



REC Drivers

The Recruitment and Employment Confederation's (REC) Drivers sector group provides a forum for specialist driving recruitment agencies to discuss the issues affecting their businesses, their workers, the industry more broadly and the latest policy developments.

Key stats

- The logistics sector contributes £90 million to the UK economy¹
- The number of drivers claiming Job Seekers Allowance is now at a 10 year low³
- HGV registrations have increased by 43.5% from Q2 2014 to Q1 2015⁴
- A fifth of current HGV drivers will reach retirement age in the next 10 years – approximately 75,000 drivers⁵



273,000

people in the UK are employed as HGV Drivers²

Sector developments

UK consumer spending has been boosted by the fall in world oil prices and the recovering economy which has meant that GDP for 'distribution, hotels and restaurants' increased by 1.2% in the first Quarter of 2015 and online retail sales increased by 13.5% from the second Quarter of 2014 to a year later.⁶ As 60% of all goods are transported by road in the UK, this increase in consumer spending has led to a large rise in demand for HGV drivers.⁷

"The REC Drivers' group is a long-standing sector group within the REC. Drivers are a critical part of the economy as all other sectors depend on them. With an ever increasing driver deficit and increasing attention in this sector from the Government, this is a perfect opportunity for recruiters in the sector to raise their concerns and help shape the legislative agenda for the future."

Mike Cooper, Chair of REC Drivers sector group

Driver skills shortages

The supply of drivers, however, hasn't matched the increase in demand, and there is now a serious driver deficit of at least 45,000.⁸ The economic downturn masked an underlying structural shortage of drivers. This was compounded by a number of older drivers who choose to retire early, in September 2014, rather than complete the new Driver CPC requirements.

Furthermore, the Drivers' Sector Group undertook a survey of members in early 2015 enquiring about their experience of driver shortages since Christmas 2014. Of those who responded:

- 91% informed us that they experienced shortages and of these 71% said it was the worst that they had ever experienced.
- 94% said that drivers were unable to fulfil orders from clients, 59% had to pay drivers more, and 41% reported a loss in business.
- 87% predicted that recruitment will become increasingly difficult especially amongst young drivers.
- 73% thought that driver pay rates would grow significantly.
- Most concerning of all, 47% informed us that they thought licensing and working standards will slip due to increased pressure on workers.

¹ TUK Commission for Employment and Skills (UKCES), Understanding Skills and Performance Challenges in the Logistics Sector, *Evidence Report 86*, October 2014 ² Ibid ³ Ibid ⁴ Ibid ⁵ Van Marie, Gavin. *HGV driver shortage is 'a ticking time bomb' for UK logistics sector, say MPs. The Load Star*. 13th January, 2015. ⁶ Ryan, Dr Sharon. "GDP – good and bad news!", *Freight Magazine*. June, 2015 p. 22. ⁷ UK Commission for Employment and Skills (UKCES), Understanding Skills and Performance Challenges in the Logistics Sector, *Evidence Report 86*, October 2014. ⁸ HC Deb, 8 June 2015, cW.

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Lack of Diversity

One major contributing factor is the lack of diversity of the workforce; more specifically, an ageing and mostly male workforce with a lack of young people and women entering the sector. A recent report from the UK Commission for Employment and Skills (UKCES) noted that 16% of LGV drivers are over 60 whereas only 1% are under-25.⁹ Furthermore, in 2013 the number of women HGV drivers was just 2%¹⁰ and while this number has increased, there are still only around 44,000,¹¹ which is still a tiny fraction of the whole sector. UKCES found that a lot of employers would like to take on more young people but face many barriers such as the cost of obtaining licences (approx. £3000 each?), difficulty getting insurance and poor perceptions of the job.¹²

We asked our members what they believed to be the main reasons for the driver deficit and we received the following results:

Licensing Requirements:

- 71% of respondents to our survey said that they found licensing requirements to be too costly and onerous for new and older drivers.
- The most common suggestion given by our members for solving the driver shortage was to reduce the difficulty and cost of obtaining licences through public funding or loans.

Working Conditions

- 64% of respondents said that they thought the working conditions for HGV drivers were unattractive in comparison to similar jobs in other sectors such as retail or manufacturing.

Policy Objectives

Based on this survey and on what we believe to be the most pressing issues in the sector we aim to ask the Government to:

1. Reform the licencing requirements to be less burdensome
2. Encourage new drivers through a student-loan type scheme for training
3. Improve the quality of service stations
4. Promote a positive image of HGV driving and provide more opportunities to young people and women to enter the sector

Policy Update – Change in licences

From 8 June 2015, the paper counterpart to the driving licence ceased to have any legal status in England, Scotland and Wales and will therefore no longer be issued or endorsed by the DVLA. The DVLA have provided an online and telephone checking service, 'Share my Licence' as an alternative for employers to check drivers or they can be checked via a third party checking service. To undertake a check, drivers have to obtain an access code from DVLA which will then be valid for 21 days and can only be used only once. This code is provided to the employer who can use the online service to make the check. If a code is not available it is possible for the driver to contact the DVLA and give permission to give a telephone check on 09061 393 837 but the driver will need to be there at the time of the call. Counterparts will also not be issued to drivers from other EU states and they cannot be checked on the same system as UK licences. Instead drivers will be issued with a confirmation of registration form (D91) and can be checked by calling the telephone checking service either with the driver present on a three way call or with prior permission given by the driver within a week.

Call to action

We want to work closely with our members, other freight trade bodies, and the Department for Transport to produce an effective strategy for solving the driver deficit. What have been your experiences? Come along to our next Drivers' Sector meeting to discuss this and other issues facing the sector. To find out when the next meeting is or for more information about the Group please visit the Drivers' Sector page on the [REC website](http://www.rec.uk.com) or contact the Policy Advisor, Philip Campbell at philip.campbell@rec.uk.com or on 0207 7009 2179.

www.rec.uk.com/drivers

⁹ UK Commission for Employment and Skills (UKCES), Understanding Skills and Performance Challenges in the Logistics Sector, *Evidence Report 86*, October 2014 ¹⁰ Arthurs, Deborah. [Here come the Mothertrucks! A transexual, a ballet dancer and a single mum: How DO these female lorry drivers survive in a man's world?](#) *Mail Online*. 15th February 2015. [accessed on 17th June 2015] ¹¹ Jones, Andrew MP. *Supporting women in transport [online]*, 3 June 2015, *FTA everywoman in Transport and Logistics Awards*, London Hilton, 22 Park Lane, London. [accessed on: 17th June 2015] ¹²Ibid.