry as an attractive option (DSJ, 2016; FTA, 2016). Meanwhile, in a 2018 survey of HGV drivers only 31% of respondents agreed with the statement, "I would recommend a driving career to my family members and friends" (Talent in Logistics and Pertemps Driving Division, 2018).

Whilst respondents in several surveys mention this poor image of the industry, little discussion is providing of the details of this image and how it has arisen. However, it is likely to stem from the news media tending to only refer to HGVs in relation to negative headlines. These include road traffic fatalities in collisions involving HGVs, especially of cyclists and pedestrians, and asylum seeker stowaways arriving in the country aboard HGVs, such as the tragic case of the 39 Vietnamese people who lost their lives after suffocating in Essex inside a container transported by from Belgium by an HGV in 2019. In the arts, depictions of HGVs in literature, film, television drama, music and comedy also include far more negative representations than positive ones. This can be traced back as far as the 1930s in the UK and American novels, 'They Drive by Night' and 'The Long Haul' respectively, both of which were turned into film noir. This narrow coverage and representation of HGV driving and the road freight industry is likely to act as a further deterrent to potential recruits. Some companies and trade associations representing the industry have attempted to positively position the importance of freight transport and logistics in the provision of the goods and services that society requires (such as the 'Love Logistics' campaign launched by Logistics UK in 2010. However, such efforts reach far fewer people than the output of the mainstream media and arts and is therefore unlikely to have had had much impact by comparison.

Over 60% of respondents to the CILT survey cited financial barriers to obtaining a driving licence as an issue in the driver shortage, making it the highest rated response in the survey (Chartered Institute of Logistics and Transport, 2015). The cost of full training for a new HGV (C+E) driver was estimated to be approximately £2,000-3,000 in 2016 (House of Commons Transport Select Committee, 2016a) and is likely to have risen since. This cost is regularly borne by the potential HGV driver rather than by the industry or Government. Those seeking work that involves driving are therefore likely to be more attracted to van driving (which can be done with a standard car driving licence) or bus or coach driving in which operators more commonly fund driver training and licence acquisition. In addition to training and passing the HGV driving and theory tests and the cost of doing so, it is also necessary for prospective drivers to pass a medical assessment and undergo and pass CPC training. Waiting times for HGV driving and CPC tests can be considerable (and even more so during the Covid-19 pandemic).

When a newly qualified HGV driver seeks work, companies can be discouraged from employing them or offering them work due to high driver insurance costs for those with less than two years HGV driving experience and those below the age of 25 (House of Commons Transport Select Committee, 2016a). The reluctance of companies to employ newly qualified drivers results in a substantial proportion of them (as many as 90% of newly qualified drivers in one estimate) having to register with driver agencies in order to obtain work, possibly on a zero-hours basis, in which they may only be informed on the day or shortly in advance of when they have paid work. This can make work and care planning extremely difficult. In addition, agency drivers are typically given the least attractive driving jobs, including night shifts, that employees are unwilling to take or contractually unable to be given. Driver agencies often also take a sizeable commission on the rate paid by companies for the driver, considerably reducing these drivers' earning (Horsepower Training, 2016).

Another barrier to recruitment is the reduction in learning to drive even cars among young people. People under 25 and under 30 held only 6% and 13% respectively of all car driving licences in issue at the end of 2020 (Department for Transport, 2021h). The main reasons that those aged 20-29 gave in 2019 for not learning to drive a car included: the cost of learning to drive (40% of respondents), the cost of buying a car (33%), the cost of insurance (32%), that family / friends could drive them when necessary (25%), and that other forms of transport were available (20%) (Department for Transport, 2021i). In terms of the potential recruitment of people from ethnic minorities, they too are less likely to hold car driving licences than white people, making their entry into HGV driving less likely. In the five-year period from 2015 to 2019, on average, only 53% of black people and 61% of Asian people held car driving licences in England, compared with 76% of white people (Department for Transport, 2020).

The freedom and independence that HGV drivers associate with their work has traditionally been an important factor in attracting people to work in the industry. However, the introduction of various technology in modern HGVs including GPS tracking devices, digital tachographs, and various driver monitoring devices have greatly increasing the extent to which drivers and vehicles are monitoring and managed. While such technology has improved safety, it is likely to have diminished the degree of freedom felt by HGV drivers, as well as adding to skills requirements and workplace stress (McKinnon et al., 2017). The implementation of self-driving, fully autonomous HGVs remains some way off. However, media coverage of the research work being carried out toward this goal may have led to concerns among some potential recruits, especially younger ones, that HGV driving will cease to exist as a job before long, and thereby deterred some from entering the industry.

Efforts by the industry and Government to address the driver shortage have, over the last two decades, mainly focussed on Government-supported training programmes, apprenticeships, and promotional campaigns of the work opportunities available. These efforts have therefore mostly focused on recruitment. The HGV driver shortage is also due to the inability to retain existing drivers in the industry, which to date, has received far less attention and action. Resolving the shortage of drivers in the UK will require efforts in relation to both.

It should also be noted that the EU Working Time Directive and Driver's Hours Regulations (motivated by road safety and worker health concerns) have had the effect of further limiting the number of hours that HGV drivers can work and drive their vehicles in a given time period, thereby potentially increasing the number of HGV drivers required to carry out road freight transport work, especially among longer-distance operations (Department for Transport, 2015). In addition, the total vehicle kilometres driven by HGVs in Britain increased by 12% between 2012 and 2019 (Department for Transport, 2021j), further increasing the need for HGV driver resources. Government data indicates that the increase in HGV activity was influenced by goods being transported over longer distances and higher incidences of vehicles travelling empty in one direction, rather than increases in the total weight of goods transported (Department for Transport, 2021k). This is likely to reflect modern business practices of relying more heavily on frequent deliveries by HGV than holding stock, together with operational inefficiencies that may arise through such practices.

The industry and Government response to the HGV driver shortage

Business models have been designed over recent decades to ensure that as little stock as necessary is held at all points in product supply chains. Known as 'just-in-time' logistics, with goods replenished in relatively small quantities on a frequent basis, this has helped to prevent stock-outs, while at the same time minimising supply chain costs. This is achieved due to the high costs of holding substantial stock levels (due to the standing and running costs of operating warehouses, the opportunity costs of having capital tied up in stock, and the losses that occur due to changes unsold stock, damage and theft) compared with the comparatively far lower costs of frequent so-called 'just-in-time' deliveries. However, this business model relies on substituting stockholding in warehouses with substantial freight transport activity and is therefore labour intensive in terms of HGV drivers. Continued shortages of HGV drivers will be likely to lead to companies having to reconsider this business model and reverting to holding greater levels of stock.

Action that companies can take to address their immediate shortages include offering HGV drivers better rates of pay and conditions, as well as supporting the training costs of prospective drivers. Some companies, including Tesco, Arla, Gist and Dixons Carphone, have already temporarily offered HGV drivers a financial incentive to work for them, while Aldi has offered higher pay rates (BBC News, 2021a, 2021b, 2021c; Butler, 2021; Partridge, 2021).

In July 2021 industry began calling on the UK Government to grant temporary work visas to non-UK HGV drivers visas to alleviate the current difficulties (Logistics UK, 2021b; RHA, 2021b). Initially, the UK Government resisted this demand, saying that British people voted against such actions, and that the industry should invest in the UK workforce rather than relying on labour from abroad. Instead, the Government introduced temporary measures including relaxing drivers' hours regulations so that drivers could work longer than normally permitted; prioritising and maximising HGV driver testing; increased support for apprenticeships; and increasing communications to jobseekers to become HGV drivers. It also committed to launching a consultation on issuing provisional articulated HGV driving licences so that candidates could take articulated HGV tests, without first having to pass a rigid HGV driving test (UK Government, 2021b).

Despite its support for these measures announced by the Government, the industry continued to call for the government to provide temporary visas for non-UK drivers. The onset of panic buying of fuel at petrol stations and its related traffic impacts in September 2021 forced the Government to announce further measures to address HGV driver shortages. It announced that it would make 5,000 temporary visas available for non-UK drivers until Christmas, as well as support for 4,000 people to receive driver training, further increases in HGV driver testing, and writing to the almost one million UK holders of HGV driving licences to try to encourage them back into the industry (UK Government, 2021c). Given the continuation of panic fuel purchasing at petrol stations despite this announcement, within 48 hours of these measures being introduced, the Government went further, placing army road tanker drivers on standby, temporarily extending tanker driver ADR licences that were approaching expiry, and temporarily exempting the fuel industry from the Competition Act 1998 for the purpose of sharing information and optimising supply to petrol stations (UK Government, 2021d; 2021e). Although welcoming the announcement about temporary visas for non-UK drivers, Logistics UK expressed concern that these visas were not for the six month period they had requested, and that taking account of the time it will take the Government to set up the scheme, these visas may be for only a two month duration, reducing their attractiveness to non-UK drivers (Logistics UK, 2021c).

Conclusions

The level of impact of this combination of public and private measures already taken in response to the HGV driver shortage remains to be seen and several of the Government actions will take some time to take effect. Therefore, only time will tell if those holding HGV licences but not currently using them, prospective entrants to the industry, and the existing driver workforce view these measures taken as adequate.

Action by the industry to offer attractive rates of pay and direct employment, especially to new more diverse recruits, including the young, women and those from Black, Asian and minority ethnic groups is essential. Joint efforts by industry and Government to support HGV driver training costs and to improve working conditions also remain a priority. This especially includes the availability of locations for drivers to take rest breaks and overnight stops equipped with suitable washing, catering and security facilities and at a reasonable price. The industry and Government should also work together on the positive promotion of HGV driving and the wider industry to both increase the driver workforce and reinforce to the general public the important contribution made by freight transport and logistics to the vitality of the UK economy and the wellbeing of society.

If the above actions do not prove adequate and fail to achieve the necessary improvement in driver retention and recruitment rates required for sufficient driver availability to meet the freight transport needs of the country, it could lead to a more fundamental reorganisation of supply chains. This could involve stockholding levels having to increase, with less reliance placed on frequent deliveries of goods by HGV. Such an outcome would also be likely to result in longer-term pressure on vehicle technologists and Government to increase the rate of development and introduction of fully autonomous HGVs. However, the availability and approval of such vehicles remains some years away.

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