



Department
for Transport

Freight Council Third Meeting

13:00 to 15:30, Tuesday 07 December 2021

Venue: Virtual via Microsoft Teams

Attendees

Ministerial attendance

- Hon. Trudy Harrison – Parliamentary Under Secretary of State for Transport (Chair)

Member attendance

- David Wells, CEO, Logistics UK
- Shane Brennan, CEO, Cold Chain Federation
- Kevin Richardson, CEO, Chartered Institute of Logistics and Transport UK
- Chris Seaton on behalf of Clare Bottle, CEO, UK Warehousing Association
- Tim Morris, CEO, UK Major Ports Group
- Christopher Snelling on behalf of Karen Dee, CEO, Airport Operators Association
- Amanda Francis, CEO, Association of International Courier and Express Services
- Robert Griggs on behalf of Tim Alderslade, CEO, Airlines UK
- Robert Windsor, CEO, British International Freight Association
- Richard Ballantyne, CEO, British Ports Association
- Jonathan Chatfield on behalf of Jacqueline Starr, CEO, Rail Delivery Group

Department for Transport senior official attendance

- Rosalind Wall, Co-Director, Motoring and Freight
- Haroona Chughtai, Co-Director, Motoring and Freight
- Mike Alcock, Deputy Director, Freight and Ports
- James Stagg, Deputy Director, Strategic Communications and External Affairs

Other government departments (OGDs) attendance

- Department for Levelling Up, Housing and Communities
- Department for Education

- Department for Work and Pensions
- Department for Business, Energy and Industrial Strategy

Actions

- 1) Freight Council to form a smaller sub-group to thresh out the details of an industry-led communications campaign to address skills shortage within the sector.
- 2) Present the refined communications campaign proposal to the Minister by the end of January 2022.

Readout

1. Welcome and introductions

Rosalind Wall opened the meeting on behalf of Minister Harrison (the Minister joined the meeting at 13:30). Introduction included outline of the agenda and high-level remarks in regard to actions taken to mitigate the HGV driver shortage and the need for Freight Council members to work together to promote the sector and attract new workers.

RW confirmed government support for an industry led communications campaign and highlighted that government is delivering some of the key components that will help the campaign achieve success, such as delivery of more lorry parking spaces.

2. Presentation from Logistics UK (LUK) on the communication campaign

David Wells (CEO, LUK) presented ideas for a communications campaign to help overcome the skills shortage and other challenges faced by the freight transport sector.

The concept was supported in principle by the Council. Members agreed to form a sub-group with wider membership in January 2022 to refine the proposal and finalise the details (e.g. scope, objectives and success metrics).

Summary of the proposal:

The concept is an industry-led, government-supported communications campaign which should:

- Comprise of a targeted, well-researched and effective set of promotion, communication, and practical experience activities to reset the image of the industry, achieve positive change and make it a more attractive employment option for those unaware of the sector.
- Focus on diverse opportunities across logistics not just driver and operational roles, but graduate and advanced roles in ports, retail, warehousing, rail, air, shipping, manufacturing, parcels as well as road.

- Identify and target potential employees most likely to be persuaded to join the industry.
- Break down the barriers about logistics across specific stakeholders and engage with political and policy decision makers and opinion formers who can support logistics nationally and locally.

If progressed, the campaign will be run in partnership with government and industry stakeholders across all freight modes. Its Steering Group will be the Freight Council who will also be delivery partners alongside others (e.g. trade association members).

3. Members' comments on the campaign

Kevin Richardson - Chartered Institute of Logistics and Transport UK (CILT UK)

- Supportive of the proposal. However, highlighted the need for employer engagement, CILT have previously struggled with this. Fundamental that employers contribute to the cost of a communications campaign.
- Flagged that the campaign must not duplicate existing employment schemes, including ones run by CILT. Also noted that there was an effort to set up a cross-government logistics profession.

Richard Ballantyne - British Ports Association (BPA)

- Supportive of the idea but echoed that the campaign must be targeted to avoid duplicating existing schemes.
- Suggested HMG involvement as an "honest broker", e.g. by helping with resource rather than funding [Rosalind confirmed that DfT resource has already been allocated to LUK to help support the development of the campaign].
- Proposed that it might be more effective to brand the campaign under freight rather than logistics. If logistics is chosen, explanation of what is meant by logistics will be necessary.

Robert Windsor – British International Freight Association (BIFA)

- Echoed comments about the need to clarify what is meant by logistics.
- Questioned whether the campaign will be purely domestic or international.
- Suggested the campaign have one umbrella with 2 or 3 sub-brands covering different areas.
- Confirmed that BIFA can support the proposal but only post clarification of what the campaign is trying to achieve.

Tim Morris – UK Major Ports Group (UKMPG)

- Broadly supportive. Highlighted that UKMPG are conducting a public poll to obtain information on general awareness of logistics, which can serve or support the broad aims of the campaign.
- Highlighted that this illustrates actions that Freight Council members can take to support the campaign without incurring financial cost.
- Agreed to share results of the poll with the group once concluded.

Amanda Francis - Association of International Courier and Express Services (AICES)

- Broadly supportive, albeit with the caveat that AICES cover international express, so the campaign needs to encompass international parcel movements.
- Would like to see the campaign drill down on why people do not want to join the sector, noting that young people don't like the 24/7 nature of the logistics sector or evening/night-time working patterns required by some jobs.
- Highlighted that positive PR can make a difference and showcase the many advantages of working in freight logistics (e.g. high pace, high tech and room for progression), but only if supported by the delivery of infrastructure/policy interventions which remove some of the barriers preventing people from joining the sector e.g. welfare issues stop women from becoming HGV drivers.
- Highlighted that PR alone cannot remedy the substantive issues.

Chris Seaton – UK Warehousing Association (UKWA)

- Broadly supportive but re-emphasised the point about avoiding duplication and stressed importance of relevant government departments involvement in the Freight Council Steering Group to push some of the initiatives within their policy remit (e.g. DfE – Skills).
- Confirmed that UKWA have shared a list of UKWA-led events happening next year which could be tied with the campaign.
- Highlighted the need to avoid confusing the marketplace by working collaboratively together.

The Minister joined the meeting and introduced herself as the new Chair of the group, replacing Rachel Maclean MP.

LUK outlined the headlines from the presentation, and RW provided a recap of members' comments.

The Minister (TH) expressed support for the campaign and emphasised the importance of having young people at the forefront of the campaign in the

interest of improving diversity within the sector and ensuring the campaign resonates with the people it intends to attract. TH also indicated that she would like to see the campaign showcase all the different careers available within freight and logistics (including internationally), rather than limit the scope to just HGV drivers.

Richard Ballantyne – BPA

- Reinforced earlier comments on the need for government support, even if it's resource rather than funding. Ministerial involvement also helpful for amplification.

The Minister agreed, noting that MPs are getting more involved in freight within their local areas and as amplifiers and communicators - local leaders, Ministers and MPs can bring significant advantage to the campaign by attending events. Agreed about the need for government to provide resource support and highlighted that this has already been given. Suggested that upskilling existing workforce should also be a component of the campaign through investment and retraining.

David Wells – LUK

- Agreed for the need to target young people but warned that the campaign should not lose sight of the need to secure more BAME and female employees. The demographic of the sector currently fails to represent the society it serves.
- Agreed that young people are enthusiastic and have new communications channels via social media – but Ministerial involvement is equally important to help shape public opinion.
- Highlighted the need for the campaign to align with the levelling up agenda by promoting upward mobility – i.e. young and ethnic minority workers should not only fill junior level positions.

The Minister agreed, noting that every other sector has a plan to attract more BAME employees and women to its workforce by seeking to remove unconscious bias from recruitment processes. Important for freight and logistics to do the same, which in part requires demystifying the sector and increasing public awareness of the opportunities available within the sector.

Haroona Chughtai – DfT

- Highlighted that the maritime sector has done a lot of work to improve diversity and offered to link Council members with key players to help establish synergies and examples of what has worked for the maritime sector.

Kevin Richardson – CILT

- Important for campaign to not only promote low-entry jobs. Businesses within the sector need remove arbitrary caps and put in place feasible paths for employees to work up to executive level.
- Important to bring organisations who have been doing this to the January workshop to help further refine the campaign.

The Minister asked for further clarification on the exact issues the sector is facing with the apprenticeship levy when the discussion steered toward wider challenges.

Chris Seaton – UKWA

- Apprenticeship levy is inflexible. Since 2017, transport and storage industry collectively paid £650 million and drawn down only 10%.
- Indicated that these numbers might not be up to date, but nevertheless illustrate the challenges.
- Industry has become a donor industry to other industries who are drawing down more.
- Mechanisms need to be put in place to enable industry to take on additional workers who want to join the sector as a result of the campaign.
- Need to make sure we have a good route and appropriate standards in place – apprenticeships need to work.

The Minister agreed to pick this up with her DfE counterpart.

Robert Windsor - BIFA

- Fragmentation of the sector exacerbates the challenges of coordinating the sector though a communications campaign.
- Emphasised the need for the campaign to target large and small businesses within the sector.

Shane Brennan – Cold Chain Federation – CCF

- Broadly supportive, but further discussion is necessary to agree exactly who the campaign is targeting. I.e. is it employers, government and influencers or the general public?

The Minister agreed, noting that an action plan is needed, and confirmed that the campaign has DfT Ministerial support, including the Secretary of State. She then reinforced her willingness encourage other Ministers to be involved in the campaign once a clear and targeted proposal is received from the Council with financial commitment evidenced by industry. A journey map was suggested to help determine when and how Ministerial involvement and intervention can be most useful and impactful.

TH emphasised that a resilient sector is fundamental to UK and for that we need a diverse and inclusive workforce – a fragile workforce comprised of only a sub-set of society present huge challenges. The Minister also referred to the Prime Minister's Ten-point plan, highlighting that a revolution is in the midst of planning for the future of transport.

LUK concluded the discussion by thanking group for broad support and agreeing to form a sub-group to hone down details (e.g. audience, scope, timing) and build into a costed proposal so members and government can understand return on investment.

4. Discussion on the emerging priorities of the Future of Freight (FoF) programme

DfT officials outlined the high-level outputs from engagement with industry and across Whitehall and emphasised that the plan is intended to be a collaboration between HMG and industry, thus making it important for the Council to influence the direction of the plan. The group discussed each output area in turn (Skills and People, Planning, Future Energy Mix and Infrastructure, Infrastructure Optimisation and Technology and Innovation).

Feedback from Council members:

- Outputs/headings are broadly right and cross-over with other Departmental priorities such as the Union Connectivity Review is apparent;
- One of the most notable achievements of the FoF programme is OGD involvement, which will be fundamental to the success of the strategic plan;
- Metrics, especially for planning aspects, will be important to define the problem and help measure success;
- The Planning section could be expanded to cover housing developments near airports (i.e. housing developments near airports lead to an increase in complaints despite the sector reducing night-time flying noise), but is otherwise a good summary of the challenges faced by the sector;
- The strategic freight corridors approach within the Infrastructure Optimisation heading was broadly supported from an infrastructure enhancement and increasing resilience perspective. Looking at the sector from a cross modal and holistic perspective from a resilience perspective was considered vital by members;
- Increasing the understanding of the value of freight was considered a key piece of work by some members and some reflected on how better understanding could have improved the delivery of other schemes (e.g. the Lower Thames Crossing);
- The data sharing objective was also supported and highlighted as a key FoF workstream to drive efficiency within the sector;

- Technology and Innovation was considered an important focus area and is the right sub-heading. Members did not think anything was missing but emphasised making sure adoption of technology is at the heart of this particular output. Members also commented on the significant investment awarded by government to academic institutions and pilot schemes, but the lack of clarity on how to improve SME access to this technology to drive adoption. Improving SME awareness on how to make the business case for adoption was considered key to making technology adoption feasible in the next few years; and
- The Infrastructure Optimisation and Future Energy Mix and Infrastructure heading were deemed confusing, but the actual split is broadly right in terms of outputs within each heading.

The Minister emphasised that the publication of the plan is not the final milestone and requested an action plan with listed actions and owners so the group can be held to account on progress and delivery. Officials confirmed that both government and industry are action owners. The Freight Council is a permanent forum that will steer the ongoing live discussion on issues pertaining to freight and maintain momentum to drive the necessary changes within the sector.