



Department
for Transport

Consultation Response Document:

The Longer Semi-trailer Trial: Summary of Responses and Government Response

September 2013

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Introduction

1. On **11th June 2013**, in accordance with the new consultation principles, the Department for Transport (DfT) issued a targeted 4 week consultation with industry stakeholders, seeking views on a proposal to help make the allocation process more effective and to increase the take-up of the remaining allocation in the Longer Semi-trailer Trial.
2. The proposal was to:
 - Open up the allocations to all operators on a first come first served basis, for either length of trailer until the total quota of 1800 has been reached.
 - Make each allocation valid only for a limited period from the date of its issue, to allow operators time to arrange the purchase and construction of the semi-trailer, after which the allocations would expire and be available for re-allocation, if they were not used.
 - Give a reserved right for operators with an existing allocation, which would still be guaranteed until 31/12/13 (as per the existing agreement). After 31/12/13 there would be no reserved rights and the quota of 1800 would apply, whenever it was reached.
3. The consultation was also published on our website and a copy of the consultation can be viewed and downloaded [here](#).
4. The closing date for comments was **9th July 2013**.

Summary of responses and outcomes

5. We received a total of 47 responses. 38 of these were from freight operators, of which 12 (32%) were not in the trial; 3 were from manufacturers; 2 were from rail freight groups (Freight on Rail and Rail Freight Group); 4 were from freight industry bodies - the Freight Transport Association (FTA), the Road Haulage Association (RHA), the Food Storage and Distribution Federation (FSDF) and the union Unite. A full list of respondents can be found at Annex A.
6. Most respondents welcomed the proposal to change the allocations process with 42 (89%) out of the 47 respondents supporting the proposal; of the 4 respondents who did not, 1 was an operator already in the trial, the other was Unite and the 2 rail freight groups implied that they did not support the proposal in their responses.
7. The majority of respondents (35 or 74%) agreed with the proposal that we should not specify a number for allocations of each length of semi-trailer, but let industry decide.
8. One respondent suggested:

"We should let the market decide. We would suggest that the market will look for the 15.6m variant as a preference as this can reduce CO2 and costs the most."
9. Approximately half of respondents, including RHA and FTA, agreed that the new proposal should give reserved rights until December 2013 to those operators in the trial with an existing allocation, as per the existing agreement. Around a quarter disagreed and a quarter either did not answer the question or neither agreed nor disagreed. Most who disagreed appeared to misunderstand the proposal on the basis that it would stop them gaining an allocation, which is not the case.
10. There were mixed views regarding what the validity period should be for new allocations, based on the lead in time from applying for an allocation to acquiring a longer semi-trailer. Please see table at Annex B.
11. A couple of respondents suggested a time period by which time operators could provide evidence that they had ordered a longer semi-trailer from a manufacturer. One respondent suggested that we should:

“Seek proof of confirmation of order within two weeks of the allocations being received by the operator. If this was not obtained I would remove the allocations from that operator and re-allocate.”

12. However, one respondent noted that there were often long internal lead in times up to order, including signing off the business case for a LST:

“Many companies have to find the capital for these and allocate accordingly, which is often (especially with large PLC companies) a long drawn out process. The LSTs cost more to purchase (albeit fewer are required) and this would need submitting to ensure that adequate capital was assigned.”

Next steps

- 13.** The Government has considered the responses to the consultation, and has decided to proceed with the proposed new allocations process, with a few minor modifications based on responses to the consultation:
- 1 The new allocation system will allow a maximum of 6 months for operators to supply the Department with proof of order from a manufacturer, to show their commitment to purchase the longer semi-trailers. In some cases, particularly where operators are carrying their own goods or using the semi-trailers for existing contracts, the period may be much less. We will also continue to accept a VSO instead of a proof of order. If an operator is not able to do this within 6 months, then they will lose their allocation, which will go back into the total allocations available.
 - 2 We will allow existing operators in the trial to change the length of trailers that they had originally been allocated, should they wish to, between the 14.6m length and the 15.65m length. This will form part of their existing allocation which is due to expire on 31 December 2013 and will only apply to trailers obtained before then. All operators are also free to apply for trailers of either length under the new system.
- 14.** The new allocation process for the Longer Semi-trailer Trial will be effective from 13th September 2013.

ANNEX A – RESPONDENTS

Operators in the longer semi-trailer trial:

AW Jenkinson Forest Products	HLC (Wood Products) Ltd
ABE Ledbury	Keyes Transport
Acumen Logistics	Knights of Old
APC Overnight	Lambert Brothers Haulage Ltd
Argos	Nestle Operations
ASDA	Pollock (Scotrans) Ltd
Bibby Distribution Ltd	RTH Lubbers
Brit European Transport Ltd	Tyldesley Distribution Services Ltd
Conway Bailey Transport Ltd	United Biscuits
Culina Logistics	Wm Morrison Supermarkets plc
DFDS Logistics	UPS
H Parkinson Haulage Ltd	WH Malcolm
Hermes Parcelnet Ltd	Yusen Logistics

Operators not in the longer semi-trailer trial:

A&D Transport (NW) Ltd	Inter-Haul Pallet Services Ltd
Alan Furmin Ltd	Kuehne and Nagel
Carter Haulage	Staples vegetables
Foulger Transport	Walker & Son (Hauliers) Ltd
Freight Systems Express (Wales) Ltd	Whitfire Shavings & Sawdust supplies Ltd
Greggs	

Manufacturers:**Other:**

The Cartwright Group	The Freight Transport Association
Lawrence David	The Road Haulage Association
SDC Trailers Ltd	Unite
	Freight on Rail
	The Rail Freight Group
	Food Storage and Distribution Federation
	Volvo Group UK Ltd

ANNEX B

	1) Agree with the proposal to issue allocations on a first come, first served basis until 1800 total reached?	2) Think that DfT should specify a number of allocations of each length of semi-trailer?	3) Should existing operators in the trial be given a reserved right to their allocation until 31/12/13? (as per existing agreement)
Agree	42	9	23
Disagree	3	35	13
Neither agree nor disagree / didn't answer	2	3	11

	4) What do you think would be a reasonable period for the new allocations, to allow operators time to complete the process of acquiring the longer semi-trailers? 2 months? 3 months? Longer?
2 months	2
3 months	9
3 – 6 months	16
6 – 9 months	8
Depends / didn't answer	12