

The Rt Hon Grant Shapps Secretary of State Department for Transport Great Minister House 33 Horseferry Road London SW1P 4DR

15 July 2021

Dear Secretary of State

SHORTAGE OF HGV DRIVERS - SUPPLY CHAIN ISSUES BECOMING CRITICAL

You will already be aware of the escalating supply chain issues resulting from the chronic shortage of HGV drivers. We recently wrote to the Prime Minister (letter attached) highlighting the consequences for the supply of goods and raw materials should immediate measures not be taken to address the problem.

Our members supply a range of essential chemical components that underpin the UK's manufacturing and process sectors. Some of these are bulk chemicals, some are speciality packaged compounds, and some – such as water treatment and medical chemicals – have a key role to play in preserving health, safety and critical national infrastructure.

CBA's membership consists of chemical distributors and logistics services providers that together represent the greater part of the UK's independent chemical supply chain. We therefore have a 360° perspective of this aspect of the UK supply chain.

In addition to receiving an increasing volume of reports of delayed deliveries from our distributor member companies, we are alarmed that this has now deteriorated to the point that deliveries are simply not being made – a situation confirmed by many of CBA's logistics services members.

A recent CBA survey revealed that 62% of member companies were reporting capacity issues with road haulage in the UK and 76% were reporting similar constraints in relation to cross-channel haulage. The issue is also affecting the international chemical supply chain. A survey published today by the US National Association of Chemical Distributors reports that 84% of its member companies are facing stock shortages of imported chemical products.

Whatever the precise cause of this problem, it could not have happened at a worse time - as market demand is strong as businesses continue to deal with the immense disruption caused by Covid-19 and Brexit.

In our letter to the Prime Minister, we called for:

- The introduction of a Temporary Worker Visa for HGV drivers and for this occupation to be added to the Home Office Shortage Occupation list; and,
- A joint Government-industry partnership to lay the foundations for a more permanent solution to the issue, including the immediate and urgent need to establish a Task Force to which CBA would be willing to contribute.

Whilst we recognised the announcement on the relaxation of driver's hours as an acknowledgement of these issues, we believe this is inadequate reaction to the chronic shortage of HGV drivers and may even make the problem worse. Many drivers are away from their families for considerable periods of time and already work up to 15-hour days. Expecting them to work more hours against this background is unrealistic.

Relaxing driver hours does not address the central problem. There is a shortage of 60,000 HGV drivers. Simply extending driver's hours is not appropriate or effective solution. This is a chronic issue that now needs urgent action.

We have written in similar terms to your colleague The Rt Hon Kwasi Kwarteng MP, Secretary of State for Business, Energy and Industrial Strategy.

Yours faithfully

Tim Doggett Chief Executive