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The Chartered Institute of Logistics and Transport

CILT Driver Shortage Crisis

2022 Report

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Then and now...

In 2015, The Chartered Institute of Logistics and Transport (CILTUK) carried out an opinion survey looking at the driver shortage crisis.

Seven years later, we looked to review this matter again by launching a new survey.

The purpose of the survey was to gauge the opinions of industry members about the current driver shortage in both the movement of passengers and the movement of goods, through the CILT(UK) benchmarking clubs LogMark and BusMark.

The aim of this report is to establish a series of recommendations to fleet operators, industry and government, by examining the data and comparing it to the last report from 2015.

Please take a look at the results from the survey.

The questions...

1. Does your organisation move goods or people?
2. Is your organisation currently experiencing a driver shortage?
3. Do your drivers have overnight / away from base stops?
4. What methods are you using that are helping to deal with the driver shortage?
5. In 2021, in which geographical regions did your organisation experience a driver shortage?
6. On average, what is your driver staff turnover as a percentage (%)?
7. Has your organisation been unable to cover driving work, on any occasions, between July 2021 and June 2022?
8. What is the average age of your drivers?
9. Does your organisation get involved with developing and employing ex-armed forces drivers?
10. Is your organisation currently recruiting any trainee drivers?
11. Does your organisation finance or provide any of the following training?
12. What factors do you think are responsible for the driver shortage?
13. Do you think the government are doing enough to highlight and deal with the driver shortage issue?
14. What do you think the government should do to highlight and deal with the driver shortage issue?
15. What can the industry do to attract more drivers?
16. On a scale of 1-10 (10 being very worried and 1 being not worried at all) how worried are you about negative business impact due to the shortage of drivers?

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Key findings…

1. **Does your organisation move goods or people?**

Goods: 55%

People: 45%

In comparison, the results from 2015 showed the following:

Goods: 87%

People: 13%

2. **Is your organisation currently experiencing a driver shortage?**

64%, of those moving goods, said that they we experiencing a driver shortage, while 95%, of those moving passengers, were experiencing the issue.

Yes
78%

No
22%

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3. **Do your drivers have overnight / away from base stops?**

In comparison, the 2015 data indicated that 60% had overnight stops and 40% did not. This years results indicate a significant decrease which could have an impact on recruiting new drivers in to the industry.

4. **What methods are you using that are helping to deal with the driver shortage? (Select all that apply)**

Sub-contractors: 38% **Advertising: 68%**

Freelance drivers: 20% **Improved terms & conditions: 44%**

Demand planning and Scheduling: 52% **MoD leavers: 16%**

European drivers: 10% **Staff development: 50%**

Increased pay: 76% **Employment agencies: 50%**

Staff engagement: 60% **Apprenticeships: 22%** Other: 10%

"Other" methods included:

- **Rehabilitation of offenders**
- **Reliance on extensive networks**

The top 3, from 2015, were:

1. **Staff development**
2. **Employment agencies**
3. **Demand planning**

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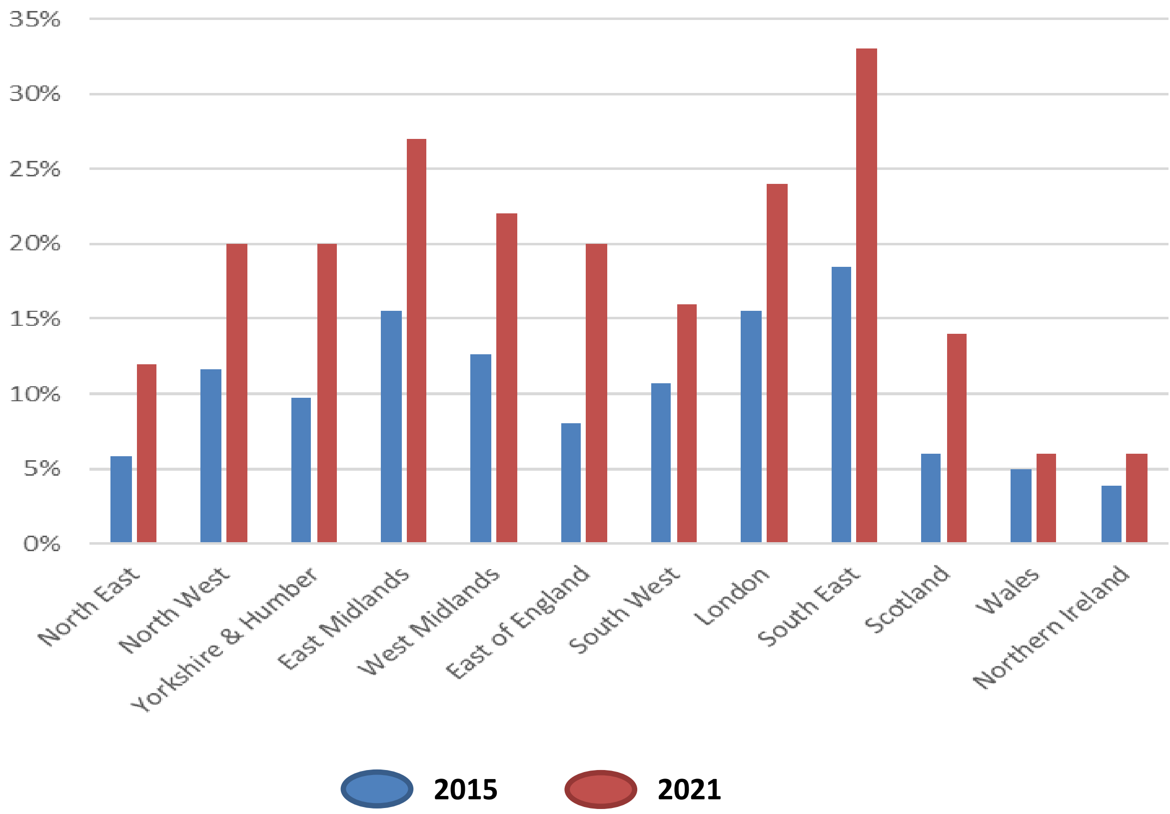
5. In 2021, in which geographical regions did your organisation experience a driver shortage?



6. On average, what is your driver staff turnover as a percentage (%)?

	Total	Goods	Passenger
Highest:	45%	25%	45%
Lowest:	2%	2%	3%
Average:	13%	9%	17%
Median:	10%	10%	15%

***NOTE: The 2015 AVARAGE (total) was 11%**

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7. **Has your organisation been unable to cover driving work, on any occasions, between July 2021 and June 2022?**

YES 80%

NO 20%

Broken down by sector, this equates to:

Passenger movement:

Yes – 96% **No – 4%**

Goods movement:

Yes – 64% **No – 36%**

8. **What is the average age of your drivers?**

2015 Average: 47 years old

2022 Average: 51 years old

Goods Average: 50.5 years old

People Average: 51.5 years old

9. **Does your organisation get involved with developing and employing ex-armed forces drivers?**

YES: 39%   NO: 61%

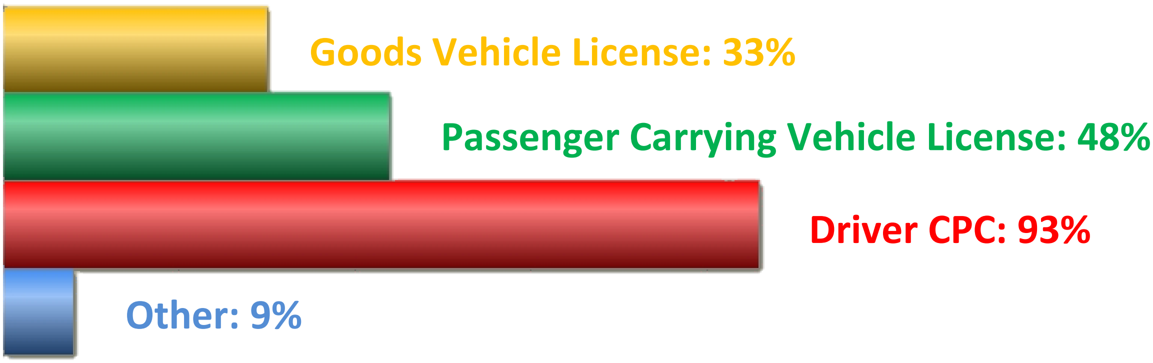
10. Is your organisation currently recruiting any trainee drivers?

In 2022, 51% of participants indicated that they are currently recruiting trainee drivers. 49% said that they weren't currently doing this.

The data below shows this total broken down by sector:

- **People movement: 30.5% of participants are currently recruiting trainee drivers, whereas 69.5% are not currently recruiting.**
- **Goods movement: 46.5% of participants are currently recruiting trainee drivers, but 53.5% are not.**

11. Does your organisation finance or provide any of the following training?



"Other" answers included the following.

Goods movement:
- **License renewals**
- **Medical**
- **Forklift training**

People movement:
- **Conductor training**
- **CPC refresher**

With regards to the driver CPC training, this breaks down 91%, of passenger movement participants saying that they provide this training.

Of those that move goods, 79% said that they provide this training.

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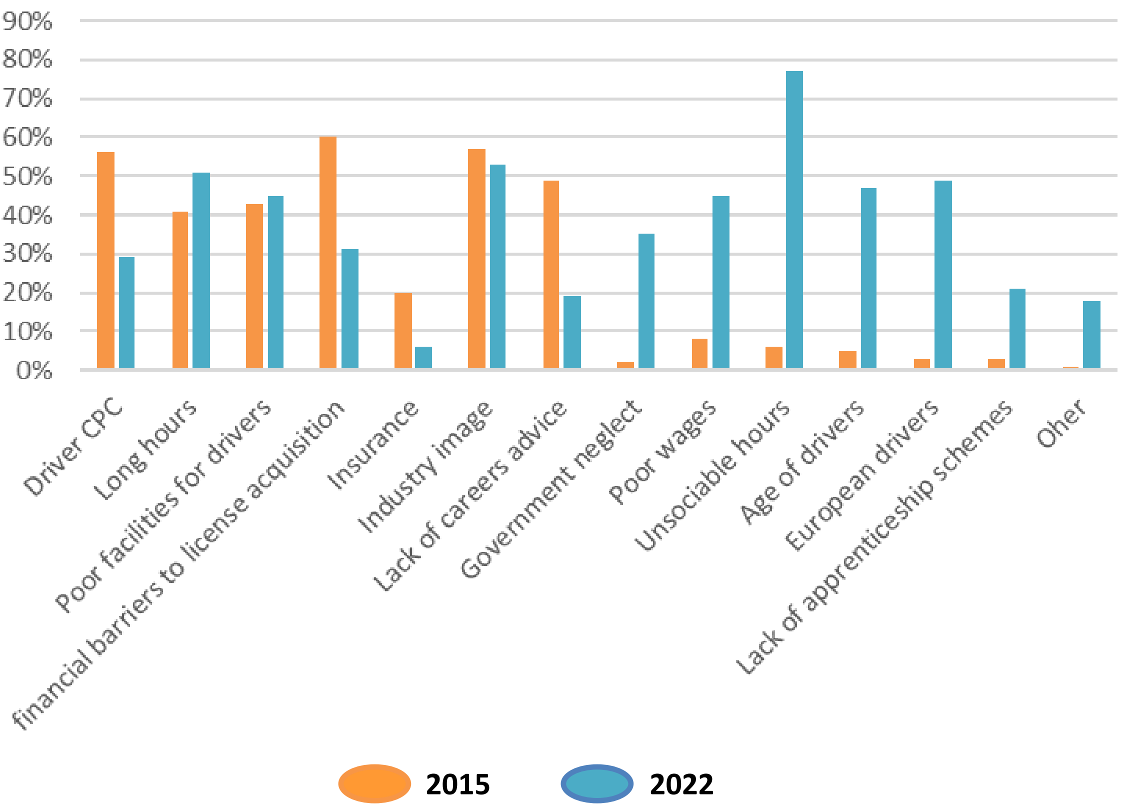
12. What factors do you think are responsible for the driver shortage?



"Other" responses include:

- **We do find that younger drivers are less inclined to want to work hard or go the extra mile. Many seem to want minimum work for more money, its difficult to recruit when weekends are involved, quality of life is now more important**
- **Lack of ability to provide flexible/home working**
- **Poor road network, congestion, road traffic fines, the way that they are treated at work**
- **Work Life balance**
- **Drivers work split shifts/layover**
- **Due to age restrictions it is a secondary career choice, not usually considered by school leavers**
- **No special status for immigration**
- **I think companies on a whole do not care about their drivers. I see drivers on services that look tired and low on morale and look generally untidy and unhealthy.**

13. Do you think the government are doing enough to highlight and deal with the driver shortage issue?

YES: 8%   NO: 92%

In comparison, the 2015 report indicated that 11% thought that government were doing enough, with 89% saying that they were not doing enough to deal with the issue.

14. What do you think the government should do to highlight and deal with the driver shortage issue?

	2022	2015
Improve industry image:	73%	16%
Improved funding:	67%	24%
Engagement with government bodies:	51%	17%
Support staff development:	41%	13%
Apprenticeships:	27%	7%
Increased pay:	24%	5%
Improved terms & conditions:	20%	15%
MoD leavers:	20%	2%
Staff engagement:	12%	1%
Demand planning and Scheduling:	6%	1%
Freelance drivers:	4%	1%
Sub-contractors:	2%	1%

NOTE: The top 3, from 2015 are still the top 3 for 2022.

"Other" suggestions included:

- Improved facilities especially secure parking
- Improve and increase the rest facilities urgently
- Invest in schemes that enable us to be more efficient or attractive, e.g. bus priority measures, ticketing technology, etc
- Provide special status for immigration
- Speed up license process.

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15. What can the industry do to attract more drivers?

	2022	2015
Improve industry image:	73%	30%
Improved terms & conditions:	71%	31%
Support staff development:	65%	8%
Staff engagement:	63%	2%
Increased pay:	57%	16%
Apprenticeships:	43%	11%
Engagement with government bodies:	43%	10%
Improved funding:	39%	18%
Demand planning and Scheduling:	20%	3%
MoD leavers:	18%	3%
Freelance drivers:	4%	1%
Sub-contractors:	4%	1%

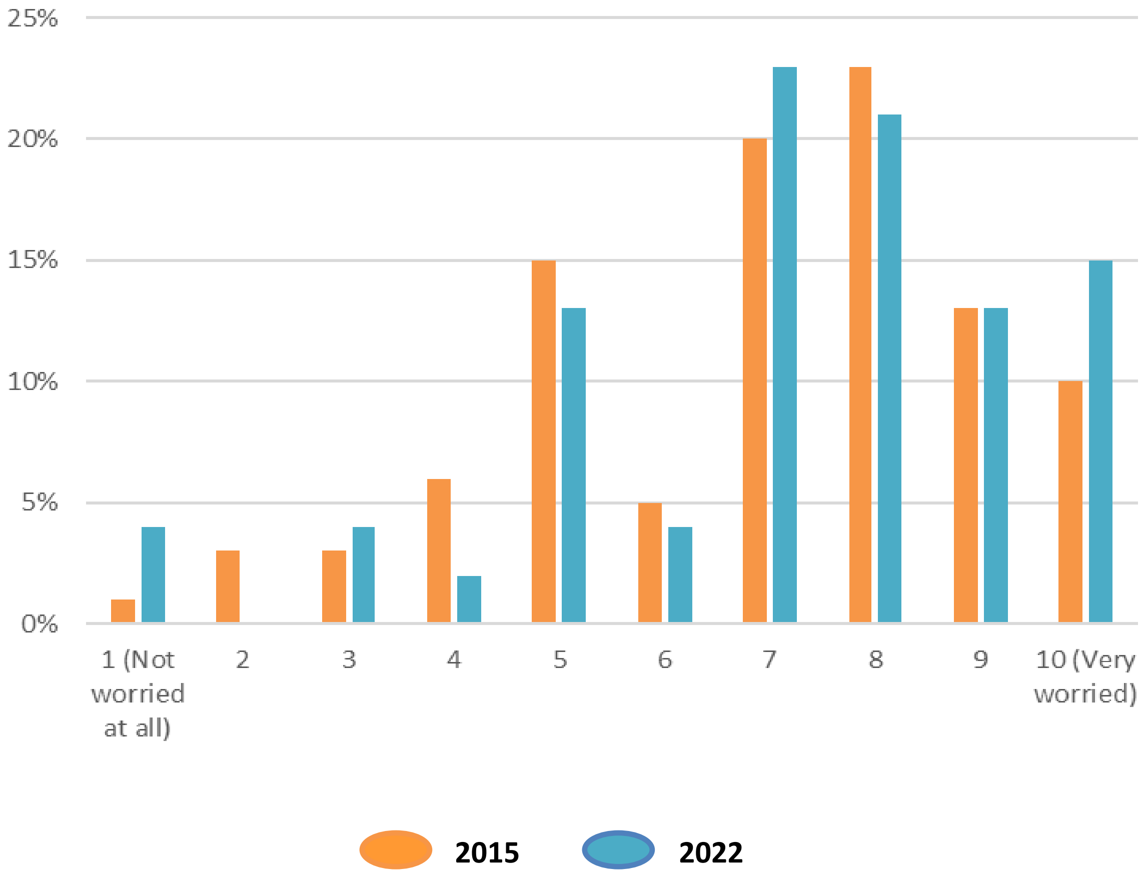
"Other" suggestions included:

- **Provide or lobby for better facilities and secure parking as a minimum to encourage more women to take up driving**

It should also be noted that the top 2 in 2015 are still the top 2 for 2022.

Although they are reversed, this still shows that the need to improve the industry image, as well as improving terms and conditions, are still the top priorities for those involved in the profession.

16. On a scale of 1-10 (10 being very worried and 1 being not worried at all) how worried are you about negative business impact due to the shortage of drivers?



The data above indicates that while there have been some minor changes, in the past 7 years, the top 2 remain the same.

There is still a big concern about the situation going forward and how it will impact businesses and what operational problems will be created.

Summary…

Goods movement

The lack of lorry drivers has been a problem for many years with younger generations avoiding the occupation due to the industry image and a lack of careers guidance, towards the transport sector, from schools.
73% said that the industry image was something that both the government and the industry should focus on as a top priority. In addition, 64% of those moving goods are currently experiencing issues with driver shortage, with the average age of drivers now over 50 years of age.

As a result the logistics industry is having a hard time finding new drivers.

The report highlights that there has been an increase in shortage within every part of the UK. Areas including the North East, Yorkshire & Humber, East of England and Scotland have, in some cases, more than doubled since 2015.

HGV work can be difficult. The job can include long / unsociable hours (this is has the biggest increase as an issue within this years report), with mental health challenges coming from isolation and loneliness.
It is also well documented that roadside facilities and depots can be extremely poor, with 45% saying that this is a big issue.
In addition, there is also the pressure of the job with drivers having a lot of responsibility to pass health checks, CPC's (which need to be retained) and licences. From a young persons point of view, a role in retail or an office environment may be more appealing. This has also reflected in the retention of drivers, with the highest staff turnover in goods movement being 25%.

Mark Bentley, Senior Lecturer in Supply Chain Management at Anglia Ruskin University, says *"There is also an undercurrent of dissatisfaction of drivers in how they are treated (i.e. spoken to and interacted with) by Traffic Office staff. There are instances of where agency drivers, in particular, avoid working for some companies where they are not treated with respect in their interaction with Traffic Office operations. Training of Transport Office staff and demanding a more customer approach for driver interactions is something that needs to be considered."*

A further concern is that 64% of goods movers have been unable to cover driving work in the past year.
With the ever increasing demand of next day and even same day deliveries, this will undoubtedly raise the cost of delivery services even further.

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While many agree that the work life balance is a key issue, others have stated that there are challenges with age restrictions and because of this it is a secondary career choice.

92% of participants stated that the government are not doing anywhere near enough to deal with the driver shortage issue. 51% said that there should be more opportunity for engagement with government bodies, 67% said that there should be improved funding and 73% said that the government should be looking at improving the image of the industry. Equally, 73% also said that the industry itself should work on improving the image. Perhaps this should be done in a collaborative way.

71% of participants believe that the industry should improve its terms and conditions.

Regarding this, Mark Bentley said *"Terms and conditions are noted in the report as continuing to be an issue. In employment terms these are referred to as "hygiene factors" and are imperative to recruiting and retaining employees. There are still a number of employers who are not seriously engaged with such issues. I appreciate it is extremely tough economically in running road haulage operations but there can be no compromise in not paying a good rate of pay and providing good terms and conditions."*

The ongoing issue, and the potential for negative business impact, remains of great concern to those moving goods. In question 16 we can see that there has been minimal change with most saying that their concern was on a level of 7-8 out of 10. However, those who are very worried have increased by 50%.

Passenger movement

The following observations and suggestions relate to the Passenger Transport results, with informed comments from Austin Birks FCILT, Chair of BusMark and CILT(UK) Bus & Coach Forum, along with points raised at the meeting.

In comparison to the previous survey, this report enjoys a more even spread between Freight and Passenger responses, reflecting BusMark's growth since 2015.

A staggering 95% of Passenger Operator respondents have a driver shortage problem (compared to 64% of Freight), whilst The International Road Transport Union (IRU) has reported 7% of bus & coach driver positions were unfilled across Europe in 2021, and likely to reach 8% in 2022.

The UK average employee turnover rate is around 15% so the passenger response average of 17% reinforces the problem of retention, with one operator losing nearly half of its drivers in just one year! Is this suggesting that professional drivers are not just retiring, but voluntarily leaving the industry, and/or are dual PCV/LGV licence holders leaving passenger to go to work in the traditionally higher-paid sector of Freight?

Another startling find is that 96% of passenger responses confirm they have been unable to cover driving work at some point in the reporting period. Economics aside, passenger operators could be called to account by the Traffic Commissioners if scheduled services fail to operate, and could lose their operator licence.

We find the average passenger driver age is 51.5 years, slightly older than an IRU report showing an average Bus & Coach driver age, across Europe, of 50, which also showed women bus & coach drivers representing 12% and young drivers (under 25) accounting for just 3%. So is a Bus & Coach driving career still only attractive to predominately male, ageing baby boomers rather than millennials? Operator finance of PCV driver licence acquisition training is at nearly 50%, but should funding support on the cost of driver medicals be offered more freely? As Austin notes, Aspire, the CILT(UK) Charity has, on occasion supported people to get a licence but this is rare, and is something that can be explored further.

It is interesting that MOD Leavers, as a recruitment solution to be highlighted by Government, has increased from the 2% of 2015 to 20% now. The meeting found that, whilst a healthy number of service leavers (particularly RAF) were PCV holders, the Bus & Coach industry are not utilising this source as much as they could do.

Whilst service leavers will be highly trained drivers, they generally do not have Driver CPC accreditation, which is problematic for potential operator recruiters in providing on-road driving assessments, and the MOD attendees committed to seeking inclusion of DCPC in their future training programmes.

Some BusMark members are holding employment open days, or parking a bus in a town centre for recruitment purposes as well as advising on tickets and service changes. If we are about collaboration between BusMark and LogMark members, is it feasible for similar promotional events to happen featuring a bus and a truck, jointly promoting driving careers?
Driver employee ambassadors reaching out to the local community are increasing, and can members be more pro-active in gaining PR profile in local press? Should driver retention loyalty bonuses be introduced, as well as increasing friend/family referral schemes to attract new drivers.

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Final thoughts…

From the report we can see that the situation is certainly not improving, so what can be done?

During our report review meeting, a number of ideas were suggested with many agreeing that the industry image needs to change. The industry needs to look at this internally by working with schools / colleges to promote the industry. Many participants get involved with careers fairs and hold open days.
Industry supporters, like CILT(UK), could do more by offering more careers advice within schools and colleges, promoting the benefits of the industry and facilitating working groups with government, academia and industry leaders.

Another option is to work closer with MoD and their leavers. The survey results show that only 39% of participants do this and the MoD staff are trained to a high level in many areas.
Organisations, such as the British Forces Resettlement Services (BFRS) and Veterans into Logistics, offer direct links to ex-forces staff and companies should consider engaging with them to promote roles that may be available.

Mark Bentley, said *"These solutions are within the current remit of operators themselves. Funding, as an example, is already available through subsidies for apprenticeships (95% for non-levy organisations) along with Bootcamp funding from the government."*

We see STAFF ENGAGEMENT, ADVERTISING and top of the list, PAY, as the most popular methods of seeking and retaining drivers. Appointment of European drivers has reduced greatly since Brexit and presents a compelling case to seek special exemptions across the transport sector, especially as the number of unemployed people per vacancy has fallen to a record low of 0.9, so more positions available within UK PLC than there are available people!

Competition for recruits with other industries is fierce, and some operators are showing greater flexibility in assessing applicants' driver licence points on a case-by-case basis.

Across BusMark and LogMark, over 60% are not actively seeking to engage MOD service leavers. Is this, in part, because operators don't know how to engage with the military, or organisations that seek to find leavers employment post-service? We also find that just 30.5% of Passenger respondents are currently recruiting trainee drivers, compared to 46.5% of Freight participants.

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The report finds that the main reasons for Passenger and Freight driver shortages, Brexit aside, are UNSOCIABLE HOURS, POOR INDUSTRY IMAGE, LONG HOURS, SUB-STANDARD FACILITIES & POOR WAGES. If these factors, as well as the 'other' responses, show the reality of professional driving, does this explain why the shortage may be a generation issue, who require a different work/life balance than in days gone by? If it's even just their perception of a professional driving career, then many potential recruits are not giving the industry a second thought as it stands.

Up from 2015's 89% to today's 92% of respondents believing that Government isn't doing enough to help. Whilst the Government-backed Generation Logistics initiative seeks to promote careers in the Logistics sector, but bearing in mind the Bus & Coach driver plight, we are keen to see a similar initiative for Passenger Transport careers launched as soon as possible.

Members believe the best way to attract drivers is to IMPROVE INDUSTRY IMAGE and, IMPROVE DRIVER TERMS & CONDITIONS, particularly when compared to entering other occupations, such as Retail, where entrants do not undertake medicals and eye-sight tests.

Perceptions have to change, and professional driving should be seen as an aspirational, highly-responsible career of choice.

When we look at the final question on scale of worry, the only surprise here is that the most common level of 7-8 remains similar to 2015, rather than being at 9-10. As Austin concludes, the industry should be worried but not to despair, believing that a Busmark/Logmark working group should use this data to plan our future efforts, which we can all get behind, champion and engage with The Institute's policy groups (Bus & Coach / Freight & Logistics), the General Public and Government.

In conclusion, this issue isn't going to disappear anytime soon, but neither are we and we would love to hear your feedback and further suggestions for improving this ongoing issue.

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Thanks to all of our LogMark and BusMark members and to the other organisations that took part in this survey.

For further information on [LogMark, BusMark] or [Corporate Membership], please contact:

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